	CITY OF COFFEYVILLE **BOARD OF COMMISSIONERS AGENDA ITEM**	
MEETING DATE	February 25, 2014	
RESOLUTION OR ORDINANCE NUMBER	R-13-14	
AGENDA TITLE	**A RESOLUTION ESTABLISHING A PROCUREMENT CARD PROGRAM WITH UMB BANK, N.A., AND NAMING THE FINANCE DIRECTOR AS THE DESIGNATED OFFICIAL RESPONSIBLE FOR ADMINISTERING THE PROGRAM.**	
REQUESTING DEPARTMENT	Finance Department	
PRESENTER	Stephanie A. Richardson, Finance Director	
FISCAL INFORMATION	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	[ ] Yes [X] No
PURPOSE	To establish a procurement card program for the City of Coffeyville and name a designated official as required by UMB Bank.	

BACKGROUND	City staff has been discussing the need for a Procurement Card Program as a result of increasing difficulty in making travel arrangements and various online purchases using our current procurement methods. Staff attempts to secure hotel accommodations where the city has established accounts that will bill the city directly. Many hotels will no longer establish accounts or bill the city for hotel stays. Attempts have been made to use the city's PayPal account to secure rooms, but even that has proven difficult in several situations. In those instances, staff has put travel costs on their personal credit cards to later be reimbursed by the city. Many departments are using the internet to price and secure items for their operations and do not have a way to purchase those items without using their own personal cards or contacting IT to purchase through the PayPal account.
SPECIAL NOTES	N/A

ANALYSIS	The Finance Department contacted several other communities to determine what purchasing methods they use along with what procurement card companies offered these services. Staff also checked with the State of Kansas to determine who currently has the state contract and found UMB Bank, N.A. currently has that contract. UMB Bank, N.A. was contacted and the determination was made to use this company based on the services they offer, the rebates available to the city and the fact they have the state contract. Staff would like to start this program with a limited number of cards available to leadership staff only. The intent would be if staff has travel request needs or online purchases, the department head's card could be used for those purposes. Reconciliations of card activity will be required prior to each accounts payable process to ensure we are maintaining prompt payment and proper review of all procurement card transactions are taking place in a timely manner. UMB Bank, N.A. has provided us with a Purchasing Card Agreement along with the resolution being presented in order to establish this program. They are requesting we name a Designated Officer to administer the program. This person would be responsible for requesting cards be issued, designating persons authorized to use cards, requesting any changes to credit limits or purchasing controls and requesting termination of cards. Staff is recommending the Finance Director be named as that Designated Officer.
PUBLIC INFORMATION PROCESS	N/A
BOARD OR COMMISSION RECOMMENDATION	N/A
STAFF RECOMMENDATION	Staff recommends approval of this resolution.
REFERENCE DOCUMENTS ATTACHED	UMB Bank, N.A. Purchasing Card Agreement Organization Resolution and Agreement for Credit Card Program

RESOLUTION NO. R-14-14

A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH UMB BANK FOR A PROCUREMENT CARD PROGRAM FOR THE CITY OF COFFEYVILLE AND TO AUTHORIZE THE FINANCE DIRECTOR AS THE DESIGNATED OFFICER FOR THE CITY OF COFFEYVILLE.

WHEREAS, the City of Coffeyville has implemented a Procurement Card Policy to establish a more convenient, efficient and cost-effective method of purchasing through the use of credit cards; and

WHEREAS, the City desires to engage the services of UMB Bank for a Purchasing Card Program; and

WHEREAS, the City use of purchasing cards will be governed by the Procurement Card Policy;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas, that the Mayor be authorized to execute a Cardholder Agreement with UMB Bank for the Procurement Card Program, and the Finance Director be authorized as the Designated Officer to administer the program for the City of Coffeyville.

Adopted this 25th day of February, 2014.

_____
David George, Mayor

ATTEST:

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
Paul Kritz, City Attorney

ORGANIZATION RESOLUTION AND AGREEMENT FOR CREDIT CARD PROGRAM

_____, who is the undersigned Recordkeeper for _____ _____, (the *"Organization"*), a _____ *(type of entity)* organized under the laws of _____ (*state*), does hereby certify:

1. That he/she is the Secretary or Assistant Secretary, or an officer, partner, owner, principal, manager, member or other person having lawful custody of the official records of the above Organization (the "*Recordkeeper"*) and is authorized to provide this document to UMB Bank, n.a. (*"Bank"*).

2. That at a meeting of the governing body of the Organization duly held on _____ (*date)* and at which a quorum was present and acting throughout, or pursuant to the unanimous written consent of its members, the following Resolution and Agreement was duly adopted and approved and is currently in full force and effect, and has not been amended or rescinded:

RESOLVED, that a credit card authority for this Organization be established by the Designated Officer named in the section immediately below with UMB Bank, n.a., and that separate accounts and credit cards ("Cards") under said authority be opened and issued by Bank in the name of this Organization for use by employees and agents of this Organization who are identified from time to time by the Designated Officer, or by any successor to the Designated Officer identified from time to time by the Recordkeeper (or by the successor to the Recordkeeper), and that the Organization authorizes the use of the Cards in accordance with the Cardholder Agreement that is sent by Bank with the Cards; and

RESOLVED FURTHER, that _____ is the Designated Officer referred to in the above section of this Resolution, and that the Designated Officer or any successor to the Designate Officer designated in writing by the Recordkeeper (or by a successor Recordkeeper) may from time to time: request that Cards be issued in the name of this Organization; request that the credit limits and purchase controls be changed on existing Cards issued in the name of this Organization; designate additional persons authorized to use Cards issued by Bank in the name of this Organization; request termination of use of existing Cards; and communicate other pertinent information to Bank; and

RESOLVED FURTHER, that the forgoing resolution shall remain in full force and effect until written notice of an amendment or rescission thereof is delivered to and receipted for by Bank; and

RESOLVED FURTHER, that the Recordkeeper be and he/she is hereby authorized and directed to certify to Bank this resolution and that the Recordkeeper signing this Resolution and Agreement or any person designated in writing by the Recordkeeper, is authorized to certify to the Bank the names and signatures of persons authorized to act on behalf of the Organization under the foregoing Resolution and Agreement, and from time to time hereafter, as additions to or changes in the identity of said Recordkeeper are made, such Recordkeeper or designee shall immediately report, furnish and certify such changes to the Bank, and shall submit to Bank a new incumbency certificate or other document reflecting such changes in order to make such changes effective; and

RESOLVED FURTHER, that the foregoing resolution was adopted in accordance with the governing documents of the Organization, and that such resolution is now in full force and effect.

IN WITNESS WHEREOF, the undersigned Recordkeeper has subscribed his or her name and, if appropriate or required, applied the seal of the Organization to this Resolution and Agreement as of this____day of _____, _____.

RECORDKEEPER **Signature by Secretary, Assistant Secretary, or other Person certifying to this Resolution and Agreement**	**ADDITIONAL OFFICER** **Signature by Second Person, certifying to incumbency of Recordkeeper**
_____	_____
Signature Name: Title:	Signature Name: Title:

Affix Seal, if required by Organization's governing documents.

Additional Signatures of Members, Partners or Other Required Persons

The undersigned persons, being Members, General Partners, or other persons required under the governing documents of the foregoing Organization Resolution and Agreement for Credit Card Program, hereby consent to the adoption thereof.

Signature Name: Title:	Signature Name: Title:
Signature Name: Title:	Signature Name: Title:
Signature Name: Title:	Signature Name: Title:
Signature Name: Title:	Signature Name: Title:

Guidelines for Completion for Customers that are U.S. legal entities:

- Corporation: The Recordkeeper signing above should be the corporate secretary or assistant secretary. The second person may be the Chairman, President, CEO, a Board member, the Treasurer or the CFO.

- Partnership, Limited Liability Partnership, Limited Liability Company, or Sole Proprietor: All general partners, all members, or the sole proprietor must sign this form, unless Organization's governing documents specify that a manager, managing general partner or other person may act. In any event, a second general partner or member must sign in the second place. Sole proprietors do not require a second signature.

- Governmental Entity: The Treasurer must sign in the first place, unless the Organization's charter specifies otherwise. The entity's Chairperson, Vice Chairperson, or Counsel must sign in the second place.

PURCHASING CARD AGREEMENT

DRAFT

THIS AGREEMENT, made and entered into this 5th day of February, 2014, by and between the CITY OF COFFEYVILLE ("City") , and UMB BANK, n.a., Kansas City, Missouri ("UMB")

WHEREAS, City requested information from UMB, a firm qualified and interested in designing, developing and implementing business procurement card programs for the City and performing related services in connection therewith (said programs and services collectively hereinafter referred to as a "Purchasing Card Program") that will support the business processes currently utilized by the City; and

WHEREAS, following review and evaluation of the information received by the CITY from UMB, the CITY desires to engage the services of UMB for a Purchasing Card Program as a cooperative governmental participant in the terms and conditions of the Contract negotiated by the State of Kansas and UMB Bank.

WHEREAS, following review and evaluation of the information received by City from UMB, City desires to engage the services of UMB; and

WHEREAS, UMB represents that it is duly qualified, licensed and experienced to provide City with such services and is willing to provide the same in accordance with and subject to the terms and conditions of this Agreement; and

WHEREAS, the City and UMB hereby agree to accept the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the above and foregoing recitals, the mutual promises and covenants hereinafter given, and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I
Engagement of UMB for Services

1.1 City hereby engages the services of UMB for the purpose of designing, developing and implementing a Purchasing Card Program for the City that will support the procurement processes being utilized by the personnel of the City as of the effective date of this Agreement, and UMB hereby agrees to provide the City with such services in accordance with and subject to the terms and conditions of this Agreement.

ARTICLE II
Description And Delivery Of Services To Be Provided

2.1 The City will designate a Purchasing Card Program Administrator as defined in Section 12.2 of this Agreement. The Purchasing Card Program Administrator will determine how each card is issued and used, consistent with the terms of this Agreement, and UMB may rely on any instructions received from the Purchasing Card Program Administrator. The Purchasing Card Program Administrator may establish and request changes to purchase controls and information in an individual's Cardholder account. Such controls and information may include, but are not limited to: expenditure limits (cycle limits) for each purchasing Card issued ("Card"), transaction limits, purchase restrictions, the names in which Cards may be issued (each individual in whose name a Card is issued is a "Cardholder"), Cardholder billing address or telephone number and

termination or non-renewal of a Cardholder's account. The Cardholder and/or the Purchasing Card Administrator will immediately report lost or stolen Cards to UMB.

2.2 UMB will make available the types of controls and features for City's Purchasing Card Program which are normally accepted as the banking "industry standard" for Purchasing Cards and which will meet the business needs of City. Such controls and features include, but are not limited to the following:

(a) Single dollar transaction limitations for each Card.
(b) Transaction authorizations per day limit for each Card
(c) Transaction authorizations per cycle limit for each Card
(d) Total transaction dollars per cycle limit for each Card
(e) Vendor category (SIC/MCC) blocking/de-blocking for each Card
(f) Cash advance prohibition
(g) Individual and Consolidated Billing Statements
(h) Standard paper management reports
(i) Optional personal computer-based management reporting

ARTICLE III
Cardholder Accounts and Payments

3.1 City acknowledges that all Cards issued for this Program are the property of UMB and must be surrendered to UMB upon request.

3.2 City will make every effort to inform Cardholders of the proper usage of the Cards and will use reasonable efforts to ensure its Cardholders abide by restrictions, limitations, and policies that are applicable to their accounts, and will promptly notify UMB of lost or stolen Cards.

3.3 City agrees to pay UMB for all transactions entered into by its employees pursuant to the terms of this Agreement and billed on a periodic monthly statement(s) by the next billing date or within 30 days of the billing date of the monthly periodic statement(s), whichever is earlier, irrespective of when or whether the goods or services purchased were received or accepted. Payment of the entire monthly statement balance in full, less any billing error disputes, will be due each month. Payments made later than 60 (sixty) days past the due date may at UMB's option result in temporary suspension of account purchasing capability, cancellation of accounts, and billing of interest and penalties. Unless expressly otherwise agreed to in writing by UMB, the maximum period of time covered by a billing period shall be one month.

3.4 City will not have liability for unauthorized use which occurs after proper notification to UMB that a Card was lost or stolen; provided, however, that City shall be liable for unauthorized usage unless (1) City or the Cardholder made a good faith attempt to protect the Card from loss or theft and (2) notification was made to UMB as soon as City was aware of the loss or theft. UMB Bank will make a good faith attempt to notify the City of any suspicious account activity and unusual activity that may lead UMB Bank to believe that unauthorized use of a card is occurring or has occurred. City, through its Purchasing Card Administrator will designate certain controls which will determine how each Card may be used and UMB will make reasonable efforts to ensure compliance with the controls. City shall be liable for all Purchasing Card Program transactions made by its authorized employees; provided, however, UMB may waive City's liability for transactions made by authorized employees outside City's program limitations and policies if (and only to the extent that) such transactions (and the liability relating thereto) constitute "Waivable Charges" under the Visa Corporate Liability Waiver Program, a copy of which is included in this Agreement as Attachment A.

ARTICLE IV
Term

4.1 The initial term of this Agreement shall commence on the Effective Date and shall continue for (1) one calendar year. At the conclusion of the initial term or at the conclusion of any successive term, this agreement shall be extended by an additional (1) one-year term upon the same terms and conditions, unless otherwise modified by written agreement of the parties or notification of non-renewal is provided by either party at least 30 days prior to the termination of the initial term or any renewal term, or unless this Agreement is otherwise terminated in accordance with another provision hereof.

ARTICLE V
Nature and Scope of Services

5.1 UMB shall perform all duties and responsibilities necessary to provide City with a high level of quality of services and under the requirements of this Agreement. UMB shall use its best efforts to comply with all applicable local, state and federal laws and regulations in providing services pursuant to this Agreement.

5.2 The "Basic Services" shall include those services that are consistent with and correspond to the representations UMB made to City in its Proposals. Additional services may be provided by UMB to City upon the terms set forth in a written request and by mutual agreement. UMB shall use its best efforts to comply with all applicable local, state and federal laws and regulations in providing services pursuant to this Agreement.

ARTICLE VI
Compensation and Expenses

6.1 No annual fees, transaction fees or other related costs, including, but not limited to, labor, expenses, subsistence or transportation, shall be assessed against or charged to City by UMB for Basic Services rendered by UMB under and during the term of this Agreement. Fees or charges, interchange fees or other sums received by UMB from parties other than City as a result of transactions associated with the Purchasing Card Program shall remain the sole right and property of UMB.

6.2 Revenue sharing on qualified net sales shall be as set forth in Exhibit B attached hereto. The terms of the rebate will be considered confidential except as the City of Coffeyville is required to disclose the terms of Exhibit B in order to comply with applicable law.

6.3 Should UMB be requested to provide additional services for the City relative to and in connection with the purpose and requirements of this Agreement, UMB shall be compensated for such services rendered and expenses reasonably incurred in the amount and rates mutually agreed to by the City and UMB.

ARTICLE VII
Assignment

7.1 UMB may assign, transfer, convey, or otherwise dispose of this Agreement or any of its rights and obligations hereunder without the prior written consent of City, but in no event shall such assignment, transfer, conveyance or disposition relieve UMB from liability for performance of its obligations under the terms of this Agreement.

7.2 If UMB provides certain of the Purchasing Card Program services through one or more subcontractors, such subcontractors shall at all times remain under the direction and control of UMB and not the City, and UMB shall remain fully liable to the

City for the proper discharge of all the services required hereunder regardless of by whom they are performed.

ARTICLE VIII
Agreement Status

8.1 This Agreement is and shall be deemed an independent contract for services and UMB and all persons providing services on behalf of UMB under this Agreement, shall be deemed independent contractors and shall not be deemed under any circumstances employees of the City.

8.2 UMB accepts full responsibility for payment of unemployment insurance, workers compensation insurance and social security taxes as well as all income tax deductions and other taxes or payroll deductions required by law for its employees engaged in the performance of work under this Agreement.

ARTICLE IX
Amendment

9.1 This Agreement may be amended by supplemental writing mutually agreed to and executed by duly authorized representatives of the parties hereto.

ARTICLE X
Waiver of Breach

10.1 The waiver by any party hereto of a breach of any of the provisions of this Agreement shall not operate or be construed as a waiver of any prior or subsequent breach. Any waiver shall be in writing and any forbearance or indulgence in any other form or manner by either party shall not constitute a waiver. Until complete performance or satisfaction of all provisions of this Agreement, the other party shall have the right to invoke any remedy available under law or equity, notwithstanding any such forbearance or indulgence.

ARTICLE XI
Termination

11.1 Either party may terminate this Agreement if the other party has breached or violated any of the terms and conditions of this Agreement and fails to cure such failure within the stated period of time for cure after being notified of the same by the non-breaching party. On determination by either party that the other party has committed a breach or violation of this Agreement, the non-breaching party shall notify the other party in writing of the failure, giving the other party thirty (30) days to cure such breach. Should the other party fail to cure such breach, the non-breaching party shall then have the right to terminate this Agreement for cause by giving written notice to the other party of such termination and stating the effective date of such termination. The repeated failure of City to promptly pay any amounts billed by and due to UMB shall constitute a breach for which only one notice and right to cure need to be given in order to enable UMB to subsequently terminate the Agreement for cause without further notice.

ARTICLE XII
Contract Administration

12.1 All notices, demands, requests, approvals, reports, instructions, consents or other communications (collectively referred to as “notices”) which may be required or desired to be given by either party to the other shall be in writing and shall be made by

personal delivery or sent by United States mail, postage prepaid, or be sent by overnight delivery, prepaid, addressed as follows (unless otherwise notified):

CITY: City of Coffeyville:
To Be determined

BANK: Cherie Hogue, VP Commercial Card Sales
UMB Bank, n.a.
1010 Grand Blvd
Kansas City, Missouri 64106

12.2 The Finance Director or his designate shall act as the Purchasing Card Program Administrator for City. UMB shall be notified in writing any time the identity of the Purchasing Card Program Administrator is changed. The Purchasing Card Program Administrator shall be responsible for all matters relating to this Agreement unless otherwise specified herein. The Purchasing Card Program Administrator shall notify UMB of any additions or deletions of departments which shall participate under this Program and any limitations or restrictions placed on the authority of each departments' designated Program, contact, and of the names of each individual to whom a Card is to be issued/sent.

ARTICLE XIII

Governing Law

13.1 This Agreement shall be governed by, enforced and construed in accordance with the laws of the State of Kansas.

ARTICLE XIV

Severability

14.1 All agreements, covenants and clauses contained herein are severable, and in the event any of them shall be deemed or held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement shall be interpreted as if such unconstitutional, invalid or unenforceable agreements, clauses and covenants were not contained herein.

ARTICLE XV

Entire Agreement

15.1 This Agreement, together with all documents incorporated herein by reference, represents the entire agreement between City and UMB with respect to the provision of services required of UMB for City under this Agreement, and supersedes all prior understandings or promises, whether oral or written between the parties pertaining to or in connection with this Agreement.

ARTICLE XVI

Force Majure

16.1 City or UMB shall be excused from performance under this Agreement for any period that City or UMB is prevented from performing any services, in whole or in part, as a result of an Act of God, fire, loss of electrical power or computer service,

failure of a third-party service provider or any other act or event not within the reasonable control of the party prevented from performing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives and made effective the day and year first above written.

UMB BANK, n.a.	CITY OF COFFEYVILLE
By:_____	By:_____
Cherie Hogue, VP Commercial Card	

Exhibit A
LIABILITY WAIVER PROGRAM – City of Coffeyville

Visa Liability Waiver Program

The Visa® Liability Waiver Program is one of the most valuable core benefits of the UMB Visa Purchasing Card—offering the security and coverage you need to do business with complete confidence.

This program protects you against eligible losses that might be incurred through card misuse by a terminated employee. While cardholder misuse is rare, Visa has recognized that it does occur. That is why Visa continues to offer this program, which waives certain eligible charges when an employee misuses Visa Purchasing Card privileges.

Visa Liability Waiver Program Benefits

- Automatic enrollment
- No deductible and no extra cost
- No maximum cap per Company
- Coverage up to $15,000 per cardholder
- Coverage for cash advances, officers and ghost accounts
- Simplified claim procedures

What is the Visa Liability Waiver Program?

A Company (”Company”) that has established a Visa Purchasing Card account (“Account”) with UMB Bank (“Bank”) may request that Bank waive the Company’s liability for certain charges in accordance with the Visa Purchasing Card Liability Waiver Program (“Program”). Visa has arranged insurance coverage to provide payment to Bank for covered losses and will administer the Program.

The Bank may waive the Company’s liability for waivable charges up to $15,000 per Visa Purchasing Card Cardholder and be reimbursed by the Program Underwriter (“Program Underwriter”) provided both the Bank and the Company have satisfied all Program obligations.

1. Bank shall mean the Visa Member which issues Visa Purchasing Card Accounts to the Company for use by designated employees.
2. “Company” shall mean a corporation, partnership, sole proprietorship, or any other entity, which has signed a Visa Purchasing Card Account agreement with Bank, and subsequently issues Visa Purchasing Card Accounts for use by persons designated by the Company.
3. “Cardholder” means a person designated by the Company who is authorized by the Company to use the Visa Purchasing Card Account for Company business purposes only.
4. “Charges” shall mean all amounts, including cash disbursements, charged to the Company’s Visa Purchasing Card Account with Bank.
5. “Affidavit of Waiver” shall mean a written request or claim form sent from the Company requesting the Bank to waive the Company’s charges in accordance with the terms and conditions of the Program.
6. “Billed” or “Unbilled” with respect to any Charge shall be based upon the date of the Bank’s statement.
7. “Notification of Termination” of the Cardholder’s employment shall mean the date the Cardholder gives or receives oral or written notice of immediate, or pending termination, or the date the Cardholder leaves the Company’s service, whichever is earlier.

What are Waivable Charges?

“Waivable Charges” shall mean Charges incurred by a Cardholder or other authorized person which:

1. do not benefit the Company directly or indirectly; and
2. (i) are Billed within seventy-five (75) days preceding Notification of Termination, or
(ii) are incurred but Unbilled as of Notification of Termination, or

(iii) are incurred up to fourteen (14) days after Notification of Termination; provided, however, that Bank has received a request to cancel the Cardholder Account within two (2) business days of Notification of Termination. There will be no coverage after Notification of Termination, as defined, unless notice to cancel the Cardholder Account is received by the Bank within two (2) business days; and
3. are the responsibility of the Company and/or Cardholder for payment to Bank

What are not Waivable Charges?
The following are not Waivable Charges and are not covered by the policy:
1. Charges made by partners, owners, or principal shareholders who own more than five percent (5%) of the Company's outstanding shares, elected directors, or persons who are not employees of the Company.
2. Charges incurred to purchase goods or services for the Company or for the persons other than the Cardholder pursuant to the instructions of the Company, in accordance with Company policy, if those goods or services are of the type which are regularly purchased by or for the Company.
3. Charges incurred by the Cardholder after Notification of Termination unless the Bank receives a request from the Company to cancel the Account within two (2) business days of Notification of Termination. If cancellation of the Account is received by the Bank within two (2) business days, then coverage will be afforded fourteen (14) days from Notification of Termination, but not beyond.
4. Charges incurred by the Cardholder more than fourteen (14) days after Notification of Termination or billed earlier than seventy-five (75) days prior to Notification of Termination.
5. Charges resulting from either a lost or stolen Visa Purchasing Card or bankruptcy/insolvency of the Company.
6. (i) Charges in excess of $15,000 for each Cardholder from Companies with five (5) or more valid Cardholder Accounts.
(ii) Charges in excess of $5,000 for each Cardholder from Companies with two (2) to four (4) valid Cardholder Accounts.
7. Cash advances, after Notification of Termination, shall be limited to $300 per day, or a maximum of $1,000 whichever is less.
8. Charges incurred by a Cardholder after discovery by the Company of any fraudulent or dishonest act on the part of the Cardholder.

What are my Company's obligations?
The Company may request that Bank waive the Company's liability for Waivable Charges only if the Company meets all of the following requirements:
1. The Cardholder's employment is terminated, voluntarily or involuntarily.
2. The Company has one (1) or more Accounts in good standing.
3. The Company must attempt to retrieve the Visa Purchasing Card from the employee.
4. The Company must request that the Bank cancel the Account within two (2) business days of Notification of Termination, as defined. Failure to notify within two (2) business days will exclude coverage for any Charges incurred after Notification of Termination.
5. The Company must deliver to the Cardholder or send by first-class mail or fax, a written notice stating that the Account has been cancelled, that the Cardholder should immediately discontinue all use of the Account, and that the Cardholder must immediately return the Visa Purchasing Card to the Company.
6. The Company must send a completed and signed Visa affidavit of Waiver claim form with all required documentation to Bank within ninety (90) days of Notification of Termination. All claim documents must be filed with the Program Underwriter within one hundred eighty (180) days from Notification of Termination.
7. The Company will remit all such amounts to the Bank if the Company recovers any amounts for Waived Charges from any source after the Company has filed a Visa Affidavit of Waiver claim form with Bank. The Company agrees to assign any rights it may have to collect such amounts from the Cardholder to the Program Underwriter. However the Company will not be required to pay Bank any amount that exceeds the loss sustained by Bank.
8. Once a claim has been paid for a given person, no future claims will be considered.

When are the Charges waived?

1. Upon receipt of the Affidavit of Waiver claim form and verification that the charges are waivable, Bank will waive the Company's liability for those charges.
2. Bank will then file a claim with the Program Underwriter.
3. Any monies Bank may receive at any time from the Cardholder or any other source in respect of Waivable Charges will be used by Bank to reduce the Waivable Charges and/or the amount of any claim Bank files with the Program Underwriter.

Other Insurance

This program does not cover any loss which is insured by or would but for the existence of this policy, be insured by any other existing policy or policies except in respect of any excess (not exceeding the limits of this policy) beyond the amount which would have been payable under such other policy or policies including any deductible applicable thereunder had this program not been in effect.

Exhibit B
Fees and Revenue Sharing – City of Coffeyville,

FEES

- UMB Bank is pleased to offer this customized Visa Purchasing Card Program at no charge.
- UMB proposes a program with no annual card fees, per transaction fees or interest charges when payments are made as agreed.
- Customized distribution of statements will make it possible for delivery via the Internet or directly to cardholders or a coordinator, at no additional charge.
- There is no charge for lost/stolen card replacement.
- Customized evaluation reports will be produced to the extent possible at no additional charge.
- UMB will provide the choice of several desktop electronic MIS solutions, Visa Accounts Payable Automation, InCommand, Visa Information Management, Visa IntelliLink Spend Management-Basic Services Level or Internet statement services and reporting at no charge.
- Late Fees And Other Charges - UMB will not add late fees, or other punitive charges to the CITY issued program accounts unless repeated and unresolved violations of the 30-day pay in full requirement occur. Rebates will be affected by repetitive late payments.
- This offer is subject to credit review and approval by UMB Bank

Exhibit B-continued
Fees and Revenue Sharing – City of Coffeyville

UMB Rebate Program

UMB Bank is offering a rebate on qualified sales volume (sales, less refunds), payable on an annual basis without reserves or minimum volume guarantees based on the total of all qualified sales of the participants in the State of Kansas cooperative purchasing card agreement. The payment of a rebate may be affected by late payments. This rebate is effective immediately at the beginning of the program implementation. The rates of rebate are listed in the table below. Qualified sales volume will be the total annual volume for all participants in the State of Kansas cooperative purchasing card agreement. There is no minimum level requirement to qualify for a rebate.

Level	Annual Volume	Rebate Level 25 day pay
A	$00.00 to $99,999	0,40%
B	$100,000 to $349,000	.51%
C	**$350,000 to $999,999**	**,57%**
D	$1,000,000 to $1,499,999	.59%
E	$1,500,000 to $2,999,999	,65%
F	$3,000,000 to $5,999,999	.70%
G	$6,000,000 to $9,499,999	.75%
H	$9,500,000 to $10,999,999	.85%
I	$11,000,000 to $13,499,999	.90%
J	$13,500,000 to $14,999,999	1.00%
K	$15,000,000 to $19,999,999	1.10%
L	$20,000,000 to $24,999,999	1.25%
M	$25,000,000 to $29,999,999	1,44%
N	$30,000,000 to $34,999,999	1.44%
O	$35,000,000 to $39,999,999	1.44%
P	$40,000,000 to $44,999,999	1.44%
Q	$45,000,000 to $49,999,999	1.44%
R	$50,000,000 to $54,999,999	1.44%
S	$55,000,000 to $59,999,999	1.44%
T	$60,000,000 to $64,999,999	1.44%

U	$65,000,000 to $69,999,999	1.44%
V	$70,000,000 to $74,999,999	1.44%
W	Over $75,000,000	1.44%

25 day pay rebate rates can be increased for accelerated payment cycles:

- 6 basis points (.06%) if all accounts statement balances are paid in full within 20 days of the end of the billing period
- 13 basis points (.13%) if all accounts statement balances are paid in full within 10 days of the end of the billing period

Rebates in the proposal are guaranteed for the term of the agreement, unless substantial changes are imposed in applicable bankcard interchange reimbursement rates set by Visa Inc, U.S.A. et al. While such change is unlikely, if it occurred it would equally affect all issuers and would be outside of the control of the Issuer Banks.

Rebates on transactions qualifying as large dollar interchange transactions may be reduced to .50% (fifty basis points).

Exhibit C
Scope of Services

UMB will provide the CITY with a Visa Purchasing Card.

2. UMB will make available controls and restrictions on the CITY's Purchasing Cards including:
   - Single Transaction Dollar Limit
   - Maximum Dollar Limit per month
   - Maximum Number of Transactions per day and month
   - Merchant Category Code Blocking
   - Cash Advance Blocking
   - Country Code Blocking

3. UMB will deliver all cards to:
1 TO BE NAMED

4. UMB will provide the CITY with the ability to create a hierarchy structure with up to five levels.

5. UMB will provide the CITY with training materials in written or electronic format.

6. UMB will provide training to the CITY either on site or via electronic means.

7. UMB will provide the CITY with a consolidated invoice on a monthly basis which includes, at a minimum:
   - Cardholder Name
   - Merchant Name
   - Transaction Date
   - Posting Date
   - Transaction Amount

8. UMB will provide the CITY with the ability to utilize ghost accounts, if the CITY so chooses.

9. UMB will provide the CITY with an internet-based application to order new cards.

10. UMB will provide the CITY with access to an online reconciliation tool to re-allocate transactions.

11. UMB will work with the CITY to establish a mutually acceptable process for interfacing transaction data into the CITY's accounting software.

12. UMB will provide the CITY with access to account statements online.

13. UMB will provide the CITY with access to Visa Intellilink or InCommand, UMB's transaction management tool.

14. UMB will utilize a neural network model to monitor transactions for potential fraud.

15. UMB will provide the Visa Liability Waiver Program to the CITY.

16. UMB will provide the CITY with a report containing all pertinent information about P-Card transactions for 1099 reporting purposes.

17. UMB will pay the CITY an annual rebate in accordance with Exhibit B.

18. The CITY will pay UMB for all transactions within 30 days of the statement date.

19. The CITY will monitor transactions for fraudulent transactions.

20. The CITY will notify UMB immediately of any unauthorized charges or lost or stolen cards.

21. The CITY will designate one or more program administrators who UMB is authorized to accept any request from pertaining to the cards.