

**Regular City Council Meeting
August 11, 2008
Agenda**

**7:30 p.m. Call to Order
Roll Call
Pledge of Allegiance
Minutes- July 28, 2008
Monthly Bills
Approval of Agenda
Public Comment**

I. Old Business

II. New Business

1. Fall Witches Hat Run.

2. E-Commerce Agreement with Oakland County.

III. Manager's Report

IV. Council Comments

V. Adjournment

REVENUE REPORT
FINANCIAL REPORT FOR JULY 2008

Page: 1
8/7/2008
3:18 pm

City of South Lyon

For the Period: 7/1/2008 to 7/31/2008	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 101 - GENERAL FUND							
Revenues							
Dept: 000.000							
402.000 REAL PROPERTY TAX	3,692,924.00	3,692,924.00	0.00	0.00	0.00	3,692,924.00	0.0
423.000 SOUTH LYON WOODS TAX	1,600.00	1,600.00	489.00	489.00	0.00	1,111.00	30.6
444.000 PAYMENT IN LIEU OF TAXES	488.00	488.00	0.00	0.00	0.00	488.00	0.0
446.000 PENALTIES AND INTEREST	30,000.00	30,000.00	0.00	0.00	0.00	30,000.00	0.0
451.000 BUILDING PERMITS	30,000.00	30,000.00	4,596.75	4,596.75	0.00	25,403.25	15.3
452.000 HEATING & PLUMB. REFG. PERMIT	0.00	0.00	216.25	216.25	0.00	-216.25	0.0
453.000 ELECTRICAL PERMITS	0.00	0.00	81.75	81.75	0.00	-81.75	0.0
454.000 LICENSES & BUSINESS MISC.	0.00	0.00	410.00	410.00	0.00	-410.00	0.0
570.000 STATE SHARED REV.	832,000.00	832,000.00	0.00	0.00	0.00	832,000.00	0.0
600.000 BOARD OF APPEALS	0.00	0.00	400.00	400.00	0.00	-400.00	0.0
630.000 ADMIN FEE PROPERTY TAX	108,000.00	108,000.00	0.00	0.00	0.00	108,000.00	0.0
634.000 GRAVE OPENINGS & FOUNDATIONS	40,000.00	40,000.00	2,520.00	2,520.00	0.00	37,480.00	6.3
635.000 W & S ADMIN. CHARGES	42,000.00	42,000.00	3,500.00	3,500.00	0.00	38,500.00	8.3
642.000 POLICE	0.00	0.00	3,568.14	3,568.14	0.00	-3,568.14	0.0
661.000 PARKING VIOLATION	8,000.00	8,000.00	200.00	200.00	0.00	7,800.00	2.5
662.000 LOCAL COURT FINES	26,000.00	26,000.00	0.00	0.00	0.00	26,000.00	0.0
663.000 REFUND-(FOR COST OF ARREST)	0.00	0.00	600.00	600.00	0.00	-600.00	0.0
664.000 INTEREST	140,000.00	140,000.00	3,317.67	3,317.67	0.00	136,682.33	2.4
664.700 INTEREST-MOBILE TOWER	0.00	0.00	458.41	458.41	0.00	-458.41	0.0
665.000 INTEREST-TRANS.CEMETERY INTRES	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	0.0
666.000 INTEREST-EQUALIZ.& CONTINGENCY	0.00	0.00	300.70	300.70	0.00	-300.70	0.0
668.200 RENTS AND ROYALTIES-CABLE	80,000.00	80,000.00	0.00	0.00	0.00	80,000.00	0.0
668.300 LEASE--ANTENNA	40,000.00	40,000.00	3,437.04	3,437.04	0.00	36,562.96	8.6
668.400 RENTAL PROPERTIES	0.00	0.00	704.00	704.00	0.00	-704.00	0.0
698.000 SUNDRY	130,000.00	130,000.00	4,739.43	4,739.43	0.00	125,260.57	3.6
699.000 TRANSFERS IN	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	0.0
Dept: 000.000	5,221,012.00	5,221,012.00	29,539.14	29,539.14	0.00	5,191,472.86	0.6
Revenues	5,221,012.00	5,221,012.00	29,539.14	29,539.14	0.00	5,191,472.86	0.6

TOTAL REVENUES	5,091,078	5,138,043	5,133,043	5,221,012
BEGINNING FUND BALANCE	3,124,817	3,050,243	3,337,923	2,991,674
TOTAL REVENUES AVAILABLE	8,215,895	8,187,486	8,558,935	8,346,012
TOTAL APPROPRIATED	4,877,972	5,257,192	5,485,292	5,407,699
ENDING FUND BALANCE	3,337,923	2,930,294	3,073,643	2,938,313

EXPENDITURE REPORT
FINANCIAL REPORT FOR JULY 2008

Page: 1
8/7/2008
3:28 pm

City of South Lyon

For the Period: 7/1/2008 to 7/31/2008	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 101 - GENERAL FUND							
Expenditures							
ADMINISTRATION	1,279,500.00	1,279,500.00	217,506.07	217,506.07	0.00	1,061,993.93	17.0
CEMETERY	85,500.00	85,500.00	10,997.36	10,997.36	0.00	74,502.64	12.9
SENIOR TRANSPORTATION	52,500.00	52,500.00	0.00	0.00	0.00	52,500.00	0.0
POLICE	2,441,855.00	2,441,855.00	290,238.99	290,238.99	0.00	2,151,616.01	11.9
FIRE	586,119.00	586,119.00	49,341.51	49,341.51	0.00	536,777.49	8.4
AMBULANCE	2,775.00	2,775.00	0.00	0.00	0.00	2,775.00	0.0
DEPT. OF PUBLIC WORKS	782,850.00	782,850.00	58,825.28	58,825.28	0.00	724,024.72	7.5
PARKS AND RECREATION	121,050.00	121,050.00	10,858.74	10,858.74	0.00	110,191.26	9.0
HISTORICAL DEPOT	44,550.00	44,550.00	1,978.37	1,978.37	0.00	42,571.63	4.4
Expenditures	5,396,699.00	5,396,699.00	639,746.32	639,746.32	0.00	4,756,952.68	11.9

EXPENDITURE REPORT
FINANCIAL REPORT FOR JULY 2008

Page: 1
8/7/2008
3:20 pm

City of South Lyon

For the Period: 7/1/2008 to 7/31/2008

Fund: 202 - MAJOR STREETS

Expenditures

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Dept: 000.000	3,200.00	3,200.00	0.00	0.00	0.00	3,200.00	0.0
CONSTRUCTION	53,000.00	53,000.00	0.00	0.00	0.00	53,000.00	0.0
STREET-ROUTINE MAINT.	183,400.00	183,400.00	15,908.54	15,908.54	0.00	167,491.46	8.7
TRAFFIC SERVICES	16,880.00	16,880.00	275.25	275.25	0.00	16,604.75	1.6
SNOW PLOWING	69,200.00	69,200.00	1,807.00	1,807.00	0.00	67,393.00	2.6
SNOW REMOVAL	8,000.00	8,000.00	291.19	291.19	0.00	7,708.81	3.6
DRAINAGE & BACKSLOPING	14,700.00	14,700.00	953.27	953.27	0.00	13,746.73	6.5
Expenditures	348,380.00	348,380.00	19,235.25	19,235.25	0.00	329,144.75	5.5

Fund: 203 - LOCAL STREETS

Expenditures

CONSTRUCTION	0.00	0.00	-9,882.26	-9,882.26	0.00	9,882.26	0.0
STREET-ROUTINE MAINT.	0.00	0.00	16,030.79	16,030.79	0.00	-16,030.79	0.0
TRAFFIC SERVICES	0.00	0.00	246.24	246.24	0.00	-246.24	0.0
SNOW PLOWING	0.00	0.00	1,162.52	1,162.52	0.00	-1,162.52	0.0
DRAINAGE & BACKSLOPING	0.00	0.00	952.03	952.03	0.00	-952.03	0.0
Expenditures	0.00	0.00	8,509.32	8,509.32	0.00	-8,509.32	0.0

EXPENDITURE REPORT
FINANCIAL REPORT FOR JULY 2008

Page: 1
8/7/2008
3:21 pm

City of South Lyon

For the Period: 7/1/2008 to 7/31/2008

Fund: 592 - WATER & SEWER

Expenditures

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
WATER/SEWER CONSTRUCTION	85,000.00	85,000.00	0.00	0.00	0.00	85,000.00	0.0
WATER / REPAIR	125,300.00	125,300.00	-8,960.79	-8,960.79	0.00	134,260.79	-7.2
SEWER / REPAIR	96,500.00	96,500.00	5,476.90	5,476.90	0.00	91,023.10	5.7
REFUSE COLLECTION	492,000.00	492,000.00	75,420.95	75,420.95	0.00	416,579.05	15.3
WATER	856,810.00	856,810.00	54,923.45	54,923.45	0.00	801,886.55	6.4
WASTEWATER	1,303,800.00	1,303,800.00	102,622.64	102,622.64	0.00	1,201,177.36	7.9
Expenditures	2,959,410.00	2,959,410.00	229,483.15	229,483.15	0.00	2,729,926.85	7.8

July 2008 Payroll Report

Department	Pay Rate	Reg Hours	O.T. Hours	Reg Pay	O.T. Pay	Misc.	Total Pay	Notes
Administration								
Badarak, A.	15.8600	80		\$ 2,509.52		\$ 296.40	\$ 2,805.92	COLA
Cook, R.				\$ 3,926.20		\$ 965.06	\$ 4,891.26	COLA/Holiday pay
Cunningham, K.				\$ 2,650.17		\$ 4,550.79	\$ 7,200.96	Final Pay/COLA
Jakubowski, M.				\$ 3,916.53		\$ 296.40	\$ 4,212.93	COLA
Lynch, L.	17.9500	80		\$ 2,840.32		\$ 296.40	\$ 3,136.72	COLA
Mohareffoff, Ted	9.7600	57		\$ 549.30			\$ 549.30	
Mosier, L.				\$ 4,060.36		\$ 296.40	\$ 4,356.76	COLA
Murphy, D.				\$ 6,884.62		\$ 391.04	\$ 7,275.66	COLA/Car allow.
Parzuchowski, S.	14.9700	69		\$ 1,023.76			\$ 1,023.76	
Sims, T.	15.4000	82		\$ 1,246.52			\$ 1,246.52	
Veltri, J.				\$ 4,919.23		\$ 296.40	\$ 5,215.63	COLA
Zemke, J.				\$ 4,966.54		\$ 296.40	\$ 5,262.94	COLA
TOTAL: Administration		368.00	0.00	\$ 39,493.07	\$ -	\$ 7,685.29	\$ 47,178.36	
Department	Pay Rate	Reg Hours	O.T. Hours	Reg Pay	O.T. Pay	Misc.	Total Pay	Notes
Cemetery								
Brannun, L.	10.65	77.00		\$ 809.97			\$ 809.97	
Cousins, J.	10.65	79.00		\$ 831.27			\$ 831.27	
Kimberly, B.	10.65	60.00		\$ 628.92			\$ 628.92	
McLean, W.	10.65	77.00		\$ 809.97			\$ 809.97	
Nickoloff, J.	10.65	48.00		\$ 504.48			\$ 504.48	
Williamson, N.	11.32	79.00		\$ 883.48			\$ 883.48	
TOTAL: Cemetery		420.00	0.00	\$ 4,468.09	\$ -	\$ -	\$ 4,468.09	
Department	Pay Rate	Reg Hours	O.T.	Reg Pay	O.T. Pay	Misc.	Total Pay	Notes
Police								
Arday, L.	17.3400	192		\$ 3,292.32		\$ 305.52	\$ 3,597.84	COLA
Baaki, D.	32.1455	178	7.00	\$ 5,663.40	\$ 341.06	\$ 1,028.89	\$ 7,033.35	Longevity/COLA
Baker, A.	29.9170	168		\$ 4,968.41		\$ 1,844.37	\$ 6,812.78	Retro Pay/COLA
Baker, J.	32.1455			\$ 5,663.40	\$ 146.17	\$ 308.09	\$ 6,117.66	COLA
Barbour, R.	29.9170	178	3.00	\$ 5,270.78	\$ 131.89	\$ 3,103.44	\$ 8,506.11	Retro Pay/COLA
Brooks, T.	29.9170	172	2.00	\$ 5,088.07	\$ 89.56	\$ 1,789.05	\$ 6,966.68	Retro Pay/COLA
Collins, L.				\$ 6,055.46		\$ 296.40	\$ 6,351.86	COLA
Faught, C.	29.9170	160	12.50	\$ 4,730.67	\$ 566.35	\$ 2,222.66	\$ 7,519.68	Retro Pay/COLA
Fontecchio, D.	10.0000	66		\$ 668.10			\$ 668.10	
Hesse, T.	29.9170	172	1.00	\$ 5,088.87	\$ 45.16	\$ 2,162.71	\$ 7,296.74	Retro Pay/COLA
Hoydic, S.	32.1455	168	7.50	\$ 5,331.61	\$ 365.97	\$ 313.22	\$ 6,010.80	COLA
Laraway, P.	15.0500			\$ -			\$ -	
Krettlin, F.	15.0500			\$ -			\$ -	
McDonald, R.	9.2500	72		\$ 658.50			\$ 658.50	
Raap, T.	29.9170	160	2.00	\$ 4,722.66	\$ 90.62	\$ 1,828.73	\$ 6,642.01	Retro Pay/COLA
Regentik, C.	17.3400	160		\$ 2,744.16		\$ 296.40	\$ 3,040.56	COLA
Rose, R.	15.0500			\$ -			\$ -	
Sederland, C.	29.9170	168		\$ 4,962.00		\$ 2,720.18	\$ 7,682.18	Retro Pay/COLA
Sharpe, R.	34.2401	160	10.00	\$ 5,405.11	\$ 519.37	\$ 305.52	\$ 6,230.00	COLA
Sovik, C.	32.1455	168	9.00	\$ 5,320.44	\$ 432.34	\$ 323.76	\$ 6,076.54	COLA
Sroufe, Tony C.	29.9170	168	3.00	\$ 4,962.00	\$ 132.54	\$ 2,975.61	\$ 8,070.15	Retro Pay/COLA
Stevens, T.	27.7811	173	12.00	\$ 4,752.59	\$ 500.06	\$ 1,928.73	\$ 7,181.38	Retro Pay/COLA
Tomanek, J.	29.9170	168	3.50	\$ 4,962.00	\$ 151.82	\$ 2,477.10	\$ 7,590.92	Retro Pay/COLA
Walton, T.	29.9170	160		\$ 4,732.27		\$ 2,084.89	\$ 6,817.16	Retro Pay/COLA
Wilcox, W.	11.0300	30		\$ 325.67			\$ 325.67	
Wittrock, M.	29.9170	160		\$ 4,729.07		\$ 1,823.01	\$ 6,552.08	Retro Pay/COLA
Total: Police		3201.00	72.50	\$ 100,097.57	\$ 3,512.91	\$ 30,138.28	\$ 133,748.76	

Department	Pay Rate	Reg Hours	O.T.	Reg Pay	O.T. Pay	Misc.	Total Pay	Notes
Fire								
Armstrong, C.	15.0000	75		\$ 1,063.00			\$ 1,063.00	
Bond, A.	14.0000	47		\$ 610.00			\$ 610.00	
Byars, J.	15.0000	43		\$ 635.00			\$ 635.00	
Caswell, S.	19.0000	70		\$ 1,252.00			\$ 1,252.00	
Gerhardt, T.	15.0000	41		\$ 587.00			\$ 587.00	
Hale, J.	15.0000	18		\$ 262.00			\$ 262.00	
Hammon, D.	16.0000	17		\$ 240.00			\$ 240.00	
Johnston, C.	18.0000	47		\$ 780.00			\$ 780.00	
Johnston, D.	15.0000	31		\$ 445.00			\$ 445.00	
Johnston, K.	15.0000	24		\$ 342.00			\$ 342.00	
Kaska, C.	19.0000	88		\$ 1,592.00		\$ 433.33	\$ 2,025.33	Chief's Pay
Lundquist, C.	16.0000	16		\$ 254.00			\$ 254.00	
Moynihan, B.	8.0000	29		\$ 232.00			\$ 232.00	
Noechel, J.	15.0000	48		\$ 676.00			\$ 676.00	
Schuldt, K.	16.0000	111		\$ 1,674.00			\$ 1,674.00	
Shekell, J.	16.0000	49		\$ 738.00			\$ 738.00	
Smith, A.	15.0000	24		\$ 344.00			\$ 344.00	
Trala, P.	15.0000	41		\$ 577.00			\$ 577.00	
Ulrich, C.	43.0000	74		\$ 740.00			\$ 740.00	
Weir, M.	15.0000	54		\$ 770.00			\$ 770.00	
Welch, D.	15.0000	49		\$ 685.00			\$ 685.00	
Welch, E.	15.0000	151		\$ 2,121.00			\$ 2,121.00	
Wilson, T.	15.0000	30		\$ 426.00			\$ 426.00	
Total: Fire			\$ -	\$ 17,045.00	\$ -	\$ 433.33	\$ 17,478.33	
Department	Pay Rate	Reg Hours	O.T. Hours	Reg Pay	O.T. Pay	Misc.	Total Pay	Notes
D.P.W.								
Archev, J.	14.5700	152	12.50	\$ 2,214.64	\$ 273.19	\$ 305.52	\$ 2,793.35	COLA
Brock, R.	21.6700	160	57.50	\$ 3,467.20	\$ 1,898.65	\$ 458.67	\$ 5,824.52	COLA/On-call
Buers, D.	21.0700	160	3.00	\$ 3,371.20	\$ 96.36	\$ 298.11	\$ 3,765.67	COLA
Cavitt, R.	19.6700	160		\$ 3,147.20		\$ 296.40	\$ 3,443.60	COLA
Dehoff, T.	21.2700	160	7.50	\$ 3,403.20	\$ 243.15	\$ 369.05	\$ 4,015.40	COLA/On-call
Jamison, M.	17.3400	160	2.00	\$ 2,744.16	\$ 51.52	\$ 298.97	\$ 3,094.65	COLA
Jones, T.	21.5600	160	18.00	\$ 3,449.60	\$ 592.76	\$ 369.92	\$ 4,412.28	COLA/On-call
Kaska, C.	19.6700	160	3.00	\$ 3,147.20	\$ 90.06	\$ 302.10	\$ 3,539.36	COLA
Moritz, M.	18.5400	160	3.00	\$ 2,966.40	\$ 83.43	\$ 305.52	\$ 3,355.35	COLA
Paver, V.	14.1700	152	8.00	\$ 2,153.84	\$ 170.04	\$ 296.97	\$ 2,620.85	COLA
Renwick, S.				\$ 4,950.04		\$ 296.40	\$ 5,246.44	COLA
Total: D.P.W.		1584.00	106.50	\$ 35,014.68	\$ 3,329.12	\$ 3,597.63	\$ 42,111.47	
Department	Pay Rate	Reg Hours	O.T. Hours	Reg Pay	O.T. Pay	Misc.	Total Pay	Notes
W. & W.W.								
Archev, J.	17.3400	160		\$ 2,744.16		\$ 296.40	\$ 3,040.56	COLA
Beason, R.	23.1000	160	1.50	\$ 3,696.00	\$ 52.74	\$ 410.92	\$ 4,159.66	COLA/On call
Bridson, D.	23.5000	160	7.00	\$ 3,760.00	\$ 250.88	\$ 445.79	\$ 4,456.67	COLA/On call
Ciaramitaro, J.	22.7000	160	8.00	\$ 3,632.00	\$ 274.80	\$ 451.21	\$ 4,358.01	COLA/On call pay
Gehring, D.	14.8300	160	5.00	\$ 2,372.80	\$ 111.23	\$ 209.76	\$ 2,693.79	COLA
Kelly, M.	19.6700	160		\$ 3,147.20		\$ 296.40	\$ 3,443.60	COLA
Martin, R.				\$ 4,927.53		\$ 296.40	\$ 5,223.93	COLA
Miller, D.	26.5000	160	5.00	\$ 4,240.00	\$ 201.70	\$ 402.37	\$ 4,844.07	COLA/On call pay
Poprasky, P.	19.1400	160		\$ 3,104.64		\$ 296.40	\$ 3,401.04	COLA
Randall, A.	23.5000	160	11.00	\$ 3,760.00	\$ 393.36	\$ 308.11	\$ 4,461.47	COLA/On call pay
Total: W. & W.W.		1440.00	37.50	\$ 35,384.33	\$ 1,284.71	\$ 3,413.76	\$ 40,082.80	
Grand Total		7,013.00	216.50	\$ 231,502.74	\$ 8,126.74	\$ 45,268.29	\$ 285,067.81	

CHECK REGISTER REPORT

Date: 08/07/2008

Checks written since 7/14/08

Time: 9:46am

The City of South Lyon

Page: 1

BANK:

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
48848	07/17/2008	Printed	3317	ADP, INC.	PAYROLL SERVICE	290.06
48849	07/17/2008	Printed	5291	ADVANCE URGENT CARE &	NEW EMPLOYEE PHYSICALS	118.00
48850	07/17/2008	Printed	8988	AT&T **	ACCT. # 248 437-9929 993 7	1,278.74
48851	07/17/2008	Printed	0364	DOUGLAS BAAKI	CLEANING ALLOWANCE	100.00
48852	07/17/2008	Printed	0708	AUDRA BAKER	CLEANING ALLOWANCE	100.00
48853	07/17/2008	Printed	1110	JARED BAKER	CLEANING ALLOWANCE	100.00
48854	07/17/2008	Printed	3219	RONALD BARBOUR	CLEANING ALLOWANCE	100.00
48855	07/17/2008	Printed	0465	TRACY BROOKS	CLEANING ALLOWANCE	100.00
48856	07/17/2008	Printed	5302	CENTURY 21 BROOKSHIRE	WATER BILL REFUND	178.90
48857	07/17/2008	Printed	0059	CITY OF NOVI TREASURER	MANAGER & DISPATCH FEES	14,181.00
48858	07/17/2008	Printed	0859	LLOYD COLLINS	CLEANING ALLOWANCE	100.00
48859	07/17/2008	Printed	0998	CONSUMERS ENERGY	GAS SERVICE	74.31
48860	07/17/2008	Printed	0382	THE DETROIT BRASS SOCIETY	7/11/08 PARK CONCERT	850.00
48861	07/17/2008	Printed	1633	CHRISTOPHER FAUGHT	CLEANING ALLOWANCE	100.00
48862	07/17/2008	Printed	1322	THOMAS HESSE	CLEANING ALLOWANCE	100.00
48863	07/17/2008	Printed	2545	SEAN S. HOYDIC	CLEANING ALLOWANCE	100.00
48864	07/17/2008	Printed	1502	JACK DOHENY SUPPLIES INC.	2007 VACTOR	228,000.00
48865	07/17/2008	Printed	3248	JENNIFER KNAPP	7/10/08 PLANNING COMM MINUTES	75.00
48866	07/17/2008	Printed	2749	MAGIC CARPET CLEANING CORP.	CARPET CLEANING @ POLICE DEPT	315.00
48867	07/17/2008	Printed	1509	MARTIN'S DO IT BEST	MISC. SUPPLIES	13.46
48868	07/17/2008	Printed	1634	TIMOTHY RAAP	CLEANING ALLOWANCE	100.00
48869	07/17/2008	Printed	4987	RANEY'S PLANTS, INC.	ANNUALS, PLANTS FOR DEPOT	110.55
48870	07/17/2008	Printed	0236	CHRISTOPHER SEDERLUND	CLEANING ALLOWANCE	100.00
48871	07/17/2008	Printed	0226	ROGER S. SHARPE	CLEANING ALLOWANCE	100.00
48872	07/17/2008	Printed	9958	SOUTH LYON AREA RECREATION	08/09 REC CONTRIBUTION & SWIM	33,953.08
48873	07/17/2008	Printed	2405	CHRISTOPHER SOVIK	CLEANING ALLOWANCE	100.00
48874	07/17/2008	Printed	0831	TONY SROUFE	CLEANING ALLOWANCE	100.00
48875	07/17/2008	Printed	9800	TRAVIS STEVENS	CLEANING ALLOWANCE	100.00
48876	07/17/2008	Printed	5220	SUNTRUST EQUIPMENT FINANCE	KME FIRE TRUCK INTEREST PYMT	8,270.82
48877	07/17/2008	Printed	0768	JOHN TOMANEK	CLEANING ALLOWANCE	100.00
48878	07/17/2008	Printed	0288	VILICAN, LEMAN & ASSOCIATES, I	PLANNING CONSULTANT FEES	1,110.00
48879	07/17/2008	Printed	1211	TIMOTHY WALTON	CLEANING ALLOWANCE	100.00
48880	07/17/2008	Printed	8996	MICHAEL WITTROCK	CLEANING ALLOWANCE	100.00
48881	07/17/2008	Printed	2629	JULIE ZEMKE	PETTY CASH REIMBURSEMENT	59.74
48882	07/17/2008	Printed	5026	SARAH ZIMMERMAN	VIDEO TAPE 7/14 COUNCIL MEET	50.00
48883	07/17/2008	Printed	5264	BUSCH'S	CHAMBER BREAKFAST	110.90
48884	07/17/2008	Printed	0472	HURON RIVER AREA CREDIT UNION	PAYROLL DEDUCTION	5,610.00
48885	07/17/2008	Printed	0557	INTL UNION OF OPERATING ENG	PAYROLL DEDUCTION	280.45
48886	07/17/2008	Printed	0470	MISDU	PAYROLL DEDUCTION	161.80
48887	07/17/2008	Printed	1765	TAMMY TERRY	PAYROLL DEDUCTION	692.31
48888	07/17/2008	Printed	0062	VANTAGEPOINT TRANSFERS	JPAYROLL DEDUCTION	4,127.00
48889	07/24/2008	Printed	3317	ADP, INC.	PAYROLL PROCESSING FEES	612.73
48890	07/24/2008	Printed	8988	AT&T **	ACCT. # 248 R10-7500 383 8	1,248.23
48891	07/24/2008	Printed	1191	AT&T	ACCT # 248 437 8235 FINAL BILL	30.80
48892	07/24/2008	Printed	9915	BROADSTRIPE	INTERNET SERVICE	65.94
48893	07/24/2008	Printed	0998	CONSUMERS ENERGY	SERVICE 6/3/08 - 7/9/08	527.59
48894	07/24/2008	Printed	0317	DTE ENERGY	STREETLIGHTS	7,252.23
48895	07/24/2008	Printed	0084	DUNCAN DISPOSAL SYSTEMS, LLC	JULY 2008 STATEMENT	37,458.45
48896	07/24/2008	Printed	0924	ERVIN LEASING	COPIER LEASE	114.00
48897	07/24/2008	Printed	5303	HALEY LAW FIRM	BLDG. PERMIT BOND REFUND	500.00
48898	07/24/2008	Printed	9249	IKON OFFICE SOLUTIONS	COPIER LEASE	249.47
48899	07/24/2008	Printed	4960	KONICA MINOLTA- ALBIN	COPIER METER CHARGE	17.97
48900	07/24/2008	Printed	9781	LARRY'S FOODLAND	SUPPLIES	75.83
48901	07/24/2008	Printed	0036	LEAGUE EMPLOYEE BENEFIT	BC/BS PREMIUMS	58,721.39
48902	07/24/2008	Printed	3520	METLIFE SBC	DENTAL INSURANCE	4,741.96
48903	07/24/2008	Printed	8966	NATIONAL ARBOR DAY FOUNDATION	DUES 10/08 - 10/09	15.00
48904	07/24/2008	Printed	3296	NEXTEL WEST CORP.	SERVICE 6/3/08 - 7/2/08, PHONES	1,458.93
48905	07/24/2008	Printed	5305	OAKLAND COMMUNITY COLLEGE	LEADERSHIP COURSE	525.00
48906	07/24/2008	Printed	0293	OAKLAND COUNTY ANIMAL CONTROL	JUNE DOG LICENSES	416.25
48907	07/24/2008	Printed	1034	OAKLAND COUNTY TREASURER	SOUTH LYON WOOD TRAILER TAX	407.50
48908	07/24/2008	Printed	2641	OAKLAND COUNTY TREASURER	TAX DISBURSEMENTS	95,863.63
48909	07/24/2008	Printed	5183	OAKLAND COUNTY TREASURERS	CLEMIS, MDC, MUG CAPTURE FEES	3,493.00
48910	07/24/2008	Printed	0218	PARKSIDE CLEANERS	RUG CLEANING	43.00
48911	07/24/2008	Printed	0213	ROAD COMMISSION FOR OAKLAND	CHLORIDE FOR VOL. PARK ROADS	1,110.00
48912	07/24/2008	Printed	5306	ROBERT SCOTT CORRECTIONAL	INMATE PAY JUNE 2008	3,583.15
48913	07/24/2008	Printed	5554	SALEM-SOUTH LYON DISTRICT	TAX DISBURSEMENT	10,610.80
48914	07/24/2008	Printed	0461	SOUTH LYON COMMUNITY SCHOOLS	TAX DISBURSEMENT	81,937.61
48915	07/24/2008	Printed	1732	STANDARD INSURANCE COMPANY	DISABILITY & LIFE INSURANCE	1,985.73

CHECK REGISTER REPORT

Date: 08/07/2008

Checks written since 7/14/08

Time: 9:46am

The City of South Lyon

Page: 2

BANK:

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
48916	07/31/2008	Printed	0561	A.F.S.C.M.E. COUNCIL 25	PAYROLL DEDUCTIONS	451.10
48917	07/31/2008	Printed	3317	ADP, INC.	PAYROLL PROCESSING FEES	15.00
48918	07/31/2008	Printed	4234	AVAYA*, INC.	DPW PHONE SYSTEM	17.12
48919	07/31/2008	Printed	2440	RONALD BEASON	MILEAGE REIMBURSEMENT	30.42
48920	07/31/2008	Printed	9915	BROADSTRIPE	INTERNET SERVICE	32.97
48921	07/31/2008	Printed	0998	CONSUMERS ENERGY	SERVICE 6/3/08 - 7/9/08	488.22
48922	07/31/2008	Printed	0584	DTE ENERGY	SERVICE 6/16/08 - 7/17/08	2,826.48
48923	07/31/2008	Printed	0584	DTE ENERGY	ELECTRIC SERVICE - CITY HALL	1,318.62
48924	07/31/2008	Printed	5307	GUNFIGHTERS LTD. COMBAT	TUITION-BAAKI, HOYDIC	500.00
48925	07/31/2008	Printed	0472	HURON RIVER AREA CREDIT UNION	PAYROLL DEDUCTIONS	5,610.00
48926	07/31/2008	Printed	5308	IKON FINANCIAL SERVICES	OFFICE EQUIPMENT LEASE	560.00
48927	07/31/2008	Printed	9249	IKON OFFICE SOLUTIONS	COPIER LEASE	249.47
48928	07/31/2008	Printed	0470	MISDU	PAYROLL DEDUCTIONS	161.80
48929	07/31/2008	Printed	5183	OAKLAND COUNTY TREASURERS	FRMS ACCESS FEE	991.50
48930	07/31/2008	Printed	0093	ULYS PARTIN	HEALTH INSURANCE REIMBURSEMENT	214.18
48931	07/31/2008	Printed	5141	POLICE OFFICERS ASSOCIATION OF	PAYROLL DEDUCTIONS	645.04
48932	07/31/2008	Printed	0559	POLICE OFFICERS LABOR COUNCIL	PAYROLL DEDUCTIONS	200.55
48933	07/31/2008	Printed	1022	RICH EDDY'S ROCKIN' OLDIES	CONCERT IN THE PARK 7/25	850.00
48934	07/31/2008	Printed	0055	SAM'S CLUB DIRECT	MISC. SUPPLIES	545.70
48935	07/31/2008	Printed	2438	SHAHEEN CHEVROLET INC.	2008 CHEV.IMPALA-POLICE PACKG.	17,556.00
48936	07/31/2008	Printed	1765	TAMMY TERRY	PAYROLL DEDUCTION	692.31
48937	07/31/2008	Printed	0062	VANTAGEPOINT TRANSFERS	PAYROLL DEDUCTIONS	4,152.00
48938	07/31/2008	Printed	0114	WESTERN OAKLAND MEALS ON	MEALS APRIL - JUNE	1,250.00
48939	07/31/2008	Printed	5026	SARAH ZIMMERMAN	VIDEO TAPE COUNCIL MTG 7/28	50.00
48940	08/04/2008	Printed	11102	PRO PIZZA	ELECTION NIGHT DINNER	230.00
48941	08/05/2008	Printed	0383	SOUTH LYON VILLAGE BAKERY	ELECTION DAY BREAKFAST	76.50
48942	08/07/2008	Printed	3317	ADP, INC.	PAYROLL PROCESSING FEES	353.23
48943	08/07/2008	Printed	3084	FRANCES BRAZZIL	ELECTION WORKERS PAY	180.00
48944	08/07/2008	Printed	1030	DOROTHY R. BUSSERT	ELECTION WORKERS PAY	216.00
48945	08/07/2008	Printed	5312	AUDREY COLLARD	ELECTION WORKERS PAY	180.00
48946	08/07/2008	Printed	1651	IRENE COLLIAU	ELECTION WORKERS PAY	180.00
48947	08/07/2008	Printed	1128	CORECOMM INTERNET	CITY WEBSITE	31.95
48948	08/07/2008	Printed	0584	DTE ENERGY	SERVICE 6/16/08 - 7/17/08	170.94
48949	08/07/2008	Printed	0317	DTE ENERGY	SERVICE 6/25/08 - 7/24/08	26,162.21
48950	08/07/2008	Printed	0014	FALLERT MECHANICAL	POWER PANEL FOR ROOF TOP UNITS	1,050.00
48951	08/07/2008	Printed	3080	DONNA GRUBBS	ELECTION WORKERS PAY	216.00
48952	08/07/2008	Printed	9106	ROSE MARIE HAGGERTY	ELECTION WORKERS PAY	180.00
48953	08/07/2008	Printed	0126	NORBERT HOPE	ELECTRICAL INSPECTORS PAY	326.25
48954	08/07/2008	Printed	9432	HSBC BUSINESS SOLUTIONS	FAX MACHINE, SUPPLIES	429.99
48955	08/07/2008	Printed	5313	YVONNE JOHNSON	ELECTION WORKERS PAY	180.00
48956	08/07/2008	Printed	2333	CARL KOSKI	ELECTION WORKERS PAY	180.00
48957	08/07/2008	Printed	2148	DOROTHY KOSKI	ELECTION WORKERS PAY	180.00
48958	08/07/2008	Printed	5221	ELENI KONSTONTINI LAMBRECHT	ELECTION WORKERS PAY	180.00
48959	08/07/2008	Printed	9781	LARRY'S FOODLAND	SUPPLIES	7.97
48960	08/07/2008	Printed	9778	LEXISNEXIS RISK & INFORMATION	JULY 2008 CONTRACT FEE	30.00
48961	08/07/2008	Printed	7712	PATRICIA ANN LOWRY	ELECTION WORKERS PAY	180.00
48962	08/07/2008	Printed	1509	MARTIN'S DO IT BEST	MISC. SUPPLIES	2,964.98
48963	08/07/2008	Printed	5222	JOYCE MAE MARTIN	ELECTION WORKERS PAY	180.00
48964	08/07/2008	Printed	0967	DAVID MURRAY	MECHANICAL INSPECTORS PAY	553.50
48965	08/07/2008	Printed	3296	NEXTEL WEST CORP.	SERVICE 6/27/08 - 7/26/08	204.77
48966	08/07/2008	Printed	7930	NORTHFIELD'S HUMAN SERVICES	TRANSPORTATION SERVICES	4,375.00
48967	08/07/2008	Printed	2641	OAKLAND COUNTY TREASURER	TAX DISBURSEMENTS	27,619.46
48968	08/07/2008	Printed	2641	OAKLAND COUNTY TREASURER	TAX DISBURSEMENTS	116,379.86
48969	08/07/2008	Printed	2641	OAKLAND COUNTY TREASURER	TAX TRIBUNAL, VALUE ADJUSTMENT	15,187.86
48970	08/07/2008	Printed	5011	ANNABELL PAGE	ELECTION WORKERS PAY	180.00
48971	08/07/2008	Printed	0218	PARKSIDE CLEANERS	RUG CLEANING	43.00
48972	08/07/2008	Printed	1709	PETER A. BASILE SONS, INC.	DDA STREETSCAPE PHASE II PAY#1	53,109.26
48973	08/07/2008	Printed	9884	MAXINE RINNAS	ELECTION WORKERS PAY	180.00
48974	08/07/2008	Printed	5309	JON RUSSELL	2007 WINTER TAX-PAID TWICE	29.68
48975	08/07/2008	Printed	5554	SALEM-SOUTH LYON DISTRICT	TAX DISBURSEMENTS	9,978.70
48976	08/07/2008	Printed	3078	NORMA JEAN SAWYER	ELECTION WORKERS PAY	216.00
48977	08/07/2008	Printed	1648	MADELYN SELDEN	ELECTION WORKERS PAY	180.00
48978	08/07/2008	Printed	0461	SOUTH LYON COMMUNITY SCHOOLS	TAX DISBURSEMENTS	93,969.88
48979	08/07/2008	Printed	5139	TYLER TECHNOLOGIES	FUND BALANCE MAINTENANCE	2,327.00
48980	08/07/2008	Printed	1763	UNEMPLOYMENT INSURANCE AGENCY	UNEMPLOYMENT PYMT. P.E.12/31	4,706.00
48981	08/07/2008	Printed	9828	ELAINE WENDRICK	ELECTION WORKERS PAY	180.00
48982	08/07/2008	Printed	3081	ELINOR WIKOFF	ELECTION WORKERS PAY	180.00
48983	08/07/2008	Printed	9829	DENNIS WUTKA	ELECTION WORKERS PAY	216.00

CHECK REGISTER REPORT

Date: 08/07/2008

Time: 9:46am

Page: 3

Checks written since 7/14/08

The City of South Lyon

BANK:

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
48984	08/07/2008	Printed	9830	MARLENE WUTKA	ELECTION WORKERS PAY	180.00
48985	08/07/2008	Printed	5314	MARGARET ZIMMERMAN	ELECTION WORKERS PAY	180.00

Total Checks:	138	Bank Total:	1,018,427.78
---------------	-----	-------------	--------------

Total Checks:	138	Grand Total:	1,018,427.78
---------------	-----	--------------	--------------

INVOICE APPROVAL LIST BY FUND
Checks to be approved 8/11/08

Date: 08/07/2008
Time: 9:42am
Page: 1

The City of South Lyon

Fund Department Account	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: GENERAL FUND						
Dept:						
101-000.000-035.000	ENGINEERIN	HUBBELL, ROTH, & CLARK, INC. SITE PLANS-GLEN MDWS./ADV.AUTO	0		08/11/2008	2,165.32
Total						2,165.32
Dept: ADMINISTRATION						
101-200.000-727.000	OFFICE SUP	OFFICE EXPRESS	0		08/11/2008	2,208.38
101-200.000-740.000	OPERATING	MISC. OFFICE SUPPLIES ARBOR SPRINGS WATER CO., INC. WATER DELIVERY	0		08/11/2008	47.00
101-200.000-801.000	PROFESSION	HUBBELL, ROTH, & CLARK, INC. TROTTERS PT.-LEGAL DOCUMENTS	0		08/11/2008	1,308.62
101-200.000-801.000	PROFESSION	HUBBELL, ROTH, & CLARK, INC. 2008 SIDEWALK EXTENSION	0		08/11/2008	672.71
101-200.000-818.000	ELECTIONS	PRINTING SYSTEMS ENVELOPES	0		08/11/2008	179.40
101-200.000-820.000	COMPUTER	TECH RESOURCES, INC. NEW SYSTEM INSTALL	0		08/11/2008	1,160.68
101-200.000-820.000	COMPUTER	TECH RESOURCES, INC. SOFTWARE INSTALLED-9 ,PRINTER	0		08/11/2008	4,474.60
101-200.000-826.000	LEGAL PROF	BOOTH PATTERSON LEGAL SERVICES	0		08/11/2008	3,363.00
101-200.000-863.000	VEHICLE MA	LAWSON PRODUCTS, INC. SUPPLIES-MECHANICS & WWTP	0		08/11/2008	14.77
101-200.000-863.000	VEHICLE MA	SHARE CORP. DEGREASER	0		08/11/2008	12.92
101-200.000-863.000	VEHICLE MA	TIRE WHOLESALERS COMPANY, INC. TIRES FOR BLDG.DEPT TRUCK 1	0		08/11/2008	259.00
101-200.000-863.000	VEHICLE MA	MYERS TIRE SUPPLY CO. WRENCH,SENSOR KIT,TIRE SUPPLS.	0		08/11/2008	20.28
101-200.000-863.000	VEHICLE MA	SOUTH LYON PARTS PLUS JULY 2008 STATEMENT	0		08/11/2008	47.72
101-200.000-900.000	PRINTING	PRINTING SYSTEMS VOTER ID CARDS	0		08/11/2008	182.12
101-200.000-900.000	PRINTING	PRINTING SYSTEMS NOTICES	0		08/11/2008	91.36
101-200.000-931.000	BUILDING M	SOUTH LYON LUMBER TRUE VALUE JULY 2008 STATEMENT	0		08/11/2008	25.16
101-200.000-971.100	LAND/ BEAU	SOUTH LYON LUMBER TRUE VALUE JULY 2008 STATEMENT	0		08/11/2008	55.46
Total ADMINISTRATION						14,123.18
Dept: CEMETERY						
101-276.000-740.000	OPERATING	THESIER EQUIPMENT MOWER BLADES	0		08/11/2008	96.53
101-276.000-740.000	OPERATING	THESIER EQUIPMENT WEED WHIP LINE	0		08/11/2008	29.95
101-276.000-740.000	OPERATING	SOUTH LYON LUMBER TRUE VALUE JULY 2008 STATEMENT	0		08/11/2008	37.17
101-276.000-740.000	OPERATING	THESIER EQUIPMENT TRACTOR TIRES, PARTS	0		08/11/2008	102.00
Total CEMETERY						265.65
Dept: POLICE						
101-300.000-727.000	OFFICE SUP	CARTRIDGE WORLD CARTRIDGE REFILLS	0		08/11/2008	103.95
101-300.000-740.000	OPERATING	SOUTH LYON PARTS PLUS MISC. PARTS	0		08/11/2008	9.00
101-300.000-740.000	OPERATING	WEST MI CRIMINAL LAW PAMPHLETS	0		08/11/2008	256.50
101-300.000-740.000	OPERATING	MICHIGAN WATER SERVICE INC. WATER DELIVERED	0		08/11/2008	52.00
101-300.000-851.000	RADIO MAIN	ADVANCED WIRELESS TELECOM RADIO/BREAKER REPAIR P.D. VEH.	0		08/11/2008	100.00
101-300.000-851.000	RADIO MAIN	WIRELESS RESOURCES, INC.^ REPAIR RADIO-VEH. # 261	0		08/11/2008	86.00
101-300.000-851.000	RADIO MAIN	WIRELESS RESOURCES, INC.^ ANTENNA REPAIR - VEH.# 261	0		08/11/2008	91.25
101-300.000-863.000	VEHICLE MA	HINES PARK FORD, INC. DRIVE SHAFT ASSEMBLY-PD 243	0		08/11/2008	214.75

INVOICE APPROVAL LIST BY FUND
Checks to be approved 8/11/08

Date: 08/07/2008
Time: 9:42am
Page: 2

The City of South Lyon

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	Amount
Account		Abbrev	Invoice Description	Number	Number	Date	
Fund: GENERAL FUND							
Dept: POLICE							
101-300.000-863.000		VEHICLE MA	MYERS TIRE SUPPLY CO.	0		08/11/2008	101.56
			WRENCH,SENSOR KIT,TIRE SUPPLS.				
101-300.000-863.000		VEHICLE MA	SOUTH LYON LUMBER TRUE VALUE	0		08/11/2008	11.98
			JULY 2008 STATEMENT				
101-300.000-863.000		VEHICLE MA	SOUTH LYON PARTS PLUS	0		08/11/2008	412.12
			JULY 2008 STATEMENT				
101-300.000-863.000		VEHICLE MA	TIRE WHOLESALERS COMPANY, INC.	0		08/11/2008	315.50
			TIRES FOR PD 271 & CHIEF'S CAR				
101-300.000-931.000		BUILDING M	MESSINA'S FLOORS & MORE	0		08/11/2008	160.00
			STRIP & WAX FLOOR-SQUAD ROOM				
101-300.000-931.000		BUILDING M	ELLIOTT LEVELING, INC.	0		08/11/2008	925.00
			SIDEWALK LEVELING-POLICE BLDG.				
101-300.000-970.000		CAPITOL IM	HIGHLANDER GRAPHICS	0		08/11/2008	670.00
			VEHICLES, ADD/REMOVE GRAPHICS				
101-300.000-977.000		EQUIPMENT	BEARCOM	0		08/11/2008	64.79
			HEADSET				
Total POLICE							3,574.40
Dept: FIRE							
101-335.000-727.000		OFFICE SUP	QUILL CORPORATION	0		08/11/2008	46.26
			CLIPBOARDS, PENS, TAPE				
101-335.000-740.000		OPERATING	MICHIGAN WATER SERVICE INC.	0		08/11/2008	60.00
			BOTTLED WATER				
101-335.000-740.000		OPERATING	SOUTH LYON LUMBER TRUE VALUE	0		08/11/2008	55.01
			JULY 2008 STATEMENT				
101-335.000-863.000		VEHICLE MA	LAWSON PRODUCTS, INC.	0		08/11/2008	51.73
			SUPPLIES-MECHANICS & WWTP				
101-335.000-863.000		VEHICLE MA	SOUTHWEST BRAKE & PARTS INC.	0		08/11/2008	73.95
			WORK LIGHTS FOR ENGINE 1				
101-335.000-863.000		VEHICLE MA	SHARE CORP.	0		08/11/2008	45.20
			DEGREASER				
101-335.000-863.000		VEHICLE MA	LAWSON PRODUCTS, INC.	0		08/11/2008	38.61
			MECHANICS SUPPLIES				
101-335.000-863.000		VEHICLE MA	SOUTHWEST BRAKE & PARTS INC.	0		08/11/2008	167.23
			LIGHTS,JOINTS,VALVES				
101-335.000-863.000		VEHICLE MA	SOUTH LYON PARTS PLUS	0		08/11/2008	98.73
			JULY 2008 STATEMENT				
101-335.000-930.000		REPAIR MAI	EASTMAN FIRE PROTECTION	0		08/11/2008	158.86
			CYLINDER MAINT. & HYDROTESTING				
101-335.000-977.000		EQUIPMENT	ALERT EMERGENCY EQUIPMENT	0		08/11/2008	503.95
			LOW PRESSURE NOZZLE				
101-335.000-977.000		EQUIPMENT	PAYETTE & ASSOCIATES, INC.	0		08/11/2008	53.33
			ADAPTERS				
101-335.000-977.000		EQUIPMENT	W.S. DARLEY & CO.	0		08/11/2008	22.25
			ADAPTER				
101-335.000-977.000		EQUIPMENT	DOUGLASS SAFETY SYSTEMS LLC	0		08/11/2008	491.38
			RUBBER SUPPLY HOSE				
101-335.000-977.000		EQUIPMENT	LAB SAFETY SUPPLY, INC.	0		08/11/2008	57.88
			POST COVER				
101-335.000-977.000		EQUIPMENT	PAYETTE & ASSOCIATES, INC.	0		08/11/2008	322.94
			1 3/4 HOSE				
101-335.000-977.000		EQUIPMENT	PAYETTE & ASSOCIATES, INC.	0		08/11/2008	202.12
			2 1/2 " CHROME CAPS				
Total FIRE							2,449.43
Dept: DEPT. OF PUBLIC WORKS							
101-440.000-727.000		OFFICE SUP	OFFICE EXPRESS	0		08/11/2008	55.72
			OFFICE SUPPLIES				
101-440.000-740.000		OPERATING	BRIGHTON CLEANING SUPPLIES	0		08/11/2008	140.70
			SUPPLIES				
101-440.000-740.000		OPERATING	GRAINGER	0		08/11/2008	73.80
			TRASH CAN LINERS				
101-440.000-740.000		OPERATING	MARK'S OUTDOOR POWER	0		08/11/2008	34.96
			CHAIN SAW REPAIRED				
101-440.000-740.000		OPERATING	SOUTHEASTERN EQUIPMENT CO INC	0		08/11/2008	11.11
			MISC. PARTS FOR BACKHOE				
101-440.000-740.000		OPERATING	THESIER EQUIPMENT	0		08/11/2008	44.15
			MOWER BLADES MISC. PARTS				
101-440.000-740.000		OPERATING	THESIER EQUIPMENT	0		08/11/2008	69.90
			PARTS FOR WEED WHIPS				

INVOICE APPROVAL LIST BY FUND
Checks to be approved 8/11/08

Date: 08/07/2008
Time: 9:42am
Page: 3

The City of South Lyon

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	Amount
Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: GENERAL FUND							
Dept: DEPT. OF PUBLIC WORKS							
101-440.000-740.000		OPERATING	ANN ARBOR WELDING SUPPLY CO	0		08/11/2008	44.62
			CYLINDER RENTAL				
101-440.000-740.000		OPERATING	ATCO INTERNATIONAL	0		08/11/2008	193.60
			CHAIN,CABLE LUBE & HAND CLEANR				
101-440.000-740.000		OPERATING	BRIGHTON CLEANING SUPPLIES	0		08/11/2008	191.10
			CLEANING SUPPLIES				
101-440.000-740.000		OPERATING	MARK'S OUTDOOR POWER	0		08/11/2008	244.60
			CHAIN SAW & PARTS				
101-440.000-740.000		OPERATING	QUALITY FIRST AID & SAFETY	0		08/11/2008	25.00
			SAFETY GLASSES				
101-440.000-740.000		OPERATING	QUALITY FIRST AID & SAFETY	0		08/11/2008	76.69
			FIRST AID SUPPLIES & GLOVES				
101-440.000-740.000		OPERATING	REGIONS IBS	0		08/11/2008	208.57
			REPLACE CHIPPER FUEL LINE PART				
101-440.000-740.000		OPERATING	SOUTH LYON LUMBER TRUE VALUE	0		08/11/2008	135.30
			JULY 2008 STATEMENT				
101-440.000-740.000		OPERATING	THESIER EQUIPMENT	0		08/11/2008	1,094.06
			MOWER DECK BARS,PINS, HUBS				
101-440.000-740.000		OPERATING	THESIER EQUIPMENT	0		08/11/2008	13.20
			TRACTOR TIRES, PARTS				
101-440.000-863.000		VEHICLE MA	ALTERNATOR SHOP INC.	0		08/11/2008	138.00
			STARTER FOR T-3				
101-440.000-863.000		VEHICLE MA	BRIGHTON FORD MERCURY INC.	0		08/11/2008	198.00
			LED SAFETY LIGHTS FOR VACTOR				
101-440.000-863.000		VEHICLE MA	GREEN OAK TIRE, INC.	0		08/11/2008	27.00
			TIRE DISPOSAL				
101-440.000-863.000		VEHICLE MA	LAWSON PRODUCTS, INC.	0		08/11/2008	110.85
			SUPPLIES-MECHANICS & WWTP				
101-440.000-863.000		VEHICLE MA	REGIONS IBS	0		08/11/2008	164.93
			DOOR PARTS FOR LOADER				
101-440.000-863.000		VEHICLE MA	SHARE CORP.	0		08/11/2008	96.90
			DEGREASER				
101-440.000-863.000		VEHICLE MA	AUTO VALUE BRIGHTON	0		08/11/2008	95.49
			2 1/2 TON JACK				
101-440.000-863.000		VEHICLE MA	CONTRACTORS STEEL COMPANY	0		08/11/2008	158.84
			STEEL FOR TRUCK REPAIRS				
101-440.000-863.000		VEHICLE MA	LAWSON PRODUCTS, INC.	0		08/11/2008	82.70
			MECHANICS SUPPLIES				
101-440.000-863.000		VEHICLE MA	MYERS TIRE SUPPLY CO.	0		08/11/2008	152.36
			WRENCH,SENSOR KIT,TIRE SUPPLS.				
101-440.000-863.000		VEHICLE MA	SOUTHEASTERN EQUIPMENT CO INC	0		08/11/2008	1,121.52
			SWEEPER HOSE & GUTTER BROOMS				
101-440.000-863.000		VEHICLE MA	SOUTHWEST BRAKE & PARTS INC.	0		08/11/2008	358.35
			LIGHTS,JOINTS,VALVES				
101-440.000-863.000		VEHICLE MA	SOUTH LYON PARTS PLUS	0		08/11/2008	799.47
			JULY 2008 STATEMENT				
101-440.000-935.000		NPDES PHAS	HUBBELL, ROTH, & CLARK, INC.	0		08/11/2008	224.03
			MDEQ PHASE II REGULATIONS				
101-440.000-935.000		NPDES PHAS	AMERICAN VIDEO TRANSFER INC	0		08/11/2008	75.00
			STORMWATER VIDEO				
101-440.000-974.000		LAND IMPRO	GM & SONS, INC.	0		08/11/2008	800.00
			ADA SIDEWALK TILES				
101-440.000-974.000		LAND IMPRO	HORNET CONCRETE CO. INC.	0		08/11/2008	308.00
			CONCRETE FOR SIDEWALK REPAIRS				
101-440.000-974.000		LAND IMPRO	NORMAR LANDSCAPERS, INC.	0		08/11/2008	1,720.00
			LIMBS, TREES, STUMPS REMOVED				
101-440.000-974.000		LAND IMPRO	SCHONSHECK PROPERTY SERVICES	0		08/11/2008	1,125.00
			LEX.PLACE - ORDINANCE MOWING				
Total DEPT. OF PUBLIC WORKS							10,413.52
Dept: PARKS AND RECREATION							
101-690.000-740.000		OPERATING	BRIGHTON CLEANING SUPPLIES	0		08/11/2008	126.75
			SUPPLIES				
101-690.000-740.000		OPERATING	JOHN'S SANITATION	0		08/11/2008	345.00
			PORTA JOHNS @ PARKS				
101-690.000-740.000		OPERATING	PLAYPOWER LT FARMINGTON,INC.	0		08/11/2008	80.95
			SWING SEAT LATCH KITS				
101-690.000-740.000		OPERATING	SOUTH LYON LUMBER TRUE VALUE	0		08/11/2008	6.58
			JULY 2008 STATEMENT				

INVOICE APPROVAL LIST BY FUND
Checks to be approved 8/11/08

Date: 08/07/2008
Time: 9:42am
Page: 4

The City of South Lyon

Fund Department Account	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: GENERAL FUND						
Dept: PARKS AND RECREATION 101-690.000-930.000	REPAIR MAI	NORMAR LANDSCAPERS, INC. LIMBS, TREES, STUMPS REMOVED	0		08/11/2008	360.00
				Total PARKS AND RECREATION		919.28
Dept: HISTORICAL DEPOT 101-732.000-930.000	REPAIR MAI	GRAINGER TRASH CAN LINERS	0		08/11/2008	78.22
101-732.000-931.000	BUILDING M	DICK'S ELECTRIC, INC. REPAIR LIGHTS, REPLACE BULBS	0		08/11/2008	171.50
101-732.000-931.000	BUILDING M	MARK G. POPRAVSKY WITCHES HAT SPRINKLER REPAIRS	0		08/11/2008	152.50
				Total HISTORICAL DEPOT		402.22
				Fund Total		34,313.00
Fund: LOCAL STREETS						
Dept: CONSTRUCTION 203-451.000-801.000	PROFESSION	HUBBELL, ROTH, & CLARK, INC. 2008/2009 STREET IMPROVEMENTS	0		08/11/2008	9,303.08
				Total CONSTRUCTION		9,303.08
Dept: DRAINAGE & BACKSLOPING 203-491.000-740.000	OPERATING	SOUTH LYON LUMBER TRUE VALUE JULY 2008 STATEMENT	0		08/11/2008	17.53
				Total DRAINAGE & BACKSLOPING		17.53
				Fund Total		9,320.61
Fund: CAPITAL IMPROVEMENTS						
Dept: CONSTRUCTION 401-451.000-801.170	S.W. RAIL	HUBBELL, ROTH, & CLARK, INC. RAIL TRAIL S.W. CONNECTOR	0		08/11/2008	7,398.15
401-451.000-801.190	DDA STREET	HUBBELL, ROTH, & CLARK, INC. PHASE II DDA -LIBERTY TO ELM	0		08/11/2008	37,275.95
401-451.000-801.220	PROF SERV	HUBBELL, ROTH, & CLARK, INC. 2007/2008 STREET IMPROVEMENTS	0		08/11/2008	411.85
401-451.000-801.280	PROF SVC-L	HUBBELL, ROTH, & CLARK, INC. LAKE/WHIPPLE ALLEYWAY	0		08/11/2008	7,387.94
				Total CONSTRUCTION		52,473.89
				Fund Total		52,473.89
Fund: WATER & SEWER						
Dept: WATER/SEWER CONSTRUCTION 592-452.000-801.000	PROFESSION	HUBBELL, ROTH, & CLARK, INC. WWTP PROJECT PLAN	0		08/11/2008	744.55
				Total WATER/SEWER CONSTRUCTION		744.55
Dept: WATER / REPAIR 592-540.000-740.000	OPERATING	SOUTH LYON LUMBER TRUE VALUE JULY 2008 STATEMENT	0		08/11/2008	39.70
				Total WATER / REPAIR		39.70
Dept: SEWER / REPAIR 592-550.000-930.000	REPAIR MAI	PLUMBERS SERVICE CABLED 2 SANITARY LINES	0		08/11/2008	481.50
592-550.000-930.000	REPAIR MAI	PLUMBERS SERVICE CABLED SANIT.LINE-214 LYON BLD	0		08/11/2008	261.00
				Total SEWER / REPAIR		742.50
Dept: WATER 592-556.000-721.000	UNIFORMS &	SWANN'S SAFETY BOOTS	0		08/11/2008	267.87
592-556.000-727.000	OFFICE SUP	OFFICE EXPRESS OFFICE SUPPLIES	0		08/11/2008	37.49
592-556.000-727.000	OFFICE SUP	OFFICE EXPRESS OFFICE SUPPLIES	0		08/11/2008	11.01

INVOICE APPROVAL LIST BY FUND
Checks to be approved 8/11/08

Date: 08/07/2008
Time: 9:42am
Page: 5

The City of South Lyon

Fund Department Account	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: WATER & SEWER						
Dept: WATER						
592-556.000-740.000	OPERATING	THIELSCH ENGINEERING INC. FLOW CHARTS	0		08/11/2008	121.95
592-556.000-740.000	OPERATING	STANDARD ELECTRIC COMPANY FUSES FOR ACTIFLOW	0		08/11/2008	38.50
592-556.000-740.000	OPERATING	THESIER EQUIPMENT ZERO TURN MOWER PARTS	0		08/11/2008	69.72
592-556.000-740.000	OPERATING	JCI JONES CHEMICALS INC. CHLORINE	0		08/11/2008	926.55
592-556.000-740.000	OPERATING	ATCO INTERNATIONAL CHAIN,CABLE LUBE & HAND CLEANR	0		08/11/2008	96.80
592-556.000-740.000	OPERATING	LAKELAND PRINTING REQUISITIONS PRINTED	0		08/11/2008	63.93
592-556.000-740.000	OPERATING	SOUTH LYON LUMBER TRUE VALUE JULY 2008 STATEMENT	0		08/11/2008	54.70
592-556.000-801.000	PROFESSION	HUBBELL, ROTH, & CLARK, INC. STAGE II DBPR	0		08/11/2008	119.11
592-556.000-863.000	VEHICLE MA	LAWSON PRODUCTS, INC. SUPPLIES-MECHANICS & WWTP	0		08/11/2008	44.33
592-556.000-863.000	VEHICLE MA	SHARE CORP. DEGREASER	0		08/11/2008	38.76
592-556.000-863.000	VEHICLE MA	COUGAR SALES & RENTAL, INC. AIR FILTERS	0		08/11/2008	27.98
592-556.000-863.000	VEHICLE MA	BRIGHTON CHRYSLER PART FOR BLOWER MOTOR W-5	0		08/11/2008	9.72
592-556.000-863.000	VEHICLE MA	LAWSON PRODUCTS, INC. MECHANICS SUPPLIES	0		08/11/2008	33.10
592-556.000-863.000	VEHICLE MA	MYERS TIRE SUPPLY CO. WRENCH,SENSOR KIT,TIRE SUPPLS.	0		08/11/2008	60.92
592-556.000-863.000	VEHICLE MA	SOUTH LYON PARTS PLUS JULY 2008 STATEMENT	0		08/11/2008	77.55
592-556.000-931.000	BUILDING M	R.K. COMMUNICATIONS, INC. BASE RADIO ANTENNA REPLACED	0		08/11/2008	492.50
Total WATER						2,592.49
Dept: WASTEWATER						
592-557.000-727.000	OFFICE SUP	OFFICE EXPRESS OFFICE SUPPLIES	0		08/11/2008	37.48
592-557.000-727.000	OFFICE SUP	OFFICE EXPRESS OFFICE SUPPLIES	0		08/11/2008	11.00
592-557.000-740.000	OPERATING	THIELSCH ENGINEERING INC. FLOW CHARTS	0		08/11/2008	145.50
592-557.000-740.000	OPERATING	STANDARD ELECTRIC COMPANY FUSES FOR ACTIFLOW	0		08/11/2008	87.05
592-557.000-740.000	OPERATING	THESIER EQUIPMENT ZERO TURN MOWER PARTS	0		08/11/2008	69.72
592-557.000-740.000	OPERATING	LAWSON PRODUCTS, INC. SUPPLIES-MECHANICS & WWTP	0		08/11/2008	49.71
592-557.000-740.000	OPERATING	THESIER EQUIPMENT MOWER BLADES MISC. PARTS	0		08/11/2008	63.09
592-557.000-740.000	OPERATING	ANN ARBOR WELDING SUPPLY CO CYLINDER RENTAL	0		08/11/2008	14.88
592-557.000-740.000	OPERATING	ALEXANDER CHEMICAL CORP. ALUMINUM SULFATE	0		08/11/2008	4,494.18
592-557.000-740.000	OPERATING	ATCO INTERNATIONAL CHAIN,CABLE LUBE & HAND CLEANR	0		08/11/2008	260.80
592-557.000-740.000	OPERATING	BRIGHTON ANALYTICAL, INC. WW ANALYSIS	0		08/11/2008	165.00
592-557.000-740.000	OPERATING	LAKELAND PRINTING REQUISITIONS PRINTED	0		08/11/2008	63.93
592-557.000-740.000	OPERATING	MILARCH NURSERY, INC. WEED BLOCK FOR AERATION TANK	0		08/11/2008	195.00
592-557.000-740.000	OPERATING	SOUTH LYON LUMBER TRUE VALUE JULY 2008 STATEMENT	0		08/11/2008	94.50
592-557.000-740.000	OPERATING	ALLIED WASTE SERVICES #241 PLANT SCREENING REMOVAL	0		08/11/2008	458.64
592-557.000-740.000	OPERATING	ALEXANDER CHEMICAL CORP. ALUMINUM SULFATE	0		08/11/2008	4,507.11
592-557.000-740.000	OPERATING	CHEMCO PRODUCTS INC. POLYMER	0		08/11/2008	3,897.00

INVOICE APPROVAL LIST BY FUND
Checks to be approved 8/11/08

Date: 08/07/2008
Time: 9:42am
Page: 6

The City of South Lyon

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	
Account	Account	Abbrev	Invoice Description	Number	Number	Date	Amount
Fund: WATER & SEWER							
Dept: WASTEWATER							
592-557.000-801.000		PROFESSION	HUBBELL, ROTH, & CLARK, INC.	0		08/11/2008	1,635.90
			WWTP NPDES PERMIT COMPLIANCE				
592-557.000-931.000		BUILDING M	R.K. COMMUNICATIONS, INC.	0		08/11/2008	492.50
			BASE RADIO ANTENNA REPLACED				
592-557.000-931.000		BUILDING M	UTILITIES INSTRUMENTATION	0		08/11/2008	1,393.00
			TROUBLESHOOT MAIN BREAKER				
592-557.000-931.000		BUILDING M	KENNEDY INDUSTRIES INC.	0		08/11/2008	1,271.00
			REPAIR EAGLE HTS.LIFT ST.PUMP				
592-557.000-931.000		BUILDING M	J.G.M. VALVE CORPORATION	0		08/11/2008	639.51
			ACTIFLOW # 3 VALVE MOTOR				
Total WASTEWATER							20,046.50
Fund Total							24,165.74
Grand Total							120,273.24

The above checks have been approved for payment.

John Doyle Jr., Mayor

Julie C. Zemke, City Clerk

**CITY OF SOUTH LYON
REGULAR CITY COUNCIL MEETING
JULY 28, 2008**

Mayor Pro-tem Kivell called the meeting to order at 7:30 p.m.
Mayor Pro-tem Kivell led those present in the Pledge of Allegiance to the Flag

PRESENT: Council Members: Kivell, Kopkowski, Maida, Morelli, Selden and Wedell
City Manager Murphy
Attorney Lee
City Clerk/Treasurer Zemke
Department Heads: Collins, Martin & Renwick
ABSENT: Mayor Doyle

APPROVAL OF MINUTES:

CM 7-1-08- APPROVAL OF MINUTES – REGULAR MEETING OF JULY 14, 2008

Motion by Kopkowski, supported by Maida

To approve the minutes of the regular meeting of July 14, 2008 as written

VOTE: MOTION CARRIED UNANIMOUSLY

APPROVAL OF MONTHLY BILLS: None

APPROVAL OF AGENDA

CM 7-2-08 – APPROVAL OF AGENDA

Motion by Wedell, supported by Selden

To approve the agenda as presented

VOTE: MOTION CARRIED UNANIMOUSLY

CITIZENS SUGGESTIONS:

Mr. Cory Bala of the South Lyon Hotel stated that he is asking for some help. He stated that he has been involved with the community for over seven years. They do not have any negative issues or police issues. It is a bar as well as family dining. The problem seems to be that every Friday and Saturday night they are getting noise complaints. Some may be justified, but the majority are not. They have tried to be proactive this year by rather than keeping their porch open to 1-2 a.m. which their liquor license allows, they close it down by midnight and keep everyone inside. He asked if there is anything that he could do to try to minimize the officer's time.

Council Member Kopkowski stated that she makes many of the calls as her house is directly across from the balcony. When she went in to speak with him, she was told that he would buy her an air conditioner and that she should keep her windows closed. She stated that she does not want an air conditioner and she enjoys having her windows open. However, she does not enjoy the profanity. When she has to turn her TV up to drown out the noise, she does make a call. She stated that she is tired of the problem and her neighbors are tired of the problem and they do call. It is time to do something about it.

Mr. Bala stated that he did offer to purchase an air conditioner and windows, and he would still be willing to do that. Council Member Kopkowski stated that she does not want air conditioning. She has a historical home and enjoys having her windows open.

Council Member Maida asked what time the people are moved off the balcony. Mr. Bala stated that generally they move everything inside 11:30-11:45 p.m. Lately, the officers are showing up around 11:25 p.m. Discussion was held on moving people indoors sooner. Mr. Bala stated that in the past couple of years it has been difficult for restaurants to survive in South Lyon and a lot of their revenue comes after the 11 o'clock hour, and a lot of that is due to the fact that people can enjoy the outside. He stated that he is not trying to justify profanity. They need to get those people off the porch or out of the business, but in general they have been good about cleaning things up. They have worked very hard to make it a better place, and it is getting harder when the noise complaints come earlier. He stated that he would be willing to handle things individually with Council Member Kopkowski, but she is hurting his business. Council Member Kopkowski stated that she is not the one who took the trees down. Mr. Bala stated that he did not either.

Discussion was held on having a bouncer if profanity is the major issue. Council Member Kopkowski stated that it is the profanity but also the hollering and loud music. She stated that her neighbors call her and ask her to make a call. Mr. Bala stated that they do not have bouncers and never have. A bar that has bouncers accepts that they will have fights. They do not. He could have a staff member patrolling the porch. Further discussion was held on staff being responsible if things are getting to loud.

Discussion was held on a good portion of the Hotel's revenue coming from after 11:00 p.m. Discussion was held on trying to keep the doors closed because of the music. Council Member Kopkowski further discussed the loud music.

Discussion was held on the problem existing because the trees were cut down. Mr. Bala stated that he should not be expected to lose \$5-10,000 each week because they cut the trees down. He further stated that he is happy to continue to close the porch at 12:00 and he is happy to put a staff member out there to keep people from yelling or using profanity, but he is asking that we stop accepting noise complaints before 12:00.

Councilman Selden asked if we have a noise standard in our ordinance. Chief Collins stated that we do, but it is subjective as to disturbance or annoyance.

Councilman Selden asked if there is any type of screening that could be put up there such as a trellis or vines. Attorney Lee stated that you could hire a sound engineer. He further stated that it might be possible to build some type of baffles. Council Member Kopkowski stated that she had suggested at one time that possibly something could be put on Providence's roof for that purpose. Discussion was held on liability issues as well as cost, etc.

Discussion was held on the new trees that were planted. Discussion was held on the size of those trees.

Discussion was held on how many houses are affected. It was stated that there are three houses on the street. Mr. Bala stated that he has talked to some of the people there and though they can hear the music, it is not a big deal. He asked if the complaints are just from this area. Council Member Kopkowski stated that she thinks it's just her direction. Chief Collins stated that from a Police Department perspective, it would be helpful if they received calls from more than one source. Sometimes complaints come in anonymous others are identifiable to a person or address. Of the identifiable calls, the complaints are only coming from 1-2 people from one address. People in a neighborhood, if they know someone in city government they have a tendency to call them rather than calling a dispatcher. They need to call direct so that they can get a better idea of what degree of disturbance there is and what direction we should be focusing our attention. Council Member Kopkowski stated that we already know there is a problem, a log at this point is useless.

Further discussion was held on investigating the noise level and possibility of baffles. Mr. Bala stated that he is looking for what is best for everyone without spending thousands of dollars for building modifications. City Manager Murphy stated that he would investigate the issue and report back to Council.

Councilman Wedell stated that he would also like to look at the source of complaints and frequency. He stated that we should not be arguing, but rather looking for some solutions, and that is what a City Manager is for.

Mr. Hugh Crawford, Republican Candidate for the 38th District State House of Representative stated that he wanted to stop and introduce himself. He stated August 5th is the Primary and hopefully he will be successful and this is just one of many visits to South Lyon. He gave a brief background including his community involvement and political history.

OLD BUSINESS:

1. Review of reward for information

Councilman Kivell stated that Councilman Selden had suggested that we abandon reward for the Police car vandalism.

City Manager Murphy stated that nothing has come in at this point. However, he does not see a problem with leaving it in place for another 30-60 days, but at that time it will be a dead issue.

Chief Collins stated that we have had no tips and we have no leads to follow at this point.

CM 7-3-08 – RESCIND REWARD FOR VANDALISM

Motion by Selden, supported by Morelli

To rescind the reward for information leading to the arrest and conviction of individuals responsible for the police car vandalism as of August 31, 2008

VOTE:

MOTION CARRIED UNANIMOUSLY

2. Post Office Building Discussion

Councilman Kivell stated that at the last meeting, he brought up the idea of approaching the Post Office so that when their existing lease expires, we could be looking at a different scenario whereby we have a small-town post office and distribution is taken out of the 4-corners area. He was looking to see if anyone had any comments or ideas.

Discussion was held on their contract term and their original plan to be there for only five years.

Discussion was held on other post offices with this type of scenario.

The question was asked if we could force them to do something. Councilman Kivell stated that we could not, but he does not think that anything would happen to try to achieve it if we do not try to solicit the conversation.

Discussion was held on the building not being the ideal situation for the Post Office. Discussion was held on other locations that may be suitable. Attorney Lee stated that if you chase them out of town, you lose your designation as a Post Office and it would become the Lyon Township Post Office. Councilman Kivell stated that the idea is to get the distribution out without losing the ability to get stamps, post office boxes, mail letters, etc.

Discussion was held on the need for additional information. City Manager Murphy stated that he has been trying to figure out how to approach them without making them mad. He does not want to move forward without Council having some kind of consensus. Discussion was held on approaching the Post Office to find out what their long and short term intentions are. Consensus of Council was to approach them to find out what their intentions are.

3. Recycling for Businesses and Apartment Dwellers within the City.

Council Member Kopkowski stated that she was pleased to see that price was not that expensive. She further stated that in order for it to be successful, we will need signage and advertisement for both the businesses and apartments.

City Manager Murphy stated that he would like to try this beginning in September or October for a 3-4 month trial period. There may be something else coming forward in the future to address this issue. For the price, it is a good experiment and it will get them in the habit of recycling.

Councilman Wedell asked how we will know that the people who are dumping are residents or city businesses. City Manager Murphy stated that we will not unless you want to hire someone to monitor it. Councilman Wedell stated that we pay for our recycling on our utility bills, and we will be providing this service tax free.

Discussion was held on how businesses pay for their garbage pick-up. It was stated that most of the businesses contract for services. It was further stated that only those who receive city pick-up pay for it.

Discussion was held on the dumpsters. City Manager Murphy stated that there would be plastics in one and everything else in the other. It will not be going to RRRASOC but rather Mt. Clemens because RRRASOC does not have the capability of single stream at this point. Further discussion was held on RRRASOC.

Discussion was held on times that it would be open. It was stated that the DPW hours are 7:00 a.m. to 3:30 p.m.

CM 7-4-08 – APPROVAL OF TRIAL RECYCLING FOR BUSINESSES AND APARTMENT DWELLERS

Motion by Kopkowski, supported by Wedell

To approve the proposed recycling plan for the businesses and apartment dwellers in the City for a three-month trial pilot period

VOTE:

MOTION CARRIED UNANIMOUSLY

4. Update on current and Future projects

Mr. Jessee VanDeCreek of HRC stated that they have had some inquiries as to the intersection detail in the downtown project, in particular the sidewalk approaches. He discussed a meeting held with Council Members Kivell and Kopkowski, the City Manager and the Permits Department of the Road Commission. He stated that there is a jog in the crosswalk due to the ADA requirements. He stated that they went through three separate designs to try to achieve ADA requirements. He discussed those requirements. We have a very narrow right-of-way and we had to come up with a configuration to meet those requirements, which resulted in the jog. There are some benefits including a brick paver section which provides for better aesthetic. There were some valid concerns including wheel chair wheels falling into a rut, and those concerns will be addressed. He discussed the intersection at Elm Place. He stated that at the southeast corner there is a building up against the existing sidewalk so the corner is limited by that building. He discussed the design in order to accommodate the requirements. He stated that every joint on the sidewalk detail has a grade on it to make sure they meet ADA. They have never had to do that in Oakland County.

Mr. VanDeCreek stated that another item that was brought up was at the northwest corner of McHattie. They tried to obtain a temporary easement for grade but were unsuccessful. They had to sawcut the island because of a drainage issue they did not want to modify. They are building another curb to accommodate the new landing and light signal. He further discussed the aesthetic issues. He stated that for under \$3,000 we can have this concrete curb and brick pavers added to the project. We may have to deal with this same issue at Elm Place. He stated that they are on schedule with the project and the concrete paver contractor is expected to be out there tomorrow. The contractor has indicated that they expect to have the project completed by August 29th, which is the contract completion date. He discussed the problem with

the brick paver contractor. Because it is a federal project, it has to comply with the Davis-Bacon Wage Rates, and we need to make sure that we do not have any illegals working on the project. The on-sight observer found that the sub-contractor was qualified for MDOT paving last year, but he is not this year. So the contractor had to find another sub-contractor who was qualified.

Councilman Morelli asked if once the new lighting is installed will the cobra lighting then be removed. Mr. VanDeCreek stated that will be the last thing done.

Councilman Kivell stated that if there had to be three separate meetings to come up with the configuration of the intersections, it should have been brought to the City immediately. Mr. VanDeCreek stated that the grade inspection was done a year ago. Furthermore, the administrative staff was provided with the design detail and the City Manager was involved in one of those meetings. If Council wishes, they could appoint someone from Council to oversee the engineering.

Councilman Kivell stated that we have businesses that are wondering what is going on when they have orange barrels in front of their businesses and the work is not being done. They need some assurances. Mr. VanDeCreek stated that the assurance is that if the project is not complete by the contract date, the contractor will be penalized. He further stated that they did have a special meeting with the business owners in advance of the project and have spent a lot of time there talking with them. He has not had any complaints since the project started. The feedback has been fairly good on the capability of the contractor and the on-sight representative is there to make sure that their needs are being met.

Discussion was held on the concern of the businesses when they do not see work taking place. Discussion was held on the delays. Mr. VanDeCreek stated that as engineers, they protected the City by finding out that a non-MDOT contractor was about to start work on the project. Council Member Kopkowski stated that should have been caught ahead of time, and as a result it delayed the project. Mr. VanDeCreek stated that the contractor is still responsible for meeting the deadline date. Council Member Kopkowski stated that still the orange barrels are in front of the businesses without work being done. Someone could have moved the barrels. Mr. VanDeCreek stated that if there is a specific issue, then he would be more than happy to help. Council Member Kopkowski stated that the specific issue is when there is no work being done, let the businesses know why and ask if there is something that can be done to accommodate them. Mr. VanDeCreek stated that he can have the on-sight observer knock on some doors, but that is already being done. If there is a specific complaint, he will help.

Council Member Kopkowski stated that the DDA never received a copy of the construction drawings, but they are not engineers, so you cannot say that the DDA approved all of this. It has been said, and she does not appreciate that.

Discussion was held on the driveway cuts for the gas station. Mr. VanDeCreek stated that they worked directly with the property owner on what he wanted, and that is what was presented to the DDA. Further discussion was held on the design.

Discussion was held on the sidewalk flags in front of the insurance company where the old concrete meets the new concrete. Mr. VanDeCreek stated that they will look at this area.

Mr. VanDeCreek discussed the sanitary sewer televising program that has been taking place. He stated that they will be coming back about moving into the next area. He further discussed the Drinking Water Revolving Loan funds that are available. He stated that Federal appropriations have not been guaranteed for more than two more years. Last fall, they discussed with administration the needs of the water system. We have four miles of four inch main in the City, and if you have a funding source available, we need to look at it. He further discussed the need for putting together a project plan and the application process. Mr. VanDeCreek stated that the City of South Lyon has never prepared a formal Master Storm Water Management Plan. During the process of Phase II Storm Water Regulations, one of the year-three items was the development of a Master Storm Water Management Plan. This includes looking at the entire watershed of the community. He stated that this is required as part of the City's permit. Further discussion was held on the development of this plan. Discussion was held on Oakland County's Master Storm Water Management Plan.

NEW BUSINESS

1. Approval of bid for Lake/Whipple Alleyway improvement project

Mr. VanDeCreek stated this is the project decided for the use of the CDBG funds. They received bids and the bid recommendation has been provided by Council. They have received all of the information on the contractor and are recommending the award.

The question was asked if the contract would extend the unit pricing to the businesses that may want to augment their existing areas. Mr. VanDeCreek stated that they did pursue temporary easements from all of the property owners and received all but one, and in exchange we will pave up to the buildings. Unfortunately, the area that abuts the one building will be the only area not paved.

Council Member Kopkowski stated that she was pleased to see that the project came in lower than originally proposed. However, it is not a significant roadway and she does not want to see cost overruns. Mr. VanDeCreek stated that there is contingency in the bid price for undercut work.

CM 7-5-08 – APPROVAL OF LOW BID – LAKE/WHIPPLE ALLEYWAY IMPROVEMENTS

Motion by Selden, supported by Maida

To approve the low bid from Nagle Paving Company for the Lake/Whipple Alleyway improvement project in the amount of \$35,845 as presented

VOTE:

MOTION CARRIED UNANIMOUSLY

2. Additional work on streetscape project

City Manager Murphy stated that there are no funds added for any additional work at Elm Place. Council could add funds for that additional work. Councilman Kivell stated that we could wait until we get there. Mr. VanDeCreek stated that these are all unit prices that are in the contract and you can go up or down as long as we do not exceed 25%.

CM 7-6-08 – APPROVAL OF ADDITIONAL WORK – STREETSCAPE PROJECT

Motion by Morelli, supported by Wedell

To approve the extra cost of placing brick pavers around the island at McHattie and Pontiac Trail and additional sidewalk at Liberty and Pontiac Trail in the amount of \$3,065.83 as presented.

VOTE:

MOTION CARRIED UNANIMOUSLY

3. Web hosting/maintenance agreement

City Manager Murphy stated that one of the duties of the Economic Development Director was the maintenance of the web site. The City Clerk has been doing some of the updating. However, he would like to hire 3Sixty Interactive to take care of the maintenance including updating minutes, etc. and any other changes or updating that we require. Although the cost is \$100 per hour, to put something up on a website takes only minutes. The savings of not having an Economic Development Director will certainly cover the cost of having a professional company take care of this. We have also asked them to give us a quote on making our site more user friendly and easier to navigate, which will be handled separately.

Councilman Wedell asked if there is a local company willing to do this. City Manager Murphy stated that he is familiar with this company as he worked with them in Brighton Township. City Clerk/Treasurer stated

that she did talk with a few companies who verbally indicated a price higher than we see here. This is a very professional company, much different than an in-home maintenance group. This company will also be hosting our website as well as maintain so there is some benefit there as well.

Councilman Kivell stated that he understands that this is an interim solution, but if we are going to look at long-term, he would like to see something to compare this with. City Attorney Lee stated that we did revise the contract to allow us to terminate with 30 days notice.

Councilman Kivell asked if they have streaming video capability. City Clerk/Treasurer Zemke stated that they do. We will have some streaming video up on our site shortly, but the issue of live Council meetings is a separate issue.

Discussion was held on contracting for a one-year period. City Manager Murphy stated that we can contract with them and see how we like it. If Council wants to go out for bid, we should state that we are doing this on a probationary period. However, for maintenance he is asking that we go with them for an indefinite period. Discussion was held on revamping the web site being a separate issue.

CM7-7-08 – MAINTENANCE AGREEMENT – WEB SITE HOSTING/MAINTENANCE

Motion by Wedell, supported by Morelli

To approve the maintenance agreement with 3 Sixty Interactive as amended

VOTE:

MOTION CARRIED UNANIMOUSLY

4. Road closure for block party on Drury Lane

Chief Collins stated that this is their second annual block party, and he is recommending approval.

CM 7-8-08 – ROAD CLOSURE – DRURY LANE

Motion by Selden, supported by Maida

To approve the closure of Drury Lane on August 9, 2008 from 12:00 noon until 10:00 p.m. for a Block Party

VOTE:

MOTION CARRIED UNANIMOUSLY

5. Road closure for block party on Appaloosa Court

Chief Collins stated that he is recommending approval.

CM 7-9-08 – ROAD CLOSURE – APPALOOSA COURT

Motion by Wedell, supported by Morelli

To approve the closure of Appaloosa Court on August 2, 2008 from 8:00 a.m. until 10:00 p.m. for a Block Party

VOTE:

MOTION CARRIED UNANIMOUSLY

6. Road closure for block party on Graefield Drive.

Chief Collins stated that he is recommending approval.

CM 7-10-08 – ROAD CLOSURE – GRAEFIELD DRIVE

Motion by Morell, supported by Kopkowski

To approve the closure of Graefield Drive on August 23, 2008 from 3:00 P.M. until 10:00 p.m. for a Block Party

VOTE:

MOTION CARRIED UNANIMOUSLY

7. First reading for Ordinance change, Article VIII Supplementary District Regulations: Sec. 102-454- Screening of rooftop equipment

Pam Weipert, Planning Commission Chairperson, stated that this would require screening of equipment on top of commercial buildings. It would require that it be maintenance free and compatible with the building material.

Council Member Kopkowski asked where these changes are coming from. Ms. Weipert stated that these are holes in the ordinance. They have been able to require builders or developers to do these things, but it is not required in the ordinance. They are cleaning things up. There is not a lot of building going on right now so they are taking the opportunity to do this. There will be additional changes coming forward.

CM 7-11-08 – FIRST READING – AMENDMENT TO SECTION 102-454

Motion by Morelli, supported by Selden

That this be the first reading of an ordinance amendment to Article VIII Supplementary District Regulations: Section 102-454 – Screening of rooftop equipment

VOTE:

MOTION CARRIED UNANIMOUSLY

8. Update on DeMaria Case.

Attorney Lee stated that he is happy to report that our renewed motion, after 18 months of discovery, was granted by the Court. As a result, the City has been victorious with both sides of this lawsuit. He was able to deliver the check from DeMaria for the settlement amount and we have received a check from HRC. The issue of DeMaria trying to free up the northwest corner of Trotter's Point property has been dismissed. However, when he picked up the check from DeMaria, the defense attorney did indicate that they intend to appeal. He further explained the case. He further explained the suit between the developer and the Homeowner's Association.

Discussion was held on a walking path that was never put in. Attorney Lee stated that will be an issue between the Planning Commission and the Trotter's Point Subdivision. It will either have to be put in or the Planning Commission will have to waive that requirement. Discussion was held on the issue of Toll Brothers taking over from DeMaria.

MANAGER'S REPORT

City Manager Murphy stated that at the last meeting the question was asked as to the fuel tank repair. He stated that this was related to the vandalism. The question was asked regarding sludge hauling bill. This is actually twice per year, not quarterly. The question was asked regarding the number bicycles the Police Department has, and that number is two plus one Harley.

City Manager Murphy stated that he would like to bring up the idea of Council utilizing a consent agenda and would like to provide Council with some information and put it on a future agenda for discussion. A consent agenda would allow us to put items together into a consent agenda to be approved with one

action. Things could be taken out of the consent agenda if it requires additional discussion, but items such as the bills or these block parties could be approved together. He stated that this might make things run smoother and quicker.

Councilman Kivell stated that for a lot of people in the community, this is their only source of information. The newspaper rarely posts information about what takes place at our meetings. When we took the role of being on Council, it was not to make sure we could get through the meeting as quickly as possible. City Manager Murphy stated that is not the point, but rather there are some things that can be put forward to make one motion and move on. He stated that he would like Council to consider it. Councilman Wedell stated that it is an efficient way of doing business and he would support it.

City Manager Murphy stated that we have received a Chinese Warrior as a gift from China. It is in the hallway of the City offices.

COUNCIL COMMENTS

Council Member Maida thanked the DPW for trimming the hedges at the gazebo at Pontiac Trail and Reynold Sweet Parkway. She further reminded everyone to get out and vote August 5th. Contact the City Clerk's office if you are not sure where to vote.

Councilman Morelli asked if we received any update on the railroad and the problem with the gates. Chief Collins stated that he has been in contact with the railroad several times as well as the State Transportation Department. CSX has come through and replaced all of the track sensors and the wiring outside the buildings. Since that time he has had to have two officers directing traffic for 7 hours and 16 minutes, which took attention away from other areas of the City. We have billed the railroad, but have not gotten response. They have, however, indicated that they will be working on the inside of the signal house that controls all four crossings in the City. Discussion was held on how the officers hold the gates up so traffic can get through.

ADJOURNMENT

CM 7-12-08 – ADJOURNMENT

Motion by Morelli, supported by Selden

To adjourn the meeting at 9:27 p.m.

VOTE:

MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

John Doyle, Jr.
Mayor

Julie C. Zemke
City Clerk/Treasurer

AGENDA NOTE

Item: New Business #1

MEETING DATE: August 11, 2008

PERSON PLACING ITEM ON AGENDA: Police Chief

AGENDA TOPIC: Fall Witch's Hat Run

EXPLANATION OF TOPIC: A request was received for a permit for the 2008 Fall Witch's Hat Run, including brief road closures on Eleven Mile and on Martindale Rd. The Eleven Mile closure would be from the east drive of South Lyon High School to Eagle Hts. Dr. The Martindale closure would be from Arrow to Eleven Mile. The event is scheduled for Saturday, September 6, 2008.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Permit application, approval of road closure form, memo from Chief Collins.

POSSIBLE COURSES OF ACTION: Approve/do not approve the requested road closures.

RECOMMENDATION: Approve the requested closures.

SUGGESTED MOTION: Motion by _____, supported by _____ to approve the closures of Eleven Mile Rd. from the east drive of South Lyon High School to Eagle Heights Drive, (approx. 9:30 a.m. to 9:45 a.m.); Martindale Road from Arrow to Eleven Mile Rd., (approx. 9:45 a.m. to 10:00 a.m.), on September 6, 2008.

ROLL CALL VOTE REQUIRED? No

SOUTH LYON POLICE DEPARTMENT

Lloyd T. Collins
Chief



Memorandum

To: David Murphy, City Manager

From: Chief Lloyd T. Collins *LTC*

Subject: 2008 Fall Witch's Hat Run

Date: August 1, 2008

I have received a permit request for the above-mentioned event. I reviewed the proposed route, which is similar to previous years. The event is scheduled to begin at 9:30 a.m. on Saturday, September 6, 2008. It will conclude by 11:30 a.m.

A copy of the application for permit is attached for your information.

The planned event should cause only minimal disruption to normal traffic in the area. The Police Department will provide support for the event, including the requested road closures. Therefore, I have approved the request and have so notified the organizers.

xc: Lt. S. Sharpe
Julie Zemke, Clerk/Treasurer

AGENDA NOTE

Item:

MEETING DATE: August 11, 2008

PERSON PLACING ITEM ON AGENDA: Police Chief

AGENDA TOPIC: Fall Witch's Hat Run

EXPLANATION OF TOPIC: A request was received for a permit for the 2008 Fall Witch's Hat Run, including brief road closures on Eleven Mile and on Martindale Rd. The Eleven Mile closure would be from the east drive of South Lyon High School to Eagle Hts. Dr. The Martindale closure would be from Arrow to Eleven Mile. The event is scheduled for Saturday, September 6, 2008.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Permit application, approval of road closure form, memo from Chief Collins.

POSSIBLE COURSES OF ACTION: Approve/do not approve the requested road closures.

RECOMMENDATION: Approve the requested closures.

SUGGESTED MOTION: Motion by _____, supported by _____ to approve the closures of Eleven Mile Rd. from the east drive of South Lyon High School to Eagle Heights Drive, (approx. 9:30 a.m. to 9:45 a.m.); Martindale Road from Arrow to Eleven Mile Rd., (approx. 9:45 a.m. to 10:00 a.m.), on September 6, 2008.

ROLL CALL VOTE REQUIRED? No

APPROVAL OF ROAD CLOSURES-

Motion by _____, supported by _____

Resolved That Julie Zemke, City Clerk/Treasurer is hereby authorized to make application to the Road Commission for Oakland County on behalf of the City of South Lyon in the County of Oakland, Michigan for the necessary permit to conduct the 2008 Fall Witch's Hat Run on September 06, 2008 at 9:30 a.m. and the related street closures:

Eleven Mile Road – East Drive of South Lyon High School to Eagle Heights Drive
Martindale Road – Arrow to Eleven Mile Road

And that the City of South Lyon in the County of Oakland, Michigan will faithfully fulfill all permit requirements, and shall save harmless, indemnify, defend, and represent the Board against any and all claims for bodily injury or property damage, or any other claim arising out of or related to operations authorized by such permits as issued.

VOTE:

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of South Lyon, County of Oakland, State of Michigan, at a regularly scheduled meeting of _____, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said act.

Julie C. Zemke
City Clerk/Treasurer

The Witch's Hat Run
Sept. 6, 2008

City of South Lyon
Department of Police
219 Whipple
South Lyon, Michigan 48178
PH. (248) 437-1773 / FAX (248) 437-0459
Lloyd T. Collins
Chief of Police

PARADE / DEMONSTRATION APPLICATION

Date Application Submitted: 6-24-08 Requested Date of Event: 9-6-08
Applicant / Contact's Name: Scott Smith Applicant's Phone: 248-207-5135
Applicant's Address: 9726 Silverside Dr., South Lyon, MI 48178
Business / Organization's Name (If Applicable): South Lyon High School / South Lyon EAST H.S.
CROSS COUNTRY
Business Phone: 248-207-5135 Business Address: 9726 Silverside Dr., South Lyon, MI 48178
248 573-8700
President / CEO (*Responsible for Event): Scott Smith Direct Phone: 248-207-5135

Approximate Number of PERSONS: 400 Organization Names: Runners and Walkers
Approximate Number of VEHICLES: 4 Types of Vehicles: Lead and Sweep Vehicles
Approximate Number of ANIMALS: 0 SPECIFIC Animals: _____
Amount of space to be maintained between any/all units in Parade: N/A

Gathering / Line-Up Location: South Lyon High School Registration
Gathering / Line-Up Time: begins 7:45 AM
Event Start Location: SLHS EAST Driveway (East indicates direction) Event Start Time: 5K/10K Run: Walk 9:30 AM
Event End Location: Southwest corner of SLHS Property Estimated Event End Time: Awards end @ 11:30
Route to be traveled (Include Street Names and Turning Directions): Start at SLHS east driveway. Rt on Eleven
Rt on Eagle Hts Drive. Rt on Kestral Ridge. Lt on Mill Street Rt on sidewalk in front of
ACE Lumber. Rt on bike path to high school. 10K follows 5K course into Eagle Hts
turns left on Brick. Rt on Stoney to Martindale. Martindale to Travis. Travis to Bike Path.
Bike path southwest to SLHS

Applicant's Signature

Approved ☒

Denied ☐

Responsible Party's Signature

Chief Lloyd T. Collins
Lloyd T. Collins, Chief of Police

Mike Teagan, Athletic Director

AGENDA NOTE

Item: New Business #2

MEETING DATE: August 11, 2008

PERSON PLACING ITEM ON AGENDA: City Clerk/Treasurer

AGENDA TOPIC: E-Commerce Agreement with Oakland County

EXPLANATION OF TOPIC: In May 2007 Council approved the necessary agreements to establish PayLocalTaxes.com thereby allowing the acceptance of credit card payments of property taxes through Oakland County's website. Oakland County has expanded the functionality of its E-Commerce Framework, under which the PayLocalTaxes.com program operates, to include the ability to accept electronic checks as payment and to use the Interactive Voice Response Unit as a method for taxpayers to complete a credit card transaction. Furthermore, this will lay the groundwork to provide payment services for payments for products and services beyond local property taxes in the future. Basically, we are expanding the services to our residents with no extra charge to the City. The County has found a funding source to cover the monthly service fees on the CVT's behalf. There is a charge, however to the user. The attached Resolution will authorize the City Clerk/Treasurer to enter the E-Commerce Services Agreement with Oakland County as presented. It will also authorize the City Clerk/Treasurer to execute the necessary agreements with Paypal, Inc., ACH Direct and Elavon, all of which are required in order to set up the proper accounts.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: E-Commerce Services Agreement with Oakland County, Sample Payflow Gateway Services Agreement (Paypal, Inc), ACH Direct Merchant Services Agreement, Agreement with Nova Information Systems (now Elavon), Schedule of Fees, and flow-chart of transactions

POSSIBLE COURSES OF ACTION: Approve/do not approve Resolution authorizing the City Clerk/Treasurer to execute the necessary agreements to accomplish E-Commerce for the acceptance of credit card and electronic checks for the payment of local taxes

RECOMMENDATION: Approve the attached resolution

SUGGESTED MOTION: See attached resolution

ROLL CALL VOTE REQUIRED? No

**CITY OF SOUTH LYON
E-COMMERCE SERVICES AGREEMENT**

WHEREAS the City of South Lyon pursuant to the General Property Tax Act (MCL 211.1, et seq.) is required to collect and receive all current property tax payments due on taxable property located within its geographic boundaries, and

WHEREAS the County of Oakland has developed an internet-based payment procedure that allows County taxpayers the convenience of using credit cards or electronic checks for the payment of delinquent property taxes to the County Treasurer, and

WHEREAS by utilizing essentially this same system and technology, the County has developed a similar model program called "Pay Local Taxes.com" which the County is making available to municipalities in Oakland County, and

WHEREAS participating in the County's "Pay Local Taxes.com" program would allow the City of South Lyon's taxpayers to utilize a similar internet based credit card payment or electronic check option for current property tax payments owed to the City of South Lyon, and

WHEREAS participation in the "Pay Local Taxes.com" program with the County and possibly other municipalities and the resulting "economies of scale" requires only minimal and/or incremental costs and efforts by the City of South Lyon, in order to provide a credit card and electronic check payment options to the City of South Lyon taxpayers:

NOW THEREFORE BE IT RESOLVED that in accordance with Public-Act 280 of 1995, the City of South Lyon Treasurer is hereby authorized to receive payments for property taxes owed to the City of South Lyon by "financial transaction device" (including credit cards) as defined in this Act, and that the Treasurer, as provided in this Act, shall decide which such financial transaction devices shall be acceptable for payments to the City of South Lyon.

BE IT FURTHER RESOLVED that the City of South Lyon approves and authorizes its Treasurer to execute on behalf of the City of South Lyon, such agreements as may be necessary with payment processing services acceptable to the County, for the purposes of allowing them to receive, process deposit and maintain security for all credit card or electronic check payments and deposits for the City of South Lyon.

BE IT FURTHER RESOLVED that the City of South Lyon Treasurer is also authorized to execute such agreements as may be necessary, to open and maintain an account with a depository financial institution acceptable to the County for the purposes of the receipt and deposit of all such "financial transactional device" payments in accordance with the law.

BE IT FINALLY RESOLVED that the City of South Lyon approves entering into the attached E-COMMERCE SERVICES AGREEMENT with the County of Oakland and hereby authorizes its Treasurer to execute this Agreement on behalf of the City of South Lyon

E-COMMERCE SERVICES AGREEMENT

This E-COMMERCE SERVICES AGREEMENT, (hereafter, this "Contract") is made and entered into between the COUNTY OF OAKLAND, a Michigan Constitutional and Municipal Corporation, whose address is 1200 North Telegraph Road, Pontiac, Michigan 48341 (hereafter, the "County"), and the City of South Lyon, a Michigan Constitutional and Municipal Corporation, whose address is: 335 S. Warren, South Lyon, Michigan 48178 (hereafter, the "Municipality"). In this Contract, either the County and/or the Municipality may also be referred to individually as a "Party" or jointly as "Parties."

INTRODUCTORY STATEMENTS

- A. The County has developed an "E-Commerce" System that permits the use of credit cards and electronic checks, via the Internet, for payment of the charges for products and services.
- B. The Municipality has requested the County's Information Technology Department assistance in performing the "Information Technology Department Assistance Services" (hereafter "Services")(as described and defined in this Contract) and has agreed in return to reimburse the County as provided for in this Contract.
- C. The County has determined that it has sufficient "Information Technology Department Personnel," as defined herein, possessing the requisite knowledge and expertise and is agreeable to assisting the Municipality by providing the requested "Information Technology Department Assistance Services" under the terms and conditions of this Contract.
- D. The purpose of this Contract is to enable the Municipality to utilize the "E-Commerce" System, that the County has developed, to assist the Municipality in the collection of fees for products and services via credit card and/or electronic check.

NOW, THEREFORE, in consideration of these premises and the mutual promises, representations, and agreements set forth in this Contract, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the County and the Municipality mutually agree as follows:

- §1. **DEFINED TERMS** In addition to the above defined terms (i.e., "Contract", "County", "Municipality", "Party" and "Parties", and "State"), the Parties agree that the following words and expressions when printed with the first letter capitalized as shown herein, whether used in the singular or plural, possessive or nonpossessive, and/or either within or without quotation marks, shall, be defined and interpreted as follows:
 - 1.1. "County Agent" or "County Agents" shall be defined as any and all Oakland County elected officials, appointed officials, directors, board members, council members, commissioners, authorities, other boards, committees, commissions, employees, managers, departments, divisions, volunteers, agents, representatives, and/or any such persons' successors or predecessors, agents, employees, attorneys, or auditors (whether such persons act or acted in their personal representative or official capacities), and/or any persons acting by, through, under, or in concert with any of them, excluding the Municipality and/or any Municipality Agents, as defined herein. "County Agent" and/or "County

Agents" shall also include any person who was a County Agent anytime during the term of this Contract but, for any reason, is no longer employed, appointed, or elected and serving as a County Agent.

- 1.2. "Information Technology Department Personnel" as used in this Contract shall be defined as a specific subset of, and included as part of the larger group of County Agents as defined above, and shall be further defined as any and all County Agents specifically employed and assigned by the County to work in the Information Technology Department as shown in the current County budget and/or personnel records of the County. For any and all purposes in this Contract, any reference to County Agents shall also include within that term any and all Information Technology Department Personnel, but any reference in this contract to Information Technology Department Personnel shall not include any County Agent employed by the County in any other function, capacity or organizational unit of the County other than the Information Technology Department.
- 1.3. "Municipality Agent" or "Municipality Agents", shall be defined to include any and all Municipality officers, elected officials, appointed officials, directors, board members, council members, authorities, boards, committees, commissions, employees, managers, departments, divisions, volunteers, agents, representatives, and/or any such persons' successors or predecessors, agents, employees, attorneys, or auditors (whether such persons act or acted in their personal, representative, or official capacities), and/or any and all persons acting by, through, under, or in concert with any of them, except that no County Agent shall be deemed a Municipality Agent and conversely, no Municipality Agent shall be deemed a County Agent. "Municipality Agent" shall also include any person who was a Municipality Agent at any time during this Contract but for any reason is no longer employed, appointed, or elected in that capacity.
- 1.4. "Claim(s)" shall be defined to include any and all alleged losses, claims, complaints, demands for relief or damages, suits, causes of action, proceedings, judgments, deficiencies, liability, penalties, litigation costs and expenses, including, but not limited to, any reimbursement for reasonable attorney fees, witness fees, court costs, investigation and/or litigation expenses, any amounts paid in settlement, and/or any other amounts, liabilities or Claim(s) of any kind whatsoever which are imposed on, incurred by, or asserted against either the County and/or any County Agent, as defined herein, or any Claim(s) for which the County and/or any County Agent may become legally and/or contractually obligated to pay or defend against, or any other liabilities of any kind whatsoever, whether direct, indirect or consequential, whether based upon any alleged violation of the constitution (federal or State), any statute, rule, regulation or the common law, whether in law or equity, tort, contract, or otherwise, and/or whether commenced or threatened and arising out of any alleged breach of any duty by the County and/or any County Agent to any third-person, the Municipality, including any Municipality Agent or any E-Commerce Customer under or in connection with this Contract or are based on or result in any way from the County's and/or any County Agent's participation in this Contract.
- 1.5. "E-Commerce Customer" shall be defined as any and all persons or entities, who pay or attempt to pay by credit card or electronic check via the Internet or the County's Interactive Voice Response Unit for products or services, offered by the Municipality.

- §2. COUNTY INFORMATION TECHNOLOGY DEPARTMENT SERVICES The Parties agree that the full and complete scope of any and all County Information Technology Department Assistance Services shall be as described and limited in the following subsections (hereinafter defined and referred to as either "Information Technology Department Assistance Services" or "Services").
- 2.1. "INFORMATION TECHNOLOGY DEPARTMENT ASSISTANCE SERVICES" OR "SERVICES" TO BE PROVIDED "Information Technology Department Assistance Services" or "Services", to be performed by County for the Municipality as those terms are defined in this Contract, shall only include and shall be limited to the following activities:
- 2.1.1. The County will provide, host and maintain a "E-Commerce" System and its connection to the Internet where "E-Commerce" Customers can pay for taxes, licenses, permits and fees by means of a credit card or electronic check, utilizing the Internet. For purposes of illustration, these include, but are not limited to, property taxes, building permits, water bills and class registrations. This includes ensuring that any data stored or transmitted is accurate, complete and securely collected.
 - 2.1.2. The County will provide, host and maintain an Interactive Voice Response Unit and its connection to the "E-Commerce" System where E-Commerce Customers can pay for products and services as identified in this Contract by means of a credit card or electronic check utilizing a telephone. This includes ensuring that any data stored or transmitted is accurate, complete and securely collected.
 - 2.1.3. When tax payments are made to the Municipality that utilizes the County's "E-Commerce" Service and the County's tax receivable system, the County will post the payment without the need for the Municipality to enter the data separately.
 - 2.1.4. When payments are made to the Municipality that utilizes the County's "E-Commerce" Service for products or services that require updates to computerized systems maintained by the County, the County will post the payment without the need for the Municipality to enter the data separately
 - 2.1.5. The County shall perform all maintenance and/or troubleshooting necessary to maintain the "E-Commerce" System.
 - 2.1.6. The County shall maintain and support at no cost to the Municipality all transmission services and Internet service provider services necessary to maintain the System and allow the processing of fees for products and services as identified and itemized in this Contract .
 - 2.1.7. The County shall provide all technical support with respect to "E-Commerce" Customer questions regarding the payment procedure. However, the County shall not be responsible for answering any questions regarding the amount of payment due or owing, but shall refer all such questions directly to the Municipality.
 - 2.1.8. The County will provide the Municipality with access to a Website, password protected, where the Municipality can issue "E-Commerce" Customer credits as may be required and view daily, weekly, and

monthly transaction activity of payments processed through the County's "E-Commerce" System. Note: The customer Website shall also be a secure Website with all customer data collected, stored and transmitted in a secure manner.

- 2.1.9. The County shall provide all reasonable and necessary technology to ensure that customer data is protected and secured in accord with its contractual obligations and reasonable business standards and practices. The County shall be responsible for the cost of the various software licenses required to carry out the terms of this contract.
- 2.2. PURPOSE OF COUNTY "SERVICES" The Parties agree that the purpose of any and all "Information Technology Department Services" or "Services" to be performed under this Contract shall be to assist (e.g., to help, aid, lend support, and/or participate in as an auxiliary, to contribute effort toward completion of a goal, etc.) the Municipality in the performance of that Municipality's official functions, obligations, and Municipality's legal responsibilities pursuant to any applicable Federal or State Laws and Local Ordinances.
- 2.3. MANNER COUNTY TO PROVIDE SERVICES The Parties agree that any and all "Information Technology Department Services" or "Services" to be provided by the County for the Municipality under this Contract shall be performed solely and exclusively by the County's "Information Technology Department Personnel" as defined herein.
 - 2.3.1. Information Technology Department Personnel shall be employed and assigned by the County in such numbers and based on such appropriate qualifications and other factors as decided solely by the County.
 - 2.3.2. The Parties agree that the County shall be solely and exclusively responsible for furnishing all Information Technology Department Personnel with all job instructions, job descriptions and job specifications and shall in all circumstances control, supervise, train or direct all Information Technology Department Personnel in the performance of any and all Services under this Contract.
 - 2.3.3. Except as otherwise expressly provided for herein, the Parties agree and warrant that, at all times and for all purposes relevant to this Contract, the County shall remain the sole and exclusive employer of all County Agents and Information Technology Department Personnel and that the County shall remain solely and completely liable for any and all County Agents' past, present, or future wages, compensation, overtime wages, expenses, fringe benefits, pension or retirement benefits, travel expenses, mileage allowances, training expenses, transportation costs, and/or other allowances or reimbursements of any kind, including, but not limited to, workers' disability compensation benefits, unemployment compensation, Social Security Act protection(s) and benefits, any employment taxes, and/or any other statutory or contractual right or benefit based on or in any way related to any County Agent's employment status.
 - 2.3.4. This Contract is neither intended, nor shall it be interpreted, to create, change, grant, modify, supplement, supersede, alter, or otherwise affect or control, in any manner, form, or at any time, any right, privilege,

benefit, or any other term or condition of employment, of any kind or nature whatsoever, in, upon, or for any County Agent Information Technology Department Personnel with the County, any applicable County employment and/or union contract, and/or any County rule(s), regulation(s), hours of work, shift assignment, order(s), policy(ies), procedure(s), directive(s), ethical guideline(s), etc., which shall, solely and exclusively, govern and control the employment relationship between the County and any County Agent or Information Technology Department Personnel and/or the conduct and actions of any County Agent or any Information Technology Department Personnel. To illustrate, but not otherwise limit, this Contract does not and shall not be interpreted to limit, modify, control, or otherwise affect, in any manner:

- 2.3.4.1. The County's sole and exclusive right, obligation, responsibility, and discretion to employ, compensate, assign, reassign, transfer, promote, reclassify, discipline, demote, layoff, furlough, discharge any Information Technology Department Personnel and/or pay any and Information Technology Department Personnel's wages, salaries, allowances, reimbursements, compensation, fringe benefits, or otherwise decide any and all such terms and conditions of employment and make any and all employment decisions that affect, in any way, the employment of any Information Technology Department Personnel with the County, subject only to its applicable collective bargaining Contracts.
- 2.3.4.2. The County's sole and exclusive right, obligation, and responsibility to determine, establish, modify, or implement any and all operational policies, procedures, orders, rules, regulations, ethical guidelines, and/or any other judgment, policy or directive which, in any way, governs or controls any activity of any County Agent or Information Technology Department Personnel, any necessary County Agent or Information Technology Department Personnel's training standards or proficiency(ies), any level or amount of required supervision, any and all standards of performance, any sequence or manner of performance, and any level(s) of experience, training, or education required for any Information Technology Department Personnel performing any County duty or obligation under the terms of this Contract.
- 2.3.5. The Municipality agrees that except as expressly provided for under the terms of this Contract and/or laws of this State, no County Agent or Information Technology Department Personnel, while such person is currently and/or actively employed or otherwise remains on the payroll of the County as a County Agent shall be employed, utilized, or perform any other services, of any kind, directly or indirectly, in any manner or capacity, or otherwise be available to perform any other work or assignments by or for the Municipality during the term of this Contract. This section shall not prohibit the Municipality from employing any person who was a former County Agent but is no longer employed in that capacity by the County.

- 2.3.6. Except as otherwise expressly provided by the Contract and/or applicable State law, the Parties agree and warrant that neither the County, nor any County Agent, nor any Information Technology Department Personnel, by virtue of this Contract or otherwise, shall be deemed, considered or claimed to be an employee of the Municipality and/or a Municipality Agent.
- 2.3.7. The Municipality shall not otherwise provide, furnish or assign any Information Technology Department Personnel with any job instructions, job descriptions, job specifications, or job duties, or in any manner attempt to control, supervise, train, or direct any Personnel in the performance of any County's Information Technology Department Services duty or obligation under the terms of this Contract.
- 2.4. **LIMITS AND EXCLUSIONS ON COUNTY "SERVICES"** The services provided by the County under this Contract are limited to those services expressly provided for within this Contract, under this Contract neither the County nor any County Agents shall be responsible for assisting or providing any other "Services" or assistance to the Municipality or assume any additional responsibility for assisting the Municipality in any other way or manner with any Municipality obligations under any and all State Laws or Local Ordinances. The Municipality shall, at all times and under all circumstances, remain solely liable for any and all costs, legal obligations, and/or civil liabilities associated with or in any way related to any Municipality legal obligation under any applicable Federal or State Laws or Local Ordinances.
- §3. **TERM OF CONTRACT** The Parties agree that the term of this Contract shall begin on the effective date of this Contract, as otherwise provided herein, and shall continue until terminated or cancelled as provided in Section §12 of this Contract. Any and all County Services otherwise provided to the Municipality prior to the effective date of this Contract, shall be subject to the terms and conditions provided for herein.
- §4. **NO TRANSFER OF MUNICIPALITY LEGAL OBLIGATIONS TO COUNTY** The Municipality agrees that this Contract does not, and is not intended to, transfer, delegate, or assign to the County, and/or any County Agent or Information Technology Department Personnel any civil or legal responsibility, duty, obligation, duty of care, cost, legal obligation, or liability associated with any governmental function delegated and/or entrusted to the Municipality under any applicable Federal or State Law or Local Ordinance.
- 4.1. The Municipality shall, at all times and under all circumstances, remain solely liable for any and all costs, legal obligations, and/or civil liabilities associated with or in any way related to any Municipality receipt or collection of payments or any other Municipality legal obligation. The Municipality agrees that under no circumstances shall the County be responsible for any costs, obligations, and/or civil liabilities associated with its Municipality function or any responsibility under any Federal or State Law or Local Ordinance.
- 4.2. The Municipality shall not incur or create any debts, liens, liabilities or obligations for the County and shall take all necessary steps to ensure that any debts, liens, liabilities or obligations that the Municipality may incur shall not become a debt, liability, obligation or Claim(s) against the County.

- 4.3. The Parties agree that the Municipality shall at all times remain responsible for the ultimate completion of any and all Municipality duties or obligations under any and all applicable Federal or State Laws or Local Ordinances. Nothing in this Contract shall relieve the Municipality of any Municipality duty or obligation under any applicable Federal or State Law or Local Ordinance.
- 4.4. The Municipality and Municipality Agents shall be and remain responsible for compliance with all Federal, State, and Local laws, ordinances, regulations, and agency requirements in any manner affecting any work or performance of this Contract or with any Municipality duty or obligation under any applicable Federal or State Law or Local Ordinance.

§5. NO DELEGATION OR WAIVER OF GOVERNMENTAL AUTHORITY OR IMMUNITY

The Parties reserve to themselves any rights and obligations related to the provision of any and all of each Party's respective governmental services, authority, responsibilities, and obligations. Except as expressly provided otherwise herein, this Contract does not, and is not intended to, create, diminish, delegate, transfer, assign, divest, impair, or contravene any constitutional, statutory, and/or other legal right, privilege, power, civil or legal responsibility, obligation, duty of care, liability, capacity, immunity, authority or character of office of either Party to any other person or Party. Notwithstanding any other term or condition in this Contract, that no provision in this Contract is intended, nor shall it be construed, as a waiver of any governmental immunity, as provided by statute or applicable court decisions, by either Party, either for that Party and/or any County Agents or Municipality Agents.

§6. FINANCIAL ARRANGEMENTS TO REIMBURSE THE COUNTY FOR THE "E-COMMERCE" SERVICES

- 6.1. The Parties understand and agree that the in order to avail themselves of the convenience of the "E-Commerce" Service, the "E-Commerce" Customer shall be required to agree to pay in addition to their credit card or electronic check payment for the products and/or services specified in this Contract an additional "Convenience Fee." This "Convenience Fee" shall be added to the amount the "E-Commerce" Customer is remitting to the Municipality for payment for the products and/or services specified in this Contract and shall be deposited along with any payment for said products and/or services into the designated Municipality bank account.
- 6.2. The Parties understand and agree that the "Convenience Fee" for payment by credit card or electronic check to be charged to any E-Commerce Customer utilizing the E-Commerce" Services shall be in such an amount as either now established, by the Oakland County Board of Commissioners (MISCELLANEOUS RESOLUTION #07121, Oakland County Board of Commissioner Minutes, May 24, 2007, p. 246) or as may be hereafter revised by the Oakland County Board of Commissioners. For purposes of illustration, only the current "Convenience Fee" for the payment by credit card for a product or service in the amount of \$200.00 is an additional \$8.25. There is currently a flat "Convenience Fee" of \$2.50 for each payment by electronic check.
- 6.3. The Parties understand and agree that except as provided below, the Municipality shall remit and repay to the County any and all moneys and amounts that have been received, deposited, or transferred into any Municipality bank account as a "Convenience Fee" as charged to or paid by any "E-Commerce" Customer in conjunction with the use of the "E-Commerce" Service.

- 6.3.1. From each and every "Convenience Fee" amount received by the Municipality in conjunction with the use of the "E-Commerce" Service, and otherwise herein due and payable to the County, the County will deduct the actual amount, which in no event shall exceed the amount of the "Convenience Fee," the Municipality was charged as a "Merchant Service Fee" (*currently approximately 1.8% of the total of a credit card transaction amount charged by the "E-Commerce" Customer*) by the Municipality's third party "payment processing company" and will generate and mail an invoice for the amount so calculated to the Municipality within 15 days of the end of every quarter. Under this Contract the end of a quarter shall be the last day of March, June, September, and December.
- 6.3.2. "Merchant Service Fees" are only those expenses actually incurred and paid by the Municipality for the basic cost and expense of transferring "E-Commerce" Customers' funds into the Municipality bank account and do not include any such other costs or expenses that may be incurred by the Municipality in conjunction with "E-Commerce" Services including but not limited to any fines, penalties, interest, credit card "chargebacks" and/or any such other possible costs or expenses incurred by the Municipality under its contract to the Municipality's third party "payment processing company".
- 6.4. The Municipality will pay by check, payable to the County, or Electronic Fund Transfer to the County each quarter for all amounts due and owing the County as described herein, within thirty (30) calendar days following the actual receipt of every quarterly invoice.
- 6.5. Should the Municipality fail, for any reason, to timely pay the County the amounts required under this Contract, the MUNICIPALITY agrees that upon notice from the Oakland County Treasurer to the Treasurer of the State of Michigan (or any other State of Michigan official authorized to disburse funds to the Municipality), the State of Michigan is authorized to withhold any funds due the Municipality from the State, and assign those funds to partially or completely offset any deficiency by the Municipality to the County. Such funds shall be paid directly to the County. Further, the MUNICIPALITY waives any claims against the State or County, or their respective officials, for any such amounts paid to the County.
- 6.6. Should the Municipality fail for any reason to timely pay the County the amounts required under this Contract, the Municipality agrees that the County Treasurer shall be entitled to set-off and retain any amounts due the Municipality from any source of funds due the Municipality in the possession of the County, to partially or completely offset any deficiency by the Municipality, unless expressly prohibited by law. Such a transfer shall be considered an assignment by the Municipality to the County. Further, the Municipality waives any claims against the County, or its officials, for any such amounts paid to the County.
- 6.7. Notwithstanding any other term or condition in this Contract, should the Municipality fail for any reason to timely pay the County the amounts required under this Contract, the Municipality agrees that the County may discontinue, upon thirty (30) days written notice to the Municipality, without any penalty or liability whatsoever, any County services or performance obligations under this Contract.

- 6.8. None of these provisions shall operate to limit in any way the County's right to pursue any other legal remedies against the Municipality for the reimbursement of amounts due the County under this Agreement. The remedies in this paragraph are available to the County on an ongoing and successive basis, as the Municipality becomes delinquent in its payments.

§7. LIABILITY The Municipality further agrees that the County shall not be liable to the Municipality and/or "E-Commerce" Customer for any and all Claim(s), except as otherwise expressly provided for in this Contract.

- 7.1. The Parties agree that this Contract does not and is not intended to create or include any County warranty, promise, covenant or guaranty, either express or implied, of any kind or nature whatsoever in favor of the Municipality, and/or any Municipality Agents, or any "E-Commerce" Customer or any other person or entity, or that the County's efforts in the performance of any obligation under this Contract will result in any specific monetary benefit or efficiency, or increase in any tax revenue for the Municipality.
- 7.2. In the event of any alleged breach, wrongful termination, and/or any default of any term or condition of this Contract by either the County or any County Agent, the County and/or any County Agent shall not be liable to the Municipality for any indirect, incidental, special or consequential damages, including, but not limited to any replacement costs for County Services, any loss of income or revenue, and/or any failure by the Municipality to meet any Municipality obligation under any applicable State Laws, Local Ordinances or any other economic benefit or harm that the Municipality may have realized, but for any alleged breach, wrongful termination, default and/or cancellation of this Contract, or damages beyond or in excess of the amount(s) of any amount paid to, received or retained by the County at the time of the alleged breach or default in connection with or under the terms of this Contract, whether such alleged breach or default is alleged in an action in contract or tort and/or whether or not the Municipality has been advised of the possibility of such damages. This provision and this Contract is intended by the Parties to allocate the risks between the Parties, and the Parties agree that the allocation of each Party's efforts, costs, and obligations under this Contract reflect this allocation of each Party's risk and the limitations of liability as specified herein.
- 7.3. Notwithstanding any other provision in this Contract, with regard to any and all alleged losses, claims, complaints, demands for relief or damages, suits, causes of action, proceedings, judgments, deficiencies, liability, penalties, litigation costs and expenses, including, but not limited to, any reimbursement for reasonable attorney fees, witness fees, court costs, investigation and/or litigation expenses, any amounts paid in settlement, and/or any other amounts, liabilities of any kind whatsoever which are imposed on, incurred by, or asserted against the Municipality or any Municipality Agent by any third person, including but not limited to any Municipality Agent or E-Commerce Customer, arising out of any activities or Services to be carried out by any County Agent in the performance of this Contract, the Municipality hereby agrees that it shall have no rights pursuant to or under this Contract against the County and/or any County Agents to or for any indemnification (i.e., contractually, legally, equitably, or by implication) contribution, subrogation, or other right to be reimbursed by the County and/or any of County Agents based upon any and all legal theories or alleged rights of

any kind, whether known or unknown, for any and all alleged losses, claims, complaints, demands for relief or damages, judgments, deficiencies, liability, penalties, litigation costs and expenses of any kind whatsoever which are imposed on, incurred by, or asserted against the Municipality and which are alleged to have arisen under or are in any way based or predicated upon this Contract.

§8. MUNICIPALITY AGENTS AND COOPERATION WITH THE COUNTY The Municipality agrees that it shall be solely and exclusively responsible, during the term of this Contract, for guaranteeing that all Municipality Agents fully cooperate with Information Technology Department Personnel in the performance of all County Services under this Contract.

- 8.1. Municipality Agents shall be employed and assigned based on appropriate qualifications and other factors as decided by the Municipality. The Municipality agrees that it shall be solely responsible for furnishing all Municipality Agents with all job instructions, job descriptions and job specifications and shall solely control, direct, and supervise all Municipality Agents and shall be solely responsible for the means and manner in which Municipality's duties or obligations under any applicable Federal or State Laws or Local Ordinances are satisfied.
- 8.2. The Municipality agrees that it shall be solely and completely liable for any and all Municipality Agents' past, present, or future wages, compensation, overtime wages, expenses, fringe benefits, pension or retirement benefits, travel expenses, mileage allowances, training expenses, transportation costs, and/or other allowances or reimbursements of any kind, including, but not limited to, workers' disability compensation benefits, unemployment compensation, Social Security Act protection(s) and benefits, any employment taxes, and/or any other statutory or contractual right or benefit based on or in any way related to any Municipality Agent's employment status or any alleged violation of any Municipality Agent's statutory, contractual (e.g., union, employment, or labor contract), constitutional, common law employment right, and/or civil rights by the Municipality. The Municipality agrees to indemnify and hold harmless the County from and against any and all Claim(s) which are imposed upon, incurred by, or asserted against the County or any County Agent by any Municipality Agent and/or which are based upon, result from, or arise from, or are in any way related to any Municipality Agent's wages, compensation, benefits, or other employment-related or based rights, including, but not limited to, those described in this section.
- 8.3. The Municipality agrees that no Municipality Agent shall, by virtue of this Contract or otherwise, be considered or claimed to be an employee of the County and/or a County Agent. This Contract does not grant or confer, and shall not be interpreted to grant or confer, upon any Municipality Agents or any other individual any status, privilege, right, or benefit of County employment or that of a County Agent.
- 8.4. The Municipality understands that the current credit card processing services for the "E-Commerce" System are being handled through PayPal Inc. and Elavon, Inc. The Municipality agrees that as a condition precedent to County performance of credit card payment Services under this Contract that the Municipality shall establish and maintain an agreement for credit card processing services with the entities currently providing credit card processing services for

the "E-Commerce" System. Additionally, the Municipality shall maintain a corresponding depository bank account, with a depository financial institution acceptable to the County, for the receipt of Municipality payments.

- 8.5. The Municipality understands that the current electronic check processing services for the "E-Commerce" System are being handled through ACH Direct Inc. The Municipality agrees that as a condition precedent to County performance of electronic check payment Services under this Contract that the Municipality shall establish and maintain an agreement for electronic check processing services with the entities currently providing electronic check processing services for the "E-Commerce" System. Additionally, the Municipality shall maintain a corresponding depository bank account, with a depository financial institution acceptable to the County, for the receipt of Municipality payments.
- 8.6. The Municipality understands and agrees that the County's Services under this Contract are possible, in part, because of services provided by PayPal Inc., Elavon Inc. and ACH Direct, Inc. The Municipality agrees that neither it nor any Municipality Agent shall act or fail to act, either directly or indirectly, in such a manner so as to cause any purported breach in any term or condition in any agreement between the County and any third party provider of any goods or services underlying the County's ability to provide services under this Contract.
- 8.7. In the event the County enters into an agreement for credit card or electronic check payment processing services with entities other than those providing these services at the time of the execution of this Contract, the Municipality agrees that as a condition precedent to continued County performance of Services under this Contract that the Municipality shall establish and maintain an agreement for payment processing services with the entities providing those services for the "E-Commerce" System at that time. The Municipality further agrees to provide the County with all necessary bank account and routing numbers to give effect to this Contract.

- §9. INDEPENDENT CONTRACTOR The Parties agree that at all times and for all purposes under the terms of this Contract, the County's and/or any and all County Agents' legal status and relationship to the Municipality shall be that of an Independent Contractor. Except as expressly provided herein, each Party will be solely responsible for the acts of its own employees, Agents, and servants during the term of this Contract. No liability, right or benefits arising out of an employer/employee relationship, either express or implied, shall arise or accrue to either Party as a result of this Contract.
- §10. PRIORITIZATION OF COUNTY RESOURCES COUNTY The Municipality acknowledges and agrees that this Contract does not, and is not intended to, create either any absolute right in favor of the Municipality, or any correspondent absolute duty or obligation upon the County, to guarantee that any specific number(s) or classification of County Agents will be present on any given day to provide County services to the Municipality.
- §11. INDEMNIFICATION The Municipality shall not be obligated to pay any portion of any court ordered judgment or award to a third party for which a court has determined that the County and/or any County Agent was solely negligent or at fault. However, the Municipality agrees to, indemnify and hold the County and/or any County Agent harmless from and against any and all Claim(s) which are imposed upon, incurred by, or asserted against the County and/or any County Agent by any Municipality Agent under any

circumstances or by any person which are based upon, result from, or arise from, or are in any way related to any alleged error, mistake, negligence or intentional act(s) or omission(s) by the Municipality and/or any Municipality Agent, including, but not limited to: (a) any alleged breach of legal duty to any person by the Municipality and/or any Municipality Agent; (b) any alleged failure by the Municipality or any Municipality Agent to comply with any Municipality duty or obligation in this Contract; and/or (c) any other Claim(s) based in any way upon any Municipality or Municipality Agent's services, buildings, equipment, or any other event, occurrence, duty, or obligation related or attendant thereto.

§12. CANCELLATION OR TERMINATION OF THIS CONTRACT Except as follows, and notwithstanding any other term or provision in any other section of this Contract, either Party, upon a minimum of sixty (60) calendar days written notice to the other Party, may cancel and/or completely terminate this Contract for any reason, including convenience, without incurring any penalty, expense, or liability to the other Party. The effective date for any such termination is to be clearly stated in the notice.

12.1. At 5:00 p.m. on the effective date of the cancellation of this Contract all Municipality and/or County obligations under this Contract, except those rights and obligations expressly surviving cancellation as provided for in this Contract, shall end.

12.2. The Municipality understands and agrees that the County's ability to provide the Services contemplated in this Contract depend upon current contractual relationships between the County and third party software and credit card and electronic check processing companies, and that if for any reason any such underlying third party contractual relationships should terminate, that the County's obligation to provide any Services under this Contract shall also end, immediately, and notwithstanding any minimum notice requirement contained in this Contract.

12.3. The Municipality agrees that any and all Municipality obligations, including, but not limited to, any and all indemnification and hold harmless promises, waivers of liability, record-keeping requirements, any Municipality payment obligations to the County, and/or any other related obligations provided for in this Contract with regard to any acts, occurrences, events, transactions, or Claim(s) either occurring or having their basis in any events or transactions that occurred before the cancellation or completion of this Contract, shall survive the cancellation or completion of this Contract.

§13. EFFECTIVE DATE, CONTRACT APPROVAL, AND AMENDMENT The Parties agree that this Contract, and/or any subsequent amendments thereto, shall not become effective prior to the approval by resolution of the Oakland County Board of Commissioners and the Municipality Governing Body. The approval and terms of this Contract, and/or any possible subsequent amendments thereto, shall be entered in the official minutes and proceedings of both the Oakland County Board of Commissioners and the Municipality Governing Body and shall also be filed with the office of the Clerk of the County and the Clerk of the Municipality.

§14. CONTRACT AMENDMENTS The Parties agree that this Contract, and/or any possible subsequent amendments, shall be filed with the Michigan Secretary of State and this Contract, and/or any possible subsequent amendments, shall not become effective prior to this required filing with the Secretary of State. The

Parties agree that except as expressly provided herein, this Contract shall not be changed, supplemented, or amended, in any manner, except as provided for herein, and no other act, verbal representation, document, usage or custom shall be deemed to amend or modify this Contract in any manner. Any modifications, amendments, recessions, waivers or releases to this Contract must be in writing and agreed to by both Parties. The modification, amendment, recession waiver or release shall be signed by an expressly authorized Municipality Agent and by a County Agent authorized by the Oakland County Board of Commissioners.

- §15. NO THIRD-PARTY BENEFICIARIES Except as expressly provided herein for the benefit of the Parties (i.e., County or Municipality), this Contract does not, and is not intended to, create, by implication or otherwise, any direct or indirect obligation, duty, promise, benefit, right to be indemnified (i.e., contractually, legally, equitably, or by implication) and/or any right to be subrogated to any Party's rights in this Contract, and/or any other right of any kind, in favor of any person, including, but not limited to, any County Agent or Municipality Agent or any "E-Commerce" Customer, any "E-Commerce" Customer's legal representative, any organization, any alleged unnamed beneficiary or assignee, and/or any other person.
- §16. CONSTRUED AS A WHOLE The language of all parts of this Contract is intended to and, in all cases, shall be construed as a whole according to its fair meaning, and not construed strictly for or against any party. As used in this Contract, the singular or plural number, possessive or nonpossessive shall be deemed to include the other whenever the context so suggests or requires.
- §17. CAPTIONS The section headings or titles and/or all section numbers contained in this Contract are intended for the convenience of the reader and not intended to have any substantive meaning and are not to be interpreted as part of this Contract.
- §18. NOTICES Except as otherwise expressly provided for herein, any and all correspondence, invoices, and/or any other written notices required, permitted or provided for under this Contract to be delivered to either Party shall be sent to that Party by first class mail. All such written notices, including any notice canceling or terminating this Contract as provided for herein, shall be sent to the other Party's signatory to this Contract, or that signatory's successor in office, at the addresses shown in this Contract. All correspondence or written notices shall be considered delivered to a Party as of the date that such notice is deposited with sufficient postage with the U.S. Postal Service.
- §19. WAIVER OF BREACH The waiver of a breach of any provision of this Contract shall not operate or be construed as a waiver of any subsequent breach. Each and every right, remedy and power granted to either party or allowed it by law shall be cumulative and not exclusive of any other.
- §20. FORCE MAJEURE (Events Beyond The Parties' Control) Notwithstanding any other term or provision of this Contract, neither Party shall be liable to the other for any failure of performance hereunder if such failure is due to any cause beyond the reasonable control of that Party and that Party cannot reasonably accommodate or mitigate the effects of any such cause. Such cause shall include, without limitation, acts of God, fire, explosion, vandalism, any law, order, regulation, direction, action, or request of the United States government or of any other government, national emergencies, insurrections, riots, wars, strikes, lockouts, work stoppages, or other labor difficulties, or the failure of any underlying contractual arrangement with any anticipated third-party provider of goods, services, software, including any condition precedent necessary to

implement this Contract. Reasonable notice shall be given to the affected Party of any such event. The Municipality is expected, through alternative temporary or emergency service arrangements, to continue any Municipality obligations imposed by any applicable Federal or State Law or Local Ordinance.

- §21. ENTIRE CONTRACT This Contract, consisting of a total of fourteen (14) pages, sets forth the entire agreement between the County and the Municipality and fully supersedes any and all prior agreements or understandings between them in any way related to the subject matter hereof. It is further understood and agreed that the terms and conditions herein are contractual and are not a mere recital and that there are no other agreements, understandings, contracts, or representations between the County and the Municipality in any way related to the subject matter hereof, except as expressly stated herein. This Contract shall not be changed or supplemented orally and may be amended only as otherwise provided herein.

For and in consideration of the mutual assurances, promises, acknowledgments, warrants, representations, and agreements set forth in this Contract, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the undersigned hereby execute this Contract on behalf of the Parties, and by doing so legally obligate and bind the Parties to the terms and conditions of this Contract.

IN WITNESS WHEREOF, The Mayor and City Clerk
hereby acknowledges that they is authorized to execute this Contract on behalf of the Municipality and hereby accepts and binds the Municipality to the terms and conditions of this Contract.

EXECUTED: _____
Municipality Chief Executive

DATE: _____

WITNESSED: _____
Municipality Clerk

DATE: _____

IN WITNESS WHEREOF, Bill Bullard, Jr., Chairperson, Oakland County Board of Commissioners, hereby acknowledges that he has been authorized by a resolution of the Oakland County Board of Commissioners, a certified copy of which is attached, to execute this Contract on behalf of Oakland County, and hereby accepts and binds Oakland County to the terms and conditions of this Contract.

EXECUTED: _____
Bill Bullard, Jr., Chairperson
Oakland County Board of Commissioners

DATE: _____

WITNESSED: _____
Ruth Johnson, Clerk/ Register of Deeds
County of Oakland

DATE: _____

SAMPLE Payflow Gateway Services Agreement

THIS PAYFLOW GATEWAY SERVICES AGREEMENT (THE "AGREEMENT") IS A LEGAL AND BINDING AGREEMENT BETWEEN YOU AND PAYPAL INC. ("PAYPAL") PLEASE READ IT CAREFULLY.

1. INTRODUCTION

1.1 Introduction. In this Payflow Gateway Services Agreement ("Agreement"), "Merchant", "you" and "your" refer to each customer ("Merchant"), and its designated agents, including your administrative contact, and "we", "us" and "our" refer to PayPal Inc. This Agreement explains our obligations to you, and your obligations to us in relation to the Payflow Gateway Service(s) ("Service(s)") you purchase. By purchasing the Service(s) you agree to establish an account with us for such Services. When you use your account or permit someone else to use your account to purchase or otherwise acquire access to additional service(s) or to modify or cancel your service(s) (even if we were not notified of such authorization), this Agreement as amended covers any such service or actions. Additionally, you agree that the administrative contact for any Services provided to you is your agent with full authority to act on your behalf with respect to such Services, as permitted by the Services and related documentation, including (but not limited to) the authority to terminate, transfer (where transfer is permitted by the Agreement), or modify such Services, or purchase additional Services.

1.2 Various Services. Sections 1 through 12 apply to any and all Payflow Gateway Services that you purchase under the Agreement. The terms and conditions set forth in the attached schedules to the Agreement apply only to customers who have purchased the Services referenced in those schedules. Such schedules are incorporated into this Agreement by this reference. In the event of any inconsistency between the terms of Sections 1 through 12 and the terms of the schedules, the terms of the schedules shall control with regard to the applicable service. **IMPORTANT NOTICE CONCERNING BUNDLED SERVICES.** If you purchase separate Services that are sold together as a "bundled" package, as opposed to your purchasing such Services separately, termination of any part of the Services may result in termination of all Services provided as part of the bundled package unless arrangements are made to pay for the Services separately. Please see Section 10 of this Agreement for termination terms.

2. DEFINITIONS

2.1 "Financial Institution" shall mean banks or financial institutions having business relationships with one or more Financial Processors that have agreed to evaluate and provide merchant accounts and payment authorization services to merchants.

2.2 "Financial Processor" shall mean an entity with which PayPal has established a relationship that performs the back-end authorization and

user name or password. Merchant shall be solely responsible for (i) updating its passwords for access to the Services periodically, and (ii) creating passwords that are reasonably "strong" under the circumstances, both in accordance with PayPal's requirements. A "strong" password is at least six characters long, does not contain all or part of the users account name, and contains at least three of the four following categories of characters: uppercase characters, lowercase characters, base 10 digits, and symbols found on the keyboard (such as !, & #). Strong passwords should be generated in such a way that knowledge of one does not lead to knowledge of another.

D. Maintaining commercially reasonable business practices in conjunction with use of the Services, collecting, storing and transmitting its customer data in a secure manner and protecting the privacy of its customer data. Merchant shall comply with PayPal's requests for reasonable action on Merchant's part, to the extent necessary, to maintain security and integrity of the Services;

E. Updating to the most current Software version and security updates and patches necessary to properly operate the Services and keeping all Merchant enrollment and payment information current and updated on the PayPal Manager Web Site; and

F. Merchant agrees, and hereby represents and warrants that Merchant shall (A) use the Services in accordance with the applicable user guides and other documentation; and (B) not use or permit others to use information obtained through the use of the Services for any purpose other than in conjunction with the Services and in a manner described in the documentation for the Services.

3.2 Proprietary Rights. as otherwise set forth herein, all right, title and interest in and to all, (i) registered and unregistered trademarks, service marks and logos; (ii) patents, patent applications, and patentable ideas, inventions, and/or improvements; (iii) trade secrets, proprietary information, and know-how; (iv) all divisions, contributions, reissues, renewals, and extensions thereof now existing or hereafter filed, issued, or acquired; (v) registered and unregistered copyrights including, without limitation, any forms, images, audiovisual displays, text, software and (vi) all other intellectual property, proprietary rights or other rights related to intangible property which are used, developed, comprising, embodied in, or practiced in connection with any of the Services identified herein ("PayPal Intellectual Property Rights") are owned by PayPal or its licensors, and you agree to make no claim of interest in or ownership of any such PayPal Intellectual Property Rights. You acknowledge that no title to the PayPal Intellectual Property Rights is transferred to you, and that you do not obtain any rights, express or implied, in the PayPal or its licensors' service, other than the rights expressly granted in this Agreement. To the extent that you create any Derivative Work (any work that is based upon one or more preexisting versions of a work provided to you, such as an enhancement or modification, revision,

4.4 Technical Support for Services. PayPal shall provide the technical support services to Merchants, specific to the support package selected by Merchant during enrollment. PayPal's then-current, standard technical support descriptions for these Services shall be posted at the URL: https://www.paypal.com/us/cgi-bin/webscr?cmd=_paypalflow-support-list-outside.

5. PRIVACY

Our privacy statement the Services is located on our Web site at http://www.paypal.com/cgi-bin/webscr?cmd=p/gen/ua/policy_privacy-outside and is incorporated herein by reference, as it is applicable to the Services. Merchant acknowledges and agrees that in the course of providing the Services, PayPal will capture certain transaction and user information (collectively, the "Data"). Merchant agrees to provide to PayPal, and PayPal shall capture, only the Data that is required by the Software and is necessary for PayPal to provide the Services. You represent and warrant that you have provided notice to, and obtained consent from, any third party individuals whose personal data you supply to us as part of our services with regard to: (i) the purposes for which such third party's personal data has been collected, (ii) the intended recipients or categories of recipients of the third party's personal data, (iii) which parts of the third party's data are obligatory and which parts, if any, are voluntary; and (iv) how the third party can access and, if necessary, rectify the data you hold about them. You further agree to provide such notice and obtain such consent with regard to any third party personal data you supply to us in the future. We are not responsible for any consequences resulting from your failure to provide notice or receive consent from such individuals nor for your providing outdated, incomplete or inaccurate information.

6. FEES AND PAYMENT TERMS

As consideration for the services you purchased, you agree to pay PayPal the applicable service(s) fees set forth on our Web site, or as otherwise provided by PayPal concurrently with this Agreement, at the time of your selection, or, if applicable, upon receipt of your invoice from PayPal. All fees are due immediately and are non-refundable, except as otherwise expressly noted herein or in one or more attached Schedules. Unless otherwise specified herein or on our Web site, the Services are for a one-year initial term and renewable thereafter for successive one-year periods. Any renewal of your Services with us is subject to our then-current terms and conditions, including, but not limited to, successful completion of any applicable authentication procedure, and payment of all applicable service fees at the time of renewal. Additional payment terms may apply to the PayPal services you purchase, as set forth in the applicable Schedules to this Agreement. You are solely responsible for the credit card or Automated Clearinghouse ("ACH") account information you provide to PayPal and must promptly inform PayPal of any changes thereto (e.g., change of expiration date or account number). Changes should be communicated to PayPal by entering the updated information through the PayPal Management tools or contacting PayPal customer support. All payments shall be made in U.S. dollars. All fees are non-refundable unless otherwise explicitly stated in this Agreement. If we do issue

agrees to pay all value added, sales and other taxes (other than taxes based on PayPal's income) related to the Services or payments made by Merchant to PayPal. PayPal may, at its option, either invoice or debit Merchant's credit card or ACH account, as applicable for the fees due PayPal. Initial set up fees will become payable on the Effective Date. Monthly fees will be invoiced or debited at the end of the calendar month in which the Services are performed. Merchant agrees to pay all such invoices immediately or as otherwise indicated on the applicable invoice. Merchant agrees, at the request of PayPal, to provide PayPal with an authorized credit card name, number and date of expiration or an ACH account number.

6.3 Monthly Excess Transaction Fee. Notwithstanding Sections 6.1 and 6.2, in the event Merchant exceeds the Transaction limit permitted for the applicable Services as described in the registration pages ("Excess Transaction") in any month, Merchant shall be charged a monthly transaction fee ("Monthly Excess Transaction Fee") to be determined by multiplying each Excess Transaction processed in that month by the corresponding Service's Transaction fee listed in the registration pages. The Monthly Excess Transaction Fee shall be invoiced or debited in accordance with the terms for Monthly fees in Section 6.2 "Payment Terms."

7. WARRANTY; DISCLAIMER

7.1 PayPal represents and warrants that (a) it has all requisite corporate or other power to enter into this Agreement and to carry out the terms of this Agreement; (b) all corporate action on the part of PayPal, its officers, board of directors and stockholders necessary for the performance of its obligations under this Agreement has been taken. EXCEPT AS EXPRESSLY SET FORTH ABOVE AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, PAYPAL AND ITS LICENSORS, AS APPLICABLE, MAKE NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, REGARDING THE SERVICES OR SOFTWARE, AND ALL SUCH WARRANTIES, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE AND NON-INFRINGEMENT ARE HEREBY EXPRESSLY DISCLAIMED BY PAYPAL AND ITS LICENSORS. MERCHANT ACKNOWLEDGES THAT NEITHER PAYPAL NOR ITS LICENSORS HAVE REPRESENTED OR WARRANTED THAT THE SERVICES WILL BE UNINTERRUPTED, ERROR FREE OR WITHOUT DELAY OR WITHOUT COMPROMISE OF THE SECURITY SYSTEMS RELATED TO THE SERVICES OR THAT ALL ERRORS WILL BE CORRECTED.

7.2 Merchant represents and warrants that it shall comply with all applicable privacy, consumer and other laws and regulations with respect to its (i) provision, use and disclosure of the Data; (ii) dealings with the users providing the Data; and (iii) use of the Services. Additionally, Merchant represents and warrants that (a) it has all requisite corporate or other power to enter into this Agreement and to carry out the terms of this Agreement; (b) all corporate action on the part of Merchant, its officers, board of directors and stockholders necessary for the performance of its obligations under this Agreement has been taken; (c) this Agreement constitutes its valid and legally binding obligation, enforceable against it in accordance with the terms hereof; (d) if Merchant is a corporation, then it is a corporation in good standing in its jurisdiction of incorporation; (e) it has read and understands the entire Agreement and desires to be bound thereby, and it has been

10.1 Term; Renewal. This Agreement will commence on the later of (i) the date Merchant accepts the terms of this Agreement (the "Effective Date"), or (ii) the date that Merchant's PayPal account is activated for live Transactions, if different; and will continue for a period of one (1) year (or two (2) years if Merchant prepays for two years), unless terminated earlier or suspended according to the provisions of this Agreement. This Agreement will thereafter automatically renew for successive twelve (12) month terms (or twenty-four (24) month terms if Merchant prepays for twenty-four months), unless either party gives the other party written or electronic notice, in accordance with the terms herein, of its intention not to renew the Agreement at least thirty (30) days prior to the end of the then-current term or renewal term. Any renewal of your Services is subject to our then-current terms and conditions, successful completion of any applicable authentication procedure, if any, and payment of all applicable service fees at the time of renewal. Additional payment terms may apply to the PayPal services you purchase, as set forth herein and in the applicable Schedules to this Agreement.

10.2 Suspension and Termination. Either party hereto may, at its option, and without notice, terminate this Agreement, effective immediately, should the other party hereto (i) admit in writing its inability to pay its debts generally as they become due; (ii) make a general assignment for the benefit of creditors; (iii) institute proceedings to be adjudicated a voluntary bankrupt, or consent to the filing of a petition of bankruptcy against it; (iv) be adjudicated by a court of competent jurisdiction as being bankrupt or insolvent; (v) seek reorganization under any bankruptcy act, or consent to the filing of a petition seeking such reorganization; or (vi) have a decree entered against it by a court of competent jurisdiction appointing a receiver, liquidator, trustee, or assignee in bankruptcy or in insolvency covering all or substantially all of such Party's property or providing for the liquidation of such party's property or business affairs.

A. **By Merchant.** Merchant may terminate this Agreement upon prior written notice to PayPal by notifying PayPal's customer support electronically or in writing and following the instructions for cancellation either (i) prior to the end of the initial annual period or any annual renewal period; or (ii) for convenience. Subject to the above, PayPal shall use commercially reasonable efforts to cancel the Services within seven (7) business days following such written notice from Merchant. Merchant shall be responsible for the payment of all fees due and payable through the effective date of termination. Termination requests for non-PayPal, third party services may not be made through PayPal. Merchant must instead contact such third parties directly to cancel such services.

B. **By PayPal.** Notwithstanding Section 10.1, PayPal may suspend Merchant's access to the Services or terminate this Agreement as follows:

1. Following ten (10) days prior electronic or written notice (such as an overdue invoice) if (a) Merchant breaches the Agreement, (b) perpetrates fraud, (c) causes or fails to fix a security breach relating to the Services, (d) fails to comply with PayPal's best practices requirements for security management or to respond

current rates; and (ii) as applicable, all past due annual or monthly fees and Transaction fees.

11. CONFIDENTIALITY

11.1 Confidential Information. "Confidential Information" means any confidential, trade secret or proprietary information (which may be business, financial or technical information) disclosed by one party to the other under this Agreement that is marked confidential or if disclosed orally designated as confidential at the time of disclosure or that should be reasonably understood to be confidential. All source code and the terms of this Agreement will be considered Confidential Information.

11.2 Confidentiality Obligations. Each party (i) shall not disclose to any third party or use any Confidential Information disclosed to it by the other except as expressly permitted in this Agreement and for purposes of performing this Agreement, and (ii) shall take reasonable measures to maintain the confidentiality of all Confidential Information of the other party in its possession or control, which shall in no event be less than the measures it uses to maintain the confidentiality of its own proprietary information or Confidential Information of similar importance. Each party further agrees to use the other party's Confidential Information only for the purpose of its performance under this Agreement. In addition, the receiving party shall not reverse engineer, disassemble or decompile any prototypes, software or other intangible objects which embody Confidential Information and which are provided to the receiving party hereunder.

11.3 Limitation of Confidentiality. The Obligations set forth in Section 11.2 ("Confidentiality Obligations") above do not apply to information that (i) is in or enters the public domain without breach of this Agreement, (ii) the receiving party lawfully receives from a third party without restriction on disclosure and without breach of a nondisclosure obligation, (iii) the receiving party knew prior to receiving such information from the disclosing party or develops independently without access or reference to the Confidential Information, (iv) is disclosed with the written approval of the disclosing party, or (v) is disclosed five (5) years from the effective date of termination or expiration of this Agreement.

11.4 Exceptions to Confidentiality. Notwithstanding the Confidentiality Obligations set forth in Section 11.2 above, each party may disclose Confidential Information of the other party (i) to the extent required by a court of competent jurisdiction or other governmental authority or otherwise as required by law but only after alerting the other party of such disclosure requirement and, prior to any such disclosure, allowing (where practicable to do so) the other party a reasonable period of time within which to seek a protective order against the proposed disclosure, or (ii) on a "need-to-know" basis under an obligation of confidentiality substantially similar in all material respects to those confidentiality obligations in this Section 10 to its legal counsel, accountants, contractors, consultants, banks and other financing sources.

12. MISCELLANEOUS TERMS

12.7 Notice. Except as otherwise expressly stated in this Agreement, all notices to PayPal shall be in writing and delivered, via courier or certified or registered mail, to General Counsel, 2211 North First Street, San Jose, CA 95131, or any other address provided by PayPal. All notices to you shall be delivered to your mailing address or e-mail address as provided by you in your account information, as updated by you pursuant to this Agreement. Unless you choose to opt-out of receiving marketing notices, you authorize PayPal to notify you as our customer, via commercial e-mails, telephone calls and other means of communication, of information that we deem is of potential interest to you, including without limitation communications describing upgrades, new products and services or other information pertaining to the Services or other PayPal offerings relating to Internet security or to enhancing your identity on the Internet. Notwithstanding the above, Merchant shall not have the right to opt-out of service or support notices relating to the Services, including without limitation, notices of service modifications, security, performance issues or technical difficulties.

12.8 Government Use. If you are a branch or agency of the United States Government, the following provision applies. The software and any related documentation are comprised of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 C.F.R. 12.212 (SEPT 1995) and are provided to the Government (i) for acquisition by or on behalf of civilian agencies, consistent with the policy set forth in 48 C.F.R. 12.212; or (ii) for acquisition by or on behalf of units of the Department of Defense, consistent with the policies set forth in 48 C.F.R. 227.7202-1 (JUN 1995) and 227.7202-3 (JUN 1995).

12.9 Headings. The section headings appearing in the Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or extent of such section or in any way affect such section.

12.10 Independent Contractors. Neither party nor their employees, consultants, contractors or agents are agents, employees or joint ventures of the other party, and they do not have any authority to bind the other party by contract or otherwise to any obligation. Each party shall ensure that the foregoing persons shall not represent to the contrary, either expressly, implicitly, by appearance or otherwise.

12.11 Non-Disparagement; Publicity. During the term of the Agreement, neither party will disparage the other party or the other party's trademarks, web sites, products or services, or display any such items in a derogatory or negative manner on any web site or in any public forum or press release. Unless otherwise stated herein, neither party shall issue a press release or otherwise advertise, make a public statement or disclose to any third party information pertaining to the relationship arising under this Agreement, the existence or terms of the Agreement, the underlying transactions between PayPal and Merchant, or referring to the other party in relation to the Agreement without the other party's prior written approval.

12.12 Costs. Except as expressly stated in the Agreement, each party shall be solely responsible for the costs and expenses of performing its obligations hereunder.

Schedule B

Recurring Billing Services Merchant agrees, and hereby represents and warrants, that prior to processing any recurring transactions using Recurring Billing Service, Merchant will have entered into written agreements with its card holder customers (1) confirming the card number and current expiration date; (2) providing an overview of how the recurring billing service will operate; (3) stating the term of the contract, in particular the period the card will be billed and the frequency that the card will be charged.

1. Merchant shall be solely responsible for:

- A. Obtaining all necessary approvals required from each customer authorizing Merchant to bill such customer's credit card account. Merchant hereby represents and warrants that Merchant has the authorization to bill its customers' credit card accounts in the manner, for the amounts and for the period of time indicated by Merchant at the time Merchant enrolls for Recurring Billing Service.
- B. Complying with all applicable bank and credit card rules with respect to recurring billing of consumers' credit cards. Merchant hereby represents and warrants that Merchant has complied with all applicable bank and credit card rules in billing its customers' credit card and in its use of the Recurring Billing Service.
- C. Providing accurate information regarding the credit cards to be billed, the amounts, the billing cycles, billing period and any other information requested by PayPal that is necessary to properly process such Transactions.
- D. Monitoring its PayPal account, regardless of the features PayPal may offer in connection with the Recurring Billing Service, ensuring that the information is current and accurate and reviewing the Transactions periodically to determine if they have been properly submitted. Merchant agrees to notify PayPal promptly if it notices any discrepancy between information Merchant provided and the transactions submitted.
- E. Indemnifying PayPal and its representatives, officers, directors and employees from and against any claims by credit card holders that their credit cards were charged by Merchant without authorization.

Schedule C

Payflow ACH Payment Service

Definitions

- A. "Account Requirements Document" means Merchant's Transaction and account limits and requirements set by PayPal and provided to Merchant via written or electronic notice upon PayPal's acceptance of Merchant's ACH application.

Merchant will be required to maintain a minimum balance in its Merchant Receiving Account at or above the Reserve Percentage of Merchant's Daily Transaction Limit set by PayPal (the "Required Daily Balance") in the Account Requirements Document. Merchant will immediately make any additional deposits to its Merchant Receiving Account needed to maintain the Required Balance. Merchant shall be responsible for returned Debits, unfunded Credits, unpaid fees or other past due amounts, and other expenses or losses incurred by PayPal in connection with the PayPal Services. During the term hereof, Merchant shall provide, at PayPal's request, documentation from Merchant, including but not limited to bank statements from the Receiving Bank, verifying that the Required Balance is being maintained.

(b) Comply with ACH Rules. Merchant will operate in accordance with the ACH Rules. Merchant acknowledges that it has had an opportunity to review the ACH Rules, and Merchant is responsible for obtaining future amendments to the ACH Rules. Merchant will obtain from each person or company shown in an ACH entry an authorization for initiation of the entry and for crediting or debiting its account in the amount and on the effective date shown in the entry. Merchant will, on request, obtain and furnish to PayPal a copy of any such authorization.

(c) Comply with Transaction Limits. The total dollar amount of ACH transactions transmitted by Merchant to PayPal will not exceed Merchant's Daily Transaction Limits set by PayPal and provided via written or electronic notice to Merchant upon PayPal's acceptance of Merchant's ACH application. Merchant will so conduct its business that returned entries will not exceed Merchant's Returned Entries Limit, set by PayPal in the Account Requirements Document, in any month.

(d) Optional Reserve Account or Refundable Security Payment. In certain circumstances, in order for Merchant to qualify for an ACH Service account, PayPal may require, in PayPal's sole discretion, that Merchant either (i) submit to PayPal a refundable security payment in the amount set by PayPal and provided by PayPal to Merchant by electronic or written notice (the "Security Payment Amount"), prior to the time PayPal accepts or rejects Merchant's ACH application, or (ii) open a reserve account with a minimum balance to be agreed upon that is accessible to PayPal in accordance with instructions from PayPal. In the event PayPal requests a Security Payment, PayPal shall maintain such payment in a PayPal bank account, and PayPal shall have the right to collect interest and to draw from such payment to cover unpaid fees and charges. The balance of such payment will be returned to Merchant, less any outstanding fees, charges or returns, within ninety-five days of termination of the Agreement or this Addendum.

(e) Notice of Claims. Merchant will advise PayPal promptly (and in no event more than 3 business days after Merchant receives notice) of any claim that an ACH entry was unauthorized.

(f) Reconstruction Data. Merchant will maintain data sufficient to reconstruct transaction data related to each ACH entry originated under this Agreement for a period of at least sixty (60) days after the applicable settlement date. Merchant will submit the reconstructed data to PayPal upon request.

(b) Merchant acknowledges PayPal's requirement that fees due from Merchant for all Services provided by PayPal under the Agreement and in these terms and conditions for the ACH Service shall be collected using a single payment method. Therefore, Merchant hereby authorizes PayPal to debit Merchant's Merchant Receiving Account for all fees due to PayPal for the Services provided under the Agreement, including without limitation the ACH Service, in the amount indicated in the applicable invoice. If the balance in Merchant's Merchant Receiving Account is insufficient to cover the amount billed in the invoice, PayPal may invoice Merchant, and Merchant will promptly pay to PayPal the amount shown on such invoice upon receipt of the invoice. If any invoice is not paid when due, Merchant will pay an additional charge equal to the lesser of 1 1/2% per month or the maximum rate allowed by law on the unpaid balance. Merchant shall be responsible to pay any federal, state or local taxes applicable to the ACH Service used by Merchant exclusive of taxes based on the net income of PayPal. Any renewal of your ACH Service is subject to PayPal's then-current terms and conditions, including, but not limited to, successful completion of any applicable authentication procedure, and payment of all applicable service fees at the time of renewal. Merchant is solely responsible for the credit card or Automated Clearinghouse ("ACH") account information it provides to PayPal and must promptly inform PayPal of any changes thereto (e.g., change of expiration date or account number). All payments shall be made in U.S. dollars. If PayPal does issue a refund, it will only be via the same payment method used by Merchant to pay for the Services. All fees owed by Merchant to third parties (for example, Financial Institutions, Financial Processors and merchant account providers), are Merchant's sole responsibility and are not covered by this Agreement.

(c) Audit Rights. Merchant agrees to make and to maintain complete and accurate books, records and accounts, for a period of two (2) years from the end of a calendar month, to verify and confirm the amounts payable hereunder with respect to each calendar month. PayPal shall have the right at its expense, not more than once per calendar year, to have a reputable accounting firm (the "Auditor"), examine Merchant's books, records and accounts during its normal business hours solely to verify the amount of payments made to PayPal during the preceding twelve (12) months. The Auditor will be prohibited from divulging or using information obtained in connection with the inspection other than disclosing the audit results to PayPal.

5. Settlement.

(a) Provisional ACH Credit. Merchant acknowledges that the ACH Rules make provisional any credit given for an entry until the ODFI receives final settlement. If the ODFI does not receive final settlement, the ODFI is entitled to a refund from the credited party and the originator of the entry shall not be deemed to have paid the party. Merchant agrees that Merchant shall be responsible for all such refunds, and PayPal shall have the right to be reimbursed by Merchant for any and all such refunds that are charged to PayPal by the ODFI.

(b) Merchant Account Entries. Within the period specified in the Account Requirements Document of the value date of any debit entries to Merchant's

otherwise explicitly provided elsewhere in the Agreement.

4. **Dispute Resolution.** Merchant acknowledges that in addition to PayPal's other permitted uses of the Data, PayPal shall have the right to provide Data to Financial Institutions and card associations for the purposes of dispute resolution.

5. **Best Practices.** The Risk and Security "best practices" suggestions features of the PayPal Fraud Protection Services are solely for illustrative purposes to show best industry practices, and Merchant shall be solely responsible for choosing the appropriate settings and parameters for the PayPal Fraud Protection Services.

6. **IP Address Verification Components.** The following additional restrictions apply. Except as permitted in the applicable documentation for the Services, Merchant shall not:

- A. Modify, recast or create derivative works of any information obtained using the IP Address Verification components of this service;
- B. Publicly display, upload or post any information obtained using the IP Address Verification components or transmit, broadcast or otherwise transfer such information to any other party;
- C. License, sell, transfer or provide access to information obtained using the IP Address Verification components of the Services; and
- D. Use, or authorize any third party to use, the information obtained using the IP Address Verification components to provide geo-location services to third parties.

7. **High Risk Filters.** PayPal's licensors of third party products or services used by Merchant as part of the High Risk Filters components of the Fraud Protection Services shall be considered third party beneficiaries of the Agreement and shall have the right to enforce Merchant's compliance with the Agreement.

8. **Account Monitoring.** Merchant acknowledges that PayPal does not represent or warrant that the Account Monitoring Service is error free or that it will identify all fraudulent activity. In addition, PayPal shall not be liable to Merchant if PayPal incorrectly identifies a transaction as fraudulent. Merchant shall be responsible for taking all final actions on transactions that have been identified by PayPal as potentially fraudulent. PayPal shall use commercially reasonable efforts to monitor and internally investigate and report on potentially fraudulent activity.

9. **Buyer Authentication.** In the event that the card associations modify their buyer authentication programs, PayPal will use commercially reasonable efforts to update the Fraud Protection Services at the next major release of the Fraud Protection Services that PayPal makes generally available.

10. **Third Party Components.** PayPal shall have the right to modify, substitute or remove third party components of the Fraud Protection Services on thirty (30) days prior written or electronic notice, provided that Merchant may terminate this Agreement following proper notice to PayPal in the event that such removal materially diminishes the functionality of the Fraud Protection



MERCHANT CHECKLIST-G

MERCHANT NAME _____

D.B.A. (if applicable) _____

REQUIRED DOCUMENTS FOR STANDARD MERCHANT

For Standard Merchants (Up to \$10,000.00 monthly volume - \$500,000.00 annual volume) the following documentation must be included with the Merchant Application package.

- ☐ COVER LETTER EXPLAINING WHAT PRODUCTS AND SERVICES YOU ARE SELLING IN ADDITION TO HOW YOU ARE OBTAINING AUTHORIZATION FOR THE PAYMENT
- ☐ VOIDED CHECK FROM THE ACCOUNT TO BE USED FOR THE SETTLEMENT OF FUNDS (SETTLEMENT ACCOUNT)
- ☐ COPY OF TWO (2) MONTHS BANK STATEMENTS FROM THE SAME ACCOUNT AS THE VOIDED CHECK
- ☐ IF YOU CURRENTLY HAVE A CREDIT CARD MERCHANT ACCOUNT, PROVIDE MOST RECENT TWO (2) MONTHS PROCESSING STATEMENTS
- ☐ IF YOU CURRENTLY PROCESS ACH TRANSACTIONS THROUGH ANOTHER SOURCE, PROVIDE MOST RECENT TWO (2) MONTHS PROCESSING STATEMENTS
- ☐ ARTICLES OF INCORPORATION PLUS MINUTES NAMING CURRENT BOARD OF DIRECTORS OR OFFICERS
- ☐ MARKETING MATERIALS REPRESENTING PRODUCTS OR SERVICES THAT ARE TO BE PURCHASED USING OUR TRANSACTION PROCESSING SERVICES
- ☐ D.B.A. CERTIFICATE (WHEN APPLICABLE)

ADDITIONAL ITEMS NEEDED FOR HIGHER VOLUME OR NON-STANDARD MERCHANTS

Merchants are considered non-standard when their monthly volume exceeds \$10,000.00 per month or their annual volume exceeds \$100,000.00. Merchants are also considered non-standard when they are not a U.S. resident or do not have a U.S. bank account. In addition to the above standard documentation requirements, ACH Direct, Inc. may request one or more of the following types of documentation for non-standard applications.

- ☐ SIGNED FINANCIAL STATEMENT FOR THE LAST YEAR, INCLUDE BALANCE SHEETS AND INCOME STATEMENTS
- ☐ COPY OF SIGNED MERCHANT BUSINESS OR PERSONAL FEDERAL TAX RETURN FROM THE TWO (2) MOST RECENT YEARS WITH ALL SCHEDULES ATTACHED
- ☐ MULTIPLEPHONE MERCHANTS: COPIES OF BUSINESS CATALOGUES, SOURCES OF MAILING LISTS OR ADVERTISEMENTS, SCRIPTS, SUPPLIERS, REFERENCES AND DESCRIPTION OF THE REFUND POLICY AND NAME AND ADDRESS OF THE FULFILLMENT HOUSE (WHEN APPLICABLE)
- ☐ NON-PROFIT EXEMPTION FROM STATE TAXING AUTHORITY (WHEN APPLICABLE)
- ☐ NON-PROFIT LETTER FROM IRS (WHEN APPLICABLE)

PLEASE REMIT APPLICATION TO:
(OVERNIGHT DELIVERY RECOMMENDED)



FEE SCHEDULE-G

PER ITEM SERVICE FEES		FEES ARE TO BE BILLED		MONTHLY SERVICE FEES		MONTHLY SERVICE FEES	
PER ITEM	RETURNED ITEM	GATEWAY FEE	DISCOUNT FEE	MONTHLY	MONTHLY	MONTHLY	MONTHLY
<input type="checkbox"/> ACH PROCESSING	0.19	0.90					
<input checked="" type="checkbox"/> ACH VERIFY LEVEL 1	0.24		0.01				
<input checked="" type="checkbox"/> ACH VERIFY LEVEL 2	0.24		0.01				
<input checked="" type="checkbox"/> NON VERIFY	0.24		0.01				
<input type="checkbox"/> ID VERIFY							
<input type="checkbox"/> CREDIT CARD PROCESSING							
<input type="checkbox"/> OTHER							
MONTHLY SERVICE FEES							
<small>(CHECK ALL THAT APPLY)</small>							
<input checked="" type="checkbox"/> MONTHLY ACH STATEMENT	1	\$28.65	29.95				
<input type="checkbox"/> GATEWAY SERVICES							
<input type="checkbox"/> OTHER							
GATEWAY SERVICES FEE NOTICE: A Monthly Gateway Fee is required for all merchants processing Credit Card Transactions, Check Verification Services, or Identity Verification Services. Gateway charges are \$28.65 per month <u>plus the additional per transaction fee outlined below.</u> Gateway charges are in addition to applicable fees for the type of service being performed, such as: Credit Card, Check Verification, or Identity Verification.							
NSF FEE REBATE PROGRAM							
You have the option for ACH Direct to collect an NSF Fee from your customer in the event a transaction is returned NSF from sufficient funds. If so, you receive a 40% REBATE for each NSF Fee collected.							
<input type="checkbox"/> COLLECT \$ _____ PER NSF FEE							
<input type="checkbox"/> DO NOT COLLECT							
CHARGEBACKS: For transactions returned R05, R07, R10, or R29 a \$20.00 Chargeback Fee will be assessed on a per occurrence basis.							
ONE TIME PRODUCT FEES							
<small>(CHECK ALL THAT APPLY)</small>							
<input type="checkbox"/> DIRECT BILLING							
<input checked="" type="checkbox"/> VIRTUAL TERMINAL	1	0.00	0.00				
<input type="checkbox"/> SOFT TERMINAL							
<input type="checkbox"/> TRANSPORTER							
<input checked="" type="checkbox"/> REAL TIME PAYMENT CERTIFICATION	1	0.00	0.00				
<input checked="" type="checkbox"/> BATCH PAYMENT CERTIFICATION	1	0.00	0.00				
<input type="checkbox"/> OTHER							
<input type="checkbox"/> ONE TIME SETUP FEES							
SETTLEMENT ACCOUNT							
FOR ALL INITIAL, ADDITIONAL, AND NEW FEES		FOR ALL INITIAL, ADDITIONAL, AND NEW FEES		FOR ALL INITIAL, ADDITIONAL, AND NEW FEES		FOR ALL INITIAL, ADDITIONAL, AND NEW FEES	
TRANSFER ROUTING #		TRANSFER ROUTING #		TRANSFER ROUTING #		TRANSFER ROUTING #	
ACCOUNT #		ACCOUNT #		ACCOUNT #		ACCOUNT #	
NAME ON ACCOUNT		NAME ON ACCOUNT		NAME ON ACCOUNT		NAME ON ACCOUNT	
BANK CONTACT PERSON		BANK CONTACT PERSON		BANK CONTACT PERSON		BANK CONTACT PERSON	
MERCHANT AUTHORIZATION: As a duly authorized representative for the merchant named herein, I authorize ACHT Direct to debit the designated bank account for the purchase fees required to maintain the monthly and account fees listed on this schedule. I understand and agree that the service fees will be debited immediately after the transaction is processed. If payment by check, please be advised that all checks will be converted to an ACH payment and automatically deposited to our account. If your payment is returned unpaid, undeposited and undebited, the bank will assess a \$25.00 processing fee which will be automatically debited from your account.							
SIGNATURE: _____		DATE: _____		TOTAL ONE TIME FEES: _____			
S.A. _____		PRINT NAME: _____		LEAD TRACKING # _____		REF. ID# _____	
DONOR/USER: _____		PRINT NAME: _____		LEAD TRACKING # _____		REF. ID# _____	
REP: _____		PRINT NAME: _____		LEAD TRACKING # _____		REF. ID# _____	
SIGNATURE: _____		PRINT NAME: _____		LEAD TRACKING # _____		REF. ID# _____	

sector merchants engaged in the business of selling goods or services and public sector entities providing services to constituents. ACHD will provide the Services selected by Merchant on the attached Merchant Application and Fee Schedule. Subject to the terms and conditions of this Agreement, ACHD hereby grants to Merchant a non-exclusive and non-transferable license to access and use ACHD's products and services contracted for under this Agreement and Merchant hereby accepts such license and agrees to utilize and access the selected Services in accordance with the practices and procedures established by ACHD. Merchant may use the Services (a) for its own internal business purposes and operations, and/or (b) as a service provided to its customers. No license or right to use, reproduce, translate, rearrange, modify, enhance, display, sell, lease, sublicense or otherwise distribute, transfer or dispose of any of ACHD's Proprietary Property, as defined in Section 3 below, in whole or in part, is granted except as expressly provided by this Agreement. Neither Merchant nor any of its affiliates shall reverse engineer, decompile or disassemble the Proprietary Property. Additionally, nothing in this Agreement shall be construed to provide Merchant with a license of any third-party proprietary information or property.

4. ACH PROCESSING SERVICES.

a. Description of Services - ACHD shall use information provided by Merchant to send Merchant's ACH Transactions to the ACH Network. For Debit Entries, ACHD shall first send a debit transaction through its ODFI to the ACH Network which is then forwarded to the Receiver's account located with the RDFI. All funds collected on behalf of the Merchant will be transmitted to a custodial account located with ACHD's ODFI. After the applicable hold time as addressed in Section f below, ACHD will submit to the end-of-day settlement process any items that have not been returned or rejected. For Credit Entries, ACHD will submit all Credit Entries to the end-of-day settlement process. ACHD shall then schedule these items to be sent through its ODFI to the ACH Network which is then forwarded to the Receiver's account after the expiration of any applicable hold time, as defined in Section f below.

b. Accepting ACH Transactions - ACHD shall accept Transactions on a 24-hour basis. Transactions received after the designated cut-off time of 3:00 p.m. central, may not be included in that day's processing. ACHD is responsible only for processing Transactions that are received by ACHD in the proper format, pre-approved by ACHD and on a timely basis.

c. Modifying ACH Transactions - At Merchant's request, ACHD will make reasonable efforts to reverse, modify, or delete an entry after it has been submitted by Merchant prior to being submitted to the ACH Network. All requests must be made in writing, signed by an individual pre-authorized by Merchant to make such requests and faxed or delivered to ACHD. Merchant agrees that ACHD will not be held responsible for any losses, directly or indirectly, incurred by Merchant or other third parties as a result of ACHD's failure to accomplish the requested modification or deletion before the Transaction has been submitted to the ACH Network. Further, Merchant acknowledges that once a Transaction is submitted to the ACH Network, it cannot be modified or deleted.

d. Rejecting or Returning ACH Transactions - ACHD may delay or reject any Transaction without prior notification to Merchant for any reason permitted or required under the Rules or Regulations or if, ACHD has reason to believe such Transaction is fraudulent or improperly authorized. ACHD shall have no liability to Merchant by reason of the rejection of any such Entry. ACHD shall make available to Merchant details related to the receipt of any returned or rejected Entries from the ACH Network and shall credit or charge such Entries

ACT REQUIREMENTS AS REFERRED TO IN APPENDIX A ATTACHED HERETO. MERCHANT SHALL USE THE VERIFICATION SERVICES ONLY IN CONNECTION WITH PAYMENTS PRESENTED TO MERCHANT BY ITS CUSTOMERS IN EXCHANGE FOR GOODS OR SERVICES.

d. Representation by Merchant. Each request for data through the Account Verification Services shall constitute a representation, warranty and certification by Merchant that the data (1) shall be used and disclosed only in accordance with the provisions of this Agreement, and in accordance with any applicable Rules or laws; and (2) shall be used solely for the intended use as stated by Merchant on the attached MSA and that use is in compliance with the permissible uses under the FCRA and U.S. Code sections listed above. ACHD reserves the right to immediately terminate Merchant's access to the Account Verification Services should ACHD have reason to believe that Merchant is using the Account Verification Services for a purpose other than a permissible use as provided for in this Agreement.

6. RECEIVING REPORTS AND TRANSACTION FILES. Merchant is

responsible for communicating with ACHD's Host Processing System to receive daily reports and/or transaction files. ACHD is under no obligation to transmit this data to Merchant.

7. PRICING AND PAYMENT. Either section a

or b below shall apply depending upon whether Merchant has chosen to absorb the fees for Services or to pass the fees on to Merchant's constituents through a convenience fee, as per the terms of the Merchant Application and Fee Schedule attached hereto.

Merchant Absorbed Fee arrangement:

Merchant shall pay for all products and services according to the Fee Schedule (attached hereto as a part of the Merchant Application). Said fees shall be due and payable by Merchant within the time period established by the Fee Schedule (attached hereto as a part of the Merchant Application). Fees will differ depending on type of services and/or level of services Merchant has requested on the MSA and may be modified by ACHD upon a minimum of thirty (30) days' written notice to Merchant. Notwithstanding Section 21, if the new fee schedule is unacceptable to Merchant, Merchant may immediately terminate this Agreement upon proper notice to ACHD. ACHD is authorized to obtain payment for these fees and any other amounts due under this Agreement by directly debiting Merchant's specified bank account(s).

Failure to pay any amount due to ACHD within the time period or on the terms set forth in this section shall constitute a material breach of this Agreement by Merchant.

8. TAXES. Merchant shall provide evidence of its status as a tax exempt entity. ACHD shall be responsible for any taxes owed by ACHD as a result of income earned by ACHD hereunder.

9. NSF FEE REBATE PROGRAM. Merchant may request that ACHD collect the NSF fee, allowable under the laws of Merchant's domiciliary state, from a designated Receiver upon any return of an ACH transaction from that Receiver either for insufficient funds (NSF) or uncollected funds. ACHD shall rebate Merchant a percentage, as established in the attached Fee Schedule, of any such funds collected from Receiver.

10. ACCOUNT RE-EVALUATION. ACHD reserves the right to re-evaluate Merchant's account at its own discretion throughout the course of ACHD's business relationship with Merchant. Based on any change in Merchant's processing activities, payment of fees and/or ratios (including volume or dollar amount of transactions), ACHD may propose

modifications to the fee structure, processing limits, hold time, applicable discount fees or, in accordance with the terms of this Agreement, ACHD may close Merchant's account. ACHD will provide Merchant with a thirty (30) day notice of any such proposed changes in accordance with Section 22 of this Agreement. Upon receipt of such proposed revisions, Merchant may terminate this agreement under the terms of Section 7 above.

11. CONFIDENTIALITY. Merchant

acknowledges that the transaction data transmitted to ACHD contains "Confidential Information" which is defined as personal consumer information including bank account numbers, routing information and credit card numbers. Merchant agrees that it shall not store any of this Confidential Information. In the event that Merchant stores this Confidential Information, Merchant shall not provide this Confidential Information to any third parties unless it is required to do so through legal process. Merchant shall not knowingly provide access to any information protected by patent, copyright or trademark law unless it is required to do by law

15. RULES AND REGULATIONS VIOLATIONS. Merchant shall reimburse

ACHD for any fines or loss of funds imposed on ACHD for any violation of the Rules or Regulations by Merchant. ACHD shall provide Merchant written notice of any such fine. Merchant shall remedy the violation within thirty (30) days of notice.

16. LIMITS OF LIABILITY.

a. Errors of Others - ACHD shall not be held responsible for errors, acts or failures to act of others, including, and among other entities, banks, communications carriers or clearing houses through which Transactions may be originated or through which ACHD may receive or transmit information, and no such entity shall be deemed an agent of ACHD. ACHD does accept responsibility for errors, acts or failure to act caused by its ODFI.

b. Damages Waiver - ACHD shall not be liable to Merchant or any third party for any special, consequential, incidental or punitive damages of any kind or nature incurred in relation to this Agreement, whether or not (i) any claim for these damages is based on tort or contract; or (ii) ACHD knew or should have known the likelihood of such damages occurring under the circumstances. Merchant shall not assert any such claim against ACHD or its subsidiaries or affiliated companies or their respective officers, directors, or employees. ACHD's maximum liability hereunder for any claims whatsoever shall not exceed the total amount of all fees paid by Merchant to ACHD during the three-month period preceding the origination of the claim giving rise to liability. No claim may be brought by Merchant or any of its affiliates under this Agreement more than one (1) year after the accrual of the claim. The limitations of liability contained in this section shall apply without regard to whether other provisions of this Agreement have been breached or have proven ineffective.

c. ODFI Liability - Merchant understands and agrees that ACHD has full and exclusive power to provide ODFI with directions on Merchant's behalf. ODFI has no liability whatsoever for ACHD's acts, omissions or representations and is not responsible for any loss caused by ACHD. ACHD assumes, on behalf of the ODFI, all of those liabilities. ACHD is not an agent of ODFI and has no authority to act or make commitments on behalf of ODFI. ODFI will not be monitoring ACHD's transactions in respect of Merchant's funds. All Merchant complaints and claims arising out of the Agreement shall be made solely to ACHD. IN NO EVENT SHALL ODFI BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR EXEMPLARY DAMAGES, NOR SHALL ODFI HAVE

LIABILITY IN ANY EVENT IN EXCESS OF THE FEES IT RECEIVES FOR HANDLING MERCHANT'S TRANSACTIONS. Merchant agrees that these limitations are reasonable given the fact that no compensation is being paid to ODFI by Merchant.

17. NOTICE OF ERRONEOUS OR UNAUTHORIZED TRANSFERS. Merchant

shall regularly and promptly review all Transactions and other communications from ACHD and shall immediately notify ACHD upon discovery of any and all discrepancies between Merchant's records and those provided by ACHD. The ODFI or Merchant's bank, or with respect to any transfer that Merchant believes was made without proper authorization. Upon notification by Merchant, ACHD will use its best efforts to reverse the Transaction notified of. However, Merchant acknowledges that the Transaction may have progressed beyond ACHD's ability to control by the time of such notice and under such circumstances, Merchant accepts full responsibility for all losses, liabilities, costs or expenses Merchant, ACHD or any third party suffers or incurs as a result of ACHD's inability to reverse the transaction.

18. ACHD SERVICE POLICY. Merchant

acknowledges and understands that ACHD does not warrant that the Services will be uninterrupted or error free and that ACHD may occasionally experience delays or outages due to disruptions that are not within ACHD's control. Any such interruption shall not be considered a breach of this Agreement by ACHD. ACHD shall use its best efforts to remedy any such interruption in service as quickly as possible.

19. DISCLAIMER OF WARRANTIES. Except

as otherwise specifically provided herein, ACHD's products and services are provided hereunder "As Is" without warranty of any kind. Except as otherwise specifically provided herein to the maximum extent permitted by law, ACHD expressly disclaims any and all warranties, conditions, representations, and guarantees with respect to the ACHD products and services, whether express or implied, arising by law, custom, prior oral or written statements, or otherwise, including without limitation, any warranty of merchantability, fitness for a particular purpose. No representation or other affirmation of fact, including, without limitation, statements regarding capacity, suitability for use or performance of the ACHD products or services, whether made by employees of ACHD or otherwise, which is not contained in this

an original and all of which together shall constitute one instrument.

26. MERCHANT AUTHORIZATION. This Agreement becomes effective when signed by an authorized representative(s) of Merchant and ACHD. The signatory warrants that they are duly authorized to enter into this Agreement on behalf of the Merchant. The signature of the duly authorized representative(s) of Merchant confirms that all statements made in the application attached hereto are true and that Merchant authorizes ACHD to verify the information given, including credit references and to obtain credit reports on the business. Further, Merchant agrees to notify ACHD of any important changes in the information provided in the application or any attachments thereto.

By signing below, the duly authorized representative(s) of Merchant agrees to bind Merchant to the terms and conditions of this Agreement and authorizes the account(s) listed in the MSA attached to be debited and/or credited by ACHD according to the terms of this Agreement. This authorization is also applicable to any new account information provided to ACHD at some future date. Merchant understands that the approval, per-item limit, hold period, and reserve amount required (if any) are determined by ACHD, as applicable to the Services Merchant is receiving from ACHD. The signor certifies that the information provided in this application is true and correct to the best of his/her knowledge. Merchant agrees that all business references, including banks, may release any and all credit and financial information to ACHD.

ACHD/DIRECT, INC.		MERCHANT		MERCHANT	
HO SIGNATURE:		SIGNATURE:		SIGNATURE:	
PRINTED NAME:		PRINTED NAME:		PRINTED NAME:	
DATE:		DATE:		DATE:	
TITLE:		TITLE:		TITLE:	

TERMS OF SERVICE

These Terms of Service are entered into as of the Effective Date by and among City of South Lyon, NOVA Information Systems, Inc. and U.S. Bank National Association. The TOS and the other portions of the Agreement govern the Merchant's participation in the Program.

Section A - Definitions

1) DEFINITIONS.

- a) **ACH:** Automated Clearing House.
- b) **Agreement:** The TOS, any Addendum, the Merchant Application, the Merchant Operating Guide, and any other guides or manuals provided to Merchant from time to time, and all additions to, amendments and modifications of, and all replacements to any of them, as applicable.
- c) **American Express:** The American Express Company.
- d) **Authorization:** Merchant's request for approval of a sales Transaction by an Issuer. Authorization is initiated by accessing the authorization center by telephone or electronic terminal.
- e) **Authorization Code:** The code sent by an Issuer in response to an Authorization request.
- f) **Automated Clearing House (ACH):** The funds transfer system governed by the rules of NACHA. ACH allows financial institutions to clear interbank entries electronically.
- g) **Bankruptcy Proceeding:** With respect to a Person means (i) that the Person or any subsidiary of such Person shall: (a) commence a voluntary case under the Bankruptcy Code of 1978, as amended, or other federal bankruptcy laws (as now or hereafter in effect); (b) file a petition seeking to take advantage of any other applicable laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts or any other similar conservatorship or receivership proceeding instituted or administered by any regulatory agency or body; (c) consent to or fail to contest, in a timely and appropriate manner, any petition filed against it in an involuntary case under such bankruptcy laws or other applicable laws or consent to an Involuntary Bankruptcy Proceeding; (d) apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a trustee, receiver, custodian, liquidator, or similar entity of such Person or of all or any substantial part of its assets, domestic or foreign; (e) admit in writing its inability to pay its debts as they become due; (f) make a general assignment for the benefit of creditors; (g) make a conveyance fraudulent as to creditors under any applicable law; or (h) take any action for the purpose of effecting any of the foregoing; or (ii) that a case or other proceeding shall be commenced against the Person or any subsidiary of such Person in any court of competent jurisdiction, or through any regulatory agency or body, seeking: (a) relief under the Bankruptcy Code of 1978, as amended, or other federal bankruptcy laws (as now or hereafter in effect) or under any other applicable laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or composition, or adjustment of debts; or (b) the appointment of a trustee, receiver, custodian, liquidator or the like of such Person or of all or any substantial part of the assets, domestic or foreign, of such Person or any other similar conservatorship or receivership proceeding instituted or administered by any regulatory agency or body.

- h) **Card Not Present:** The processing environment where the Payment Device is not physically presented to the Merchant by the Cardholder as the form of payment at the time of sale. Card Not Present includes, but is not limited to, Mail Order, Telephone Order, and Electronic Commerce Transactions.
- i) **Card Present:** The processing environment where the Payment Device is physically presented to the Merchant by the Cardholder as the form of payment at the time of sale.
- j) **Cardholder:** (i) the individual in whose name a Payment Device has been issued; and (ii) any individual who possesses and uses a Payment Device and who purports to be the person in whose

- 2) **Electronic Check Service Rules:** All applicable rules and operating regulations of the Electronic Check Service Associations, and all rules, operating regulations, and guidelines for Electronic Check Service Transactions issued by NOVA from time to time, including without limitation, all amendments, changes, and revisions made thereto from time to time.
- aa) **Electronic Commerce Transaction:** A Transaction that occurs when the Cardholder uses the Internet to make a purchase from Merchant or Merchant uses the Internet to submit the Transaction for processing to NOVA.
- bb) **Electronic Gift Cards (EGC):** A special card purchased by a customer that is redeemable for in-store merchandise or services.
- cc) **Interchange:** The clearing and settlement system for Visa and MasterCard and Credit Cards and Debit Cards where data is exchanged between NOVA and the Issuer.
- dd) **Issuer:** The financial institution or other entity that issued the Credit Card or Debit Card to the Cardholder.
- ee) **JCB:** JCB International Co., Ltd.
- ff) **Laws:** All applicable state, federal and local laws, rules, and regulations, as amended from time to time.
- gg) **Loyalty Cards:** A special card given to customers who are frequent shoppers of an establishment pursuant to which the customer may receive a discount or other reward.
- hh) **Mail Order/Telephone Order (MO/TO) Transaction:** For MO, a Transaction that occurs when the Cardholder uses the mail to make a purchase from a Merchant and for TO, a Transaction that occurs when the Cardholder uses a telephone to make a purchase from a Merchant.
- ii) **MasterCard:** MasterCard International Incorporated.
- jj) **Member:** U.S. Bank National Association. The Member may be changed by NOVA at any time.
- kk) **Merchant (or you):** City of South Lyon, and the affiliated entities listed on Schedule B attached hereto, jointly and severally. Entities may be added to Schedule B by substituting a new Schedule B that is in writing and signed by all parties, and Merchant may add additional accounts or locations that are owned by Merchant without the need to execute a new Schedule B.
- ll) **Merchant represents and warrants** that it is duly authorized to bind each affiliate entity to the terms of the Agreement as if each such affiliate had executed the same.
- mm) **Merchant Application:** Any document containing information regarding Merchant's business that is submitted to NOVA and Member in connection with Merchant's application for processing services.
- nn) **Merchant Operating Guide:** The operating manual provided by NOVA to its Merchants. The Merchant Operating Guide may be amended from time to time by NOVA in its sole discretion.
- no) **National Automated Clearing House Association (NACHA):** The national association that establishes standards, rules, and procedures to enable depository financial institutions that are members of regional ACH associations to exchange electronic payments.
- oo) **NOVA:** As applicable, NOVA Information Systems, Inc., a Georgia corporation, and any affiliate or subsidiary of NOVA Information Systems, Inc. that provides processing services to a Merchant related to Transactions. NOVA is a registered member service provider of each Member.
- pp) **NOVA Processing Fee:** The direct cost to NOVA of the respective Credit Card Association and EFT Network credit and debit card interchange and/or gateway fees, any third party's telecommunication costs, NOVA's and/or any third party's authorization and capture switch fees, and a service processing fee.
- qq) **Payment Device:** Any device used for the purpose of obtaining credit or debiting a designated account including a Credit Card, Debit Card, and any other financial transaction device, including an Electronic Gift Card, electronic check, EFT Card, stored value card, "smart" card, or other device created to be used for the purpose of obtaining credit or debiting a designated account, that is now or hereafter effected through Transactions with Merchants.

4) DEPOSIT OF TRANSACTION RECEIPTS.

- a) **Funds.**
 - i) **Deposits.** You agree that the Agreement is a contract of financial accommodation within the meaning of the Bankruptcy Code, 11 U.S.C. Section 365, as amended from time to time. Subject to this Section, NOVA, and Member will deposit to the DDA all funds evidenced by Transaction Receipts complying with the terms of the Agreement and the Payment Network Regulations and will provide you provisional credit for such funds. Debits for supplies, adjustments, returns, Chargebacks, fees, fines, and other payments due under the Agreement must be posted in separate transactions and not deducted from settlement funds, except in the case of nonpayment of any amounts by Merchant for a period of sixty (60) days, then NOVA or Member shall be entitled to recoup the amounts owed from settlement funds. You acknowledge that your obligation to NOVA and Member for all amounts owed under the agreement arises out of the same transaction as NOVA's and Member's obligation to deposit funds to the DDA.
 - ii) **Provisional Credit.** All Transaction Receipts and deposits are subject to audit and final checking by Member and NOVA, and may be adjusted for inaccuracies or errors. You acknowledge that all credits for funds provided to you are provisional and subject to Chargebacks and adjustments in accordance with the Payment Network Regulations, whether or not a Transaction is charged back by the Issuer. Member or NOVA may elect to grant conditional credit for individual or groups of Transaction Receipts. Final credit for Transaction Receipts will be granted within Member's and NOVA's sole discretion.
 - iii) **Original Transaction Receipts.** Under no circumstances will Member or NOVA be responsible for processing returns, refunds, or adjustments related to Transactions not originally processed by Member and NOVA.
 - b) **Processing Limits.** NOVA may impose a cap on the dollar amount of Transaction Receipts that it will process for you as indicated on the Merchant Application as your annual volume or as otherwise established by NOVA. This limit may be changed by NOVA from time to time, with prior notice to you. If you exceed the established limit, NOVA may suspend the processing of Transaction Receipts, and return all Transaction Receipts evidencing funds over the cap to you.
 - c) **Chargebacks.** You are fully liable to NOVA and Member for all Transactions returned to NOVA or Member for whatever reason including all Chargebacks. You will pay NOVA and Member for all Chargebacks. You agree to accept for Chargeback, and will be liable to Member and NOVA in the amount of any sale for which the Cardholder or Issuer disputes the validity of the sale for any reason. You authorize NOVA and Member to debit the DDA or the Reserve Account, for the amount of all Chargebacks. You will fully cooperate with NOVA and Member in complying with the Payment Network Regulations regarding Chargebacks. Guarantors are personally liable to NOVA and Member for all Chargebacks.
- 5) **DEMAND DEPOSIT ACCOUNT (DDA).**
 - a) **Establishment and Authority.** You will establish and maintain with an ACH receiving depository institution one DDA to facilitate payment for Transactions. You will maintain sufficient funds in the DDA to accommodate all Transactions contemplated by the Agreement and all Chargebacks, returns, adjustments, fees, fines, penalties, and other payments due under this Agreement. You irrevocably authorize NOVA and Member to debit the DDA for Chargebacks in accordance with the Payment Network Regulations and for returns, adjustments, fees, fines, penalties, and any other payments due under the Agreement. You will notify Member and NOVA of any change to the DDA.
 - b) **DDA.** NOVA and Member have the right to delay, within their discretion, crediting the DDA with funds evidenced by submitted Transaction Receipts. You authorize Member or NOVA to initiate reversal or adjustment entries and initiate or suspend such entries as may be necessary to grant you provisional credit for any entry. Member will make deposits to the DDA pursuant to the Agreement and the ACH Authorization (defined below). You authorize and appoint Member to

- iii) **Reserve Event.** The following will constitute Reserve Events: (a) fraudulent activity in any monthly period that equal or exceeds one percent (1%) of Merchant's average monthly volume over the preceding twelve (12) month period, (b) Chargebacks in any monthly period that equal or exceed 1% of the total dollar value of incoming items to NOVA, (c) NOVA's reasonable belief that Merchant has accepted deposits but has not delivered the goods or services, (d) the commencement of a Bankruptcy Proceeding by or against you, and (e) termination of the Agreement for any reason.
- iv) **Funding.** Merchant and NOVA may fund the Reserve Account by any one or more of the following means:
- (1) Member and NOVA may require you to deposit into the Reserve Account funds in an amount determined by NOVA;
 - (2) Member and NOVA may debit the DDA in any amount;
 - (3) Member and NOVA may deposit into the Reserve Account funds they would otherwise be obligated to pay you.
- v) **Use of Funds in Reserve Account.** Member or NOVA may, without notice to you, apply funds in the Reserve Account against any outstanding amounts you owe or future amounts you will owe under the Agreement or any other agreement between you and Member or NOVA. Also, Member or NOVA may debit the Reserve Account to exercise their rights under the Agreement including, without limitation, their rights of set-off and recoupment to collect any amounts due to Member or NOVA. Further, you agree that NOVA or Member may be required to send funds in a Reserve Account to a third party in response to a tax levy or other court order.
- vi) **Termination of Reserve Account.** Funds held in the Reserve Account shall remain in the Reserve Account until each of the following has occurred: (1) the Agreement has been terminated; and (2) Merchant has paid in full all amounts owing or that could ever be owed under the Agreement, including all Chargebacks, returns, adjustment, fees, fines, penalties, and any other payments due under the Agreement. In no event shall you be entitled to a return of any funds remaining in the Reserve Account before 270 days following the effective date of termination of the Agreement.
- c) **Recoupment and Set-off.** Member and NOVA have the right of recoupment and set-off. This means that they may offset any outstanding or uncollected amounts owed to them from: (i) any amounts they would otherwise be obligated to deposit into the DDA; and (ii) any other amounts they may owe you under the Agreement or any other agreement. You acknowledge that in the event of a Bankruptcy Proceeding, in order for you to provide adequate protection under Bankruptcy Code Section 362 to NOVA and Member, you must create or maintain the Reserve Account as required by NOVA and/or Member and either of them shall have the right to offset against the Reserve Account for any and all obligations you may owe to NOVA and Member, without regard to whether the obligations relate to Transaction Receipts initiated or created before or after the filing of the bankruptcy petition.
- d) **Remedies Cumulative.** The rights conferred upon Member and NOVA in this section are not intended to be exclusive of each other or of any other rights and remedies of Member and NOVA under the Agreement, at law or in equity. Rather, each and every right of Member and NOVA under the Agreement, at law or in equity is cumulative and concurrent and in addition to every other right.
- 7) **FEES; OTHER AMOUNTS OWED; TAXES.**
- a) **Fees.** You will pay Member and NOVA fees for services, supplies, and equipment in accordance with Schedule A, Schedule of Fees, and any additional application or setup form(s). Such fees will be calculated and debited from the DDA once each month for the previous month's activity as applicable, except if any amounts remain unpaid for a period of sixty (60) days, then NOVA or Member shall have the right to recoup such amounts from settlement funds. In addition, you will pay NOVA at agreed upon rates for research including, but not limited to, research required to

Agreement if such failure or delay arises for reasons beyond the control of NOVA or Member and without the fault or negligence of NOVA or Member.

9) **REPRESENTATIONS AND WARRANTIES.** You represent and warrant to NOVA and Member

as of the time the Agreement is effective, and reaffirm to NOVA and Member each time a

Transaction is effected during the initial term or any renewal term of the Agreement, the following:

- a) **Information.** All information provided in the Merchant Application or any other document submitted to NOVA is true and complete and properly reflects the business, financial condition and principal partners, owners, or officers of Merchant. You will not submit Transactions for processing to NOVA or Member for any businesses, products, or methods of selling other than those set forth in the Merchant Application at the time Merchant applies for services without the prior written consent of NOVA.

- b) **Authority to Execute.** Merchant and the persons signing the Agreement have the power to execute and perform the Agreement. Merchant represents and warrants that the person executing the Agreement is duly authorized to bind Merchant to all provisions of the Agreement and that such person is authorized to execute any document and to take any action on behalf of Merchant which may be required by NOVA, now or in the future. Further, you represent and warrant that signing and/or performing in accordance with the Agreement will not violate any Law, or conflict with any other agreement to which you are subject.

- c) **No Litigation.** There is no action, suit, or proceeding pending, or to your knowledge, threatened which if decided adversely would impair your ability to carry on your business substantially as now conducted or which would adversely affect your financial condition or operations. You have never been placed on the MasterCard MATCHSM system (formerly known as the Combined Terminated Merchant File), or, if you have, you have disclosed that fact to NOVA in writing.

- d) **Transactions.** All Transactions are bona fide. No Transaction involves the use of a Payment Device for any purpose other than the purchase of goods or services from you or a return or adjustment related to such purchase. No Transaction involves a Cardholder obtaining cash from you unless allowed by the Payment Network Regulations and agreed to in writing with NOVA.

- e) **Compliance with Laws and Regulations.** You will comply with all Laws and Payment Network Regulations.

- f) **Business Use.** You are obtaining and using the processing services from NOVA for business purposes only and to facilitate lawful business Transactions between yourself and your customers. You also acknowledge that the DDA into which debits and credits are made is being used for lawful business purposes only.

10) **AUDIT AND INFORMATION.**

- a) **Audit.** You authorize NOVA and Member to perform an audit of your business, not more than once annually, to confirm compliance with the Agreement. In accordance with the Payment Network Regulations, you will obtain and submit a copy of an audit from a third party acceptable to the Payment Networks of the financial, physical, information security (physical security and information security), and operational facets of your business at your expense when requested by the Payment Networks or required by the Payment Network Regulations. Further, you acknowledge and agree that, in accordance with the Payment Network Regulations, the Payment Networks have the right to audit your business to confirm compliance with the Payment Network Regulations.

b) **Information.**

- i) **Authority.** You authorize NOVA and Member to make, from time to time, any business and personal credit or other inquiries they consider necessary to review the Merchant Application or continue to provide services under the Agreement. You also authorize any person or credit reporting agency to compile information to answer those credit inquiries and to furnish that information to NOVA.

- ii) **Financial Information.** Upon the request of either NOVA or Member, you will provide NOVA and Member audited financial statements prepared by an independent certified public

days following receipt of written notice by the party you claim to be in breach of the Agreement.

ii) **NOVA or Member.**

- (1) The Agreement may be terminated by Member or NOVA effective at the end of the Initial Term or any Renewal Term by providing written notice of an intent not to renew to you at least one hundred twenty (120) days prior to the expiration of the then current term.

- (2) The Agreement may be terminated by NOVA or Member immediately upon the occurrence of one or more of the following:

- The occurrence of Excessive Activity (defined herein);
- The acceptance of Card Not Present Transactions without proper disclosure to NOVA and Member as set forth herein;
- The failure to pay NOVA or Member any amount you owe NOVA or Member;
- The occurrence of an adverse change in your financial condition;
- The garnishment or attachment of your deposit accounts with Member, the Merchant Account, or any of your property in the possession of NOVA or Member;
- The assignment of your assets generally for the benefit of creditors;
- The commencement of a Bankruptcy Proceeding by or against you;
- The failure by you to perform a material obligation of this Agreement that continues for a period of thirty (30) days after your receipt of notice of the breach;
- Any representation and warranty by a party is or becomes false or misleading in any material respect as of the date made, or becomes false or misleading at any time during the term of this Agreement; or
- Visa or MasterCard requires Member or NOVA to terminate this Agreement or cease processing transactions for you.

NOVA's and Member's rights of termination under the Agreement are cumulative. A specific right of termination in this section shall not limit any other right of NOVA or Member to terminate the Agreement expressed elsewhere.

c) **Notice of Termination.** Notice of termination by Merchant, NOVA, or Member may be given orally or in writing, but if given orally, must be confirmed in writing as soon as practical.

Termination shall be effective on the date specified by the oral or written notice; provided, however Merchant agrees that closing Merchant's account with NOVA may take up to thirty (30) days following NOVA's receipt of written notice of termination.

d) **Action Upon Termination.**

- Accounts.** All your obligations regarding Transactions processed prior to termination will survive termination. Funds related to Transactions processed prior to termination may be placed in a Reserve Account until you pay all amounts you owe NOVA or Member or amounts for which you are liable under the Agreement. You must maintain enough funds in the DDA following termination to cover all Chargebacks, returns, adjustments, fees, fines, penalties, and other amounts due under the Agreement for a reasonable time, but in any event, not less than 180 days from termination. If a Reserve Account is established by NOVA, then any balance remaining after Chargeback rights have expired and all other amounts owed by you have been paid will be disbursed to you.
- Equipment.** If your equipment is leased, you are obligated to honor the terms and conditions of your leasing contract. If your equipment is owned by NOVA, you must return all equipment owned by NOVA within ten (10) business days and immediately pay NOVA any amounts you owe for such equipment.
- Return to NOVA.** All promotional materials, advertising displays, emblems, Transaction Receipts, Credit Transaction Receipts, and other forms supplied to you and not purchased by you or consumed in use will remain the property of NOVA and must be returned to NOVA or destroyed within ten (10) business days after termination of the Agreement. You will be fully

under the FOIA: (a) information of a personal nature if public disclosure of the information would constitute a clearly unwarranted invasion of an individual's privacy; (b) trade secrets, commercial or financial information submitted upon the promise of confidentiality by you as authorized by your chief administrative officer or an elected official; (c) records of your security measures, including security codes, combinations or passwords; (d) information or records that would disclose the social security number of an individual; and (e) records or information specifically described and exempted from disclosure by statute, including but not limited to Card numbers as described in Section 445.903(ii), Mich. Stat. You will not disclose Cardholder or Transaction information to any third party, except to an agent of yours assisting in completing a Transaction, or as required by Laws or the Payment Network Regulations. You must maintain all systems and media containing Cardholder and Transaction information in a secure manner to prevent access by or disclosure to anyone other than your authorized personnel. You must maintain Cardholder and Transaction information for such time periods as may be required by Laws and the Payment Network Regulations and thereafter destroy in a manner that will render the data unretrievable all such media that you no longer deem necessary or appropriate to maintain. Further, you must take all steps reasonably necessary to ensure that Cardholder and Transaction information is not disclosed or otherwise misused. You may not retain or store magnetic stripe or CVV2/CVC2 data after authorization for record keeping or additional authorization processing. Merchant shall immediately notify NOVA of any Cardholder or Transaction information compromise of which it becomes aware whether such compromise occurred at: (i) the Merchant; (ii) a third party from whom Merchant procures Value Added Services; (iii) NOVA or Member; or (iv) elsewhere.

ii) **Bankruptcy.** In the event of failure or other suspension of your business operations, including bankruptcy or insolvency, you must not sell, transfer, or disclose any materials that contain Cardholder or Transaction information to third parties. You must:

- Return this information to NOVA, or
- Provide acceptable proof of destruction of this information to NOVA.

iii) **NOVA or Member Confidential Information.** You shall at all times protect NOVA's and Member's Confidential Information provided such information is not required to be disclosed under the Michigan FOIA, and you acknowledge that certain information will not be disclosed under the FOIA as set forth in Section B(16)(b)(i) above. You will not disclose any of NOVA's or Member's Confidential Information to any third party except as required by Laws or court order, provided that you give NOVA and Member prompt notice of any court order and a reasonable opportunity to contest such order prior to disclosure.

c) **Passwords.** If you receive a password from NOVA to access any of NOVA's databases or services you will: (i) keep the password confidential; (ii) not allow any other entity or person to use the password or gain access to NOVA's databases or services; (iii) be liable for all action taken by any user of the password; and (iv) promptly notify NOVA if you believe NOVA's databases or services or your information has been compromised by use of the password. If you receive passwords from a third party selected by Merchant, you must protect such passwords in the manner required by such third party and indemnify, defend, and hold NOVA and Member harmless from any losses, costs, or expenses that arise from your use or misuse of such third party passwords.

d) **Proprietary Interest.** Merchant has no interest whatsoever, including, without limitation, copyright interests, franchise interests, license interests, patent rights, property rights, or other interest in any services, software, or hardware provided by NOVA. Nothing in the TOS shall be construed as granting Merchant any patent rights or patent license in any patent which NOVA may obtain in respect to NOVA's services, software, or equipment. Merchant will make no attempt to duplicate or otherwise ascertain the components, circuit diagrams, logic diagrams, flow

- requested; (iii) to credit rating agencies; and (iv) as required by the Payment Network Regulations or the Laws (e.g., for tax reporting purposes or in response to a subpoena).
- k) **Communication with Merchant.** You agree that NOVA and Member may provide you with information about the Program including, without limitation, information about new products and/or services by telephone, electronic mail, and/or facsimile.
- l) **Amendments.** Member and NOVA may propose amendments or additions to the Agreement. Member or NOVA will inform you of a proposed change in a periodic statement or other notice. You will be deemed to have agreed to the change if you continue to present Transactions to Member and NOVA after thirty (30) days following the issuance of the notice. NOVA is entitled to pass through to you any fee increases imposed upon Visa, MasterCard, any other Payment Network.
- m) **Severability and Waiver.** If any provision of the Agreement is found to be illegal or otherwise unenforceable, the invalidity or unenforceability of that provision will not affect any of the remaining provisions and the Agreement will be construed as if the illegal or unenforceable provision is not contained in the Agreement. Neither the failure, the delay by NOVA or Member to exercise, nor the partial exercise of any right under the Agreement will operate as a waiver or estoppel of such right, nor shall such amend the Agreement. All waivers requested by you must be signed by NOVA.
- n) **Independent Contractors.** NOVA, Member, and you will be deemed independent contractors and no one will be considered an agent, joint venturer, or partner of the other, unless and to the extent otherwise specifically provided herein.
- o) **Survival.** All or your obligations to NOVA and Member shall survive termination of the Agreement, including, without limitation, Sections (B)(4)(a)-(c), (B)(5)(a)-(f), (B)(6)(a)-(d), (B)(7)(a)-(e), (B)(8)(a)-(d), (B)(11), (B)(13), (B)(14), (B)(16)(a)-(d) and (B)(17)(g) of the TOS.
- p) **Counterparts; Facsimile Signatures; Delivery.** The Agreement may be entered into in one or more counterparts, each of which shall constitute an original and all of which, taken together, shall constitute one and the same agreement. Delivery of the various documents and instruments comprising the Agreement may be accomplished by a facsimile transmission, and such a signed facsimile or copy shall constitute a signed original.

Section C – Acceptance of Visa and MasterCard

- 18) **ACCEPTANCE OF VISA AND MASTERCARD.** Merchant agrees to the following provisions in addition to the Definitions in Section (A) and the General Provisions of Section (B) above:
- 19) **VISA AND MASTERCARD DEFINITIONS.** For purposes of this Section, "Credit Card" shall be deemed to be limited to a: (i) credit/business product of Visa; (ii) consumer debit/prepaid product of Visa; (iii) credit/business product of MasterCard; or (iv) consumer debit/prepaid product of MasterCard as applicable. The credit/business products of Visa are those products for which transactions by the Cardholder are paid by the Cardholder at least fifteen (15) days after the transaction including: (i) consumer credit products (including co-branded and smart Visa versions) such as Classic, Gold, Platinum, Signature, and Infinite cards; and (ii) business products such as business credit, business debit, business line of credit, and smart Visa business, purchasing cards, corporate cards, fleet cards, and commercial prepaid cards. The consumer debit/prepaid products of Visa are those products that for which Transactions by the Cardholder are paid by accessing the Cardholder's asset account immediately including: (i) consumer Visa check cards such as Classic, Gold, Platinum and Visa Check Card II; and (ii) consumer prepaid/EBT cards such as Visa Buxx, Visa Payroll, Visa gift cards (including incentives, promotional, and rebate), child support cards, unemployment cards, insurance claim cards, customer service cards, state disbursement cards (not including unemployment or child support), flexible spending account cards. General purpose reloadable and one-time use prepaid cards and student aid college cards. The consumer debit/prepaid products of MasterCard include Cardholder signature debit cards, prepaid cards, stored value cards,

21) AUTHORIZATION.

- a) **Required on all Transactions.** You must obtain an Authorization Code before completing any sales Transaction. An Authorization Code verifies the Credit Card number is valid, the Credit Card has not been reported lost or stolen at the time of the sales Transaction, and confirms the amount of credit or funds requested for the sales Transaction is available. You will follow any instructions received during Authorization. Upon receipt of an Authorization Code, you may consummate only the sales Transaction authorized and must note the Authorization Code on the Transaction Receipt. In any case in which a sales Transaction is completed without imprinting the Credit Card, the Merchant, whether or not an Authorization Code is obtained, shall be deemed to warrant the true identity of the customer as the Cardholder. For all Card Not Present sales Transactions, you must obtain the Credit Card expiration date, Cardholder address and telephone number, and CVV2/CVC2 number and forward them as part of the Authorization.
- b) **Effect.** An Authorization Code does not: (i) guarantee the Merchant final payment for a sales Transaction; (ii) guarantee that the sales Transaction will not be disputed later by the Cardholder as any sales Transaction is subject to Chargeback; or (iii) protect you in the event of a Chargeback regarding unauthorized sales Transactions or disputes involving the quality of goods or services. Authorization Codes will not waive any provision of the TOS or otherwise validate a fraudulent sales Transaction or a sales Transaction involving the use of an expired Credit Card.
- c) **Unreadable Magnetic Stripes.** For Card Present Transactions, if you authorize and present Transactions electronically and your terminal is unable to read the magnetic stripe on the Credit Card, you must obtain the following in addition to key-entering the Transaction into the POS Device for processing: (i) a physical imprint of the Credit Card using a manual imprinter and (ii) the Cardholder's signature on the imprinted Transaction Receipt.

22) PRESENTMENT OF TRANSACTION RECEIPTS.

- a) **Transaction Receipts.**
- i) **Card Present and Card Not Present Transactions (other than Electronic Commerce Transactions).** You will use a Transaction Receipt to document each Card Present and Card Not Present Transaction. Each such Transaction Receipt must include:
- (1) Card account number (truncated account number required on the Cardholder's copy).
 - (2) Merchant name and location.
 - (3) Location Code (i.e., merchant identification number issued by NOVA).
 - (4) Transaction amount, including applicable taxes.
 - (5) Transaction date.
 - (6) Space for Cardholder signature for Card Present Transactions.
 - (7) Indication of who shall receive each copy of the Transaction Receipt (e.g., Merchant Copy, Bank Copy, Cardholder Copy).
 - (8) Authorization Code.
 - (9) Terms and conditions of the sale, if restricted.
- If the Merchant is accepting consumer debit products of Visa or MasterCard, no data referencing the Cardholder's PIN number shall be printed on the receipt.
- ii) **Electronic Commerce Transactions.** You will use a Transaction Receipt to document each Electronic Commerce Transaction. Each such Transaction Receipt must include:
- (1) Card account number (truncated account number required on the Cardholder's copy).
 - (2) Merchant name.
 - (3) Merchant online address.
 - (4) Purchaser name.
 - (5) Authorization Code.
 - (6) Transaction amount.
 - (7) Transaction date.
 - (8) Customer service contact, including telephone number.
 - (9) Terms and conditions of the sale, if restricted.

which you may incur a Chargeback. It is intended only to provide the most commonly encountered situations where a Chargeback may occur.

- i) Failure to respond to a Retrieval Request or failure to provide a legible, complete, or proper copy of a Transaction Receipt in response to a Retrieval Request,
 - ii) Unauthorized use of a Credit Card as alleged by the Cardholder,
 - iii) Dispute by the Cardholder over the quality of goods or services,
 - iv) Failure by Merchant to provide goods or services,
 - v) The Transaction Receipt does not bear the Cardholder's signature,
 - vi) The Transaction Receipt represents a sales Transaction for which Authorization was initially declined and was subsequently obtained by means of multiple Authorization attempts or other means not permitted hereunder,
 - vii) The Transaction Receipt fails to comply with the terms and conditions of the Agreement or fails to comply with the Credit Card Rules,
 - viii) The sales Transaction was completed under circumstances constituting a breach of the Agreement.
- c) **Excessive Activity.** Your presentation to NOVA of Excessive Activity will be a breach of the Agreement and cause for termination of the Agreement if not corrected by you after NOVA provides thirty (30) days written notice. "Excessive Activity" means, during any monthly period, and for any one of Merchant's terminal identification numbers or merchant identification numbers, Chargebacks and/or Retrieval Requests in excess of one percent (1%) of the gross dollar amount of your sales Transactions or returns in excess of two and one-half percent (2.5%) of the gross dollar amount of sales Transactions. You authorize, upon the occurrence of Excessive Activity, Member and NOVA to take additional actions as either of them may deem necessary including, without limitation, suspension of processing privileges or creation or maintenance of a Reserve Account in accordance with the TOS. NOVA will provide you with notice of such Excessive Activity and make every effort to provide you with notice prior to taking additional actions, but reserves the right to take such actions at any time in accordance with the TOS.
- d) **Credits.**
- i) **Credit Transaction Receipt.** You will issue a Credit Transaction Receipt, instead of issuing cash or a check, as a refund for any previous sales Transaction. Member will debit the DDA for the total face amount of each Credit Transaction Receipt submitted to NOVA. You will not submit a Credit Transaction Receipt relating to any Transaction Receipt not originally submitted to NOVA, nor will you submit a Credit Transaction Receipt that exceeds the amount of the original Transaction Receipt. You will, within the time period specified by applicable Laws or the Credit Card Rules, whichever time period is shorter, provide NOVA with a Credit Transaction Receipt for every return of goods or forgiveness of debt for services that was the subject of a previous sales Transaction in accordance with the Credit Card Rules.
 - ii) **Revocation of Credit.** Member or NOVA may with cause refuse to accept any Credit Transaction Receipt for processing. The reason for refusal must be presented to the Merchant.
 - iii) **Reprocessing.** You will not resubmit or reprocess any Transaction that has been charged back.
- e) **Fraud and Factoring.** You will not present for processing or credit, directly or indirectly, any transaction not originated as a result of a transaction directly between you and a Cardholder or any Transaction you know or should know to be fraudulent or not authorized by the Cardholder. Perpetrators of fraudulent Transactions will be referred to law enforcement officials. You will not deposit any Transaction Receipt representing the refinancing of an existing obligation of a Cardholder. You agree that NOVA may, within its sole discretion, suspend the disbursement of funds from Transaction Receipt for any reasonable period of time required to investigate suspicious or unusual deposit activity. NOVA and Member will have no liability for any losses you may attribute to any suspension of funds disbursement.

writing, you represent and warrant to Member and NOVA that you will not rely on any proceeds or credit resulting from such sales Transactions to purchase or furnish goods or services. You will maintain sufficient working capital to provide for the delivery of goods or services at the agreed upon future date, independent of any credit or proceeds resulting from Transaction Receipts or other Credit Transaction Receipts in connection with future delivery sales Transactions.

g) **Electronic Commerce.**

i) **Electronic Commerce.** You may not solicit or accept Electronic Commerce sales

Transactions unless you have disclosed such method of sale to NOVA previously in writing, and you may process such Transactions only if the Transactions have been encrypted by a third party vendor acceptable to NOVA and Member. If you submit Electronic Commerce sales Transactions without having disclosed such method of sale to NOVA previously in writing, you will be in breach of the Agreement and NOVA may immediately terminate the Agreement in addition to any other remedies available under the Agreement, Laws, and Credit Card Rules. You understand that sales Transactions processed via Electronic Commerce are high risk and subject to a higher incidence of Chargebacks. You are liable for all Chargebacks and losses related to Electronic Commerce Transactions, whether or not: (i) such Transactions have been encrypted; and (ii) you have obtained NOVA's consent to engage in such Transactions. Encryption is not a guarantee of payment and does not waive any provision of the TOS or otherwise validate a fraudulent Transaction. NOVA recommends that you obtain a signed Transaction Receipt or other proof of delivery signed by the Cardholder for all Electronic Commerce sales Transactions. All communication costs related to Electronic Commerce Transactions will be your responsibility. You understand that NOVA will not manage the telecommunications link for Electronic Commerce Transactions and that it is your responsibility to manage that link.

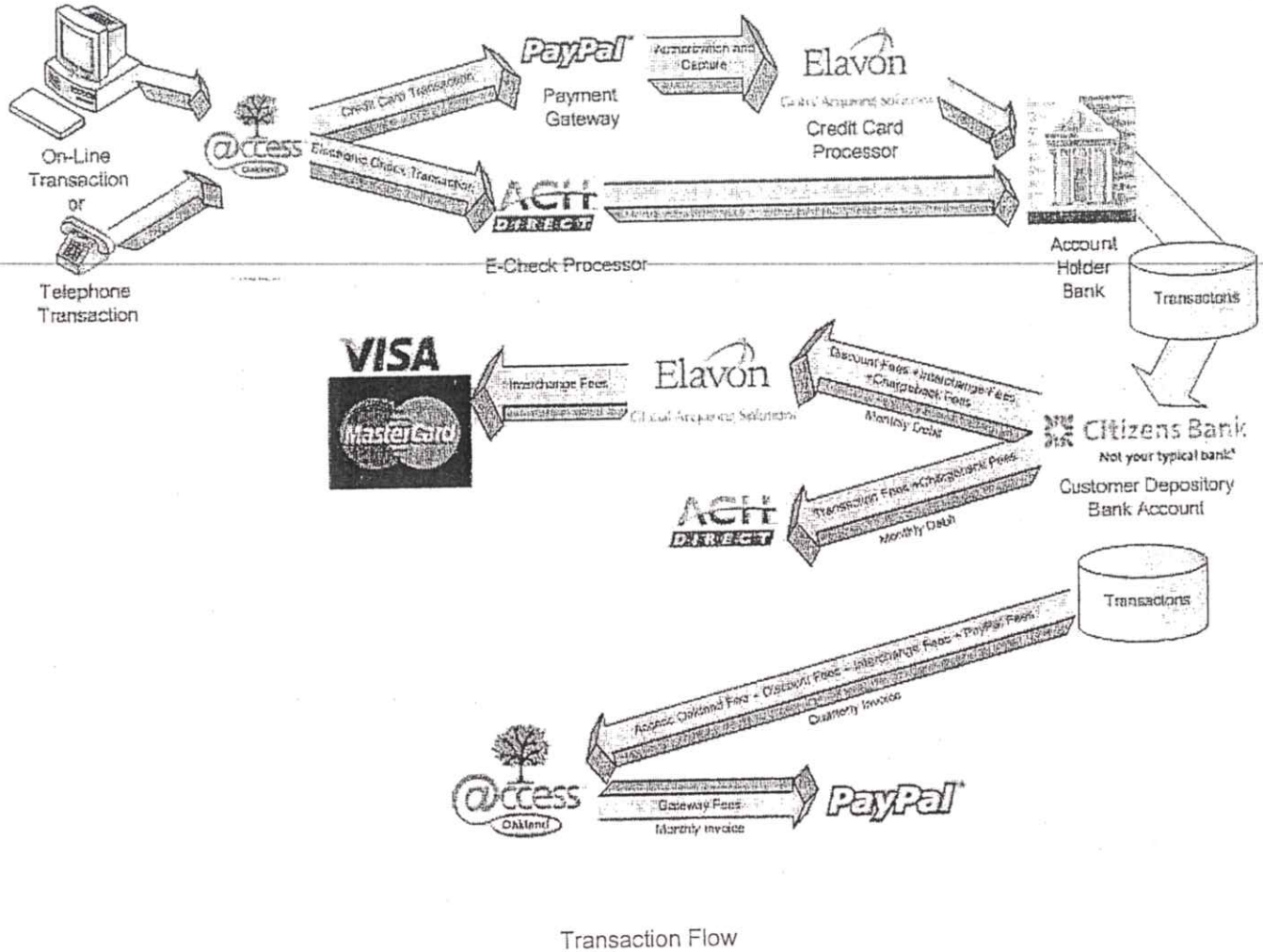
ii) **Requirements.** For goods to be shipped on Electronic Commerce sales Transactions, you may obtain authorization up to seven (7) days prior to the shipment date. You need not obtain a second authorization if the Transaction Receipt amount is within fifteen percent (15%) of the authorized amount, provided the additional amount represents shipping costs. Further, your Web site must contain all of the following information: (a) complete description of the goods or services offered; (b) returned merchandise and refund policy; (c) customer service contacts, including electronic mail address and/or telephone number; (d) complete address (street address, city, state, zip code, and country) of the permanent establishment of the business; (e) complete address of the permanent establishment of the business on either the checkout screen (which displays the total purchase amount) or within the sequence of Web pages presented to the Cardholder during the checkout process; (f) Transaction currency (such as U.S. or Canadian dollars); (g) export or legal restrictions, if known; (h) delivery policy; (i) customer data privacy policy; and (j) your method of Transaction security. If you store Cardholder account numbers, expiration dates, or other personal Cardholder data in a database, you must follow the applicable Payment Network rules on securing such data. You may not retain or store CVV2/CVC2 data after authorization for record keeping or additional authorization processing.

25) **INTERCHANGE.** Interchange qualification requirements, as defined by the Credit Card

Associations, affect the Merchant's fees and surcharges owed for Transactions. Merchant will pay a higher discount rate, higher fees, and surcharges for Transactions that do not meet the best rate qualification criteria or have been processed in a manner other than for which the Merchant was approved.

SCHEDULE A
SCHEDULE OF FEES

[To be attached].



SCHEDULE A
SCHEDULE OF FEES

Based on the following:
Volume: \$10,591,000.00
Average Ticket: \$89.99

Card Type	Per Transaction Fee
Pin Debit	\$0.65 per transaction
EBT	\$ N/A per transaction

Card Type	Per Transaction Fee
American Express	\$0.08 per transaction
Discover	\$0.08 per transaction

All rates for non-interchange fees are guaranteed for an initial three year term commencing on approximately July 1, 2008 and shall automatically renew for an additional two years, at the County's option, under the same terms and conditions, thereby providing for up to a five (5) year guarantee.

Visa (Credit Cards) Interchange Categories	Interchange Fees on Net Activity	Interchange Per Item on Net Activity	Visa Assessments On Sales Volume	NOVA Per Item Fee Transactions	NOVA Effective Net Rate
CPS Retail	1.54%	\$0.10	0.0925%	0.08% + \$0.08	1.71% + \$0.18
CPS Retail Key Entered	1.85%	\$0.10	0.0925%	0.08% + \$0.08	2.02% + \$0.18
CPS Card Not Present	1.85%	\$0.10	0.0925%	0.08% + \$0.08	2.02% + \$0.18
CPS Retail Tier 2	1.47%	\$0.10	0.0925%	0.08% + \$0.08	1.64% + \$0.15
Bus. Card Level II Data Rate	2.00%	\$0.10	0.0925%	0.08% + \$0.08	2.17% + \$0.18
EIRF	2.30%	\$0.10	0.0925%	0.08% + \$0.08	2.47% + \$0.18
Standard	2.70%	\$0.10	0.0925%	0.08% + \$0.08	2.87% + \$0.18
Business Card Electronic	2.40%	\$0.10	0.0925%	0.08% + \$0.08	2.47% + \$0.18
Commercial Card Standard	2.70%	\$0.10	0.0925%	0.08% + \$0.08	2.87% + \$0.18

MasterCard (Credit Cards) Interchange Categories	Interchange Fees on Net Activity	Interchange Per Item on Net Activity	MasterCard Assessments On Sales Volume	NOVA Per Item Fee Transactions	NOVA Effective Net Rate
Merit III	1.58%	\$0.10	0.0950%	0.08% + \$0.08	1.88% + \$0.18
Key Entered	1.89%	\$0.10	0.0950%	0.08% + \$0.08	2.07% + \$0.18
Merit I	1.89%	\$0.10	0.0950%	0.08% + \$0.08	2.07% + \$0.18
Standard	2.95%	\$0.10	0.0950%	0.08% + \$0.08	3.13% + \$0.18
Corporate Face to Face	2.05%	\$0.10	0.0950%	0.08% + \$0.08	2.23% + \$0.18
Public Sector CNP & CP	1.55%	\$0.10	0.0950%	0.08% + \$0.08	1.73% + \$0.18
Corporate Data Rate I	2.65%	\$0.10	0.0950%	0.08% + \$0.08	2.83% + \$0.18
Corporate Data Rate II	2.05%	\$0.10	0.0950%	0.08% + \$0.08	2.23% + \$0.18
Corporate Data Rate III	1.75%	\$0.00	0.0950%	0.08% + \$0.08	1.93% + \$0.08

All rates for non-interchange fees are guaranteed for an initial three year term commencing on approximately July 1, 2008 and shall automatically renew for an additional two years, at the County's option, under the same terms and conditions, thereby providing for up to a five (5) year guarantee.

<u>Visa (Debit Cards)</u> <u>Interchange Categories</u>	<u>Interchange</u> <u>Fees on</u> <u>Net Activity</u>	<u>Interchange</u> <u>Per Item on</u> <u>Net Activity</u>	<u>Visa</u> <u>Assessments On</u> <u>Sales Volume</u>	<u>NOVA</u> <u>Per Item Fee</u> <u>Transactions</u>	<u>NOVA</u> <u>Effective</u> <u>Net Rate</u>
CPS Retail	1.03%	\$0.15	0.0925%	0.08% + \$0.08	1.71% + \$0.18
CPS Retail Key Entered	1.60%	\$0.15	0.0925%	0.08% + \$0.08	2.02% + \$0.18
CPS Card Not Present	1.60%	\$0.15	0.0925%	0.08% + \$0.08	2.02% + \$0.18
CPS Retail Tier 2	0.80%	\$0.25	0.0925%	0.08% + \$0.08	1.64% + \$0.15
EIRF	1.75%	\$0.20	0.0925%	0.08% + \$0.08	2.47% + \$0.18
Standard	1.90%	\$0.25	0.0925%	0.08% + \$0.08	2.87% + \$0.18

<u>MasterCard (Debit Cards)</u> <u>Interchange Categories</u>	<u>Interchange</u> <u>Fees on</u> <u>Net Activity</u>	<u>Interchange</u> <u>Per Item on</u> <u>Net Activity</u>	<u>MasterCard</u> <u>Assessments On</u> <u>Sales Volume</u>	<u>NOVA</u> <u>Per Item Fee</u> <u>Transactions</u>	<u>NOVA</u> <u>Effective</u> <u>Net Rate</u>
Merit III	1.05%	\$0.15	0.0950%	0.08% + \$0.08	1.88% + \$0.18
Key Entered	1.64%	\$0.16	0.0950%	0.08% + \$0.08	2.07% + \$0.18
Merit I	1.64%	\$0.16	0.0950%	0.08% + \$0.08	2.07% + \$0.18
Standard	1.90%	\$0.25	0.0950%	0.08% + \$0.08	3.13% + \$0.18

All rates for non-interchange fees are guaranteed for an initial three year term commencing on approximately July 1, 2008 and shall automatically renew for an additional two years, at the County's option, under the same terms and conditions, thereby providing for up to a five (5) year guarantee.

Other Fees

Application Fee	\$0.00	One Time Occurrence
Application Fee – Home Based and/or Internet	\$0.00	One Time Occurrence
Re-programming Fee	\$0.00	One Time Occurrence
Site Survey (3 rd Party)	\$0.00	One Time Occurrence
On-Site Installation	\$0.00	Per Occurrence
Next Day Air (rush request)	\$40.00	One Time Occurrence
Monthly Minimum Discount Fee	\$0.00	Per Month (if applicable)
Statement Fee	\$0.00	Per Month
AMEX, Discover, Diners, JCB	\$0.08	Per Authorization
AMEX, Discover, Diners, JCB (Restaurant)	\$0.08	Per Authorization
Voice/ARU Authorization	\$0.65	Per Authorization
Voice/ARU Operator Assisted	\$1.00	Per Authorization
Voice/ARU Authorization w/AVS	\$1.00	Per Occurrence
Voice Referral	\$1.00	Per Occurrence
Account Closure (Year 1)	\$0.00	Per Occurrence
Account Closure (Years 2 & 3)	\$0.00	Per Occurrence
Chargebacks	\$5.00	Per Occurrence
Equipment Swap Shipping (Year 1 of Purchase)	\$0.00	Per Occurrence
Equipment Swap (Year 2 or after)	\$0.00	Per Occurrence
Imprinter	\$0.00	Per Device
Return Item/Adjustment Fee	\$0.00	Per Occurrence
Supplies	Pass Thru	Per Occurrence
ACS	\$19.95	Per Month
EBT	N/A	Per Transaction
PIN Based National Debit	\$0.65	Per Authorization
PIN Based Regional Debit	\$0.65	Per Authorization
SCAN	N/A	Per Authorization

Pricing is dependent upon interchange and other fees imposed on all credit card processors by Visa, MasterCard and other third parties. NOVA will pass through to Oakland County all such increases imposed by third parties upon written notice to Oakland County of the increased fee. If Oakland County continues to present card transactions to NOVA after 30 days following the notice of such increase, Oakland County will be deemed to have accepted such increased fees.

All rates for non-interchange fees are guaranteed for an initial three year term commencing on approximately July 1, 2008 and shall automatically renew for an additional two years, at the County's option, under the same terms and conditions, thereby providing for up to a five (5) year guarantee.

MasterCard Interchange Categories Effective April 2008

Debit Interchange Category	% Rate + Per Item	General Requirements
Merit III Supermarket Warehouse Club	1.05% + \$0.15 1.05% + \$0.15 1.05% + \$0.15 (\$.35 Cap)	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction.
Key Entered	1.64% + \$0.16	Cardholder and card present at time of authorization, signature obtained, single electronic authorization, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I	1.64% + \$0.16	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I - Real Estate	1.10% + \$0.00	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Real Estate SIC code 6513.
Utility	0.00% + \$0.45	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from a 4900 sic code. Registration is required and the assigned registration code must be passed to MasterCard in the settlement record.
Standard	1.90% + \$0.25	Transaction settled within 29 days of authorization or missing required data elements.
Merchant UCAF	1.05% + \$0.15	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security only
Full UCAF	1.15% + \$0.15	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security and Cardholder verification.
Service Industries	1.15% + \$0.05	Recurring payment transactions from one of the following sic codes: 4812, 4814, 4899, 4900, 5960, and 6300. Merchant must be registered with MasterCard and participate in MasterCard's RepeatPay marketing program. Transactions are non face-to-face, single electronic authorization and settled within 1 day of authorization.
Travel Industries Premier Service	1.36% + \$0.15	Single electronic authorization must include "Premier" indicator, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Must be qualified and registered travel merchant from lodging, car rental or cruise line merchant segments.
Small Ticket	1.55% + \$0.04	"Premier" clearing records must contain a 635 lodging or car rental addendum record. Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 4111, 4121, 5499, 5812, 5814, 7523, 7832 or 7841 and transaction is less than \$15.00.
Petroleum - CAT/AFD	0.70% + \$0.17	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. CAT Indicator must be present.
Petroleum - Service Stations	0.70% + \$0.17	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 5541.
Restaurant	1.19% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 5812 or 5814.

Emerging Market	0.80% + \$0.25	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 4111, 4784, 4899, 4900, 9211, 9222, 9223, 9311, 9399, 9402, 8211, 8220, 8229, 5960, or 6300.
-----------------	----------------	---

Consumer/Corporate Interchange Category	% Rate + Per Item	General Requirements
Merit III Supermarket Warehouse Club	1.58% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction.
	1.48% + \$0.05	
	1.10% + \$0.00	
Key Entered	1.89% + \$0.10	Cardholder and card present at time of authorization, signature obtained, single electronic authorization, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I	1.89% + \$0.10	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I - Insurance	1.43% + \$0.05	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Insurance SIC code 5960 or 6300.
Merit I - Real Estate	1.10% + \$0.00	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Real Estate SIC code 6513.
Utility	0.00% + \$0.65	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from a 4900 sic code. Registration is required and the assigned registration code must be passed to MasterCard in the settlement record.
Petroleum	1.90% + \$0.00 (\$.95 Cap)	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 5541 or 5542.
Standard	2.95% + \$0.10	Transaction settled within 29 days of authorization or missing required data elements.
Merchant UCAF	1.58% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security and Cardholder verification.
Full UCAF	1.68% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security and Cardholder verification.
Corporate Face to Face (Business Cards)	2.32% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date, sales tax amount and customer code required in clearing transaction and includes 635 Purchasing Card Format 1 addendum record with merchant location zip code, merchant state/providence code. Valid Federal Taxpayer Identification number is required. MC Business card.
Corporate Face to Face (Corporate Cards)	2.05% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date, sales tax amount and customer code required in clearing transaction and includes 635 Purchasing Card Format 1 addendum record with merchant location zip code, merchant state/providence code. Valid Federal Taxpayer Identification number is required. MC Corporate cards.

Corporate Face to Face (Fleet Cards)	2.45% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date, sales tax amount and customer code required in clearing transaction and includes 635 Purchasing Card Format 1 addendum record with merchant location zip code, merchant state/province code. Valid Federal Taxpayer Identification number is required. MC Fleet cards.
Corporate Face to Face (Purchasing Cards)	2.33% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date, sales tax amount and customer code required in clearing transaction and includes 635 Purchasing Card Format 1 addendum record with merchant location zip code, merchant state/province code. Valid Federal Taxpayer Identification number is required. MC Purchasing card.
Corporate Face to Face Petroleum	2.05% + \$0.00	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date, sales tax amount and customer code required in clearing transaction and includes 635 Purchasing Card Format 1 addendum record with merchant location zip code, merchant state/province code. Valid Federal Taxpayer Identification number is required. Sic is 4468, 5499, 5983, 7511, 9752, 5541 or 5542.
Corporate T&E Rate III	2.15% + \$0.10	Commercial Card accepted at lodging, car rental, or passenger railway location, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date and market specific data required in clearing transaction. Valid Federal Taxpayer Identification number is required.
Corporate T&E Rate II	2.20% + \$0.10	Commercial Card accepted at lodging, car rental, or passenger railway location, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date and market specific data required in clearing transaction. Valid Federal Taxpayer Identification number is required.
Corporate T&E Rate I	2.35% + \$0.00	Commercial Card accepted at T&E location, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction. Valid Federal Taxpayer Identification number is required.
Corporate Data Rate III, II, I (Commercial Cards must meet the following plus the specific requirements below)		Single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, accepted at a non-T&E location. Valid Federal Taxpayer Identification number is required.
Corporate Data Rate III (Applicable only to Purchasing Cards)	1.75% + \$0.00	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code and the 635 Purchasing Card Format 2 record.
Corp Data Rate II Business	2.32% + \$0.10	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code. MC Business card.
Corp Data Rate II Corp	2.05% + \$0.10	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code. MC Corporate card.
Corp Data Rate II Fleet	2.45% + \$0.10	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code. MC Fleet card.
Corp Data Rate II Purchasing	2.33% + \$0.10	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code. MC Purchasing card.
Corp Data Rate II Petroleum	2.05% + \$0.00	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code. Sic is 4468, 5499, 5983, 7511, 9752, 5541 or 5542.

Corporate Data Rate I	2.55% + \$0.10	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code.
Corporate Standard	2.95% + \$0.10	Commercial Card transaction settled within 29 days of authorization, or missing required data elements.
Corporate Large Ticket 1	1.20% + \$40.00	Commercial Card transactions, accepted at non-T&E locations, level III data submitted, transaction amount between \$7,273 and \$24,999.
Corporate Large Ticket 2	1.20% + \$40.00	Commercial Card transactions, accepted at non-T&E locations, level III data submitted, transaction amount between \$25,000 and \$100,000.
Corporate Large Ticket 3	1.20% + \$40.00	Commercial Card transactions, accepted at non-T&E locations, level III data submitted, transaction amount above \$100,000.
International Business and Purchasing Cards (must meet the following plus the specific requirements below)		Single electronic authorization, read & transmit complete magnetic stripe, Banknet reference number and Banknet date required in clearing transaction.
Int'l Corp. Purch. Data Rt II ¹ (Applicable only to Purchasing cards)	2.30% + \$0.00	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province/country code, tax ID number, tax amount, customer code, transaction settled within 4 days of authorization.
Int'l Corporate Purchasing ¹	2.60% + \$0.00	Purchasing Card transaction settled within 29 days of authorization, or missing required data elements.
Int'l Corporate ¹	2.60% + \$0.00	Commercial Card transaction settled within 29 days of authorization, or missing required data elements.
Int'l Corporate Large Ticket ¹	1.50% + \$30.00	Commercial Card transactions will receive this rate when they have achieved either International Purchasing or International Purchasing Data Rate II and this rate is a lower effective rate than the achieved rate, transaction settled within 29 days of authorization. Valid Federal Taxpayer Identification number is required.
International Electronic ¹	1.91% + \$0.00	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 4 days of authorization, Banknet reference number and Banknet date required in clearing transaction.
International Standard ¹	2.44% + \$0.10	Transactions not meeting the International Electronic Interchange qualifications, transaction electronically authorized and settled within 29 days of authorization.
Int'l Full UCAF ¹	2.35% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security and Cardholder verification.
Int'l Merchant UCAF ¹	2.25% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security only.
Service Industries	1.15% + \$0.05	Recurring payment transactions from one of the following sic codes: 4812, 4814, 4899, 4900, 5960, and 6300. Merchant must be registered with MasterCard and participate in MasterCard's RepeatPay marketing program. Transactions are non face-to-face, single electronic authorization and settled within 1 day of authorization.
Convenience Purchases	1.90% + \$0.00	Cardholder and card present at the time of the transaction, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Transactions taken by Fast Food, Convenience Stores, Service Stations, Fuel Dispensers, Motion Picture Theaters, and Taxi Cab Services.
Travel Industries Premier Service	1.74% + \$0.10	Single electronic authorization must include "Premier" indicator, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Must be qualified and registered travel merchant from lodging, car rental or cruise line merchant segments. "Premier" clearing records must contain a 635 lodging or car rental addendum record.

Public Sector	1.55% + \$0.10	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction. Eligible sic codes are 4111, 4784, 9211, 9222, 9223, 9311, 9399, or 9402.
---------------	----------------	---

¹ Includes Acquirer Program support fee of 0.45% and Cross Border assessment fee of 0.30%

MasterCard Assessments	0.095%	Charged on gross sales volume
------------------------	--------	-------------------------------

Enhanced MasterCard Interchange Category	% Rate + Per Item	General Requirements
Merit III	1.73% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction.
Supermarket	1.48% + \$0.05	
Warehouse Club	1.10% + \$0.00	
Key Entered	2.04% + \$0.10	Cardholder and card present at time of authorization, signature obtained, single electronic authorization, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I	2.04% + \$0.10	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I - Insurance	1.43% + \$0.05	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Insurance SIC code 5960 or 6300.
Merit I - Real Estate	1.10% + \$0.00	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Real Estate SIC code 6513.
Utility	0.00% + \$0.65	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from a 4900 sic code. Registration is required and the assigned registration code must be passed to MasterCard in the settlement record.
Standard Merchant UCAF	2.95% + \$0.10 1.73% + \$0.10	Transaction settled within 29 days of authorization or missing required data elements.
Full UCAF	1.83% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security only
Service Industries	1.15% + \$0.05	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security and Cardholder verification.
Convenience Purchases	1.90% + \$0.00	Recurring payment transactions from one of the following sic codes: 4812, 4814, 4899, 4900, 5960, and 6300. Merchant must be registered with MasterCard and participate in MasterCard's RepeatPay marketing program. Transactions are non face-to-face, single electronic authorization and settled within 1 day of authorization.
Public Sector	1.55% + \$0.10	Cardholder and card present at the time of the transaction, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Transactions taken by Fast Food, Convenience Stores, Service Stations, Fuel Dispensers, Motion Picture Theaters, and Taxi Cab Services.
Petroleum	1.90% + \$0.00 (\$.95 Cap)	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction. Eligible sic codes are 4111, 4784, 9211, 9222, 9223, 9311, 9399, or 9402.
		Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 5541 or 5542.

World MasterCard Interchange Category	% Rate + Per Item	General Requirements
Merit III Supermarket Warehouse Club	1.73% + \$0.10 1.58% + \$0.05 1.10% + \$0.00	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction.
Key Entered	2.05% + \$0.10	Cardholder and card present at time of authorization, signature obtained, single electronic authorization, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I	2.05% + \$0.10	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I - Insurance	1.43% + \$0.05	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Insurance SIC code 5960 or 6300.
Merit I - Real Estate	1.10% + \$0.00	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Real Estate SIC code 6513.
Standard Utility	2.95% + \$0.10 0.00% + \$0.65	Transaction settled within 29 days of authorization or missing required data elements. Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from a 4900 sic code. Registration is required and the assigned registration code must be passed to MasterCard in the settlement record.
World MasterCard T&E	2.30% + \$0.10	Card accepted at T&E location, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date and market specific data required in clearing transaction.
Merchant UCAF	1.73% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security only
Full UCAF	1.83% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security and Cardholder verification.
Service Industries	1.15% + \$0.05	Recurring payment transactions from one of the following sic codes: 4812, 4814, 4899, 4900, 5960, and 6300. Merchant must be registered with MasterCard and participate in MasterCard's RepeatPay marketing program. Transactions are non face-to-face, single electronic authorization and settled within 1 day of authorization.
Convenience Purchases	2.00% + \$0.00	Cardholder and card present at the time of the transaction, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Transactions taken by Fast Food, Convenience Stores, Service Stations, Fuel Dispensers, Motion Picture Theaters, and Taxi Cab Services.
Public Sector	1.55% + \$0.10	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction. Eligible sic codes are 4111, 4784, 9211, 9222, 9223, 9311, 9399, or 9402.
Restaurant	1.73% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 5812 or 5814.
Petroleum	2.00% + \$0.00 (\$.95 Cap)	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 5541 or 5542.

World Elite MasterCard Interchange Category	% Rate + Per Item	General Requirements
Merit III Supermarket Warehouse Club Key Entered	2.20% + \$0.10 1.90% + \$0.05 1.10% + \$0.00 2.50% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Cardholder and card present at time of authorization, signature obtained, single electronic authorization, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction.
Merit I	2.50% + \$0.10	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Insurance SIC code 5960 or 6300.
Merit I - Insurance	2.20% + \$0.10	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, and Real Estate SIC code 6513.
Merit I - Real Estate	2.20% + \$0.10	Transaction settled within 29 days of authorization or missing required data elements.
Standard Utility	3.25% + \$0.10 0.00% + \$0.75	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from a 4900 sic code. Registration is required and the assigned registration code must be passed to MasterCard in the settlement record.
World MasterCard T&E	2.75% + \$0.10	Card accepted at T&E location, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date and market specific data required in clearing transaction.
Merchant UCAF	2.20% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security only
Full UCAF	2.30% + \$0.10	Consumer card, Card Acceptor ID, Name, Street Address, City, Postal Code and Country Code, Electronic Commerce Security Level Indicators and Terminal Types for UCAF must be present, settled within 4 days, and is conducted with Merchant Security and Cardholder verification.
Service Industries	1.15% + \$0.05	Recurring payment transactions from one of the following sic codes: 4812, 4814, 4899, 4900, 5960, and 6300. Merchant must be registered with MasterCard and participate in MasterCard's RepeatPay marketing program. Transactions are non face-to-face, single electronic authorization and settled within 1 day of authorization.
Convenience Purchases	2.00% + \$0.00	Cardholder and card present at the time of the transaction, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Transactions taken by Fast Food, Convenience Stores, Service Stations, Fuel Dispensers, Motion Picture Theaters, and Taxi Cab Services.
Public Sector	1.55% + \$0.10	Card not present at time of authorization, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction. Eligible sic codes are 4111, 4784, 9211, 9222, 9223, 9311, 9399, or 9402.
Restaurant	1.73% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 5812 or 5814.
Petroleum	2.00% + \$0.00 (\$.95 Cap)	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date required in clearing transaction. Sic code is 5541 or 5542.

World & World Elite Business Mastercard Interchange Category	% Rate + Per Item	General Requirements
Corporate Face to Face (Commercial Cards accepted at non-T&E locations)	2.32% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date, sales tax amount and customer code required in clearing transaction and includes 635 Purchasing Card Format 1 addendum record with merchant location zip code, merchant state/province code. Valid Federal Taxpayer Identification number is required.
Corporate Face to Face Petroleum	2.20% + \$0.00	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, Banknet reference number and Banknet date, sales tax amount and customer code required in clearing transaction and includes 635 Purchasing Card Format 1 addendum record with merchant location zip code, merchant state/province code. Valid Federal Taxpayer Identification number is required. Sic is 4468, 5499, 5983, 7511, 9752, 5541 or 5542.
Corporate Data Rate III, II, I (Commercial Cards must meet the following plus the specific requirements below)		Single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction, accepted at a non-T&E location. Valid Federal Taxpayer Identification number is required.
Corporate Data Rate III (Applicable only to Purchasing Cards)	1.75% + \$0.00	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code and the 635 Purchasing Card Format 2 record.
Corporate Data Rate II	2.32% + \$0.10	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code.
Corporate Data Rate II Petroleum	2.20% + \$0.00	636 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code, tax ID number, merchant type code, tax amount, customer code. Sic is 4468, 5499, 5983, 7511, 9752, 5541 or 5542.
Corporate Data Rate I	2.65% + \$0.10	635 Purchasing Card Format 1 addendum record with merchant street address, postal code, merchant state/province code.
Corporate T&E Rate III	2.30% + \$0.10	Commercial Card accepted at lodging, car rental, or passenger railway location, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date and market specific data required in clearing transaction. Valid Federal Taxpayer Identification number is required.
Corporate T&E Rate II	2.35% + \$0.10	Commercial Card accepted at lodging, car rental, or passenger railway location, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date and market specific data required in clearing transaction. Valid Federal Taxpayer Identification number is required.
Corporate T&E Rate I	2.50% + \$0.00	Commercial Card accepted at T&E location, single electronic authorization, transaction settled within 2 days of authorization, Banknet reference number and Banknet date required in clearing transaction. Valid Federal Taxpayer Identification number is required.
Corporate Large Ticket 1	1.35% + \$40.00	Commercial Card transactions, accepted at non-T&E locations, level III data submitted, transaction amount between \$5,000 and \$24,999.
Corporate Large Ticket 2	1.35% + \$40.00	Commercial Card transactions, accepted at non-T&E locations, level III data submitted, transaction amount between \$25,000 and \$100,000.
Corporate Large Ticket 3	1.35% + \$40.00	Commercial Card transactions, accepted at non-T&E locations, level III data submitted, transaction amount above \$100,000.
Corporate Standard	2.95% + \$0.10	Commercial Card transaction settled within 29 days of authorization, or missing required data elements.

Additional Processing Requirements

1. Travel Agents, Airline, Vehicle Rental, Hotel/Motel, Transportation, and Service merchants are not eligible for the Key Entered rate. Key entered

2. Supermarkets, Warehouse Clubs, Service Industries, Travel Industries, Utilities, and Cardholder Activated Terminal merchants must be registered with
3. Foreign cards that are swiped will be classified as follows: MC Swiped - MC International Electronic Keyed - MC International Standard .

The above is a general description of categories, rates and qualification criteria, is distributed for your information only and is not intended to be used for interchange compliance programming or technical specifications. Please call your relationship management representative if you require technical specifications.

Visa Interchange Categories Effective April 2008

Debit Interchange Category	% Rate +	Per Item	General Requirements
CPS Retail Check Card	1.03% +	\$0.15	Cardholder and card present, signature obtained, single electronic authorization, merchant name, city, and state included in authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Clearing amount must equal authorization amount except for the following sic codes : 4121, 5813, 7230, 7298.
CPS Card Not Present	1.60% +	\$0.15	Single electronic authorization, authorization must include Address Verification (AVS), order number, and customer service number, purchase date equal to shipping date and within 7 days of authorization, transaction settled on or 1 day after purchase/shipping date. Settled amount must equal authorized amount, authorization response data included in the settled transaction. **MO/TO merchants should qualify here.
CPS Retail Key Entered	1.60% +	\$0.15	Single electronic authorization, authorization must include Address Verification (AVS) with exact match, order number, and customer service number, purchase date equal to shipping date and within 7 days of authorization, transaction settled on or 1 day after purchase/shipping date. Settled amount must equal authorized amount, authorization response data included in the settled transaction.
CPS Passenger Transport	1.60% +	\$0.15	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 7 days of authorization, authorization response data included in settled transaction. Transactions must include address verification request, ticket number and passenger itinerary information.
CPS Hotel/Car Rental	1.36% +	\$0.15	Cardholder and card present, signature obtained, incremental electronic authorizations permitted, original authorization must include expected duration of stay/car rental, read & transmit complete magnetic stripe, (key entered transactions with the Preferred Customer indicator included in the auth request), folio/car rental agreement number required in clearing data, settled amount must be within 15% of total amount authorized, transaction date must be check out/car return date, transaction settled within 1 day of check out, authorization response data included in settled transaction.
CPS Retail 2 (Developing Markets only)	0.80% +	\$0.25	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from one of the following sic codes: 9211, 9222, 9399, 8211, 8220, 8299, 5960, 6300, 4899, 5968, 5983, 8351, 8398.
Utility	0.00% +	\$0.75	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from a 4900 sic code. Registration is required and the assigned MVV value must be passed to Visa in the settlement record.
CPS Automated Fuel	0.70% +	\$0.17	Cardholder and card present, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Merchant name and location sent in authorization request. A \$1 status check is performed on the authorization and clearing amount must be less than or equal to \$75.
CPS Small Ticket	1.55% +	\$0.04	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Sic code is 4111, 4121, 4131, 4787, 5812, 5814, 5994, 7211, 7216, 7338, 7523, 7542, 7832 or 7841 and transaction is less than \$15.00. Cardholder activated terminal transactions are not eligible.
CPS Restaurant	1.19% +	\$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Sic code is 5812 or 5814.
CPS Service Station	0.70% +	\$0.17	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Sic code is 5541.

CPS E-Commerce Basic	1.60% + \$0.15	Single electronic authorization, authorization must include Address Verification (AVS), order number, and customer service number, purchase date equal to shipping date and within 7 days of authorization, transaction settled on or 1 day after purchase/shipping date, Settled amount must equal authorized amount, authorization response data included in the settled transaction. **Internet merchants should qualify at this rate
EIRF	1.75% + \$0.20	Electronically authorized and settled transaction without CPS compliance data elements, transaction settled within 2 days of authorization.
Standard	1.90% + \$0.25	Transaction settled 3 or more days after authorization, or paper processed.

Consumer/Corporate Interchange Category	% Rate + Per Item	General Requirements
CPS Retail Supermarket	1.54% + \$0.10 1.24% + \$0.05	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction.
CPS Rewards 1	1.65% + \$0.10	Transaction meets the requirements for either CPS Retail, CPS Supermarket, CPS Automated Fuel or CPS Service Station.
CPS Rewards 2	1.90% + \$0.10	Transactions meet the requirements for either CPS Restaurant, CPS Card Not Present, CPS E-Commerce Basic, CPS Hotel/Auto Rental, CPS Retail Key Entered or CPS Passenger Transport.
CPS Retail 2 (Developing Markets only)	1.43% + \$0.05	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from one of the following sic codes: 9211, 9222, 9399, 8211, 8220, 8299, 5960, 6300, 4899, 5968, 5983, 8351, 8398.
Utility	0.00% + \$0.75	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from a 4900 sic code. Registration is required and the assigned MCV value must be passed to Visa in the settlement record.
CPS Hotel/Car Rental	1.58% + \$0.10	Cardholder and card present, signature obtained, incremental electronic authorizations permitted, original authorization must include expected duration of stay/car rental, read & transmit complete magnetic stripe, (key entered transactions with the Preferred Customer indicator included in the auth request), folio/car rental agreement number required in clearing data, settled amount must be within 15% of total amount authorized, transaction date must be check out/car return date, transaction settled within 1 day of check out, authorization response data included in settled transaction.
CPS Card Not Present	1.85% + \$0.10	Single electronic authorization, authorization must include Address Verification (AVS), order number, and customer service number, purchase date equal to shipping date and within 7 days of authorization, transaction settled on or 1 day after purchase/shipping date, Settled amount must equal authorized amount, authorization response data included in the settled transaction. **MO/TO merchants should qualify here.
CPS Retail Key Entered	1.85% + \$0.10	Single electronic authorization, authorization must include Address Verification (AVS) with exact match, order number, and customer service number, purchase date equal to shipping date and within 7 days of authorization, transaction settled on or 1 day after purchase/shipping date, Settled amount must equal authorized amount, authorization response data included in the settled transaction.
CPS E-Commerce Basic	1.85% + \$0.10	Single electronic authorization, authorization must include Address Verification (AVS), order number, and customer service number, purchase date equal to shipping date and within 7 days of authorization, transaction settled on or 1 day after purchase/shipping date, Settled amount must equal authorized amount, authorization response data included in the settled transaction. **Internet merchants should qualify at this rate

CPS E-Commerce Preferred	1.80% + \$0.10	Single electronic authorization, authorization must include Address Verification (AVS) and 3-D Secure attempt, order number, and customer service number, purchase date equal to shipping date and within 7 days of authorization, transaction settled on or 1 day after purchase/shipping date, Settled amount must equal authorized amount, authorization response data included in the settled transaction. **Internet merchants should qualify at this rate
CPS Small Ticket	1.65% + \$0.04	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Sic code is 4111, 4121, 4131, 4787, 5812, 5814, 5994, 7211, 7216, 7338, 7523, 7542, 7832 or 7841 and transaction is less than \$15.00. Cardholder activated terminal transactions are not eligible.
CPS Restaurant	1.54% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Sic code is 5812 or 5814.
CPS Service Stations	1.43% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Sic code is 5541.
EIRF	2.30% + \$0.10	Electronically authorized and settled transaction without CPS compliance data elements, transaction settled within 2 days of authorization.
Standard	2.70% + \$0.10	Transaction settled 3 or more days after authorization, or paper processed.
GSA Purchasing Card Large Ticket	0.95% + \$35.00	Transaction accepted at non-T&E merchant location. Transaction amount must be greater than or equal to \$5000 and include Level 2 and Level 3 Purchasing card data.
Purchasing Large Ticket	0.95% + \$35.00	Transaction taken on a purchasing card that meets CPS criteria and has level III data supplied. Registration is required and costs \$1000. Registered merchants will be assigned an MVV value. All non-T&E merchants are eligible for registration.
CPS Automated Fuel	1.50% + \$0.05	Cardholder and card present, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction. Merchant name and location sent in authorization request. A \$1 status check is performed on the authorization and clearing amount must be less than or equal to \$75.
CPS Passenger Transport	1.75% + \$0.10	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 7 days of authorization, authorization response data included in settled transaction. Transactions must include address verification request, ticket number and passenger itinerary information.
Signature Card Electronic	2.30% + \$0.10	Signature card accepted at T&E location. Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction.
Signature Card Standard	2.70% + \$0.10	Signature card accepted at T&E location. Transaction is not CPS qualified.
Infinite Card Electronic	2.14% + \$0.10	Cardholder and card present, signature obtained, single electronic authorization, read & transmit complete magnetic stripe, transaction settled within 1 day of authorization, authorization response data included in settled transaction.
Infinite Card Standard	2.63% + \$0.10	Transaction is not CPS qualified.
Utility Business	0.00% + \$1.50	Transaction can be full magnetic stripe read or key-entered. Transaction settled within 1 days of authorization, authorization response data included in settled transaction. Transactions must be from a 4900 sic code. Registration is required and the assigned MVV value must be passed to Visa in the settlement record. Must be Visa Business card. Must also include sales tax and customer code.
Purchasing Card Level III Data	1.80% + \$0.10	Transaction taken on a purchasing card that meets CPS criteria and has level III data supplied.
Corporate Card Level II Data	2.00% + \$0.10	Transaction taken on a corporate card that meets CPS criteria and has level II data supplied. Tax exempt transactions are not eligible for this program.
Business Card Level II Data	2.00% + \$0.10	Transaction taken on a business card that meets CPS criteria and has level II data supplied. Tax exempt transactions are not eligible for this program.
Purchasing Card Level II Data	2.00% + \$0.10	Transaction taken on a purchasing card that meets CPS criteria and has level II data supplied. Tax exempt transactions are not eligible for this program.

Commercial Card Retail	2.20% + \$0.10	Transaction taken on a business, corporate, or purchasing card that meets the criteria for CPS Retail, CPS Supermarket, CPS Retail Key Entry, CPS Small Ticket, CPS Automated Fuel, or CPS Service Station. Transaction does not meet level II data requirements.
Business Card Not Present	2.25% + \$0.10	Transaction taken on a business card that meets the criteria for CPS Card Not Present, CPS E-commerce Basic, CPS E-commerce Preferred, CPS Retail 2, or CPS Account Funding. Transaction does not meet level II data requirements.
Corporate Card Not Present	2.20% + \$0.10	Transaction taken on a corporate card that meets the criteria for CPS Card Not Present, CPS E-commerce Basic, CPS E-commerce Preferred, CPS Retail 2, or CPS Account Funding. Transaction does not meet level II data requirements.
Purchasing Card Not Present	2.40% + \$0.10	Transaction taken on a purchasing card that meets the criteria for CPS Card Not Present, CPS E-commerce Basic, CPS E-commerce Preferred, CPS Retail 2, or CPS Account Funding. Transaction does not meet level II data requirements.
Commercial Card Business to Business	2.10% + \$0.10	Transaction taken on a business, corporate, or purchasing card that meets CPS criteria but does not meet level II data requirements. MCC code must be 0780, 1799, 2741, 2791, 2842, 4214, 5021, 5039, 5044, 5046, 5047, 5051, 5065, 5074, 5085, 5099, 5131, 5137, 5139, 5169, 5192, 5193, 5198, 5199, 6300, 7311, 7333, 7349, 7361, 7372, 7375, 7379, 7392, 7399, 7829, 8734, 8931, 8999.
Corporate Card Electronic	2.20% + \$0.10	Corporate Card accepted at T&E location, transaction settled within 2 days of authorization. OR transaction at a non-T&E location without additional data (customer code and/or Sales Tax) that is CPS Compliant.
Business Card Electronic	2.40% + \$0.10	Business Card accepted at T&E location, transaction settled within 2 days of authorization. OR transaction at a non-T&E location without additional data (customer code and/or Sales Tax) that is CPS Compliant.
Purchasing Card Electronic	2.45% + \$0.10	Purchasing Card accepted at T&E location, transaction settled within 2 days of authorization. OR transaction at a non-T&E location without additional data (customer code and/or Sales Tax) that is CPS Compliant.
Commercial Card Standard	2.70% + \$0.10	Commercial Card accepted at T&E location, transaction settled 3 or more days after authorization. OR accepted at a non-T&E location without additional data (customer code and/or sales tax) that is non-CPS Compliant
Signature Preferred Card Not Present	2.30% + \$0.10	Signature Preferred Card accepted at Non-T&E location that meets criteria for CPS Card Not Present, CPS Electronic Commerce Preferred, CPS Electronic Commerce Basic, CPS Retail 2, CPS Account Funding. Level 2 data not required.
Signature Preferred Retail	2.10% + \$0.10	Signature Preferred Card accepted at Non-T&E location that meets criteria for CPS Retail, CPS Supermarket, CPS Retail Key Entry, CPS Small Ticket, CPS Automated Fuel Dispenser, and CPS Retail Service Station. Level 2 data not required.
Signature Preferred B2B	2.10% + \$0.10	Signature Preferred Card accepted at Non-T&E location that meets criteria for any CPS program. MCC code must be 0780, 1799, 2741, 2791, 2842, 4214, 5021, 5039, 5044, 5046, 5047, 5051, 5065, 5074, 5085, 5099, 5131, 5137, 5139, 5169, 5192, 5193, 5198, 5199, 6300, 7311, 7333, 7349, 7361, 7372, 7375, 7379, 7392, 7399, 7829, 8734, 8931, 8999. Level 2 data not required.
Signature Preferred Electronic	2.30% + \$0.10	Signature Preferred Card accepted at T&E location, transaction settled within 2 days of authorization
Signature Preferred Standard	2.70% + \$0.10	Signature Preferred Card accepted at T&E location, transaction settled 3 or more days after authorization. OR accepted at a non-T&E location that is non-CPS Compliant.
International Merchant Signature Preferred	1.80% + \$0.00	Signature Preferred card transaction accepted at US Territory merchant location, key entered, authorization code in clearing record and settled within 4 days of authorization.
Signature Preferred Interregional - Airline	1.80% + \$0.00	Signature Preferred transaction accepted at US Territory merchant location, magnetic stripe read, authorization code in clearing record and settled within 4 days of authorization.
International Electronic	1.10% + \$0.00	Transaction accepted at US Territory merchant location, magnetic stripe read, authorization code in clearing record and settled within 4 days of authorization.
International Standard	1.60% + \$0.00	Transaction accepted at US Territory merchant location, key entered, authorization code in clearing record and settled within 4 days of authorization.
International Commercial Card	1.80% + \$0.00	Commercial card transaction accepted at US Territory merchant location, authorization code in clearing record and settled within 4 days of authorization.

International Service Assessment	0.40% + \$0.00	This fee is assessed on any transaction taken at a US Merchant from a cardholder outside the US.
----------------------------------	----------------	--

Additional Processing Requirements

- 1. Visa Corporate, Business and i-Selecting Visa transactions accepted at retail, but not at Level II interchange programs. Tax exempt transactions are not eligible for Level II interchange programs.
- 2. Transactions at lodging locations without the lodging addendum record will receive the EIRF rate.
- 3. CPS Retail 2 (Developing Markets) is available for the following businesses: Schools, Government, Insurance Companies, Cable TV providers, Subscriptions, Fuel
- 4. Utilities must be registered with Visa.
- 5. Signature card transactions accepted at non-T&E locations that are CPS qualified will receive either CPS Rewards 1 or CPS Rewards 2. Non CPS qualified transactions will receive consumer EIRF or consumer Standard.
- 6. Foreign cards transaction that are accepted in the U.S. and are CPS qualified will receive the CPS consumer card rates, non-CPS qualified transactions will receive

The above is a general description of categories, rates and qualification criteria, is distributed for your information only and is not intended to be used for interchange

MEMO

TO: South Lyon City Council Members
FROM: David M. Murphy, City Manager
DATE: August 11, 2008
RE: Consent agenda

Please find attached some information on consent agendas. At the last regular Council meeting I brought up the subject and was told to provide the Council members with some information. I will put this on the next agenda for the Council's consideration. This should give you some time to read over the material provided and call with any questions you may have.

Consent Agenda

David O. Renz, Ph.D.

What is a Consent Agenda?

A consent agenda is a practice by which the mundane and non-controversial board action items are organized apart from the rest of the agenda and approved as a group. This includes all of the business items that require formal board approval and yet, because they are not controversial, there is no need for board discussion before taking a vote. Items may be on a consent agenda only if all board members agree; if even one member considers a specific item to need discussion, it must be removed and placed on the regular agenda for the board meeting.

Why are Consent Agendas Used?

Consent agendas are used to save board meeting time and to help ensure that board meetings focus on substantive topics that are worth discussion. Through the “bundling” process, the entire set of items of business that are not worth board meeting time can be voted on in one action versus taking the time to vote on each individual item.

When Should Consent Agendas Be Used?

Consent agendas should be used when there are a number of non-controversial business items on which the board needs to vote. Complete information must be provided in advance of the meeting to all board members, so that each knows what is being proposed and has the opportunity to consider whether the item truly is non-controversial. The key here is “non-controversial,” and the definition of non-controversial may vary from organization to organization. Consent agenda items often are matters that a bylaw or some other rule or regulation requires to be formally approved by the board, yet there is no value added by engaging the board in discussion about the item (e.g., a routine lease renewal for a facility already included in the approved agency budget). Consent agendas are *not* to be used to hide actions that will be controversial -- to do so breaches the trust of the board and undermines the value of this practice.

Where Should Consent Agendas be Placed within the Overall Meeting Agenda?

The consent agenda typically appears very near the beginning of the regular meeting. This allows any item removed from the consent agenda to be placed onto the overall agenda for discussion and action later in the meeting. As with all formal board action, a quorum must be present to in order for action on the consent agenda items to be legitimate and binding.

Who Should Use Consent Agendas?

Consent agendas are used by both non-profit and for-profit organizations whose boards are trying to use members' time efficiently and that have much routine business to approve. It is especially common to see the boards of governmental entities such as libraries and educational institutions use consent agendas because of the volume of routine business that they are required by law and regulation to approve.

How Can Consent Agendas be Used Effectively?

The key to success is to provide all consent agenda information to board members well in advance of the meeting. It is *essential* that board members have ample time prior to a meeting to become familiar with each item on the consent agenda. That way, if a member or members have a concern about any item(s) that they believe need further discussion, then they will ask for the item(s) to be removed from the consent agenda and addressed separately.

At the time in the regular agenda when there is to be action on the consent agenda, the chair will first inquire whether there are any items that need to be removed from the consent agenda. If *any* member wishes an item to be removed, it must be removed and placed on the regular agenda. Immediately following the opportunity to remove any items for separate discussion, the consent agenda is moved and approved as a set. (For example: "I move the consent agenda." Another member: "I second the motion.")

It may be useful to those who plan the overall meeting agenda and the consent agenda (usually the board chair and/or executive director) to have guidelines, developed in consultation with the board, to clarify which types of items might be appropriate for the consent agenda.

When Should a Consent Agenda Not Be Used?

The consent agenda practice should not be used unless all members of the board understand and agree to its use. This approach places more responsibility upon members to prepare prior to the meeting. Obviously, if members do not read the information on the consent agenda prior to the meeting, they cannot responsibly agree to the inclusion of any particular item on the consent agenda. The worst outcome would be to take action on a matter of significant programmatic or legal importance without truly having the board's **informed** consent.

SAMPLE Consent Agendas

To expedite business at a board meeting, the board can approve the use of a consent agenda that includes those items considered to be routine in nature. A consent agenda would appear as part of the regular board meeting agenda. Full information about these items should be provided to the board in advance in the board packet and any questions or concerns can be directed to the makers of the motions and answered prior to the meeting. This allows thorough examination of the routine items without using up precious board meeting time.

Any item which appears on the consent agenda may be removed from the consent agenda by a member of the board. The remaining items will be voted on by a single motion. The approved motion will then be recorded in the minutes, including a listing of all items appearing on the consent agenda. Use of a consent agenda eliminates the need to vote separately on many of the routine items and resolutions not requiring explanation or board discussion. There is generally one motion to approve all items on the consent agenda, but it takes only the request of any one board director- generally not a formal vote-to remove any item from the consent agenda before the vote. If removed from the consent agenda, the item will be taken up later in the regular agenda. That item is then discussed and voted on separately, after the rest of the consent agenda has been approved.

In all cases, it is assumed there is nothing controversial about these items and therefore no need for discussion. Grouping agenda items like these facilitates the meeting and allows time to be properly spent on issues that do need discussion.

Here are some examples of routine items that can be included in a consent agenda:

- Committee and previous board meeting minutes.
- Minor changes in a procedure.
- Routine revisions of policy.
- Updating documents, for example, address change for the organization.
- Standard contracts that are used regularly (confirmation of using the traditional in-house contract with a new vendor).
- Confirmation of conventional actions that are required in the bylaws (for example, signatory authority for a bank account or acceptance of gifts).

PROCEDURE FOR A CONSENT AGENDA

I. PURPOSE

The purpose of this policy is to allow the use of a consent agenda and establish procedures for its use by the Scio Township Board of Trustees for its meetings.

II. GENERAL STATEMENT OF POLICY

In order for a more efficient administration of meetings, the Board elects to use a consent agenda for the passage of non-controversial or housekeeping type items. Consent items are those which usually do not require discussion or explanation prior to Board action, represent results of a delegated request, or are items which have already been discussed and/or explained and do not require further discussion or explanation. Such agenda items may include ministerial tasks such as, but not limited to, the approval of the agenda, approval of previous minutes, approval of bills, approval of reports, etc. Generally, items placed on the agenda where:

- A. The proposed action is considered to be routine and non-controversial, with documentation provided to the board prior to the board meetings that is adequate and sufficient for approval without inquiry or discussion.
- B. The proposed action conforms to a previously adopted board policy, item delegated by statute or previous board action to another body or person or implements an item previously approved by the Board.
- C. There are adequate appropriated funds in the current budget for the proposed action, and the budget authority is clearly specified in the approval resolution. If the proposed action authorizes an increase in expenditures under a previously existing contract, the resolution must include and not be limited to:
 - The original amount of the contract
 - The number and amount of prior increases
 - The amount of the current proposed increase
 - The reason for the increase, and
 - The resulting total contract amount
- D. There is no expected public comment anticipated regarding the proposed action.
- E. It is reasonably expected that:
 - No board member anticipates discussion or public comment on the matter
 - The proposed action would not require a board member to disclose a potential conflict or otherwise abstain from voting

III. CONSENT AGENDAS

- A. The supervisor or other drafter of a proposed agenda may place any item of business on the consent agenda consistent with the above concept, provided the item does not involve an advertised public hearing or does not require a roll call vote. By using a consent agenda, each Board member consents to the consideration of stated items as a group under a single motion. An item that is included on the consent agenda shall not be debated or discussed by the Board members unless that the item is removed from the consent agenda.

B. Items shall be removed from the consent agenda by a timely request by any individual board member for independent consideration. A request is considered timely if made prior to the vote by the Board on the consent agenda. The request to remove an item from the consent agenda requires neither a second nor a vote by the Board. An item removed from the consent agenda will be discussed and acted upon as a separate agenda item immediately following the consideration of the consent agenda.

C. The Consent Agenda, or the remainder thereof omitting the challenged items, shall be passed with a single motion and vote. Consent agenda items are considered en masse by a single vote of the Board, but shall be separately recorded in the minutes of the meeting. Action on the Consent Agenda shall require a positive vote of at least four (4) Board members. Any vote by a Board member for adoption of the consent agenda shall mean that the member has requested that their vote be recorded as an aye vote for each separate item on the consent agenda and shall be recorded as such. A vote against adoption of the consent agenda shall be recorded as a nay vote on each item placed on the consent agenda and shall be recorded as such.

always used the term "roll call vote" to accomplish this, but it is different than what is required by Robert's Rules of Order.

Attorney Lee stated that the reason why he did not distinguish between an emergency and non-emergency is that if you have four votes, you have enough to pass it regardless of whether you have less than a full Council or not. A Super-majority would require an interpretation of what constitutes an emergency. Attorney Lee stated that you could get into a discussion of whether or not the action taken is legal in a subsequent challenge. Councilman Kivell stated that the revised resolution requires that an emergency situation would be initiated by the City Manager or his representative, and is an attempt to prevent an abusive situation. If you have three members absent constituting a quorum, you could end up spending taxpayers' money with only three people and nobody having prior notice.

Mayor Doyle stated that he still feels that there should be support of another Council Member for adding an item to a future agenda.

Councilman Wedell stated that we do not have a motion on the table right now. We have two separate resolutions, one in the packet and one provided by Mr. Kivell.

CM 1-4-06 – APPROVAL OF RESOLUTION – PROCEDURE FOR COUNCIL DELIBERATIONS

Motion by Kivell, supported by Wedell

Whereas, the City Council desires to promulgate guidelines and rules for its proceedings and deliberations, and

Whereas, the Council pursuant to the "Home Rule City" Act may control its deliberations as provided by State Law,

Now Therefore, the City Council adopts the following rules to govern its proceedings

1. A "Public Comment" section shall be added to the agenda following "New Business".
2. That during the "Public Comment" portion of the meeting, Council Members will use this period as their opportunity to:
 - a. Make comments or direct questions to the Mayor, other Council Members, City Manager, Department Heads, Clerk, City Attorney, or make general announcements to the community.
 - b. Add an item or subject to a future meeting's agenda.
3. An item may be added to the current agenda upon approval of a simple majority of Council Members under the following conditions:
 - a. An item as a discussion piece, meaning an item where no action is to be taken, or
 - b. An item as an emergency situation initiated by the City Manager or his representative, meaning an item that was unforeseeable and / or must be acted on prior to the next scheduled meeting, or
 - c. All other items upon approval of a super-majority of five (5) of the Council Members.
4. Immediately subsequent to a vote, any member of the council may request a roll call vote (total of individual votes of Council Members) on any matter before Council.
5. All deliberations of Council shall be governed by "Robert's Rules of Order" including the most recent amendments unless the requirements are waived by affirmative vote of four (4) Council Members

Attorney Lee asked that an amendment to the resolution in item #4 be made to change the word "total" of individual votes to "recording" of individual votes.

CM 1-5-06 – AMENDMENT TO RESOLUTION-PROCEDURES FOR COUNCIL DELIBERATIONS

Motion by Kivell, supported by Wedell

To amend the resolution Setting Procedures for Council deliberations by changing the word "total" in item #4 to "recording"

VOTE: (CM 1-5-06)

MOTION CARRIED UNANIMOUSLY

AUG. 2, 2008 SUNDAY PM

SOUTH LYON, EMS TEAM

THANK YOU VERY, VERY MUCH FOR THE PROFESSIONAL SERVICE. BEING SO TIMELY.

I REALLY CAN'T SAY ENOUGH GOOD THINGS FOR THE PEOPLE WHICH HAVE RESPONDED TO
MY CALL FOR HELP.

IT'S TIME TO GIVE FAVORABLE CREDIT AND RECOGNITION WHERE IT'S DESERVED.

THE SERVICE OF EMS HAS BEEN VERY SATISFACTORY FOR GOOD KNOWLEDGEABLE PEOPLE
GREAT TIMELY ON CALL SERVICE.

I AM 70 YEARS OLD, A STROKE PERSON, A KNEE REPLACEMENT, A UNSTEADY PERSON. BUT I
STILL GET AROUND.

PLEASE STAY AS GOOD AS YOU (EMS) ARE.

THE GENERAL COMMUNITY DOES NEED THE SERVICE. I DON'T KNOW WHAT WE COULD DO
WITHOUT IT.

SINCERELY,



BOB CALLSEN PONTIAC TRAIL

SOUTH LYON, MI