

STANDARD BLUEBACK CONTRACT
COMMONWEALTH OF PENNSYLVANIA
STATE SYSTEM OF HIGHER EDUCATION
CONTRACT FOR
ATM/BANKING SERVICES

Contract Inquiry No. SP162133

THIS AGREEMENT, made and entered into this day of 21st day of May, 2007, between Millersville University of Pennsylvania of the State System of Higher Education, with a mailing address of PO Box 1002, Millersville, PA 17551-0302 (hereinafter referred to as "University", "Commonwealth", or "Agency"), and Pennsylvania State Employees Credit Union (PSECU), located at 1 Credit Union Place, Harrisburg PA 17110, acting through its proper officials, (hereinafter referred to as "Contractor" and/or "PSECU"), Federal I.D. #23-0961140.

Both the University and Contractor, when used together, are hereinafter referred to as Parties. The University is an instrumentality of the Commonwealth of Pennsylvania, established by and existing pursuant to Article XX-A of the Public School Code of 1949, as amended, 24 P.S. § 20-2001-A, et seq., and is authorized thereby to enter into this Contract.

The University desires to obtain ATM and banking/debit card services from the Contractor.

NOW THEREFORE, for and in consideration of the foregoing and the mutual promises hereinafter expressed and intending to be legally bound hereby, the Parties agree as follows:

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1. **CONTRACTOR DUTIES.** The Contractor, as per the University's RFP dated 2/5/07, Addendum dated 2/28/07 & PSECU's proposal, & subject to the terms and conditions set forth below, shall perform the following specified duties:

- a. Provide ATMs in the University's Student Memorial Center (through-the-wall service with cash dispensing and depository capability) and Lyle Dining Hall (free-standing type without depository capability) to primarily serve the convenience banking needs of the University's students and employees. Machines are to be available 24 hours per day, seven days a week. By mutual agreement between the University and PSECU, additional ATMs (full-service depository or cash dispenser only) may be installed at other locations on campus in the future.
- b. PSECU shall contract with armored car services to replenish and pick up deposits from the ATMS on a daily basis Monday through Friday. PSECU will also bear all costs of installation, upkeep, and utilities, (with the exception of monthly electrical charges for ATMs. PSECU guarantees that its subcontractor for service (Diebold) will respond within two (2) hours of a service call from 8:00AM to 10:00PM. All phone costs (installation and monthly charges) will be borne by PSECU. The University will provide access to the electrical service and phone line.
- c. PSECU will be responsible for the servicing of the ATMs, including replenishment of cash and pick-up of deposits. PSECU will provide electronic monitoring of the ATMs to detect faults in the machines, paper jams, out-of-cash situations, etc. PSECU will be responsible for maintaining security of the ATMs by contracting with Diebold Security. Diebold will inform campus & local police if there are any alarm activations. PSECU will assume all liability for damages to machines through loss, vandalism, theft, and fraudulent use of cards. The University will have no liability for fraudulent use of ATM debit or campus ID cards due to ATM transactions. PIN protection on ATM debit cards typically insures cardholders against loss. Under Regulation E, the cardholder assumes a \$50 liability for such cases when reported timely. Untimely reporting could increase cardholder liability to \$500. PSECU may, at its discretion, waive the cardholder's \$50 liability. The depository ATM also has a security camera for confirmation of the person performing the transaction.
- d. Check and cash deposits shall be immediately available for withdrawal from PSECU accounts (up to \$10,000). Deposits may be made to other financial institution accounts through the ATM, but it is understood

that deposits to those institutions may not be available for immediate withdrawal depending upon the funds availability policy set by the institution that issued the card.

- e. The standard daily withdrawal limits shall be \$500. However, this limit may be reduced on accounts when service is not used responsibly.
- f. PSECU will provide the University with monthly summaries of ATM activities.
- g. ATMs will be accessible to members of the community and PSECU is permitted to advertise the locations of the machines to its members.
- h. PSECU agrees to limit the surcharge assessed to non-members for withdrawal transactions to \$1.50 per withdrawal. Deposits at the ATMs will not be surcharged.
- i. PSECU agrees to accept questions and/or complaints from student and employee members via a toll-free telephone number.
- j. PSECU agrees to offer a full array of banking services to University students and employees, including demand deposit accounts, ATM/POS debit card services, credit card services, home banking via personal computers, remote deposit capabilities with instant credit on deposits, telephone banking, and direct deposit University pay for regular and student employees, auto & home equity loans, etc. Fees charged to University student and employee members shall not exceed PSECU's regular fee structure for members.
- k. PSECU shall provide an expedited procedure for students and staff to apply for membership, checking, and debit card services on one application.
- l. PSECU agrees to provide a marketing program including mailings to non-member students and employees to encourage individuals to take advantage of PSECU offerings. By mutual agreement with the University, mailings of promotional information may also be directed to parents of students and to alumni. The University agrees to provide mailing lists for use in such marketing programs. PSECU will also work with the University to promote acceptance of the ID card in the merchant community.
- m. PSECU agrees to provide educational programs to students including programs on money management, college financing, checking account management, responsible use of credit cards, car buying seminars, etc.
- n. PSECU agrees to pay rent to the University at the rate of \$.15 for each deposit or withdrawal transaction by members at each ATM and at the rate of \$.65 for each deposit or withdrawal transaction by non-members at each ATM. PSECU agrees to renegotiate during the term of the contract to provide for additional rental reimbursement to the University based on certain conditions such as transaction volumes.
- o. PSECU will continue to provide debit card functionality for its members on their campus ID cards. The card will continue to meet International Standards Organization and American Banking Association standards. All encoding for ATM/POS services is on ABA Track 1 and 2, using MAC-1988 card format standards. For added security, PSECU can accommodate the SS#

being removed from Track 1. Information stored on Track 3 is at the University's discretion.

- p. PSECU will operate a student-staffed credit union service center ("e-Center") in the University's Student Memorial Center lobby. Rent shall be paid at the rate of \$3,000 per year (\$250/month).
- q. Major renovations are planned for MU's Student Memorial Center for 2010-11. PSECU will be responsible for relocation costs for its temporary ATM and banking center sites. (Note: the temporary location will be determined at a later date by the mutual agreement of the parties hereto, which shall not be unreasonably withheld.) University personnel will include PSECU in the design phase of the renovation project. PSECU will be responsible for all furniture, fixtures, and installation of banking equipment at the new permanent location in the Student Memorial Center.
- r. Potential new services that PSECU may offer during this contract period are: 1) implementation of a custom image check program for students and staff and 2) researching the value of sponsoring a "Collegiate Card" - a discount card for incoming freshmen that would be honored by local merchants.
- s. Any data collected through the activities of the e-Center shall become the property of PSECU. The University agrees, acknowledges, and recognizes that PSECU is a highly regulated financial institution under a strict duty of confidentiality with regard to its operation and its member records, specifically any "confidential member information". Confidential member information shall specifically include all non-public data, account or personal information, such as account numbers, access codes, account ownership and names of account owners, demographic information, and financial transactions conducted within those accounts. The University will not sell, transfer, or share with any third parties any confidential member information that it receives during the ordinary course of conducting business through the e-Center or otherwise, unless it receives prior written consent from PSECU following notice given to PSECU by MU specifying exactly what information is to be shared and with whom it will be shared and the reason permission to disclose is being requested. Any confidential member information received by the University, or any PSECU-approved recipients, may be used only as is necessary to complete the stated purpose of this Agreement. Notwithstanding anything in this Agreement to the contrary, the rights and responsibilities regarding confidential member information as herein stated shall survive indefinitely the termination of this Agreement.
- t. Attached herein as Attachment A is PSECU's Cost/Financial Benefits to the University.

2. TERM OF CONTRACT. The term of the Contract shall commence on the Effective Date (as defined below) and shall end on 6/30/12, subject to the other provisions of the Contract.

The Effective Date shall be fixed by the Contracting Officer after the Contract has been fully executed by the Contractor and by the Commonwealth,

all approvals required by Commonwealth contracting procedures have been obtained and the Contract has been sent to the Contractor.

The Contracting Officer shall issue a written Notice to Proceed to the Contractor directing the Contractor to start performance on a date which is on or after the Effective Date. The Contractor shall not start the performance of any work prior to the date set forth in the Notice to Proceed and the Commonwealth shall not be liable to pay the Contractor for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No agency employee has the authority to verbally direct the commencement of any work under this Contract.

The Commonwealth reserves the right, upon notice to the Contractor, to extend the term of the Contract for up to three (3) months upon the same terms and conditions. This will be utilized to prevent a lapse in Contract coverage and only for the time necessary, up to three (3) months, to enter into a new Contract.

3. RENEWALS. Not applicable.

4. COST OF AGREEMENT. It is understood that the cost of this Agreement to the University shall be \$-0-.

5. COMPENSATION/EXPENSES. The Contractor shall be required to perform the specified services at the price(s) quoted in the Contract. All services shall be performed within the time period(s) specified in the Contract. The Contractor shall be compensated only for work performed to the satisfaction of the Commonwealth. The Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in the Contract.

6. INVOICES. The Contractor shall send an itemized invoice to the "Provide Service and Bill To" address promptly after services are satisfactorily completed. The invoice should include only amounts due under the Contract. The Contract inquiry number shall be included on all invoices.

7. PAYMENT. The Commonwealth shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (a) the date on which payment is due under the terms of the Contract; (b) thirty (30) days after a proper invoice actually is received at the "Provide Service and Bill To" address. If a date on which payment is due and not specified in the Contract (a "proper" invoice is not received until the Commonwealth accepts the service as satisfactorily performed); or (c) the payment date specified on the invoice if later than the dates established by (a) and (b) above. Payment may be delayed if the payment amount on an invoice is not based on the price(s) as stated in the Contract. If any payment is not made within forty-five (45) days after the required payment date, the Commonwealth may pay interest as determined by the Secretary of Budget in accordance with Act No. 266 of 1982 and regulations promulgated pursuant thereto. Payment should not be construed by the Contractor as acceptance of the service performed by the Contractor. The Commonwealth reserves the right to conduct further testing

and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the Commonwealth against any payments due the Contractor under any contract with the Commonwealth.

8. TAXES. The Commonwealth is exempt from all excised taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases under Registration No. 2374001-K. With the exception of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction contractor from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction contract.

9. ASSIGNMENT OF ANTITRUST CLAIMS. The Contractor and the Commonwealth recognize that in actual economic practice, overcharges by the Contractor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of the Contract, and intending to be legally bound, the Contractor assigns to the Commonwealth all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of the Contract.

10. OWNERSHIP RIGHTS. The Commonwealth shall have unrestricted authority to reproduce, distribute, and use any submitted report, data or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the Commonwealth as part of the performance of the Contract.

11. TERMINATION OF AGREEMENT. The Commonwealth has the right to terminate the Contract for any of the following reasons. Termination shall be effective upon written notice to the Contractor:

(a) Termination for Convenience. The Commonwealth shall have the right to terminate the Contract for its convenience if the Commonwealth determines termination to be in its best interest. The Contractor shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Contractor be entitled to recover lost profits.

(b) Non-appropriation. The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When

funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Contract. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under this Contract. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid from any appropriations available for that purpose.

(c) Termination for Cause. The Commonwealth shall have the right to terminate the Contract for Contractor default under paragraph 19, Default, upon written notice to the Contractor. The Commonwealth shall also have the right, upon written notice to the Contractor, to terminate the Contract for other cause as specified in this Contract or by law. If it is later determined that the Commonwealth erred in terminating the Contract for cause, then, at the Commonwealth's discretion, the Contract shall be deemed to have been terminated for convenience under subparagraph (a).

(d) Termination by PSECU. PSECU may terminate this Contract should the University breach the contract terms. PSECU must provide written notice of the breach and allow the University 60 days to cure the breach.

12. AUDIT PROVISIONS. The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of the Contractor to the extent that the books, documents and records relate to costs or pricing data for the Contract. The Contractor agrees to maintain records which will support the prices charged and costs incurred for the Contract.

The Contractor shall preserve books, documents and records that relate to costs or pricing data for the Contract for a period of three (3) years from date of final payment. The Contractor shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

13. CONTRACTOR RESPONSIBILITY.

(a) The Contractor certifies that it is not currently under suspension or debarment by the Commonwealth of Pennsylvania, or any other state, or the federal government, and if the Contractor cannot certify, then it agrees to submit a written explanation of why such certification cannot be made.

(b) If the Contractor enters into any subcontracts or employs under this Contract any subcontractors/individuals who are currently suspended or debarred by the Commonwealth of Pennsylvania or the federal government or who become suspended or debarred by the Commonwealth or federal government during the term of the Contract or any extensions or renewals thereof, the Commonwealth shall have the right to require the Contractor to terminate such subcontracts or employment.

(c) The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of Inspector General for investigations of the Contractor's compliance with terms of the Contract or any other agreement between the Contractor and the Commonwealth

which result in the suspension or debarment of the Contractor. Such costs shall include, but not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witnesses and documentary fees. The Contractor shall not be responsible for investigative costs for investigations which do not result in the Contractor's suspension or debarment.

(d) The Contractor may obtain the current list of suspended and debarred Contractors by searching the internet at <http://www.dgs.state.pa.us/debarment.htm> or contacting the:

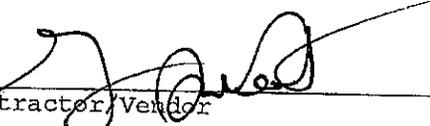
Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No. (717) 783-6472; Fax No. (717) 787-9138

All Contractors (if a corporate entity both signatories to this Contract must execute) with the State System shall sign the certification below:
Contractor Responsibility Certification

I certify that I, the Contractor identified herein, have been determined to be a responsible Contractor in accordance with the procedures in Management Directive 215.9, Contractor Responsibility Program, dated December 30, 1991, and revisions 1 and 2. By signing this Certification, I acknowledge understanding the requirements of being a responsible Contractor as defined by the aforementioned Management Directive,


Contractor/Vendor
6-18-07
Date

President
Title


Contractor/Vendor
Date

Treasurer
Title

ALL PARTIES WHO SIGN THIS CONTRACT ON BEHALF OF THE CONTRACTOR MUST SIGN THE STATEMENT ABOVE.

14. CONTRACTOR INTEGRITY.

(a) For purposes of this clause only, the words "confidential information," "consent," "Contractor," "financial interest," and "gratuity" shall have the following definitions:

- 1) Confidential information means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth.

2) Consent means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this agreement.

3) Contractor means the individual or entity that has entered into the Contract with the Commonwealth, including directors, officers, partners, managers, key employees and owners of more than a 5% interest.

4) Financial Interest means:

(a) Ownership of more than a 5% interest in any business;

or

(b) Holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.

5) Gratuity means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.

(b) The Contractor shall maintain the highest standards of integrity in the performance of the Contract and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Commonwealth.

(c) The Contractor shall not disclose to others any confidential information gained by virtue of the Contract.

(d) The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.

(e) The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, give, or agree to promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the Commonwealth.

(f) Except with the consent of the Commonwealth, neither the Contractor nor anyone in privity with him or her shall accept or agree to accept from, or give or agree to give to, any person, any gratuity from any person in connection with the performance of work under the Contract except as provided therein.

(g) Except with the consent of the Commonwealth, the Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.

(h) The Contractor, upon being informed that any violation of

these provisions has occurred or may occur, shall immediately notify the Commonwealth in writing.

(i) The Contractor, by execution of the Contract and by the submission of any bills or invoices for payment pursuant thereto, certifies and represents that he or she has not violated any of these provisions.

(j) The Contractor, upon the inquiry or request of the Inspector General of the Commonwealth or any of that official's agents or representatives, shall provide, or if appropriate, make promptly available for inspection and copying, any information of any type or form deemed relevant by the Inspector General to the Contractor's integrity or responsibility, as those terms are defined by the Commonwealth's statutes, regulations, or management directives. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents and files of any type or form which refers to or concern the Contract. Such information shall be retained by the Contractor for a period of three years beyond the termination of the Contract unless otherwise provided by law.

(k) For violation of any of the above provisions, the Commonwealth may terminate this and any other agreement with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another Contractor to complete performance hereunder, and debar and suspend the Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

15. AMERICANS WITH DISABILITIES ACT.

(a) Pursuant to Federal Regulations promulgated under the authority of The Americans with Disabilities Act, 28 C.F.R. § 35.101, et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this Contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. §35.130, and all other regulations promulgated under Title II of The American with Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.

(b) The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of subparagraph (a) above.

16. ASSIGNABILITY AND SUBCONTRACTING.

(a) Subject to the terms and conditions of Paragraph 21, this

Contract shall be binding upon the parties and their respective successors and assigns.

(b) The Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.

(c) The Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.

(d) Notwithstanding the foregoing, the Contractor may, without the consent of the Contracting Officer, assign its rights to payment to be received under the Contract, provided that the Contractor provides written notice of such assignment to the Contracting Officer together with a written acknowledgement from the assignee that any such payments are subject to all the terms and conditions of the Contract.

(e) For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor, provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.

(f) Any assignment consented to by the Contracting Officer shall be evidenced by a written assignment agreement executed by the Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the Contract and to assume the duties, obligations, and responsibilities being assigned.

(g) A change of name by the Contractor, following which the Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Contractor shall give the Contracting Officer written notice of any such change of name.

17. NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE.

During the term of the Contract, Contractor agrees as follows:

(a) In the hiring of any employees for the manufacture of supplies, performance of work, or any other activity required under the Contract or any subcontract, the Contractor, subcontractor or any person acting on behalf of the Contractor or subcontractor shall not by reason of gender, race, creed, color, disability, national origin, ancestry or age discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.

(b) Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work or any other activity required under the Contract on account of gender, race, creed, color, disability, national origin, ancestry or age.

(c) Contractors and subcontractor shall establish and maintain a written sexual harassment policy and shall inform its employees of the policy.

(d) The Contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to its books, records, and accounts by the Contracting Officer and the Department of General Services' Bureau of Contract Administration and Business Development for purposes of investigation to ascertain compliance with the provisions of this Nondiscrimination/Sexual Harassment Clause. If the Contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the Contracting Officer or the Bureau of Contract Administration and Business Development.

(e) The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor.

(f) The Commonwealth may cancel or terminate the Contract, and all money due or to become due under the Contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause.

18. FORCE MAJEURE. Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but are not limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

The Contractor shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which the Contractor becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the Contract is prevented or delayed, and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Contractor shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request. After receipt of such notification, the Commonwealth may elect either to cancel the Contract or to extend the time for performance as reasonably necessary to compensate for the Contractor's delay.

In the event of a declared emergency by competent governmental authorities, the Commonwealth, by notice to the Contractor, may suspend all or a portion of the Contract.

19. DEFAULT.

(a) The Commonwealth may, subject to the provisions of Paragraph 18, Force Majeure, and in addition to its other rights under the Contract, declare the Contractor in default by written notice thereof to the Contractor, and terminate (as provided in Paragraph 11, Termination of Agreement) the whole or any part of this Contract for any of the following reasons:

- 1) Failure to begin work within the time specified in the Contract or as otherwise specified;
- 2) Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Contract terms;
- 3) Unsatisfactory performance of the work;
- 4) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
- 5) Discontinuance of work without approval;
- 6) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
- 7) Insolvency or bankruptcy;
- 8) Assignment made for the benefit of creditors;
- 9) Failure or refusal within 10 days after written notice by the Contracting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
- 10) Failure to protect, to repair, or to make good any damage or injury to property; or
- 11) Breach of any provision of this Contract.

(b) In the event that the Commonwealth terminates this Contract in whole or in part as provided in Subparagraph (a) above, the Commonwealth may procure, upon such terms and in such manner as it determines, services similar or identical to those so terminated, and the Contractor shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical services included within the terminated part of the Contract.

(c) If the Contract is terminated as provided in Subparagraph (a) above, the Commonwealth, in addition to any other rights provided in this paragraph, may require the Contractor to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Issuing Office, such partially completed work, including, where applicable, reports, working papers, and other documentation, as the Contractor has specifically produced or specifically acquired for the performance of such part of the Contract as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Contract price. Except as provided below, payment for partially completed work including, where applicable, reports and working

papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Contractor and Contracting Officer. The Commonwealth may withhold from amounts otherwise due to the Contractor for such completed or partially completed works, such sums as the Contractor Officer determines to be necessary to protect the Commonwealth against loss.

(d) The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

(e) The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.

(f) Following exhaustion of the Contractor's administrative remedies as set forth in Paragraph 21, the Contractor's exclusive remedy shall be to seek damages in the Board of Claims.

20. HOLD HARMLESS PROVISION. The Contractor shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all claims, demands and actions based upon or arising out of any activities performed by the Contractor and its employees and agents under this Contract and shall, at the request of the Commonwealth, defend any and all actions brought against the Commonwealth based upon any such claims or demands.

21. CONTRACTOR CONTROVERSIES. In the event of a controversy or claim arising from the Contract, the Contractor must, within six months after the cause of action accrues, file a written notice of controversy or claim with the Contracting Officer for a determination. The Contracting Officer shall send his/her written determination to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within fifteen (15) days after receipt of such written determination, the Contractor files a claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the Contractor shall proceed diligently with the performance of the Contract in a manner consistent with the interpretation of the Contracting Officer and the Commonwealth shall compensate the Contractor pursuant to the terms of the Contract.

22. AMENDMENTS. This Agreement represents the complete agreement between the parties, superceding any other prior or contemporaneous written or oral agreements. Any changes, corrections or additions to this Agreement shall be in writing in the form of a supplemental agreement signed by all necessary parties and setting forth therein the proposed change, correction or addition.

23. SEVERABILITY. Should any term of this Contract be rendered unlawful by a court of competent jurisdiction or any legislative act, then the parties shall give effect to the balance of the agreement to the extent possible.

24. APPLICABLE LAW. This Contract shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Contractor consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

25. INDEPENDENT CONTRACTOR. In performing the services required by the Contract, the Contractor will act as an independent Contractor and not as an employee or agent of the Commonwealth.

26. POST-CONSUMER RECYCLED CONTENT. Except as specifically waived by the Department of General Services in writing, any products which are provided to the Commonwealth as a part of the performance of the Contract must meet the minimum percentage levels for the total recycled content as specified in Exhibits A-1 through A-3 to this Contract.

27. ENVIRONMENTAL PROVISIONS. In the performance of the Contract, the Contractor shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations.

28. HAZARDOUS SUBSTANCES. The Contractor shall provide information to the Commonwealth about the identity and hazards of hazardous substances supplied or used by the Contractor in the performance of the Contract. The Contractor must comply with Act 159 of October 5, 1984, known as the "Worker and Community Right to Know Act" (the "Act") and the regulations promulgated pursuant thereto at 4 Pa. Code § 301.1 et seq.

(a) Labeling. The Contractor shall insure that each individual product (as well as the carton, container or package in which the product is shipped) of any of the following substances (as defined by the Act and the regulations) supplied by the Contractor is clearly labeled, tagged or marked with the information listed in Paragraph (1) through (3) below:

1) Hazardous substances:

- a) The chemical name or common name;
- b) A hazard warning; and
- c) The name, address, and telephone number of the manufacturer.

2) Hazardous mixtures:

- a) The common name, but if none exists, then the trade name;
- b) The chemical or common name of special hazardous

- substances comprising .01% or more of the mixture;
- c) The chemical or common name of hazardous substances consisting of 1.0% or more of the mixture;
- d) A hazard warning; and
- e) The name, address, and telephone number of the manufacturer.

3) Single Chemicals:

- a) The chemical name or the common name;
- b) A hazard warning, if appropriate; and
- c) The name, address and telephone number of the manufacturer.

4) Chemical Mixtures:

- a) The common name, but if none exists, then the trade name;
- b) A hazard warning, if appropriate;
- c) The name, address, and telephone number of the manufacturer; and
- d) The chemical name or common name of either the top five substances by volume or those substances consisting of 5.0% or more of the mixture.

A common name or trade name may be used only if the use of the name more easily or readily identifies the true nature of the hazardous substance, hazardous mixture, single chemical, or mixture involved.

Container labels shall provide a warning as to the specific nature of the hazard arising from the substance in the container.

The hazard warning shall be given in conformity with one of the nationally recognized and accepted systems of providing warnings, and hazard warnings shall be consistent with one or more of the recognized systems throughout the workplace. Examples are:

- + NFPA 704, identification of the Fire Hazards of Materials.
- + National Paint and Coatings Association: Hazardous Materials Identification System.
- + American Society for Testing Materials, Safety Alert Pictorial Chart.
- + American National Standard Institute, Inc., for the Precautionary Labeling of Hazardous Industrial Chemicals.

Labels must be legible and prominently affixed to and displayed on the product and the carton, container, or package so that employees can easily identify the substance or mixture present therein.

(b) Material Safety Data Sheet. The Contractor shall provide Material Safety Data Sheets (MSDS) with the information required by the Act and the regulations for each hazardous substance or hazardous mixture. The Commonwealth must be provided an appropriate MSDS with the initial shipment and with the first shipment after an MSDS is updated or product changed. For any other chemical, the Contractor shall provide an appropriate MSDS, if the manufacturer, importer, or supplier produces or possesses the MSDS. The Contractor shall also notify the Commonwealth when a substance or

mixture is subject to the provisions of the Act. Material Safety Data Sheets may be attached to the carton, container, or package mailed to the Commonwealth at the time of shipment.

29. WARRANTY. The Contractor warrants that all services performed by the Contractor, its agents and subcontractors shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the Contract, all services and parts are warranted for a period of one year following completion of performance by the Contractor and acceptance by the Commonwealth. The Contractor shall correct any problem with the services and/or replace any defective part with a part of equivalent or superior quality without any additional cost to the Commonwealth.

30. COMPLIANCE WITH LAW. The Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the Contract.

31. INTEGRATION. The Contract including all referenced documents, constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or the Contractor has the authority to make, or has made, any statement, agreement or representation, oral or written, in connection with the Contract, which in any way can be deemed to modify, add to and detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Contract. No modifications, alterations, changes, or waiver to the Contract or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties. All such amendments shall be made using the appropriate Commonwealth form.

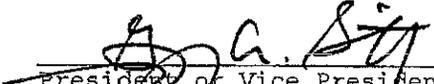
32. PATENT, COPYRIGHT AND TRADEMARK INDEMNITY. The Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to the Commonwealth under the Contract. The Contractor shall defend any suit or proceeding brought against the Commonwealth on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Contract. This is under the condition that the Commonwealth shall provide prompt notification in writing of such suit or proceedings; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation in the defense of same. As principles of governmental or public law are involved, the Commonwealth may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by the Commonwealth at the Contractor's written request, it shall be at the Contractor's expense, but the responsibility for such expense shall be only that within the Contractor's authorization.

The Contractor shall indemnify and hold the Commonwealth harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or the Commonwealth may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Contract. If any of the products provided by the Contractor in such suit or proceedings are held to constitute infringement and the use is enjoined, the Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing. If the Contractor is unable to do any of the preceding, the Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of the Commonwealth, only those items of equipment or software which are held to be infringing, and to pay the Commonwealth: 1) any amounts paid by the Commonwealth towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the Commonwealth for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Contractor without its written consent.

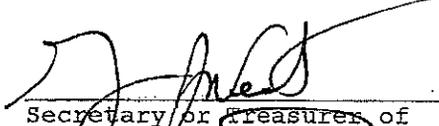
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed pursuant to due and legal action authorizing the same to be done the date first written above.

FOR THE CONTRACTOR:

Individual or Partner



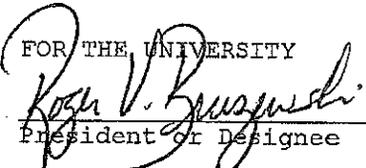
President or Vice President
of Corporate Contractor
(CIRCLE TITLE)



Secretary or Treasurer of
Contractor
(CIRCLE TITLE)

Note regarding signatures above. If a corporation, two signatures are

FOR THE UNIVERSITY



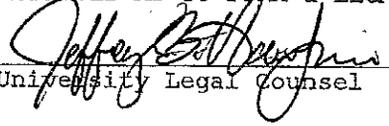
President or Designee

APPROVED AS TO FISCAL
RESPONSIBILITY, BUDGETARY
APPROPRIATENESS & AVAILABILITY
OF FUNDS

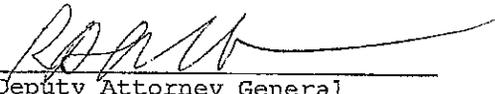



Comptroller

APPROVED AS TO FORM & LEGALITY



University Legal Counsel



Deputy Attorney General

EFFECTIVE DATE

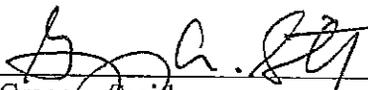
JUL 12 2007

OF CONTRACT

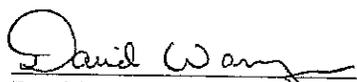
required, one being the President or Vice President, the second being the Secretary or Treasurer. Signatory authority of either signatures can be delegated provided there is a certified Board resolution presented with this contract.

ALL SIGNATORIES ON BEHALF OF CONTRACTOR MUST EXECUTE CONTRACTOR RESPONSIBILITY CERTIFICATION IN PARAGRAPH 13(d) OF THIS CONTRACT.

Cost Proposal for
ON-CAMPUS
ATM/BANKING SERVICES
for
MILLERSVILLE UNIVERSITY



Gregory Smith
President
CEO
PSECU



David Warwavesyn
Vice President
Member Services
PSECU



Thomas Ruback
Vice President
Card Services
PSECU



Earl Lloyd
Administrator
University Development
PSECU

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Costs to Millersville University

There are no costs associated with this proposal to the University.

Revenue sharing and financial incentives to the University

In exchange for the on-campus space provided by Millersville for the e-Center, PSECU will provide the following financial support:

- A monthly rent of the e-Center space - \$3,000 per year - **\$15,000** for the five year contract.
- An unrestricted renewal bonus of **\$35,000** to be paid in year one.
- \$15,000 in scholarships each year - **\$75,000** over the five year contract.
- Cash donations will be made for each new account and selected services opened, to be used at Millersville's discretion estimated at **\$60,500** over the life of the contract.*
- ATM rent is estimated at **\$80,600** over the life of the contract.**
- The e-Center Business Advisor and Intern salaries will be paid by PSECU.

*Millersville University and Intern Incentive schedule: Incentives are payable for any of the following services set up within one year of the member joining PSECU:

<u>PSECU SERVICE</u>	<u>UNIVERSITY INCENTIVE</u>	<u>INTERN INCENTIVE</u>
New Account (Student/Family)	\$ 5.00	\$ 2.00
New Account (Faculty/Staff)	\$ 20.00	\$ 10.00
Real Estate Equity Loan	\$ 20.00	\$ 10.00
Auto Loan	\$ 10.00	\$ 5.00
Check Card	\$ 5.00	\$ 2.00
Checking	\$ 5.00	\$ 2.00
Visa®	\$ 5.00	\$ 2.00

The estimated \$60,500 is based on University incentives for 5 previous years

**ATM Rent: The number of ATM withdrawal transactions over the last 5 years produced approximately \$80,600 in income. PSECU is projecting the same over the next five years.

Response to RFP: 4.8 Cost/Financial Benefits

The financial institution must also provide:

Current and future budgets for the University e-Center program/marketing financial commitment:

A. Budget for the e-Center/Debit Card Program

- Underwrite \$1,500 per year (\$7,500 for five years) for co-branded orientation support containing Millersville's orientation information and PSECU e-Center materials
- Underwrite \$1,000 per year (\$5,000 over five years) for the Mauradership program
- Orientation Activity - \$1,000 per year (\$5,000 over five years) to support orientation activities aimed at incoming freshman.

Total One Year \$ 3,500
Total Five Years \$17,500

B. Additional Amounts Budgeted by PSECU

- PSECU budgeted \$5,000 per year (\$25,000 over five years) for miscellaneous sponsorships.
- PSECU budgeted \$5,000 per year (\$25,000 over five years) for new sponsorships.
- Underwrite \$5,000 per year (\$25,000 over the life of the contract) for the Excel program
- Donate \$1,500 per year (\$7,500 over the life of the contract) to the Children's Miracle Network

Total One Year \$16,500
Total Five Years \$82,500

PSECU Total One Year	(A & B)	\$ 20,000
PSECU Total Five Years	(A & B)	\$100,000

Indirect Financial Impact On-Campus Salaries

Based on the past five years, PSECU estimates that the total on campus salaries paid to e-Center staff will total \$220,075.

University Revenue and Budget Recap

<u>Incentives</u>		<u>Amount</u>
Scholarships	\$	75,000.00
Rental Space	\$	15,000.00
University Incentives	* \$	60,500.00
ATM Rent	** \$	80,600.00
Renewal Bonus	\$	35,000.00
 <u>e-Center Promotion Budget</u>		
New Sponsorships	\$	25,000.00
Miscellaneous Sponsorships	\$	25,000.00
Excel	\$	25,000.00
Orientation Brochures	\$	7,500.00
Mauradership program	\$	5,000.00
Children's Miracle Network	\$	7,500.00
Orientation Activity	\$	5,000.00
 Total Direct Financial Impact	\$	366,100.00
Indirect Financial Impact	\$	220,075.00
Total On-Campus Financial Impact	\$	586,175.00

* Estimate based on incentives paid over five years

** Estimate based on ATM transaction volume from past 12 months x 5 years

RFP RESULTS

SP162133

This service was advertised in the newspaper and posted to the University's website; notices were sent to Lancaster & Harrisburg minority solicitation groups; and the DGS website & WBE/MBE directories were searched for possible bidders.

PSECU	Harrisburg PA	97.7 points
PNC	Pittsburgh PA	75.7 pts.
Higher One	New Haven CT	67 pts.
T.D. Banknorth	Hoboken NJ	No bid
Locke Capital Management	Newport RI	No response
Wachovia	Philadelphia PA	No response

Attachment 3

Confidentiality. Commonwealth agrees, acknowledges, and recognizes that PSECU is a highly regulated financial institution under a strict duty of confidentiality with regard to its operations and its member records, specifically any "Confidential Member Information". Confidential Member Information shall specifically include all non-public member data, account or personal information, such as account numbers, access codes, account ownership and names of account owners, demographic information, and financial transactions conducted within those accounts. Commonwealth will not sell, transfer or share with any third parties any Confidential Member Information which it receives during the ordinary course of conducting business with PSECU or otherwise, unless it receives prior written consent from PSECU following notice given to PSECU by Commonwealth specifying exactly what information is to be shared and with whom it will be shared and the reason permission to disclose is being requested. Any Confidential Member Information received by Commonwealth, or any PSECU-approved recipients, may be used only as is necessary to complete the stated purpose of this Contract. Notwithstanding anything in this Contract to the contrary, the rights and responsibilities regarding Confidential Member Information as herein stated shall survive termination of this Contract. This Confidentiality Clause shall apply to the extent allowed by law as the last sentence in this paragraph.

Security Breach Notice. Notwithstanding anything in this Contract to the contrary, Commonwealth agrees to fully disclose any breach in its security resulting in or from any unauthorized intrusions that may materially affect PSECU or its members. Commonwealth agrees to report the date, time, and manner of any such material breach, the effect of the breach on PSECU, and any specific corrective action Commonwealth will be taking in response to the intrusion directly to PSECU in a reasonably timely manner.