



Agreement Number: CFOPD-21-C-011

## AGREEMENT FOR AMERICAN EXPRESS® CARD ACCEPTANCE

The Agreement (Agreement Reference Number CFOPD-21-C-011), effective as of June 06, 2021, is by and between **American Express Travel Related Services Company, Inc.**, a New York corporation, and the **District of Columbia**, a municipal corporation, through its Office of the Chief Financial Officer (the *District*) and is the definitive contract, authorized pursuant to D.C. Code § 2-351.04(22), associated with Letter Contract No. CFOPD-21-L-011. The parties agree as follows:

### General Provisions

#### 1. SCOPE AND OTHER PARTS OF AGREEMENT; DEFINITIONS

a. Scope of the Agreement. The Agreement governs your acceptance of American Express Cards in the United States. The Agreement covers you *alone*. You must not obtain Authorizations, submit Charges or Credits, or receive payments on behalf of any other party, except as otherwise expressly permitted in the Merchant Regulations.

b. Other Parts of the Agreement.

i. Merchant Regulations. The Merchant Regulations set forth the policies and procedures governing your acceptance of the Card. You shall ensure that your personnel interacting with customers are fully familiar with the Merchant Regulations. The Merchant Regulations are a part of, and are hereby incorporated by reference into, the Agreement. You agree to be bound by and accept all provisions in the Merchant Regulations (as changed from time to time), as if fully set out herein and as a condition of your agreement to accept the Card. We have the right to make changes to the Merchant Regulations in scheduled changes and at any time in unscheduled changes as set forth in section 8.j of the General Provisions. The Merchant Regulations and releases of scheduled changes therein are provided only in electronic form, existing at the website specified below in the definition of "Merchant Regulations" or its successor website. However, we shall provide you a paper copy of or a CD-ROM containing the Merchant Regulations or releases of scheduled changes therein upon your request. To order a copy, please call our Merchant Services representatives (telephone: 1-800-528-5200). We may charge you a fee for each copy that you request.

ii. Schedule A. Schedule A, attached hereto or which we otherwise may provide to you, contains other important provisions governing your acceptance of the Card. Schedule A is a part of, and is hereby incorporated by reference into, the Agreement.

c. Definitions. Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Merchant Regulations. Some definitions are repeated in section 1.a of Schedule A for ease of reference. Some definitions that appear in the Merchant Regulations are amended in section 1.b of Schedule A.

d. Participating District Entities. Exhibit 1 contains a list of certain Participating District Entities, and you must promptly notify us in writing of any changes to that list, provided that no District Entity may be added or deleted without notifying us. You and we acknowledge that we may notify the Participating District Entities listed in Exhibit 1 that this Agreement has been entered into between you and us, and that the terms of this Agreement shall govern their continued acceptance of the Card as of the Effective Date. You and we further acknowledge that we may refer any request for a copy of this Agreement made by a Participating District Entity to you.

## 2. ACCEPTING THE CARD

a. Acceptance. You must accept the Card as payment for all goods and services sold at all of your Establishments, except as otherwise expressly specified in the Merchant Regulations. You agree that the provisions of Chapter 3 (Card Acceptance) of the Merchant Regulations are reasonable and necessary to protect the Cardmember's choice of which Card to use. You are responsible and jointly and severally liable for the performance by your Establishments of all provisions of the Agreement and all obligations of your Establishments under the Agreement.

b. Transaction Processing and Payments. Our Card acceptance, processing, and payment requirements are set forth in the Merchant Regulations. Some requirements are summarized here for ease of reference.

i. Format. You must create a Charge Record for every Charge and a Credit Record for every Credit that must comply with our Technical Specifications, as described in the Merchant Regulations. If the Cardmember wants to use different Cards for payment of a purchase, you may create a separate Charge Record for each Card used. However, if the Cardmember wants to use a single Card for payment of a purchase, you shall not divide the purchase into more than one Charge nor shall you create more than one Charge Record unless the purchase qualifies for a Delayed Delivery Charge.

ii. Authorization. For every Charge, you must obtain from and submit to us an Authorization Approval code. An Authorization Approval does not guarantee that (i) the person making the Charge is the Cardmember, (ii) the Charge is in fact valid or bona fide, (iii) you will be paid for the Charge, or (iv) you will not be subject to Chargeback.

iii. Submitting Charges and Credits. Your Establishments must submit Charges and Credits only in U.S. dollars. You must not issue a Credit when there is no corresponding Charge. You must issue Credits to the Card used to make the original purchase, except as otherwise expressly specified in the Merchant Regulations.

iv. Chargeback. We have Chargeback rights, as described in the Merchant Regulations. We may Chargeback by (i) debiting your Bank Account, or we may notify you of your obligation to pay us, which you must do promptly and fully; or (ii) reversing a Charge for which we have not paid you. Our failure to demand payment does not waive our Chargeback rights.

v. Protecting Cardmember Information. You must protect Cardmember Information, as described in the Merchant Regulations. You have additional obligations based on your Transaction volume, including providing to us documentation validating your compliance with the PCI DSS. In the event of a Data Incident, you shall compensate us under a separate written agreement between the parties in which liability will be determined according to Section 8.5 of the Merchant Regulations.

### 3. PROTECTIVE ACTIONS

a. Suspension of Card Acceptance. We may suspend Card acceptance by you and/or terminate the Agreement upon providing five (5) days written notice to you if we determine, in our sole discretion, that: (i) you will not be able to perform any of your obligations under the Agreement; or (ii) we have, or will have, financial exposure or risk with respect to you under the Agreement. You shall remain liable for all amounts due to us under the Agreement prior to the effective date of such suspension.

b. Other Protections. We may take other reasonable actions to protect our rights and the rights of any of our Affiliates, including changing the speed or method of payment for Charges, exercising Chargeback under any of our Chargeback programs, or charging you fees for Disputed Charges. For the avoidance of doubt, the foregoing shall not provide us the right to deduct or withhold amounts owed to us under the Agreement and we shall continue to invoice you for all applicable deductions, rejections, and withholdings.

c. Providing Information. You must provide to us promptly, upon request, information about you and your Participating District Entities' finances, creditworthiness, and operations, including the most recent certified financial statements.

### 4. NOTICES

a. Delivery and Receipt. Unless otherwise explicitly provided for herein, all notices hereunder must be in writing and sent by hand delivery; or by U.S. postal service, such as first class mail or third class mail, postage prepaid; or by expedited mail courier service; or by electronic mail (*e-mail*); or by facsimile transmission, to the addresses set out below. Notices are deemed received and effective as follows: If hand-delivered, upon delivery; if sent by e-mail or facsimile transmission, upon sending; if mailed, upon the earlier of (i) receipt or (ii) three days after being deposited in the mail if mailed by first class postage or ten days after being deposited in the mail if mailed by third class postage. If the addressee provided for below rejects or otherwise refuses to accept the notice, or if the notice cannot be delivered because of a change in address for which no notice was appropriately given, then notice is effective upon the rejection, refusal or inability to deliver.

b. Our Notice Address. Unless we notify you otherwise, you shall send notices to us at:

American Express Travel Related Services Company, Inc.  
P.O. Box 299051

Fort Lauderdale, FL 33329 Attn: Department 87  
E-mail: American.Express.Contract.Keying@aexp.com  
Fax: (602) 744-8413  
Tel: (800) 528-5200

With a copy to:

American Express Travel Related Services Company, Inc.  
3 World Financial Center  
200 Vesey Street, 49<sup>th</sup> Floor  
New York, NY 10285  
Attn: General Counsel's Office / Merchant Services Practice Group

c. Your Notice Address. You must notify us immediately of any change in your notice address. Unless you notify us otherwise, we shall send notices to you via the District Agreement Administrators.

d. The District Agreement Administrators.

(i) Contracting Officer.

a. The Contracting Officer for this Agreement is:

Drakus Wiggins  
Contracting Officer  
District of Columbia Office of the Chief Financial Officer  
Office of Contracts  
1100 4th Street, SW, Suite E610  
Washington, DC 20024  
Telephone: 202-442-7121  
Fax: 202-442-6454  
Email: [drakus.wiggins@dc.gov](mailto:drakus.wiggins@dc.gov)

b. The Contracting Officer is the only official authorized to legally bind the Government of the District of Columbia and make changes to the requirements, terms and conditions of this Agreement. Only the Contracting Officer can increase, decrease, extend or terminate this Agreement. All other changes are unauthorized.

c. We shall not comply with any order, directive or request that changes or modifies the requirements of this Agreement, unless issued in writing and signed by the Contracting Officer.

d. In the event we effect any change at the instruction or request of any person other than the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the Agreement price to cover any cost increase incurred as a result thereof.

ii. Contracting Officer Technical Representative (COTR).

- a. The COTR for this Agreement is:

Valencia Gregory  
Program Analyst  
District of Columbia Office of the Chief Financial Officer  
Office of Finance and Treasury  
1101 4th Street, SW, Suite W850  
Washington, DC 20024  
Telephone: 202-727-6260  
Email: [valencia.gregory@dc.gov](mailto:valencia.gregory@dc.gov)

- b. The COTR is responsible for general administration of the Agreement and advising the Contracting Officer as to our compliance or noncompliance with the Agreement. The COTR has the responsibility of ensuring the work conforms to the requirements of the Agreement and such other responsibilities and authorities as may be specified in the Agreement. These include:

1. Keeping the Contracting Officer fully informed of any technical or contractual difficulties encountered during the performance period and advising the Contracting Officer of any potential problem areas under the Agreement;
2. Coordinating site entry for our personnel, if applicable;
3. Reviewing invoices for completed work and recommending approval by the Contracting Officer if our costs are consistent with the negotiated amounts and progress is satisfactory and commensurate with the rate of expenditure;
4. Reviewing and approving invoices for deliverables to ensure receipt of goods and services.
5. Timely processing of invoices and vouchers in accordance with the District's payment provisions; and
6. Maintaining a file that includes all Agreement correspondence, modifications, records of inspections and invoice or vouchers.

- c. The COTR does NOT have the authority to:

1. Award, agree to, or sign any Agreement, delivery order or task order. Only the Contracting Officer shall make contractual agreements, commitments or modifications;
2. Grant deviations from or waive any of the terms and conditions of the Agreement;
3. Increase the dollar limit of the Agreement or authorize work beyond

the dollar limit of the Agreement,

4. Authorize the expenditure of funds by us;
5. Change the period of performance; or
6. Authorize the use of District property, except as specified under the Agreement.

iii. Changes to Contracting Officer or COTR. You must notify us of any change in your Contracting Officer or COTR under this Agreement.

## 5. LIMITATION OF LIABILITY

IN NO EVENT SHALL A PARTY OR ITS RESPECTIVE AFFILIATES (IN OUR CASE), PARTICIPATING DISTRICT ENTITIES (IN YOUR CASE), SUCCESSORS, OR PERMITTED ASSIGNS BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, SPECULATIVE, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND (WHETHER BASED IN CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, FRAUD, OR OTHERWISE, OR STATUTES, REGULATIONS, OR ANY OTHER THEORY) ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT, EVEN IF ADVISED OF SUCH POTENTIAL DAMAGES. NEITHER YOU NOR WE WILL BE RESPONSIBLE TO THE OTHER FOR DAMAGES ARISING FROM DELAYS OR PROBLEMS CAUSED BY TELECOMMUNICATIONS CARRIERS, INTERNET SERVICE PROVIDERS, OTHER COMMUNICATION NETWORKS OR THE BANKING SYSTEM, EXCEPT THAT OUR RIGHTS TO CREATE RESERVES AND EXERCISE CHARGEBACKS WILL NOT BE IMPAIRED BY SUCH EVENTS.

## 6. TERM AND TERMINATION

a. Effective Date/Termination Date. The Agreement begins on the Effective Date and continues for a period of one year (*Initial Term*). After the Initial Term, the Agreement will remain in effect for no more than four (4) successive one (1) year periods pursuant to a written amendment executed by both parties in accordance with this Agreement.

b. Grounds for Termination. In addition to the termination rights in sections 3.a and 6.a of the General Provisions, if you engage in any activities that harm our business or the American Express Brand, without waiving our other rights and remedies, we may terminate the Agreement immediately upon notice to you. If we determine or have reason to believe, in our sole discretion, that you are involved (or knowingly participate or have participated) in a fraudulent or illegal business activity, we may terminate the Agreement immediately without prior notice to you. The Agreement is a contract to extend financial accommodations, and if bankruptcy or similar proceedings are filed with respect to your business, then the Agreement will terminate automatically.

c. Termination for Breach. If a party commits a material breach of the Agreement (other than as specified in the preceding subsection), without waiving its other rights and remedies, the other party has the right to send the breaching party a notice specifying the breach and providing the breaching party an opportunity to cure the breach within a period of time no less than thirty days (*Cure Period*). If the breach is not cured within the Cure Period, then the non-breaching party has the right to

terminate the Agreement by notice to the breaching party, with termination to be effective not less than ten days following the end of the Cure Period.

**d. Post-Termination.** If the Agreement terminates, without waiving our other rights and remedies, we may invoice you or submit a claim for payment for all amounts owing to us and our Affiliates under the Agreement. If any amounts remain unpaid, then you and your successors and permitted assigns remain liable for such amounts and shall pay us within thirty days of our request. You must also remove all displays of our Marks, return our materials and equipment immediately, and submit to us any Charges and Credits incurred prior to termination.

**e. Effect of Termination.** Termination of the Agreement for any reason does not relieve the parties of their respective rights and duties arising prior to the effective date of termination that by their nature are intended to survive termination, including the provisions of sections 1, 2(b)(v), 3, 5, 6, 7, and 8 of these General Provisions, our Chargeback rights, and your duties set forth in the Merchant Regulations to protect Cardmember Information, retain documents evidencing Transactions, and notify your Recurring Billing customers of such termination.

## **7. DISPUTE RESOLUTION**

This section explains how Claims can be resolved through mediation or litigation.

**a. Notice of Claim.** Before filing a lawsuit or beginning a mediation regarding a Claim, you and we agree to send a written notice (*Claim notice*) to each party against whom the Claim is asserted. This provides the parties an opportunity to resolve the Claim informally or through mediation. The Claim notice must describe the nature and basis of the Claim and state the specific amount or other relief demanded. Notice to us must include your name, your Merchant name, address, and Merchant Number and be sent to our notice address set forth in section 4.b of the General Provisions.

**b. Mediation.** In mediation, a neutral mediator helps parties resolve a claim. The mediator does not decide the claim but helps parties reach agreement.

**i. Initiation of Mediation.** Before beginning a mediation, you or we must first provide the Claim notice described above. Within ninety (90) days after sending or receiving a Claim notice, you or we may submit the Claim to JAMS (1-800-352-5267, jamsadr.com) or the American Arbitration Association (“AAA”) (1-800-778-7879, adr.org) for mediation, or to an alternative mediator mutually agreed upon in writing by you and us.

**ii. Conduct of Mediation.** You and we agree to cooperate in selecting a mediator from a panel of neutrals and in scheduling the mediation proceedings. Both parties will share equally the costs of any mediation proceedings.

**iii. Confidentiality/Tolling.** All communications made for the purpose of, in the course of, or pursuant to the mediation shall be confidential, and no evidence of any such communication shall be admissible for any purpose or subject to discovery. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled from thirty (30) days following the sending of the Claim notice for sixty (60) days or until termination of the mediation, whichever is earlier.

**iv. Effect.** If we do not reach a resolution within a period of ninety (90) days from the first meeting of the parties in mediation, then the parties will settle the Claim pursuant to D.C. Code section 2-

360.03. For the avoidance of doubt, the parties irrevocably waive any right to a jury trial with respect to any Claim.

c. **Limitations.** **There will be no right or authority for any Claims to be resolved on a class action basis or on bases involving Claims brought in a purported representative capacity on behalf of the general public, other Merchants or other persons similarly situated.** The factfinder's authority is limited to Claims between you and us alone. Claims may not be joined or consolidated unless you and we agree in writing. An award and any judgment confirming it will apply only to the specific case and cannot be used in any other case except to enforce the award. This prohibition is intended to, and does, preclude you from participating in any action by any trade association or other organization against us. Notwithstanding any other provision and without waiving the right to appeal such decision, if any portion of these *Limitations* is deemed invalid or unenforceable, then the entire provision (other than this sentence) will not apply.

d. **Definitions.** For purposes of section 7 of the General Provisions only, (i) *we*, *our*, and *us* include any of our Affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables, and all agents, directors, and representatives of any of the foregoing, and (ii) *you* and *your* include any of your Affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables and all agents, directors, and representatives of any of the foregoing.

e. **Continuation.** This section will survive termination of this Agreement, any legal proceeding to collect a debt, any bankruptcy and any sale of you or your assets (in the case of a sale, its terms will apply to the buyer). If any portion of this Dispute Resolution section, except as otherwise provided in the *Limitations* subsection, is deemed invalid or unenforceable, it will not invalidate the remaining portions of this Dispute Resolution section, the Agreement or any predecessor agreement you may have had with us, each of which shall be enforceable regardless of such invalidity.

## 8. MISCELLANEOUS

a. **Confidentiality.** You and we, respectively, must keep confidential and not disclose to any non-Affiliated third party the provisions of the Agreement and any information that it receives from the other under the Agreement that is not publicly available, except: (i) if such information is subject to disclosure pursuant to an order, decree, subpoena or other validly issued judicial or governmental agency process (including through requests for information or by oral questions), the receiving party shall use commercially reasonable efforts to promptly notify and cooperate with the other party of such request or requirement so that such other party may seek to avoid or minimize the required disclosure and/or to obtain an appropriate protective order or other appropriate relief to ensure that any information so disclosed is maintained in confidence to the maximum extent possible by the agency or other person receiving the disclosure; or (ii) if such information is requested from us by our or any of our Affiliates' regulators.

b. **Proprietary Rights and Permitted Uses.** Neither party has any rights in the other party's Marks, except as otherwise expressly specified in the Merchant Regulations, nor shall one party use the other party's Marks without its prior written consent, except that we may use your name, address (including your website addresses or URLs), and customer service telephone numbers in any media at any time.

c. **Representations and Warranties.** You and we, respectively, represent and warrant to the other that: (i) it is duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is organized; (ii) it is duly qualified and licensed to do business in all jurisdictions in which



it conducts business; (iii) it has full authority to enter into the Agreement and all necessary assets and liquidity to perform its obligations and pay its debts hereunder as they become due; (iv) there is no circumstance threatened or pending that might have a material adverse effect on its business or its ability to perform its obligations or pay its debts hereunder; (v) the individual who signs the Agreement on behalf of a party has the authority to bind that party to the Agreement; and (vi) it is a sophisticated business, has negotiated individually each of the material provisions of the Agreement on an arm's length basis with the advice of competent counsel, in order to meet the respective needs of each party, and that no ambiguity in the drafting of the Agreement shall be construed against the drafter. You further represent and warrant to us that: (vii) you are authorized to enter into the Agreement on behalf of your Establishments and Participating District Entities, including those indicated in the Agreement; (viii) you are not (1) listed on the U.S. Department of Treasury, Office of Foreign Assets Control, Specially Designated Nationals and Blocked Persons List (available at [www.treas.gov/ofac](http://www.treas.gov/ofac)), (2) listed on the U.S. Department of State's Terrorist Exclusion List (available at [www.state.gov](http://www.state.gov)), or (3) located in or operating under license issued by a jurisdiction identified by the U.S. Department of State as a sponsor of international terrorism, by the U.S. Secretary of the Treasury as warranting special measures due to money laundering concerns, or as noncooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member; (ix) you have not assigned to any third party any payments due to you under the Agreement and all indebtedness arising from Charges are for bona fide sales of goods or services (or both) at your Establishments and free of any liens, claims, and encumbrances other than ordinary sales taxes; (x) all information that you provided in connection with the Agreement is true, accurate, and complete; and (xi) you have read the Agreement and kept a copy for your file. If any of your representations or warranties in the Agreement become untrue, inaccurate, or incomplete at any time, we may immediately terminate the Agreement in our discretion.

**d. Compliance with Laws.** You and we, respectively, shall comply with all Applicable Laws and governmental regulations and rules.

**e. Governing Law; Jurisdiction; Venue.** The Agreement and all Claims are governed by and shall be construed and enforced according to the laws of the District of Columbia without regard to internal principles of conflicts of law. Subject to section 7, any action by either party hereunder shall be brought only in the appropriate federal or state court located in the District of Columbia. Each party consents to the exclusive jurisdiction of such court and waives any Claim of lack of jurisdiction or forum non conveniens.

**f. Interpretation.** In construing the Agreement, unless the context requires otherwise: (i) the singular includes the plural and vice versa; (ii) the term "or" is not exclusive; (iii) the term "including" means "including, but not limited to;" (iv) the term "day" means "calendar day;" (v) all amounts are stated in U.S. dollars; (vi) references to a "party" means us, on the one hand, and you, on the other hand; (vii) the term "may" (unless followed by "not") means "has the right, but not the obligation, to"; (viii) any reference to any agreement (including the Agreement), instrument, contract, policy, procedure, or other document refers to it as amended, supplemented, modified, suspended, replaced, restated, or novated from time to time; (ix) any reference to a website or a URL (or both) refers to its successor website or URL; (x) all captions, headings, and similar terms are for reference only; and (xi) where specific language is used to illustrate by example or clarify a general statement, such specific language shall not be interpreted to modify, limit, or restrict the construction of the general statement. To the extent possible, these General Provisions, the provisions of the Merchant Regulations and the

provisions of any accompanying schedules or exhibits shall be interpreted to give each their full effect. However, if a conflict is deemed to exist between them, then that conflict shall be resolved in the following order of precedence: any accompanying schedules or exhibits shall control over these General Provisions or the Merchant Regulations (or both) and the Merchant Regulations shall control over these General Provisions.

**g. Assignment.** You shall not assign the Agreement or any of your rights, interests, or obligations hereunder, whether voluntarily or by operation of law (including by way of sale of assets, merger, or consolidation), without our prior written consent. Any purported assignment by operation of law is voidable in our sole discretion. We may assign the Agreement, or any of our rights, interests, or obligations hereunder, without your consent. Except as otherwise specified herein, the Agreement binds, and inures to the benefit of, the parties and their respective successors and permitted assigns.

**h. Waiver; Cumulative Rights.** Either party's failure to exercise any of its rights under the Agreement, its delay in enforcing any right, or its waiver of its rights on any occasion, shall not constitute a waiver of such rights on any other occasion. No course of dealing by either party in exercising any of its rights shall constitute a waiver thereof. No waiver of any provision of the Agreement shall be effective unless it is in writing and signed by the party against whom the waiver is sought to be enforced. All rights and remedies of the parties are cumulative, not alternative.

**i. Savings Clause.** Other than as set forth in the last sentence of section 7.c.ii of the General Provisions, if any provision of the Agreement is held by a court of competent jurisdiction to be illegal or unenforceable, that provision shall be replaced by an enforceable provision most closely reflecting the parties' intentions, with the balance of the Agreement remaining unaffected.

**j. Amendments.** Except as specifically indicated herein, any amendment to the Agreement must be in writing and duly signed by both parties (except that an e-mail or other electronic communication does not constitute such a signed writing), provided that we shall change the Merchant Regulations pursuant to the following provisions. You agree to accept all changes (and further to abide by the changed provisions in the Merchant Regulations, subsequent to your objection rights) as a condition of your agreement to accept the Card.

**(1) Scheduled Changes.** The Merchant Regulations are published twice each year, in April and October. We have the right to, and hereby notify you that we may, change the provisions of the Merchant Regulations in scheduled releases (sometimes called "Notification of Changes" in our materials) as follows:

- a release of scheduled changes, to be published every April, which changes shall take effect in the following October (or in a later) edition of the Merchant Regulations or during the period between two editions of the Merchant Regulations, and
- a release of scheduled changes, to be published every October, which changes shall take effect in the following April (or in a later) edition of the Merchant Regulations or during the period between two editions of the Merchant Regulations.

Where a change is to take effect during the period between two editions of the Merchant Regulations, we shall also include the change in the edition of the Merchant Regulations covering the period during which the change shall take effect, noting the effective date of the change therein.

(2) Unscheduled Changes. We also have the right to, and hereby notify you that we may, change the provisions of the Merchant Regulations in separate unscheduled releases, which generally shall take effect ten days after notice to you (unless another effective date is specified in the notice).

(3) Objection Rights. In the event that a change to the Merchant Regulations alters the terms of the existing Merchant Regulations in a way that would cause you to violate Applicable Law (any such change a “*Material Change*”), you shall notify of us of your objection and the reasons for such objection by sending notice pursuant to Section 4 of this Agreement, within thirty (30) days of the publication by us of a Material Change (such notice, an *Objection Notice*). If you provide us with an Objection Notice within the time period outlined in the preceding sentence, the parties agree to negotiate in good faith, during a period of forty-five (45) days from our receipt of the Objection Notice, to resolve any issues and to explore mutually acceptable alternatives to accommodate your concerns. Any agreement by the parties to accommodate your concerns about a Material Change shall be outlined in a written amendment to this Agreement that is signed by both parties. If, after such negotiation period has ended, and the parties still have not reached an agreement on the Material Change to which you have objected, we shall have the right to (a) decide not to apply the Material Change as to which you have objected and which the parties are not able to reach an agreement upon or (b) apply such Material Change to you. In the event that we apply such Material Change to you, you may elect to terminate this Agreement on ninety (90) days prior notice to us. Your failure to notify us regarding objections you may have regarding any Material Change shall constitute your acceptance of such Material Change. Notwithstanding the foregoing, the parties agree that changes to the Merchant Regulations that are the result of legal or regulatory requirements shall not be considered Material Changes that give rise to your objection right to object to changes pursuant to the foregoing provisions of this paragraph.

k. Entire Agreement. The Agreement is the complete and exclusive expression of the agreement between you and us regarding the subject matter hereof and supersedes any prior or contemporaneous agreements, understandings, or courses of dealing regarding the subject matter hereof.

l. Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 8.c OF THE GENERAL PROVISIONS, WE DO NOT MAKE AND HEREBY DISCLAIM ANY AND ALL REPRESENTATIONS, WARRANTIES, AND LIABILITIES, WHETHER EXPRESS, IMPLIED, OR ARISING BY LAW OR FROM A COURSE OF DEALING OR USAGE OF TRADE, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY OF TITLE OR NON-INFRINGEMENT.

m. No Third-Party Beneficiaries. The Agreement does not and is not intended to confer any rights or benefits on any person that is not a party hereto and none of the provisions of the Agreement shall be enforceable by any person other than the parties hereto, their successors and permitted assigns.

n. Press Releases. Neither party shall issue any press release or make any public announcement (or both) in respect of the Agreement or the other party without the other party’s prior written consent.

o. Independent Contractors. You and we are independent contractors. No agency, partnership, joint-venture, or employment relationship is created between the parties by the Agreement. Each party is solely responsible for its own acts and omissions and those of its respective agents, employees, representatives, and subcontractors in connection with the Agreement.

p. Counterparts and Facsimile/E-mail Versions. The parties may execute the Agreement in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. The signatures of all parties need not appear on the same counterpart, and

delivery of an executed counterpart signature page by facsimile or by attaching to an e-mail is as effective as executing and delivering the Agreement in the presence of the other party.

**AMERICAN EXPRESS TRAVEL  
RELATED SERVICES COMPANY, INC.**

DocuSigned by:  
*Lorenzo Soriano de Teresa*  
By: \_\_\_\_\_  
SA19CAB6991A94B1...  
Lorenzo Soriano de Teresa  
Senior Vice President  
Global Merchant and Network Services - US

**DISTRICT OF COLUMBIA OFFICE OF  
THE CHIEF FINANCIAL OFFICER**

DocuSigned by:  
*Drakus Wiggins*  
By: \_\_\_\_\_  
DCC9BC129D0B4BD...  
Drakus Wiggins  
Contracting Officer



## Schedule A Other Important Provisions for Card Acceptance

### 1. DEFINITIONS

**a.** Notwithstanding anything to the contrary in the Agreement, the following definitions appear in the Merchant Regulations and are repeated in this section 1.a of Schedule A for ease of reference only and do not supersede the definitions in the Merchant Regulations:

*Agreement* means the General Provisions, the Merchant Regulations, Schedule A and any other accompanying schedules and exhibits, collectively.

*American Express Card* or *Card* mean (i) any card, account access device, or payment device or service bearing our or our Affiliates' Marks and issued by an Issuer or (ii) a Card Number.

*Applicable Law means* (i) any law, statute, regulation, ordinance, or subordinate legislation in force from time to time to which you or we or an Affiliate of either is subject, (ii) the common law as applicable to them from time to time, (iii) any court order, judgment, or decree that is binding on them, and (iv) any directive, policy, rule, or order that is binding on them and that is made or given by a regulator or other government or government agency of any Territory, or other national, federal, commonwealth, state, provincial, or local jurisdiction.

*Cardmember* means an individual or Entity (i) that has entered into an agreement establishing a Card account with an Issuer or (ii) whose name appears on the Card.

*Charge* means a payment or purchase made on the Card.

*Chargeback* (sometimes called "full recourse" or "Full Recourse" in our materials), when used as a verb, means (i) our reimbursement from you for the amount of a Charge subject to such right or (ii) our reversal of a Charge for which we have not paid you; when used as a noun, means the amount of a Charge subject to reimbursement from you or reversal.

*Claim* means any claim (including initial claims, counterclaims, cross-claims, and third party claims), dispute, or controversy between you and us arising from or relating to the Agreement or prior Card acceptance agreements, or the relationship resulting therefrom, whether based in contract, tort (including negligence, strict liability, fraud, or otherwise), statutes, regulations, or any other theory, including any question relating to the existence, validity, performance, construction, interpretation, enforcement, or termination of the Agreement or prior Card acceptance agreements or the relationship resulting therefrom, except for the validity, enforceability, or scope of section 7.c of the General Provisions.

*Credit* means the amount of the Charge that you refund to Cardmembers for purchases or payments made on the Card.

*Discount* means an amount that we charge you for accepting the Card, which amount is: (i) a percentage (*Discount Rate*) of the face amount of the Charge that you submit; or a flat per- Transaction fee, or a combination of both; and/or (ii) a Monthly Flat Fee (if you meet our requirements).

*Disputed Charge* means a Charge about which a claim, complaint, or question has been brought.

*Entity* means a corporation, partnership, sole proprietorship, trust, association, or any other legally recognized entity or organization.

*General Provisions* means the provisions set out in the Agreement other than the provisions in the Merchant Regulations or any accompanying schedule or exhibit hereto.

*Marks* mean names, logos, service marks, trademarks, trade names, taglines, or other proprietary designs or designations.

*Merchant Number* (sometimes called the “Merchant ID” or “Establishment” or “SE” number in our materials) means a unique number we assign to your Establishment.

*Merchant Regulations* means the American Express Merchant Regulations – U.S., which are available at [www.americanexpress.com/merchantpolicy](http://www.americanexpress.com/merchantpolicy) and can be accessed by entering your Merchant Number.

*Other Payment Products* mean any charge, credit, debit, stored value, prepaid, or smart cards, account access devices, or other payment cards, services, or products other than the Card.

*We, our, and us* mean American Express Travel Related Services Company, Inc.

**b.** The definitions in the Merchant Regulations are hereby amended as follows:

(i) The definition of *Affiliate* is hereby deleted in its entirety and replaced with the following:

*Affiliate* means, with respect to us, any Entity that controls, is controlled by, or is under common control with us, including our subsidiaries. As used in this definition, *control* means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an Entity, whether through the ownership of voting securities, by contract, or otherwise. For the avoidance of doubt, but not by way of limitation, the direct or indirect ownership of more than 50% of (i) the voting securities or (ii) an interest in the assets, profits, or earnings of an Entity shall be deemed to constitute “control” of the Entity.

(ii) The definition of *you* and *your* is hereby deleted in its entirety and replaced with the following:

*You* and *your* (sometimes called the “Merchant”, “Service Establishment”, or “SE” in our materials) mean the governmental Entity indicated on the signature page hereof, and the Participating District Entities.

(iii) The following definitions are added:

*Participating District Entities* means (i) the District of Columbia Entities listed in Exhibit 1, attached hereto, as may be amended from time to time; and (ii) the District of Columbia Entities that sign an agency participation agreement substantially in the form attached hereto as Exhibit 2.

*District Entities* means your departments, agencies, institutions, offices, and other District of Columbia agencies or units of the District of Columbia government that perform sovereign functions.

(iv) You and we acknowledge that the definition of “District Entities,” as set forth in section 1.b.iii of this Schedule A, shall not include: departments, agencies, institutions, offices or units not of the District of Columbia government

(v) Any and all references in the Merchant Regulations to Affiliate(s), as it applies to you, are hereby deleted and replaced with references to Participating District Entities.

## 2. PAYMENT FOR CHARGES

You shall submit all Charges electronically. We will pay you according to your payment plan in U.S. dollars for the face amount of Charges submitted from your Establishments less any Credits you submit. We may invoice you for all applicable deductions, rejections, and withholdings, which include: (i) the Discount; (ii) any amounts you owe us or our Affiliates, (iii) any amounts for which we have Chargebacks, and (iv) any Credits you submit that we are unable to deduct from our payments to you. You shall pay us within thirty (30) days of your receipt of our invoice. Notwithstanding the foregoing, if you do not pay us within thirty (30) days of your receipt of our invoice, we are entitled to the rights and remedies available under the D.C. Code Quick Payment Act of 1984.

## 3. SETTLEMENT

**a. Discount and Fees.** Your initial Discount and payment terms are set forth below. In addition to the Discount, we may charge you Gateway Fees for processing. We may adjust the Discount and Gateway Fee upon prior written notice.

**b. Payment Terms.**

Discount Rate (Non-CPC):	<b>2.20%</b>
Discount Rate (CPC):*	<b>2.20%</b>
Discount Rate (Debit - Unregulated)**	<b>1.20%</b>
Prepaid Card Rate:	<b>1.80%</b>
Payment Plan:	<b>1 day</b>

\*The Discount Rate (CPC) is available for Transactions in which you capture additional or reformatted Transaction Data on the Charge Record, and Transmission Data on the Transmissions, pursuant to the Technical Specifications set forth in the Merchant Regulations.

\*\* Excluding Puerto Rico, the U.S. Virgin Islands and any other U.S. territories.

c. Third Party Providers. You acknowledge that you and the District Entities may have the option to contract for American Express Card acceptance through third parties, and that the rates through such third party service providers may differ from the rates under this Agreement.

d. District Entity Participation. Notwithstanding anything to the contrary in the Agreement, you acknowledge that a District Entity will not be covered by this Agreement if it enters into a separate Card Acceptance Agreement with us.

e. Not-To-Exceed. This Agreement is a requirement type contract in accordance with Title 27 of the D.C. Municipal Regulations, Section 2416. You will purchase your requirements of the services included herein from us. The estimated, not-to-exceed amount of the Agreement is \$900,000.00. This estimated amount reflects the best estimate available. This estimate shall not be construed as a representation that the estimated amount will be required or that conditions affecting requirements will be stable. The estimated amount is the maximum limit of our obligation to deliver and your obligation to order. This estimated, not-to-exceed amount shall apply to the Initial Term of this Agreement and each successive period, if executed.

During the term of the Agreement, we shall notify you, in writing and with relevant support, whenever we have reason to believe that the total cost for performance of this Agreement will be greater than the not-to-exceed amount. As part of the notification, we shall provide you a proposed estimated revised total not-to-exceed amount for performing this Agreement.

The parties may modify the not-to-exceed amount of the Agreement upon your determination of availability of appropriated monies or additional budget authority. In the event the total cost for performance of this Agreement exceeds the not-to-exceed amount and the parties do not modify the not-to-exceed amount, we shall perform no further services and have the right to terminate the Agreement upon notice to you.

Your obligation to order services under this Agreement is contingent upon the availability of appropriated monies with which to make payment for the purposes of the Agreement. Your obligation to pay under this Agreement is subject to the provisions of the federal Anti-Deficiency Act and to the District of Columbia Anti-Deficiency Act as the foregoing statutes may be amended from time to time.

#### 4. INVOICE

##### A. Invoice Payment

- i. You will make payments to us, upon our submission of proper invoices, based on the Schedule A terms stipulated in this Agreement, for services performed and accepted, less any discounts, allowances, or adjustments provided for in this Agreement.
- ii. You shall pay us within thirty (30) days of your receipt of our invoice. You reserve the right to conduct post payment reviews or audits.
- iii. Unless otherwise specified in this Agreement, and with presentation of a proper invoice:
  - a) Payment will be made on completion and acceptance of each item for which the charge is stated based on the Schedule A terms, or
  - b) Payment may be made on partial deliveries of goods and services accepted by you if we request it and the amount due on the deliveries warrants it as determined by you.

##### B. Invoice Submittal

- a. We shall submit proper invoices on a monthly basis.



- b. Invoices shall not contain charges for items not based on the Schedule A terms. Work performed outside this Agreement, for which there was no prior modification shall not be included.

## 5. INSURANCE

- A. GENERAL REQUIREMENTS. We at our sole expense shall procure and maintain, during the entire period of performance under this contract, the types of insurance specified below. We shall have our insurance broker or insurance company submit a Certificate of Insurance to the CO giving evidence of the required coverage prior to commencing performance under this contract. In no event shall any work be performed until the required Certificates of Insurance signed by an authorized representative of the insurer(s) have been provided to, and accepted by, the CO. All insurance shall be written with financially responsible companies authorized to do business in the District of Columbia or in the jurisdiction where the work is to be performed and have an A.M. Best Company rating of A- / VII or higher. We shall require all of our subcontractors to carry its own insurance of such types and in such amounts as is reasonably appropriate for the services being provided.

If we maintain broader coverage and/or higher limits than the minimums shown below, you shall be entitled to the broader coverage and/or the higher limits maintained by the Grantee, subject to any limitation of liability provisions included in this contract.

1. Commercial General Liability Insurance (“CGL”) - We shall provide evidence satisfactory to the CO with respect to the services performed that we carry a CGL policy, written on an occurrence (not claims-made) basis, on Insurance Services Office, Inc. (“ISO”) form CG 00 01 04 13 (or another occurrence-based ISO form that is equivalent), covering liability for our ongoing and completed operations, including ongoing and completed operations under our subcontracts, and covering claims for bodily injury, including without limitation sickness, disease or death of any persons, injury to or destruction of property, including loss of use resulting therefrom, personal and advertising injury, and including coverage for liability arising out of an insured contract (including the tort liability of another assumed in a contract) and acts of terrorism (whether caused by a foreign or domestic source). Such coverage shall have limits of liability of not less than \$1,000,000 each occurrence, a \$2,000,000 general aggregate limit, a \$1,000,000 personal and advertising injury limit, and a \$2,000,000 products-completed operations aggregate limit. The coverage shall: i) include You as additional insured for claims caused by our acts, omissions, or operations; ii) be primary to any insurance maintained by You with respect to such claims; and iii) include a separation of insureds provision or similar clause providing coverage for claims brought by You.
2. Automobile Liability Insurance - We shall provide evidence satisfactory to the CO of commercial (business) automobile liability insurance written on ISO form CA 00 01 10 13 (or another ISO form that is equivalent form) including coverage for all owned, hired, borrowed and non-owned vehicles we use, with minimum per accident limits of \$1,000,000 per occurrence combined single limit for bodily injury and property damage. The coverage shall: i) include You as additional insured for claims caused by our acts, omissions, or operations; ii) be primary to any insurance maintained by You with respect to such claims; and iii) include a separation of insureds provision or similar clause providing coverage for claims brought by You.

3. i) Workers' Compensation Insurance - We shall provide evidence satisfactory to the CO of Workers' Compensation insurance in accordance with the statutory mandates of the District of Columbia or the jurisdiction in which the contract is performed.  
  
ii) Employer's Liability Insurance - We shall provide evidence satisfactory to the CO of employer's liability insurance as follows: \$500,000 per accident for injury; \$500,000 per employee for disease; and \$500,000 for policy disease limit.  
  
iii) All insurance required by this paragraph 3 shall include a waiver of subrogation endorsement for the benefit of Government of the District of Columbia.
4. Crime Insurance (3rd Party Indemnity) - We shall provide a Crime policy including 3<sup>rd</sup> party fidelity to cover our dishonest acts, and those of our employees and/or volunteers which result in a loss to the District. The policy shall provide a limit of \$100,000 per occurrence.
5. Cyber Liability Insurance - We shall provide evidence satisfactory to the Contracting Officer of Cyber Liability Insurance, with limits not less than \$10,000,000 per occurrence or claim, \$10,000,000 aggregate. Coverage shall include, but not limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response (if permitted under applicable law) costs as well as regulatory fines and penalties as well as credit monitoring expenses. This insurance requirement will be considered met if the general liability insurance includes an affirmative cyber endorsement for the required amounts and coverages. Shared limits with the Professional Liability coverage will be acceptable.
6. Subject to the limitation of liability set forth in Section 5 of the Agreement, we shall indemnify and hold You harmless against claims filed by our employees, or by our subcontractors' employees, against You, arising from employment related wrongful acts including but not limited to: Discrimination, Sexual Harassment, Wrongful Termination, or Workplace Torts.
7. Professional Liability Insurance (Errors & Omissions) - We shall provide evidence satisfactory to the CO of Professional Liability Insurance (Errors and Omissions) to cover liability resulting from our errors or omissions in the performance of our professional services under this Contract. The policy shall provide limits of \$10,000,000 per claim or per occurrence for each wrongful act and \$10,000,000 annual aggregate. We warrant that any applicable retroactive date precedes the date we first perform any professional services for the Government of the District of Columbia under this Contract and that, if such coverage is written on a claims-made basis, continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least two years after the completion of the professional services, provided such coverage remains available through the corresponding insurance provider, and the corresponding insurance provider does not charge more than two times the cost of the one-year period laid out in the current policy. Shared limits with the Cyber Liability coverage will be acceptable.

8. Commercial Umbrella or Excess Liability - We shall provide evidence satisfactory to the CO of commercial umbrella or excess liability insurance with minimum limits of \$10,000,000 per occurrence and \$10,000,000 in the annual aggregate, following the form and in excess of the general liability, auto liability and employers' liability coverage required under this Contract. To the extent it is providing excess coverage above the required general liability and auto liability, the coverage shall: i) include You as additional insured for claims caused by our acts, omissions, or operations; ii) be primary to any insurance maintained by You with respect to such claims; and iii) include a separation of insureds provision or similar clause providing coverage for claims brought by You.
- B. DURATION. We shall carry all required insurance during the entire period of performance under this Contract and, if coverage is written on a claims-made basis, for two years thereafter, provided such coverage remains available through the corresponding insurance provider, and the corresponding insurance provider does not charge more than two times the cost of the one-year period laid out in the current policy.
- C. LIABILITY. These are the required minimum insurance requirements established by the District of Columbia. **HOWEVER, THE REQUIRED MINIMUM INSURANCE REQUIREMENTS PROVIDED ABOVE WILL NOT IN ANY WAY LIMIT OR INCREASE OUR LIABILITY UNDER THIS CONTRACT.**
- D. CONTRACTOR'S PROPERTY. We are solely responsible for any loss or damage to our personal property, including but not limited to tools and equipment, scaffolding and temporary structures, rented machinery, or owned and leased equipment. A waiver of subrogation shall apply in favor of the District of Columbia on our property insurance covering our personal property.
- E. MEASURE OF PAYMENT. You shall not make any separate measure or payment for the cost of insurance and bonds. We shall include all of the costs of insurance and bonds in the contract price.
- F. NOTIFICATION. We shall provide the CO thirty (30) days prior written notice in the event a required policy is canceled prior to the expiration date shown on the certificate unless such cancelled policy will be reinstated or replaced prior to the cancellation date. We shall provide the CO with ten (10) days prior written notice in the event of non-payment of premium. We will also provide the CO with an updated Certificate of Insurance should any of the required insurance coverages renew during the contract.
- G. CERTIFICATES OF INSURANCE. We shall submit certificates of insurance giving evidence of the required coverage as specified in this section prior to commencing work. Certificates of insurance must reference the corresponding contract number. Evidence of insurance shall be submitted to:

**The Government of the District of Columbia**

**And mailed to the attention of:  
Drakus Wiggins, CPPB, CPPO  
Contracting Officer  
District of Columbia Office of the Chief Financial Officer  
1100 4th Street, SW, Suite E620**

**Washington, DC 20024**  
**Telephone: 202-442-7121**  
**Email: drakus.wiggins@dc.gov**

The CO may request and we shall promptly deliver updated certificates of insurance, endorsements indicating the required coverages, and/or other evidence of the insurance policies. If the insurance initially obtained by us expires prior to completion of the contract, renewal certificates of insurance shall be furnished to the CO prior to the date of expiration of all such initial insurance. For all coverage required to be maintained after completion, an additional certificate of insurance evidencing such coverage shall be submitted to the CO on an annual basis as the coverage is renewed (or replaced).

- H. DISCLOSURE OF INFORMATION. We agree that the District may disclose the name and contact information of its insurers to any third party which presents a claim against the District for any damages or claims resulting from or arising out of work performed by us, our agents, employees, servants or subcontractors in the performance of this contract. You agree to inform us of any such disclosures as soon as practicable
  
- A. CARRIER RATINGS. All our insurance required in connection with this contract shall be written by insurance companies with an A.M. Best Insurance Guide rating of at least A- VII (or the equivalent by any other rating agency) and licensed in the in the District.



**EXHIBIT 1**

**PARTICIPATING DISTRICT ENTITIES**

The Participating District Entities, as of the Effective Date, are set forth in the table below.




**EXHIBIT 2**

**AGENCY PARTICIPATION AGREEMENT  
FOR AMERICAN EXPRESS® CARD ACCEPTANCE  
[DISTRICT ENTITY]**

This Agreement and any attachments hereto (*Agency Participation Agreement*) is between **AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.** (*we, us* or *our*), and the **[DISTRICT ENTITY]** (*you* and *your*).

For good and valuable consideration, receipt of which is hereby acknowledged, both parties agree as follows:

1. The terms and conditions of the Agreement for American Express® Card Acceptance between the District of Columbia, a municipal corporation, through its Office of the Chief Financial Officer and us (*Master Agreement*) are incorporated herein by this reference as if fully set forth herein and all references therein to “you” and “your” apply to you. Capitalized terms used but not defined herein have the same meaning as in the Master Agreement, unless specified to the contrary.
2. You agree to accept the Card under the terms of the Master Agreement. You represent that you have received all the necessary approvals from the District of Columbia, through its Office of the Chief Financial Officer, to allow you to enter into this Agency Participation Agreement.
3. Notwithstanding anything to the contrary contained herein, all terms and conditions of the Master Agreement shall remain unchanged and in full force and effect, and this Agency Participation Agreement shall continue in effect for so long as the Master Agreement is in full force and effect. If the Master Agreement terminates for any reason, this Agency Participation Agreement shall also immediately terminate without further notice.

**IN WITNESS WHEREOF**, the parties have caused this Agency Participation Agreement to be executed effective as of \_\_\_\_\_, 20\_\_.

**[DISTRICT ENTITY]**

**AMERICAN EXPRESS TRAVEL  
RELATED SERVICES COMPANY, INC.**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Colleen J. Taylor  
President/General Manager  
Global Merchant and Network Services - US