

PURCHASE ORDER



WV State Treasurer's Office
Bldg. 1, Suite E-145
1900 Kanawha Blvd., E
Charleston, WV 25305

PURCHASE ORDER NO. STO12E02

CHANGE ORDER NO. 1

VENDOR:

BB&T
 Attn: Regina Lewis
 300 Summers Street
 Charleston, WV 25301

Email: RLewis@bbandt.com
 Tele: 304.347.4427 / Fax: 304.348.1185

Invoice to:

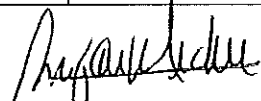
WV State Treasurer's Office
 Attn: Accts Payable
 Building 1, Suite E-145
 1900 Kanawha Boulevard, East
 Charleston, WV 25305


Ship to:

WV State Treasurer's Office
 Cash Management Division

FEIN/SSN:	561074313
FUND:	1322-FY-1300-099-089
Fund - Continued	07309
DATE:	6/7/12
UC/WC Verify:	Yes
SOS Verify:	Yes
I-Comp Verify:	Yes
DOA TEAM ID#	417144036
FIMS ID#	83502

Quantity	Description	Unit Price	Total
	Change Order #1		
	The purpose of this change is to amend original agreement to reflect a new monthly FANF (Fixed Acquirer Network Fee) that applies to merchants that accept Visa-branded products.		
	Effective date of change: June 1, 2012		
	FANF Fees and how the new fee will be reflected on the monthly statements are attached.		
		TOTAL	Open End

By:  6-7-2012
 WV STATE TREASURER'S OFFICE AUTHORIZED SIGNATURE DATE

ASSISTANT/GENERAL COUNSEL:  DATE: 6-7-2012

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**WV STATE TREASURER'S OFFICE
PURCHASE ORDER/CONTRACT
GENERAL TERMS & CONDITIONS**

1. **ACCEPTANCE:** Seller shall be bound by this order and its terms and conditions upon receipt of and acceptance of this order.
2. **APPLICABLE LAW:** The laws of the State of West Virginia and the *Legislative Rules* of the West Virginia State Treasurer's Office (STO) shall govern all rights and duties under the Purchase Order/Contract, including without limitation the validity of this Purchase Order/Contract.
3. **NON-FUNDING:** All services performed or goods delivered under STO Purchase Orders/Contracts are to be continued for the terms of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
4. **COMPLIANCE:** Seller shall comply with all Federal, State and local laws, regulations and ordinances including, but not limited to, the prevailing wage rates of the WV Division of Labor.
5. **MODIFICATIONS:** This writing is the parties final expression of intent. No modification of this order shall be binding unless agreed to in writing by the Buyer.
6. **ASSIGNMENT:** Neither this Order nor any monies due, or to become due hereunder may be assigned by the Seller without the Buyer's consent.
7. **WARRANTY:** The Seller expressly warrants that the goods and/or services covered by this Order will: [a] conform to the specifications, drawings, samples or other description furnished or specified by the Buyer; [b] be merchantable and fit for the purpose intended; and/or [c] be free from defect in material and workmanship.
8. **CANCELLATION:** The STO may cancel any Purchase Order/Contract upon 30 days written notice to the Seller.
9. **SHIPPING, BILLING, PRICES, RECEIPT AND ACCEPTANCE:** Prices are those stated in this order. Unit prices shall prevail in case of discrepancy. No price increases will be accepted without written authority from the Buyer. All goods or services shall be shipped on or before the date specified in this Order. All goods/services are considered F.O.B. destination unless alternate shipping terms are clearly identified in the purchase order. Buyer will make no payment(s) to the Seller until the goods/services are received and accepted by the Buyer.
10. **LATE PAYMENTS:** Payments may only be made after the delivery of goods or services. Interest may be paid on late payments in accordance with the **West Virginia Code**.
11. **TAXES:** The State of West Virginia is exempt from Federal and State taxes and will not pay or reimburse such taxes.
12. **RENEWAL:** Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this contract/purchase order is automatically null and void, and is terminated without further order unless otherwise specified by the STO.

**FIRST AMENDMENT
To**

AGREEMENT

Between

BRANCH BANKING & TRUST CO. ("BB&T")

and

WEST VIRGINIA STATE TREASURER'S OFFICE ("STO")

This FIRST AMENDMENT ("First Amendment") is made effective June 1, 2012, and amends the Agreement dated December 1, 2011, known as Purchase Order STO 12E02, by and between BRANCH BANKING & TRUST CO. ("BB&T") and the WEST VIRGINIA STATE TREASURER'S OFFICE ("STO"):

WHEREAS, the STO and BB&T entered into that certain Agreement dated December 1, 2011, for merchant card services; and

WHEREAS, the parties desire to amend the original Agreement to reflect a new monthly Fixed Acquirer Network Fee (FANF) that will apply to merchants that accept Visa-branded products.

NOW, THEREFORE, THIS AMENDMENT WITNESSETH:

The parties covenant and agree as follows:

1. **FANF Fees:** Effective June 1, 2012, the monthly fee will be assessed as a tiered fee based on the variables listed below.
 - The number of active merchant locations
 - Visa sales volume
 - Method processing, card present vs. card not present
 - Merchant category code (MCC)

Specific details and fee amounts that may apply each month are included in Attachment 1, to this Amendment, *Network Fee Billing Tables for Visa Transactions*.

2. **Statement:** The new FANF for Visa Transactions that are charged will be passed through to the merchant and reflected on the month-end statement with the description of VS FANF Card Present XX-XXX and/or VS FANF Card Not Present XX-XXX (XX-XXX represents the table and tier).

3. **Remaining Terms and Conditions:** This First Amendment constitutes the entire understanding and agreement of the parties with respect to the subject matter and supersedes all prior agreements, written or oral, between the parties with respect thereto. All other terms and conditions of the Agreement, as amended, shall remain in full force and effect.
4. **Execution in Duplicate:** This First Amendment may be executed in duplicate, each of which shall be considered an original.

WITNESSETH THE FOLLOWING SIGNATURES:

BRANCH BANKING & TRUST CO.

<u>Richard H. Hoffschew</u> Approval Signature	<u>SENIOR VICE-PRESIDENT</u> Title	<u>JUNE 4, 2012</u> Date
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WEST VIRGINIA STATE TREASURER'S OFFICE:

<u>[Signature]</u> Approval Signature	<u>Acting Dep. Treas.,</u> Title <u>Admin</u>	<u>6.7.2012</u> Date
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This document was drafted by:
 Christina Merbedone
 Assistant General Counsel
 West Virginia State Treasurer's Office
 1 Players Club Drive
 Charleston, WV 25311
 (304) 340-1587

Network Fee Billing Tables for Visa Transactions

Table 1: Card Present (Excludes Fast Food MCC 5814)

The monthly Network Fee Billing amount is determined by the number of merchant locations actively accepting Visa transactions per Taxpayer ID, per Month.

Tiers	No. of locations by MID	Price per location, per merchant (per month)	
		Table 1A (High Volume MCCs)	Table 1B (All Other MCCs)
1-3	1-3	\$2.90	\$2.00
4-6	4-10	\$4.00	\$2.90
7-8	11-50	\$5.00	\$4.00
9	51-100	\$8.00	\$6.00
10	101-150	\$12.00	\$8.00
11	151-200	\$18.00	\$10.00
12	201-250	\$25.00	\$14.00

Additional tiers apply for more locations. Max fee for Table 1A is \$85.00 per merchant location and for Table 1B is \$65.00 per merchant location for 4,000 or more locations.

Table 2: Fast Food (MCC 5814), Card Not Present (MOTO/ECI: 1-9), Merchant Aggregators

The Network Fee Billing amount is based on Visa monthly gross sales volume per Taxpayer ID, per Month.

Tier	Monthly Gross Sales Volume	Fees per Month
1	< \$50	\$2.00
2	\$50-\$199	\$2.90
3	\$200-\$999	\$5.00
4	\$1,000-\$3,999	\$7.00
5	\$4,000-\$7,999	\$9.00
6	\$8,000-\$39,999	\$15.00
7	\$40,000-\$199,999	\$45.00
8	\$200,000-\$799,999	\$120.00
9	\$800,000-\$1,999,999	\$350.00
10	\$2,000,000-\$3,999,999	\$700.00
11	\$4,000,000-\$7,999,999	\$1,500.00
12	\$8,000,000-\$19,999,999	\$3,500.00

Additional tiers apply for greater monthly gross sales volume. Max fee for Table 2 is \$40,000 for sales volume greater than or equal to \$400,000,000.

Table 1A: High Volume MCC Merchants - Card Present¹

MCC	MCC Descriptor	MCC	MCC Descriptor
3000-3299, 4511	Airlines	5532	Automotive Tire Stores
3300-3499, 7512	Auto Rental	5541	Service Stations
3500-3999, 7011	Lodging	5542	Automated Fuel Dispensers
4411	Steamship/ Cruise Lines	5651	Family Clothing Stores
4829	Wire Transfer Money Order	5655	Sports/ Riding Apparel Stores
5200	Home Supply Warehouse Stores	5712	Furniture/ Equipment Stores
5300	Wholesale Clubs	5732	Electronic Stores
5309	Duty Free Stores	5912	Drugstores and Pharmacies
5310	Discount Stores	5943	Stationary Stores
5311	Department Stores	7012	Timeshares
5411	Grocery Stores and Supermarkets	7832	Motion Picture Theaters
5511	Car and Truck Dealers/ New/ Used		

¹MCC must have 50% or more in monthly card present volume.

April 23, 2012

Misty Price, Deputy Treasurer
1 Players Club Drive
Charleston, WV 25311

Re: Proposed Change Order to STO12E02

Misty,

As a follow up to our discussion earlier today, the card associations have announced they will be imposing new fees, beginning this month. Please review the following information at your earliest convenience as we would like to begin passing through this new fee change in the June 2012 statement, which will be billed in July 2012.

Change-In-Terms Notification

Visa[®], MasterCard[®] and Discover[®] Networks recently announced changes to select interchange rates and other fees which are effective in April 2012. These are industry-wide changes impacting all merchant service providers. The majority of the changes primarily impact increased interchange fees on commercial card transactions and signature debit non-regulated transactions.

BB&T is sensitive to increasing costs during this contract period. We regret having to make any rate and fee modifications and make every effort to minimize the impact of the Payment Network changes on your account. **BB&T will not increase your flat monthly rate or actual discount rate;** however, you may see an increase in your overall fees based on the announced changes described below.

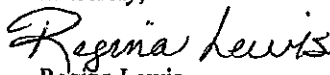
Announced Visa Changes

- Effective April 1, 2012, Visa will begin billing acquirers a new monthly Fixed Acquirer Network Fee (FANF). The fee will apply to merchants that accept Visa-branded products. The monthly fee will be assessed as a tiered fee based on the variables listed below.
 - The number of active merchant locations
 - Visa sales volume
 - Method of processing, card present vs. card not present
 - Merchant Category Code (MCC)

Please refer to the attached chart labeled *Network Fee Billing Tables for Visa Transactions* for additional details on the FANF and the specific fee amounts that may apply each month. Merchants with a mix of both card-present and card-not-present transactions may be subject to more than one table on the enclosed chart in any given month. Also, if the number of locations and/or volume changes, the tier your account is assessed may change from month to month. The new FANF for Visa transactions that we are charged will be passed through to you and will be reflected on your June month-end statement with the description of *VS FANF Card Present XX-XX* and/or *VS FANF Card Not Present XX-XX* (XX-XX represents the table and tier). Charitable and Social Service Organizations in MCC 8398 will be exempt from this fee.

BB&T values your merchant relationship and we are committed to providing you the best payment processing products and services at the most competitive prices in the industry. Thank you for the opportunity to provide your merchant services.

Sincerely,



Regina Lewis
BB&T -- Charleston, WV