

**FINANCIAL SERVICES AND SPONSORSHIP AGREEMENT BETWEEN
MICHIGAN STATE UNIVERSITY AND
MICHIGAN STATE UNIVERSITY FEDERAL CREDIT UNION**

This FINANCIAL SERVICES AND SPONSORSHIP AGREEMENT ("Agreement") is made between THE BOARD OF TRUSTEES OF MICHIGAN STATE UNIVERSITY ("University"), a Michigan Constitutional Corporation, East Lansing, Michigan, and MICHIGAN STATE UNIVERSITY FEDERAL CREDIT UNION, a federally chartered credit union, with its principal office at 3777 West Road, East Lansing, Michigan 48823 ("Credit Union") effective January 1, 2020 (the "Effective Date"). The University and the Credit Union are each referred to herein as a "Party" and together as "Parties".

1.0 Description of Services & Royalty Payments. Credit Union is granted the right to provide the consumer financial services described in Exhibit A (which is attached hereto and incorporated herein) ("Services"). The royalty amounts to be paid in connection with the Services and associated rights in connection with the Services are as set forth in Exhibit B. Credit Union shall have such exclusivity in connection with the Services as set forth in Exhibit A. Credit Union will perform annual reviews of compliance by University under the terms of this Agreement. Credit Union will provide University with periodic reports regarding Credit Union's performance of Services, as requested by University.

2.0 Sponsorship, Designation and Use of Names and Marks.

2.1 Sponsorship. In addition to providing the Services and royalty payments described above, Credit Union will be an official sponsor of University and make annual sponsorship payments to University in the amount of One Million Dollars (\$1,000,000), to be paid in equal quarterly installments, commencing January 1, 2020, and continuing on the first day of each April, July, October and January thereafter. In consideration of its annual sponsorship payment, Credit Union will receive sponsorship rights that include the Official Designation and rights to use certain University marks as set forth below. The MSU Department of Intercollegiate Athletics is not included in this Agreement for any purpose and no rights are granted to Credit Union in connection with the MSU Department of Intercollegiate Athletics under this Agreement.

2.2 Designation. University exclusively designates Credit Union as "The Official Consumer Credit Union Sponsor of Michigan State University" (the "Official Designation"). The University further agrees that it will not grant another financial institution or other provider

of financially related products or services a designation including the word "Consumer" or the phrase "Official Consumer". The Official Designation includes variations of similar import to the Official Designation. University and Credit Union will agree on the particular wording of each variation of the Official Designation. University grants to Credit Union the exclusive right to the Official Designation and all agreed upon variations. University will not grant an official designation to another financial institution to market financial products or services that would be Services under this Agreement. University will not permit an official designation to be used by another financial institution to market financial products or services that would be Services under this Agreement. Credit Union may use the Official Designation in its marketing. University will use the Official Designation when referring to the Credit Union in official public communication, except as Credit Union directs, and will further use the Official Designation as otherwise mutually agreed by the Parties from time to time.

2.3 Marks. The Parties grant to each other the following rights to use of trademarks and service marks:

2.3.1 License from University to Credit Union.

(a) License. University grants Credit Union a non-exclusive worldwide license to use the University's name and the University trademarks and service marks set forth in Exhibit D ("University Marks") during the initial term and all extended terms of this Agreement (i) to market Credit Union and the Services, and (ii) as otherwise contemplated in this Agreement. All use of the Official Designation and the University Marks will be in the context of a "Qualified Sponsorship," as defined by the IRS, and in compliance with University's policies prohibiting endorsement of commercial services. University Licensing Program will work with Credit Union to develop a sponsorship recognition system outlining acceptable use of University Marks. The system may be reviewed upon the request of either party.

(b) Limitations. Credit Union may not sell, transfer, sublicense, or assign any part of Credit Union's rights to use the University Marks to a third party; provided that Credit Union may sublicense and assign its rights to a third party to the limited extent needed to perform Credit Union's rights and obligations under this Agreement. Credit Union will not modify a University Mark without the University's consent.

- (c) Approval of Licensed Uses. Credit Union's particular use of the University Marks is subject to approval by University Licensing Programs. Credit Union will request that the University communicate its decision about Credit Union's proposed use of University Marks within 10 business days of Credit Union's request for approval. University's failure to communicate its decision within 10 business days of Credit Union's request for approval will not constitute approval by University, but University must not unreasonably delay its decision.
- (d) Ownership Rights. University retains all rights to the University Marks. Nothing in this Agreement gives Credit Union any right, title, or interest in any University Mark, except for the license described in (a.) above. The University Marks are University's property.

2.3.2 License from Credit Union to University

- (a) License. Credit Union grants to University a nonexclusive, worldwide, royalty-free license to use all existing and future Credit Union trademarks and service marks, including variations and combinations of such marks ("Credit Union Marks") during the initial term and all extended terms to perform University's obligations under this agreement.
- (b) Limitations. University may not sell, transfer, sublicense, or assign any part of University's rights to use the Credit Union Marks to a third Party. University will not modify a Credit Union Mark without Credit Union's consent.
- (c) Approval of Licensed Uses. University's particular use of the Credit Union Marks is subject to Credit Union's approval. University will request that Credit Union communicate its decision about University's proposed use of Credit Union's Marks within 10 business days of University's request for approval. Credit Union's failure to communicate its decision within 10 business days of University's request for approval will not constitute approval by Credit Union but Credit Union must not unreasonably delay its decision.

2.3.3 Ownership Rights. Credit Union retains all rights to the Credit Union Marks. Nothing in this Agreement gives University any right, title, or interest in any Credit Union Mark, except for the license described in a. above. The Credit

Union Marks are Credit Union's property.

3.0 Term. The initial term of this Agreement will begin on the Effective Date and end on December 31, 2026. The term will then automatically extend for one (1) successive three-year period, unless a Party provides written notice to the other Party before May 1st of the last year of the term that the Party does not intend to extend this Agreement. The Parties agree to meet after each 12 month period of the term and any extended term to discuss and evaluate all services provided by the Credit Union to the University Community, the payments made by the Credit Union, the support provided by the University to the Credit Union, and new services that can be provided by the Credit Union to the University Community, for the purpose of evaluating the terms of this Agreement in the context of then existing markets. The "University Community" is defined as the University's students, alumni, faculty, staff and other employees.

4.0 Performance Standard. Credit Union agrees to perform the Services described in this Agreement to the satisfaction of the University and with the standard of care and skill of an expert regularly rendering Services of the type required by this Agreement, and in conformance with all applicable federal, state, local and University law, regulation, ordinance and license.

5.0 Representations and Warranties.

5.1 University represents and warrants, as of the Effective Date and during the term of this Agreement and any extended term, that:

- (a) University is duly organized, validly existing and in good standing under the laws of the state of Michigan and has the requisite corporate power and authority to enter into this Agreement;
- (b) The execution, delivery and performance of this Agreement by University is within University's powers, has been duly authorized by all necessary corporate action, and does not violate, conflict with or constitute a breach under any charter, bylaw, law, regulation, contract or obligation applicable to University;
- (c) This Agreement constitutes a legal, valid and binding obligation of University, enforceable against it in accordance with its terms;
- (d) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the execution, delivery and performance by University of this Agreement;

- (e) Any questions regarding Credit Union's products or services shall be immediately referred to Credit Union;
- (f) No information, schedule, exhibit, or financial information furnished or to be furnished by University to Credit Union in connection with this Agreement is inaccurate in any material respect as of the date it is dated or contains any material misstatement of fact or omits to state a material fact or any fact necessary to make the statements contained therein not misleading;
- (g) Except as required by law or regulation, University has not entered into and will not enter into any agreement that would prohibit University from fulfilling its duties and obligations under the terms of this Agreement.

5.2 Credit Union represents and warrants as of the Effective Date and during the Term of this Agreement that:

- (a) Credit Union is a legally chartered credit union organized, validly existing and in good standing under applicable laws, and is NCUA insured, and has the requisite corporate power and authority to enter into this Agreement;
- (b) Credit Union execution, delivery and performance of this Agreement are within Credit Union's corporate powers, have been duly authorized by all necessary corporate action and do not contravene Credit Union's bylaws or charter or any law or contractual restrictions to which it is subject;
- (c) Any authorization or approval or other action by, or notice to or filing, any governmental authority or regulatory body that is required for the execution, delivery and performance by Credit Union of this Agreement shall be obtained in a timely manner;
- (d) This Agreement constitutes a legal, valid and binding obligation of Credit Union, enforceable against it in accordance with its terms;
- (e) No information, schedule, exhibit, financial information furnished or to be furnished by Credit Union to University in connection with this Agreement is inaccurate in any material respect as of the date it is dated or contains any material misstatement of fact or omits to state a material fact or any fact necessary to make the statements contained therein not misleading; and

- (f) In its performance and activities hereunder, including but not limited to its creation and provision of the marketing and advertising materials used by Credit Union to generate applications, accounts or any and all other customer relationships, Credit Union shall, at all times, comply with all applicable federal, state or local rules, laws or regulations.
- (g) Except as required by law or regulation, Credit Union has not entered into and will not enter into any agreement that would prohibit Credit Union from fulfilling its duties and obligations under the terms of this Agreement.
- (h) Services provided shall conform to the level of quality performed by experts regularly rendering this type of Service.
- (i) Credit Union, as well as its employees, agents and subcontractors engaged to provide items or Services under this Agreement, have and will maintain all the skills, experience, and qualifications necessary to provide the Services contemplated by this Agreement, including any required training, registration, certification or licensure.
- (j) Credit Union is an equal opportunity employer and that, during the performance of this Agreement, it will comply with the applicable provisions of Federal and state employment laws, and the Michigan Civil Rights Act of 1976.
- (k) Credit Union is a legally organized entity in good standing under the laws of the United States of America and authorized to do business in the State of Michigan.
- (l) Credit Union's Services and/or the University's use of products, processes, techniques and methodologies provided by Credit Union or developed by Credit Union shall not infringe upon the copyright, patent or other proprietary rights of others.

6.0 Termination.

- 6.1 Termination for Breach. Either Party may terminate this Agreement upon breach by the other Party of any material provision of this Agreement, provided the breach continues for thirty (30) calendar days ("Cure Period") after receipt by the breaching Party of written notice of

the breach from the non-breaching Party. Cure of the breach within the Cure Period shall continue the Agreement in full force and effect.

6.2 Immediate Termination. Each party shall have the right to terminate this Agreement immediately upon notice to the other in accordance with the following:

6.2.1 Either Party may terminate if the other Party or its employees, representative or agents do anything relating to this Agreement to materially harm the business reputation of the other Party;

6.2.2 Either Party may terminate if it reasonably determines the other Party has materially violated an applicable law in providing or accepting the Services.

6.3 Violation of Law or Change in Law. If, subsequent to the execution of this Agreement:

6.3.1 It is determined by either Party's legal counsel that this Agreement or any of its provisions may violate or does violate any law, rule, regulation, or

6.3.2 If any federal or state law is enacted, or regulation promulgated by a federal or state agency with supervisory or enforcement authority over University or Credit Union, ("New Law"), and the New Law makes it impossible or unduly burdensome, based on reasonable and commonly accepted commercial standards, for (a) Credit Union to deliver the Services under the Program, or (b) the University to satisfy its obligations under the Agreement, then either Party promptly notifies the other Party in writing no later than thirty (30) days after learning of the pending implementation of passage of the New Law, ("Change in Law Notice"); then:

The parties agree to engage in good faith renegotiation of the affected provision(s) so that the Parties, as well as this entire Agreement, complies with the law, rule or regulation. If the Parties are unable to come to an agreement within ninety (90) calendar days after receipt of the Law Notice, either Party may, without further notice, immediately terminate this Agreement.

6.4 Changed Name of Credit Union. University may terminate this Agreement if the charter name of the Credit Union changes for any reason and in a manner that the name includes reference to another institution of higher education or could reflect unfavorably upon the University's reputation or image.

7.0 Compliance with Laws, Policies & Procedures. To the extent applicable to the Services, Credit Union

and all of its employees, agents and contractors shall fully comply with all applicable federal, state and local laws, rules, regulations, ordinances, policies and licenses, and all University ordinances and policies, including applicable building policies and procedures. By executing this Agreement, Credit Union warrants and represents that it has all legally required licenses and permits needed to perform the Services.

8.0 Indemnity. Each Party shall defend, indemnify and hold harmless the other Party, its board members, officers, employees, agents and students (if the University) from and against any costs, losses, damages, liabilities, expenses, demands and judgments, including court costs and attorney fees, which may arise out of the indemnifying Party's acts or omissions under this Agreement for which the indemnifying Party would be liable in law or equity. The indemnifying Party shall keep the other reasonably apprised of the continuing status of the claim, including any proceedings resulting from it, and shall permit the other Party, at its expense, to participate in the defense or settlement of the claim. When a claim will be resolved by the indemnifying Party's payment of money, it shall have final authority regarding defense and settlement. When a claim resolution requires equitable relief against the non-indemnifying Party or the indemnifying Party has not or will not pay the money required for resolution, the Parties shall cooperate regarding defense and settlement.

9.0 Audit. The Credit Union is responsible for keeping accurate and reasonable records related to its performance and obligations under this Agreement. In particular, records will be kept documenting any price, cost or budget computations required under the Agreement. The Credit Union agrees that the University or its duly authorized representative has the right, upon reasonable notice and at its expense, to audit any directly pertinent books, documents, papers and records related to transactions and/or performance of the terms and conditions of this Agreement. The right to audit shall include periodic examinations of records throughout the term and any extended term of this Agreement and for a period of three (3) years after its termination.

10.0 Confidentiality.

10.1 The Credit Union acknowledges University's right to make, without the consent of the Credit Union, public statements regarding the existence of the contract and its terms and conditions to accurately identify the products or services being supplied. University shall keep confidential and not disclose to third Parties any information developed or created under this Agreement or provided by the Credit Union or by private individuals, organizations or public agencies pursuant to this Agreement, including protected financial information under Gramm-Leach-Bliley Act, unless University has received the prior

written consent of the Credit Union to make the disclosure or unless required by law or legal process. Only University personnel with a need to know may have access to or use Credit Union's information.

10.2 This obligation of confidentiality does not extend to information that is or shall become, through no fault of either Party, available to the general public.

10.3 The University acknowledges Credit Union's right to make, without the consent of the University, public statements regarding the existence of the contract and its terms and conditions to accurately identify the products or services being supplied.

11.0 Removal of Credit Union Personnel. If any Credit Union personnel repeatedly fails, in the University's sole discretion, to perform in a competent manner, and the University notifies Credit Union in writing that the Credit Union personnel is no longer acceptable to the University, citing the grounds and specific supporting facts, then, after written notification from the University, Credit Union shall no longer schedule the Credit Union personnel to provide or support Services for the University under this Agreement or any other Agreement with the University. The University, in its sole discretion, may modify this prohibition upon presentation in writing by Credit Union of adequate reasons and facts for modifying the prohibition.

12.0 Miscellaneous.

12.1 Independent Contractor Status of Parties. It is expressly understood that Credit Union is an independent contractor and not the agent, partner, or employee of the University. Credit Union and Credit Union personnel are not employees of the University and are not entitled to withholding, Worker's Compensation, unemployment compensation, or any employee benefits, statutory or otherwise. Credit Union shall not have any authority to enter into any contract or agreement to bind the University and shall not represent to anyone that Credit Union has such authority.

12.2 Assignment. Credit Union may not subcontract, assign or transfer this Agreement or any interest or claim under this Agreement without prior written approval of the University. Notwithstanding any consent by the University to any assignment, Credit Union shall at all times remain bound to all warranties, certifications, indemnifications, promises and performances, however described, as are required of it under the Agreement unless specifically released from the requirements, in writing, by the University.

12.3 Notices. Any notice to either Party must be in writing, signed by the Party giving it, and

served to the addresses indicated on the signature page (or to such other addressee as may be later designated by written notice) by personal delivery, recognized overnight courier service, or by the United States mail, first-class, certified or registered, postage prepaid, return receipt requested. All such notices shall be effective when received, but in no event later than three (3) days after mailing.

- 12.4 Entire Agreement Amendment. This Agreement and its Exhibits (including other existing agreements referred to and incorporated therein) constitute the entire understanding between the Parties with respect to the subject matter and may not be amended except by an agreement signed by Credit Union and an authorized representative of the University. Any handwritten changes on the face of this document shall be ignored and have no legal effect unless initialed by both Parties.
- 12.5 Severability. The terms of this Agreement are severable. If any term or provision is declared by a court of competent jurisdiction to be illegal, void, or unenforceable, the remainder of the provisions shall continue to be valid and enforceable.
- 12.6 Governing Law, Construction and Venue. This Agreement shall be governed by and construed under the laws of the State of Michigan without regard for principles of choice of law. Any claims, demands, or actions asserted against the University shall be brought in the Michigan Court of Claims. Credit Union, its successors and assigns, consent to the jurisdiction of the Clinton County Circuit Court with respect to any claims by the University against Credit Union arising under this Agreement.
- 12.7 Headings. The paragraph headings in this Agreement are inserted for convenience only and shall not be construed to limit or modify the scope of any provision of this Agreement.
- 12.8 Waiver. No delay or omission by either Party to exercise any right or remedy under this Agreement shall be construed to be either acquiescence or the waiver of the ability to exercise any right or remedy in the future.
- 12.9 Survivability. Provisions surviving termination or expiration of this Agreement are those which on their face affect rights and obligations after termination or expiration and also include provisions concerning indemnification, confidentiality, warranty and choice of law and venue.
- 12.10 Execution. This Agreement may be executed in counterparts, each of which when executed and delivered to the other Party shall be an original and when taken together shall comprise

one and the same Agreement. Signatures in PDF shall be enforceable as original signatures. The Parties acknowledge and agree that this Agreement has been mutually discussed, negotiated, and drafted by the Parties.

- 12.11 No Third Party Rights. Nothing in this Agreement shall be construed as creating or giving rise to any rights in third Parties or persons other than the named Parties to this Agreement.
- 12.12 Force Majeure. Neither Credit Union nor the University shall be liable for failure to perform its respective obligations under the Agreement when failure is caused by fire, explosion, water, act of God, civil disorder or disturbances, strikes, vandalism, war, riot, sabotage, weather and energy related closings, or like causes beyond the reasonable control of the Party ("Force Majeure Event"). In the event that either Party ceases to perform its obligations under this Agreement due to the occurrence of a Force Majeure Event, the Party shall: (a) as soon as practicable notify the other Party in writing of the Force Majeure Event and its expected duration; (b) take all reasonable steps to recommence performance of its obligations under this Agreement as soon as possible, including, as applicable, abiding by the disaster plan in place for the University. In the event that any Force Majeure Event delays a Party's performance for more than thirty (30) calendar days following notice by the delaying Party pursuant to this Agreement, the other Party may terminate this Agreement immediately upon written notice.
- 12.13 Dispute Resolution. Credit Union and the University will attempt to settle any claim or controversy arising from this Agreement through consultation and negotiation in good faith and a spirit of mutual cooperation. The dispute will be escalated to appropriate higher-level managers of the Parties, if necessary.
- 12.14 Freedom of Information Act. Nothing in this Agreement shall in any way limit the ability of the University to comply with any laws or legal process concerning disclosures by public bodies. The Parties acknowledge that any responses, materials, correspondence or documents provided to the University are subject to the State of Michigan Freedom of Information Act ("Act") and may be released to third Parties in compliance with that Act, and such release will not constitute a breach or threatened breach of this Agreement.

This Agreement becomes binding when signed by both Parties, with the terms and provisions hereof effective as of the Effective Date.

MICHIGAN STATE UNIVERSITY FEDERAL CREDIT UNION

By: April M. Clobes
April M. Clobes

Its: President and CEO

Address (for notices):
3777 West Road
East Lansing, MI 48823

BOARD OF TRUSTEES OF MICHIGAN STATE UNIVERSITY

By: Mark P. Haas 11-19-2019
Mark P. Haas

Its: Vice President for Finance and Treasurer

Address (for notices):
Office of the Vice President for Finance
Hannah Administration Building
426 Auditorium Road, Room 412
East Lansing, MI 48824

Exhibit A

- I. **Services by Credit Union.** Subject to the terms of the Agreement and this Exhibit, Credit Union has the right to provide the following services (collectively, the items in this Section I are the "Services")
- (a) **Consumer Financial Services.** Credit Union will provide consumer financial services, including checking accounts, savings accounts, credit cards, debit cards, secured and unsecured loans, etc. to members of the University Community that choose to obtain such services from Credit Union. The Parties agree that when University desires to make a consumer financial service available to the University Community, whether a new service or one for which a current contract with another financial institution has expired, University will negotiate exclusively with Credit Union for Ninety (90) days for the provision of such consumer financial service. If University creates a "preferred lender list" for student loans, Credit Union will be included on the list and named and promoted as a student loan provider in the same way other financial institutions that provide student loans are named and promoted, provided, that Credit Union must meet the requirements of all applicable rules and regulations.
 - (b) **Payroll and Pre-Paid Debit Cards.** University and Credit Union are Parties to the agreement attached as Schedule 1. (the "Payroll and Pre-Paid Debit Agreement"), under which Credit Union has the right to issue payroll cards and pre-paid debit cards to certain members of the University Community. The Payroll and Pre-Paid Debit Agreement remains in effect after the Effective Date according to its terms, except that: (a) the term of the Payroll and Pre-Paid Debit Agreement is automatically extended to be commensurate with the term, including extensions, of this Agreement; (b) the Payroll and Pre-Paid Debit Agreement will terminate only upon the termination of this Agreement, and (c) in the event the issuance of pre-paid debit cards by University is expanded to other members of the University Community, the Payroll and Pre-Paid Debit Agreement will be amended to include such cards and the University Community members to whom they are issued.
 - (c) **Spartan Cash and Identification Card Programs.** University manages the Spartan Cash program internally and will continue to do so. The Spartan Cash program allows cardholders to fund their accounts directly from Credit Union deposit accounts and through the use of credit cards. No other financial institution will be granted a direct link between the Spartan Cash program and deposit accounts at such institution. If

University decides to engage a third party for the administration of Spartan Cash, Credit Union will have the exclusive right to administer the Spartan Cash program. If University decides to add functionality to University identification cards, Credit Union will also have the exclusive right to work with the University to develop and administer such functionality to University identification cards and their future equivalents.

(d) **Union and Farm Lane Branches.** University and Credit Union are Parties to the agreements attached as Schedule 2. (the "Branch Agreements"), under which Credit Union has the right to operate a Branch in the Union building and to operate a Branch on Farm Lane. Each of the Branch Agreements remains in effect after the Effective Date according to its terms, except that: (a) the payments set forth in Exhibit B are deemed to include all rent and other amounts payable by Credit Union to University under the Branch Agreements, such that after the Effective Date Credit Union will not separately pay rent or other amounts to University under either Branch Agreement; (b) the term of the Branch Agreement relating to the Union building is automatically extended to be commensurate with the term (including extensions) of this Agreement; (c) the Branch Agreement relating to the Union building will terminate only upon the termination of this Agreement; and (d) the Branch Agreement relating to the Branch on Farm Lane will continue according to its terms.

(e) **New Branches.** University grants Credit Union the exclusive right to place and operate permanent and temporary financial institution branch offices on the University's Campus during the term of this Agreement. University will not allow another financial institution to place or operate a permanent or temporary branch or other location providing banking services on University's Campus. If Credit Union desires to construct a new branch on University Campus, and University, in its sole discretion agrees, University and Credit Union will cooperate and mutually agree regarding when and where to open new permanent or temporary Credit Union branches, provided that any new branch must be strategically located in a prime, prominent, and economically-viable location. The Parties will enter into an agreement regarding any new branch subject to terms that are similar to those contained in the Branch Agreements (either a space lease or a land lease, as the Parties agree), with any appropriate modifications, including the amount of rent to be paid, to be negotiated by the Parties in good faith. However, the term of the new agreement will be at least commensurate with the term including extensions of this Agreement, such that the new agreement will not terminate before the termination of this Agreement. The term "University Campus" is defined as any and all property owned or under the control of University in the State of Michigan, excluding any property subject to a ground lease, a development

agreement, or conflicting provisions pre-dating this Agreement.

- (f) **Current ATM/ITMs.** University and Credit Union are Parties to the agreements that are attached as Schedule 3. (the "ATM Agreements"), under which Credit Union has the right to place and operate automated teller services ("ATMs") on the University's Campus. Each of the ATM Agreements remains in effect after the Effective Date according to its terms except that: (a) the payments set forth in Exhibit B are deemed to include all amounts payable by Credit Union to University under any ATM Agreement, such that after the Effective Date Credit Union will not separately pay amounts to University under an ATM Agreement; (b) the term of each ATM Agreement is automatically extended to be commensurate with the term, including extensions of this Agreement; and (c) each ATM Agreement may terminate only upon the termination of this Agreement.
- (g) **New ATM/ITMs.** University grants Credit Union the exclusive right to place and operate any ATM/ITM s on the University's Campus. University and Credit Union will cooperate and mutually agree regarding whether, when, where, and how to install and operate ATM/ITM s on the University's Campus; provided that any new ATM/ITM must be strategically located in a prominent and economically-viable location. The Parties will enter into an agreement regarding any new ATM/ITM subject to terms that are similar to those contained in the ATM Agreements, with any appropriate modifications to be negotiated by the Parties in good faith. However, (a) Credit Union will not be obligated to increase the amount of its payments under this Agreement, or to otherwise pay additional amounts to University, in connection with such a new agreement; and (b) the term of the new agreement will be at least commensurate with the term, including extensions of this Agreement, such that the new agreement will not terminate before the termination of this Agreement.
- (h) **ATM/ITM Fleet Discretion.** Notwithstanding anything to the contrary in the ATM Agreements or part IX of this Exhibit, Credit Union reserves the right to strategically adjust the number (but in no event less than 15), location, functionality, and other characteristics of its ATM/ITM s on the University's Campus to account for usage rates, economic-viability, technological changes, and other relevant factors. This right includes the right to modify, replace (including with different consumer financial service channels), relocate, and remove ATM/ITM s. Credit Union will bear the cost of modifying replacing, relocating, or removing an ATM/ITM, except that University will bear the cost if the change is at University's request.
- (i) **Ongoing Commitment.** The Parties agree that the defined elements of the Agreement of

which this Exhibit is a part are not all inclusive and are expected to change during the term in unforeseen ways (except for Credit Union's obligations to pay money, which will change only as expressly contemplated in the Agreement). For example, the Parties expect that consumer financial services will expand to include new financial services and that technological advances will create currently unforeseen opportunities. Accordingly, without limiting the more-specific activities described herein, University and Credit Union will cooperate throughout the term and any extended term to identify and pursue new opportunities for Credit Union to promote consumer financial products and services to the University Community and to provide those products and services to the University Community under this Agreement. Except as explicitly set forth herein, Credit Union will not have the exclusive right to provide these new opportunities. The Parties agree to make reasonable and appropriate amendments to this Agreement during the term and any extended term to incorporate new opportunities.

- (j) **License Agreement for Affinity Cards.** University and Credit Union are Parties to the License Agreement attached as Schedule 4. (the "License Agreement") under which Credit Union has the exclusive right to issue an Affinity Credit Card and the non-exclusive right to issue an Affinity Debit Card. The License Agreement remains in effect after the Effective Date according to its terms, except that: (a) the payments set forth in Exhibit B are deemed to include all amounts payable by Credit Union to University under the License Agreement as hereby amended, such that after the Effective Date Credit Union will not separately pay amounts to University under the License Agreement, as amended; (b) the term of the License Agreement, as amended, is automatically extended to be commensurate with the term (including extensions) of the Agreement; and (c) the License Agreement, as amended, may terminate only upon the termination of this Agreement. Credit Union may use the designs and layouts for Affinity Debit Cards that University has previously approved for Affinity Credit Cards. Credit Union may change the design and layout of the Affinity Credit Cards and Affinity Debit Cards, subject to approval by University provided that the front of all Affinity Credit Cards and Affinity Debit Cards will prominently display a University Mark.
- (k) **Financial Education Programs.** Credit Union will have the non-exclusive right to provide financial education programs on University's Campus, with adequate space to be provided by University for such programs.

II. Marketing and Other Rights.

(a) Subject to the terms of this Agreement, University grants Credit Union exclusive rights to be the only financial institution:

1. to use the Official Designation;
2. to sponsor undergraduate, graduate, and professional student orientations conducted by University and to market checking accounts, savings accounts and debit cards at such events, with mutually agreeable space to be provided by University for Credit Union's marketing efforts,
3. to sponsor new employee orientations conducted by University and to distribute materials to the new employees related to checking accounts, savings accounts, credit cards, debit cards, secured and unsecured loans, with mutually agreeable space provided by University for Credit Union's marketing efforts, and
4. with contractual rights to use the Contact List for marketing Services.

(b) University will provide the Contact List to Credit Union within 30 days of the Effective Date and will then update the Contact List as set forth below. Credit Union will use the Contact List solely for marketing purposes. Credit Union will not sell, transfer, assign, license, or otherwise provide access to the Contact List or any part of it to any third Party for any purpose, without University's consent. The "Contact List" will be delivered in a mutually agreeable electronic format and::

1. will include, with respect to University students, information that is "directory information" under FERPA, updated as soon as practical after the start and completion of each semester,
2. will include, with respect to University employees, information will include employee name, job title, date of hire, work address, email address and college/department, updated on a monthly basis to include new hires,
3. will include, with respect to alumni, name, address, email address, degree and year granted, and donor status.
4. will not include persons who have requested not to receive solicitations and notwithstanding anything to the contrary in this Agreement, University's ability to provide any information to Credit Union is subject to and conditioned upon the Family Education Rights in Privacy Act (FERPA), other applicable laws and regulations, and University's policies and

procedures.

- (c) University and Credit Union will agree upon any web linking in accordance with the terms in Exhibit C.
- (d) Credit Union may not utilize any marketing materials that could reasonably confuse any member of the University Community into believing that an account must be opened or maintained with Credit Union in order to obtain any service or benefit from University.
- (e) Except as explicitly set forth herein, the exclusivity provided to Credit Union will not limit participation by other financial institutions in sponsoring University events; however, such other financial institutions will be prohibited from seeking to sell consumer financial products through the methods and means exclusively granted to Credit Union in this Agreement. Nothing in this Agreement will be interpreted as limiting the ability of other financial institutions from providing services in accordance with contracts that they have with University or limiting University from provided information to such financial institutions in connection with such services. For example, University's retirement plan vendors will not be prohibited from attending any employee orientations and making available information to employees.
- (f) University's Department of Intercollegiate Athletics is excluded from this Agreement.
- (g) University will not provide any mailing services for Credit Union and University email systems will not be used for solicitation purposes.
- (h) If Credit Union is either unable or unwilling to perform or provide any financial service that University desires to provide to the University Community, University may obtain such service from a third party on terms acceptable to University, regardless of any exclusivity rights under this Agreement.

III. Compliance.

- (a) The parties acknowledge that this Agreement creates a Tier Two arrangement under the Department of Education Cash Management Regulations, 34 CFR 668. The parties agree to cooperate with each other, exchange information and take such other actions as are necessary to comply with the Cash Management Regulations and any other regulations applicable to this Agreement (Regulations).
- (b) Each party may disclose on its website this Agreement and any other associated information necessary to comply with Regulations.
- (c) University will conduct due diligence reviews at least every two years to ascertain whether the fees imposed under this Agreement or charged to students by Credit Union are consistent with or below prevailing market rates and will provide a copy to Credit Union.
- (d) Credit Union (i) will not charge students a fee to open an account, (ii) will ensure that

students can make balance inquiries and access funds through surcharge-free in-network ATM/ITMs. (iii) will not extend credit through student accounts or convert student accounts into credit cards and (iv) will not use the Official Designation or the Contact List to market credit cards to University students.

- (e) If University's due diligence reviews disclose that fees charged to students by Credit Union are higher than prevailing market rates or if University receives complaints from students about Credit Union, University will have the right to terminate this Agreement in accordance with Article 6 of this Agreement.

Exhibit B

- I. **Payments.** In consideration of the rights granted in the Agreement to provide Services, and in addition to any annual sponsorship payments, Credit Union will pay \$875,000 annually to University (as itemized below) in quarterly payments of \$218,750 each, commencing January 1, 2020, and continuing on the first day of each April, July, October and January thereafter.

The annual payment of \$875,000 is comprised of the following allocations:

- \$400,000 – Exclusive Affinity Credit Card License Agreement;
- \$350,000 – Exclusive ATM/ITM placement;
- \$125,000 – Exclusive current branch locations.

Exhibit C

Web Linking

1. Definitions.

- (a) "Hyperlink" means an electronic pathway displayed in the form of highlighted text or visibly clickable graphic or button that connects one web page/url to another.
- (b) "Web linking" means the linking of two or more websites through use of a hyperlink or links.
- (c) "Web page" means a single screen viewable through a web browser without requiring the user to click to another screen, though sometimes requiring the user to scroll to review all content.
- (d) "Website" means one or more web pages grouped together and usually connected under one name.

- 2. Web Linking.** The University will establish informational text hyperlinks links to the Credit Union website and to this Credit Union Agreement within the VP for Finance website. The University will consider placing additional text hyperlinks on pages within the msu.edu domain in places where the information is appropriate and informative for students and employees. All hyperlinks will avoid the appearance of advertising, promotion, or endorsement.

Exhibit D

University Marks

- I. **University marks.** The Credit Union's use is limited to designated university marks and only with use of the phrase "Official Consumer Credit Union Sponsor of Michigan State University" (except in instances where space constraints do not reasonably allow designation phrase to appear).
- II. **Guidelines for use.** Use of designated logo marks and trademarked words and phrases will follow Sponsor Identity and Usage Guidelines developed by the Credit Union and University Licensing Program and approved by University Communications. Requests for use of marks in instances not covered by guidelines must be reviewed and approved by University Licensing Programs prior to first use.

MSU designated logo marks:



Designated trademarked words and phrases:

MICHIGAN STATE UNIVERSITY®

MICHIGAN STATE®

MICHIGAN STATE SPARTANS®

GO GREEN GO WHITE®

MSU™

SPARTANS™

SPARTY®

**PAYROLL CARD AND PRE-PAID DEBIT CARD PROGRAM AGREEMENT
BETWEEN MICHIGAN STATE UNIVERSITY AND
MICHIGAN STATE UNIVERSITY FEDERAL CREDIT UNION**

The Board of Trustees of Michigan State University (Michigan State University or MSU) located in East Lansing, Michigan, and Michigan State University Federal Credit Union (MSUFCU), a federally-chartered, non-profit financial corporation conducting business in East Lansing, Michigan (individually a "Party" and collectively the "Parties"), enter into this Agreement for the Payroll Card and Pre-paid Debit Card Program, as of the Effective Date stated below.

Recitals

WHEREAS, Michigan State University has agreed to grant MSUFCU the exclusive right to issue payroll cards to full and part-time employees of Michigan State University who provide a written consent to deposit of wages into an account at MSUFCU and issuance of a payroll debit card subject to MSUFCU's terms and conditions; and

WHEREAS, Michigan State University has agreed to grant MSUFCU the exclusive right to issue, at the request of and on behalf of MSU, pre-paid debit cards to MSU-approved faculty, staff and students of Michigan State University who provide a written consent to issuance of a pre-paid debit card subject to MSUFCU's terms and conditions; and

WHEREAS, Michigan State University has agreed to grant MSUFCU a non-exclusive license to use certain Michigan State University trademarks and mailing lists in connection with the issuance and promotion of payroll cards and pre-paid debit cards authorized by this Agreement; and,

WHEREAS, the Parties desire to set forth their respective rights and obligations in this Agreement.

Agreement

THEREFORE, in consideration of the mutual covenants, promises and conditions contained in this Agreement, and for other good and valuable consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

1. Definitions.

- a. **"Additional Terms and Conditions"** means the Terms and Conditions attached to this Agreement as Exhibit A, the Gramm-Leach-Bliley Confidential Information and Safeguard Addendum attached to this Agreement as Exhibit B and the PCI Service Provider Addendum attached to this Agreement as Exhibit C.

- b. **"Agreement"** means this Payroll Card and Pre-paid Debit Card Program Agreement.
- c. **"Contract Year"** means a period of 12 consecutive calendar months during the Term of the Agreement, the first such period beginning on the Effective Date and running for 12 calendar months thereafter, with each subsequent 12 month period thereafter comprising a separate Contract Year.
- d. **"Payroll Card"** means a VISA-brand financial instrument in the form of a stored value prepaid payroll debit card issued to full and part-time employees of Michigan State University by MSUFCU as part of the Program.
- e. **"Pre-paid Debit Card"** means a VISA-brand financial instrument in the form of a stored value prepaid debit card issued at the request of and on behalf of MSU for MSU's business and operational purposes to MSU-approved MSU faculty, staff, and students by MSUFCU as part of the Program. Until the earlier of (i) June 30, 2022 and (ii) the termination of the Athletics Department Sponsorship Agreement between MSU and The Huntington National Bank, the exclusive right to issue Pre-paid Debit Cards under this Agreement will include debit cards used by MSU in connection with the operation of its athletic programs, provided that debit cards used for MSU's athletic programs shall not display the name or any mark or logo of MSUFCU. "Pre-paid Debit Card" does not include debit cards requested by, and issued directly to, consumers or account holders at other financial institutions and nothing in this Agreement precludes MSU granting other parties the right to issue and promote such debit cards using Michigan State University Marks.
- f. **"Effective Date"** means _____.
- g. **"Licensed Use(s)"** means use of the Michigan State University Marks only for Marketing and/or display on Payroll Cards and Pre-paid Debit Cards.
- h. **"Mailing List"** means Michigan State University's current and updated list of employee names, mailing addresses, email addresses, and telephone numbers, subject to any limitations on Michigan State University's disclosure of such information under the Family Educational Rights and Privacy Act, any MSU policies or guidelines governing privacy and release of student records and any other applicable law, regulation, policy or guideline governing the privacy and release of information in MSU's possession.
- i. **"Marketing"** means all marketing, information and/or materials developed by MSUFCU, or on its behalf, relating in any way to this Agreement, including without limitation all signs, advertising, publicity releases, invitations, announcements, targeted mailings, solicitations, promotions, pamphlets,

leaflets, brochures, "take-ones," presentations, posters, T-shirts, promotional items and electronic and/or digital communications.

- j. "Program" means individually and collectively the Payroll Card and Pre-paid Debit Card program sponsored by MSUFCU pursuant to this Agreement.
 - k. "Michigan State University Mark(s)" means Michigan State University's trademarks and/or service marks featured on www.graphics.msu.edu.
 - l. "VISA" means Visa U.S.A. Inc., a privately held Delaware membership corporation.
2. Term. This Agreement commences on the Effective Date, for an initial term of three (3) years, and automatically renews for two consecutive three (3) year terms unless either Party notifies the other Party earlier than ninety (90) days before the Agreement expiration date then in effect (hereinafter the "Term").
3. The Program. Michigan State University grants to MSUFCU:
- a. the exclusive right to issue Payroll Cards to full and part-time employees of Michigan State University who provide a written consent to deposit of wages into an account at MSUFCU and issuance of the Payroll Card subject to MSUFCU's terms and conditions, and
 - b. the exclusive right to issue Pre-paid Debit Cards to MSU-approved MSU faculty, staff and students who provide written consent to issuance of a Pre-paid Debit Card subject to MSUFCU's terms and conditions, and
 - c. a limited-purpose, exclusive license to use the Mailing List in connection with the issuance and promotion of the Payroll Card. MSUFCU will design, develop and administer the Program as follows:
 - (i) Administrative Site. MSUFCU will provide administrative websites to Michigan State University for the purposes of communicating information related to the Program, to include ACH routing and account information for the purpose of establishing direct deposit for faculty, staff and students of Michigan State University who are participants in the Payroll Card or Pre-paid Debit Card programs.
 - (ii) Card Design. MSUFCU will, in conjunction with and subject to Michigan State University's approval, create one design and layout for the Payroll Card and the Pre-paid Debit Card. The front of all Payroll Cards and Pre-paid Debit Cards will prominently display a Michigan State University Mark.

(iii) VISA Compliance. MSUFCU will ensure that the Program complies with all applicable Visa card rules and requirements.

4. Licenses: Michigan State University Marks. Michigan State University grants MSUFCU the limited-purpose, non-exclusive use, during the Term, of Michigan State University Marks for purposes related to Payroll Cards and Pre-paid Debit Cards, as follows:

- a. Licensed Uses. MSUFCU will only use the Michigan State University Marks for Licensed Uses. MSUFCU will not sell, transfer, sub-license or assign any part of MSUFCU's rights to use the Michigan State University Marks to any successor, Third Party or any other person or entity, and MSUFCU will not modify any Michigan State University Mark in any way.
- b. Approval of Licensed Uses. All Licensed Uses are subject to Michigan State University approval, which shall not be unreasonably denied or conditioned, and which approval decision shall be communicated to MSUFCU within ten (10) business days of MSUFCU's request for approval.

5. Pricing. Following are the fees to be charged by MSUFCU to recipients of Payroll Cards and Pre-paid Debit Cards for the listed services:

Cashier's Checks/Money Orders:	\$2.00 (one free per day)
Bill Payment:	\$1.00 per transaction; recurring ACH transactions are free
Stop Payment:	\$25.00
Replacement Card:	\$2.00 per card
Non-CO-OP ATM Network Transactions:	\$1.00 per transaction
Paper Statement Fee:	\$2.00 per month; electronic statements are free
Statement Copy:	\$5.00
Dormant Account:	\$5.00 per month
International Service Assessment Fee for International ATM & PIN-Based Transactions and for Signature-Based Transactions:	1.00% and 3.00% of the international transaction amount, respectively

MSUFCU may change the fees charged for such services at any time after the first three (3) years of the Term, upon prior notice to Payroll Card and Pre-paid Debit Card users. Michigan State University will not be responsible for any such fees.

6. Marketing Efforts. Michigan State University and MSUFCU agree to the following Marketing efforts and commitments related to the Michigan State University Payroll Card and Pre-paid Debit Card:

- a. MSUFCU has the non-exclusive right to use Michigan State University Marks and Michigan State University licensed trademark logos/images on any

Payroll Card and any Pre-paid Debit Card, and MSUFCU will use such logos/images on Payroll Cards and Pre-paid Debit Cards.

- b. MSUFCU shall have access to the Mailing List for direct mail and email opportunities to promote the Michigan State University Payroll Card.
- c. MSUFCU shall have access to events at MSU, as approved by MSU, to promote the Michigan State University Payroll Card.
- d. MSUFCU shall have a direct link on Michigan State University's website for the Program.
- e. MSUFCU shall include on its general internet website (i) information accessible to the public describing the Payroll Card Program; (ii) a Payroll Card application that may be submitted electronically; and (iii) for Michigan State University's benefit, a hyperlink to the Michigan State University website.

The above list is not intended to limit the Marketing MSUFCU may utilize to promote the Payroll Card and the Pre-paid Debit Card, and MSUFCU may, at its sole discretion, engage in other forms of Marketing.

7. Approval of Marketing. All Marketing is subject to Michigan State University's approval, which shall not be unreasonably denied or conditioned, and Michigan State University must provide its approval decision within ten (10) business days of submission by MSUFCU of any marketing plan.
8. Representations and Warranties. The Parties represent and warrant to each other as of the Effective Date, and throughout the Term, that:
 - a. It is duly organized, validly existing and in good standing.
 - b. It has all necessary power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.
 - c. The Agreement constitutes a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as otherwise provided by law.
9. Confidentiality. The terms of this Agreement, the Mailing List(s), personal and financial information of Michigan State University employees, and financial information of the Parties, provided by or on behalf of one Party to the other Party prior to contemporaneously with or subsequent to the execution of this Agreement ("Confidential Information") are confidential as of the date of disclosure. Confidential Information will not be disclosed by the receiving Party to any other person or entity except as permitted by this Agreement. The Parties may disclose the other Party's Confidential Information

(a) to their accountants, legal, financial and marketing advisors, and employees as necessary for the performance of their respective duties, provided that said persons are advised to treat the Confidential Information as confidential in the above described manner; (b) as required by law or by any governmental regulatory authority; (c) pursuant to a properly issued judicial order, subpoena or other request consistent with applicable law; (d) with the other Party's prior written approval; and (e) with respect to card transactions, to VISA and any other card processor engaged in transaction processes.

10. Legal Compliance. Except as otherwise specifically stated in this Agreement, MSUFCU will comply with all applicable Michigan State University policies including policies or guidelines governing privacy and release of student records and any other applicable law, regulation, policy or guideline governing the privacy and release of information in MSU's possession. In addition, MSUFCU will comply with all applicable federal, Michigan and local acts, statutes, ordinances, rules, regulations and requirements, including without limitation all nondiscrimination laws, banking laws and regulations, and regulations of any federal and/or Michigan agency with competent jurisdiction. MSUFCU will ensure that the Program complies with all federal and state laws and regulations related to payroll card accounts and payroll debit cards, including the federal Electronic Fund Transfer Act (Title IX of the Consumer Credit Protection Act, 15 U.S.C. 1693 et seq.), Federal Reserve Board Regulation E, and the Michigan Wages and Fringe Benefits statute (MCL 408.471 et seq.). Michigan State University agrees, upon written request from MSUFCU, to cooperate with and assist MSUFCU by providing information and implementing processes and procedures to allow MSUFCU to comply with all applicable laws and regulations. Michigan State University acknowledges that MSUFCU is required to validate the identities of all prospective Program participants, and establish appropriate "know your customer" and anti-money laundering policies, controls and identification procedures. Michigan State University agrees, upon written request from MSUFCU, to provide information about employees and students who are prospective Program participants to allow MSUFCU to meet its obligations to validate identities of prospective participants and meet all legal and regulatory requirements. MSUFCU reserves the right to reject any existing or prospective Program participant who does not meet federal or state statutory and regulatory requirements.

11. Financial Responsibilities. Each Party will, except as otherwise provided in this Agreement, perform all of their obligations under this Agreement at their own sole cost and expense.

12. Default.

- a. MSUFCU Default. MSUFCU will be in default of this Agreement ("MSUFCU Default") if and when MSUFCU fails to observe and perform any covenant, condition, agreement or obligation on MSUFCU's part to be observed or performed pursuant to this Agreement, and such failure continues for a period of 30 calendar days after written notice to cure has been delivered to MSUFCU by Michigan State University that specifies such default and requests that such default be remedied ("MSUFCU Cure Period"), provided

however, if the default stated in the notice cannot be corrected within the MSUFCU Cure Period, Michigan State University will not unreasonably withhold its consent to an extension of the MSUFCU Cure Period if corrective action is instituted and diligently pursued by MSUFCU within the MSUFCU Cure Period;

- b. Michigan State University Default. Michigan State University will be in default of this Agreement ("Michigan State University Default") if and when Michigan State University fails to observe and perform any covenant, condition, agreement or obligation on Michigan State University's part to be observed or performed pursuant to this Agreement, and such failure continues for a period of 30 calendar days after written notice to cure has been delivered to Michigan State University by MSUFCU that specifies such default and requests that such default be remedied ("Michigan State University Cure Period"), provided however, if the default stated in the notice cannot be corrected within the Michigan State University Cure Period, MSUFCU will not unreasonably withhold its consent to an extension of the Michigan State University Cure Period if corrective action is instituted and diligently pursued by Michigan State University within the Michigan State University Cure Period.

13. Termination. This Agreement will terminate; (a) upon expiration of the Term; (b) upon mutual written consent of the Parties; (c) at Michigan State University's option, upon MSUFCU's failure to timely cure a MSUFCU Default; or (d) at MSUFCU's option, upon Michigan State University's failure to timely cure a Michigan State University Default. Upon termination or expiration of this agreement, MSUFCU will immediately cease using the Michigan State University Marks and Mailing Lists (except as may otherwise be permitted pursuant to another written agreement or written license entered into by the Parties before or after the Effective Date of this Agreement) and will not issue any new or renewal Payroll Cards or Pre-paid Debit Cards.

14. Indemnification by MSUFCU. MSUFCU will defend, indemnify and hold Michigan State University, its trustees, employees, officers and agents (collectively the "Michigan State University Indemnified") harmless from and against any and all claims, demands, suits, damages, judgments, liabilities, losses and expenses, including without limitation property damage, personal or bodily injury to or death of any person, and reasonable attorneys' fees and actual expenses of litigation, to which the Michigan State University Indemnified may become liable arising out of or relating to any failure of MSUFCU to observe or perform any of the covenants, conditions, agreements or obligations on MSUFCU's part to be observed or performed pursuant to this Agreement.

15. Indemnification by Michigan State University. Michigan State University will defend, indemnify and hold MSUFCU, its employees, officers and agents (collectively the "MSUFCU Indemnified") harmless from and against any and all claims, demands, suits, damages, judgments, liabilities, losses and expenses, including without limitation property damage, personal or bodily injury to or death of any person, and reasonable

attorneys' fees and actual expenses of litigation, to which the MSUFCU Indemnified may become liable arising out of or relating to any failure of Michigan State University to observe or perform any of the covenants, conditions, agreements, or obligations on Michigan State University's part to be observed or performed pursuant to this Agreement.

16. Force Majeure. Neither MSUFCU nor Michigan State University will be in breach hereunder by reason of their delay in the performance of or failure to perform any of their obligations herein if such delay or failure is caused by strikes or other labor disputes, acts of God or the public enemy, riots, incendiaries, interference by civil or military authorities, delays in transit or delivery, or any other event beyond their control.
17. Notices. All notices provided for in this Agreement must be in writing and will be deemed given when delivered in person or deposited in the United States Mail by registered or certified mail, postage prepaid, return receipt requested. Notices shall be sent to Michigan State University c/o Valerie Montgomery, Manager of Treasury Services, 426 Auditorium Rd, Rm 412, East Lansing, MI 48824, and to MSUFCU c/o April Clobes, COO, 3777 West Road, East Lansing, MI 48823; or to any other person designated in writing by either Party to receive notices pursuant to this Agreement.
18. Applicable Law and Forum. Michigan law will govern the validity, construction and performance of this Agreement and Michigan will be the forum for any proceeding or suit at law or in equity arising from or incident to this Agreement.
19. Cooperation. Michigan State University and MSUFCU will act diligently and use their best efforts to promptly perform their respective obligations under this Agreement, and will reasonably cooperate with each other, execute and deliver such further documents and instruments, and do such further acts as are reasonably necessary to give effect to the intent of the Parties as expressed in this Agreement.
20. Remedies. The remedies provided in this Agreement are cumulative and the use of any such remedy by Michigan State University or MSUFCU will not preclude or waive the use of any other remedy provided in this Agreement. The remedies provided in this Agreement are in addition to any other rights or remedies available to either Party at law or in equity. Notwithstanding the above, neither Party shall be liable to the other Party for indirect, consequential, or punitive damages arising from the first Party's acts or omissions.
21. Binding Effect. This Agreement will inure to the benefit of and be binding upon Michigan State University and MSUFCU and their respective successors and assigns.
22. Survival. Paragraphs 9, 10, 14, 15, 17, 18, 22, and 23 of this Agreement will survive expiration or termination of this Agreement.
23. Partial Invalidity. If any part of this Agreement shall for any reason be found or held invalid or unenforceable by any court or governmental agency of competent jurisdiction,

such invalidity or unenforceability shall not affect the remainder of this Agreement which shall survive and be construed as if such invalid or unenforceable part had not been contained in this Agreement.

24. No Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person other than Michigan State University and MSUFCU, and their successors and assigns, any rights or remedies under or by reason of this Agreement.

25. Entire Agreement. The Recitals and Additional Terms and Conditions are incorporated by reference into this Agreement. This Agreement, including such incorporated items, contains the only and entire agreement between the Parties on the subject matter identified herein, and supersedes all prior discussions, negotiations, representations and agreements, whether verbal or in writing.

IN WITNESS WHEREOF, the Board of Trustees of Michigan State University and MSUFCU have executed this Agreement on the dates written below, and this Agreement shall be effective on the Effective Date.

Board of Trustees of
Michigan State University:

Michigan State University Federal
Credit Union:

By: Mark P. Haas *JKM*

By: [Signature]

Date: 1-30-2014

Date: 2-2-14

EXHIBIT A

Additional Terms and Conditions

- 1.0 **Performance Standard.** Michigan State University Federal Credit Union ("Supplier") agrees to perform the services described in this Agreement ("Services") to the satisfaction of the Board of Trustees of Michigan State University ("University") and with the standard of care and skill of an expert regularly rendering such Services, and in conformance with all applicable laws, rules, regulations, policies, ordinances guidelines, procedures, standards, practices and licenses of federal, state, local governments and/or the University.
- 2.0 **Warranties and Representations of Supplier.** Supplier acknowledges that the University is relying on these representations and warranties.
 - 2.1 **General Services Warranty.** Supplier warrants that all Services provided shall conform to the level of quality performed by experts regularly rendering this type of Service. Supplier warrants that it will repair, replace or redo at no additional cost to the University any unsatisfactory Services.
 - 2.2 **Qualifications.** Supplier warrants that it, as well as its employees, agents and subcontractors engaged to provide items or Services under this Agreement (collectively "Supplier Personnel"), has and will maintain all the skills, experience, and qualifications necessary to provide the Services, including any required training, registration, certification or licensure.
- 3.0 **Conflict of Interest.** Supplier warrants that to the best of Supplier's knowledge, there exists no actual or potential conflict between Supplier and the University, and its Services, and in the event of change in either Supplier's private interests or Services, Supplier will inform the University regarding possible conflict of interest which may arise as a result of the change. Supplier also affirms that, to the best of Supplier's knowledge, there exists no actual or potential conflict between a University employee and Supplier.
- 4.0 **Nondiscrimination.** Supplier warrants that Supplier is an equal opportunity employer and that, during the performance of this Agreement, it will comply with Federal Executive Order 11246, as amended, The Rehabilitation Act of 1973, as amended, and the respective regulations thereunder, and the Michigan Civil Rights Act of 1976. Pursuant to Section 209 of the Michigan Elliot-Larsen Civil Rights Act and Section 209 of the Michigan Persons with Disabilities Civil Rights Act, Supplier agrees not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of age, color, familial status, height, marital status, national origin, race, religion, sex, weight, or a disability that is unrelated to the individual's ability to perform the duties of a particular job or position.

- 5.0 **Good Standing.** Supplier warrants that Supplier is a legally organized entity in good standing under the laws of the state of its organization, in good standing under the laws of the State of Michigan and in good standing in every other jurisdiction in which it operates.
- 6.0 **Noninfringement.** Supplier warrants that the Supplier's Services and/or the University's use of products, processes, techniques and methodologies provided by Supplier or developed by Supplier shall not infringe upon the copyright, patent or other proprietary rights of others.
- 7.0 **Bonded.** Supplier warrants that it is bonded as may be required by law for the Services.
- 8.0 **Taxes.** The fees, expenses and costs payable under any resultant contract include all applicable taxes and shall not be changed as the result of the Supplier's failure to include any applicable tax, or as a result of any change in the Supplier's tax liabilities.
- 9.0 **Termination.**
- 9.1 **Immediate Termination.** The University shall have the right to terminate any resultant contract immediately upon notice to Supplier should any of the following situations occur:
- 9.1.1 Supplier or Supplier Personnel do anything to harm the business reputation of the University;
- 9.1.2 Supplier or any Supplier Personnel is excluded from a federal health care program;
- 9.1.3 If any warranty or representation of the Supplier is or becomes false or untrue;
- 9.1.4 A person's health or safety is or may be in imminent and serious danger due to the actions or inaction of Supplier or Supplier Personnel;
- 9.1.5 There may be imminent and serious harm to the environment or the University property from Supplier's acts or inactions or those of Supplier Personnel; or
- 9.1.6 The University reasonably determines Supplier has violated a law in providing the Services.
- 9.1.7 The University reasonably determines Supplier has violated any of the required professional or established standards or guidelines as referenced in the resultant contract.
- 9.2 **Change in Law.** If it is determined by either party's legal counsel that this Agreement or any of its provisions may violate or does violate any law, rule, or regulation, the parties agree to renegotiate the provision(s) so that it (they), as well as the entire Agreement, complies with the law, rule or regulation. If the parties are unable to come to an agreement within thirty (30) calendar days, either party may, without further notice, immediately terminate this Agreement.

10.0 **Insurance.** While performing specified services under this Agreement, the Supplier shall purchase and maintain the following insurance and shall include any subcontractor or anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable.

10.1 Workers Compensation insurance, Coverage A, with limits statutorily required by any applicable Federal or state law and Employers Liability insurance, Coverage B, with minimum limit of \$500,000 per accident.

10.2 Automobile Liability insurance covering liability arising out of any owned, hired, and non-owned vehicles with minimum limit of \$1,000,000 each accident and Personal Injury Protection as required by statute.

10.3 Commercial General Liability insurance with a minimum limit of \$1,000,000 each occurrence/\$2,000,000 general aggregate. Coverage shall be written on ISO 1998 form CG0001 or equivalent and include personal injury and advertising injury, independent contractors, products/completed operations, broad form property coverage and liability assumed under an insured contract.

10.4 Insurance policies shall be issued by companies licensed or approved to do business within the State of Michigan.

10.5 Insurers shall possess a minimum A.M. Best rating of A.

10.6 The insurance policies, except Workers' Compensation shall be endorsed to name Michigan State University, its Board of Trustees, agents, officers, employees, and volunteers as "Additional Insureds".

10.7 In the event any insurance policy(ies) required by this Agreement is(are) written on a "claims made" basis, coverage shall extend for three years past completion and acceptance of the Supplier's work or services and must be evidenced by annual certificates of insurance.

10.8 All policies of insurance must be on a primary basis, non-contributory with any other insurance and/or self-insurance carried by the University.

10.9 Suppliers shall provide a minimum 30 days written notice to the University via certified mail of cancellation or non-renewal of policies required under the contract and a renewal certificate at least 15 days prior to expiration.

10.10 Prior to commencing work or services the Supplier shall furnish the University with certificates of insurance evidencing the required coverage, conditions, and limits required by this Agreement. The completed Certificate of Insurance must contain the following information:

10.10.1 Name and address of agent, phone number and fax number

10.10.2 Name of insurance company(ies) and policy number(s)

10.10.3 Policy period

10.10.4 Name and address of insured

10.10.5 Description of coverage(s)

10.10.6 Name/Number of Project

10.10.7 Policy limits

10.10.8 Special instructions (e.g., addition of Michigan State University as additional insured, waivers of subrogation, identification of project or operations with respect to certificate being issued)

10.10.9 Michigan State University as certificate holder

10.10.10 Signature of the insurer's agent or representative and date.

- 11.0 **Indemnity.** Each party shall defend, indemnify and hold harmless the other party, its board members, officers, employees, agents and students (if the University) from and against any costs, losses, damages, liabilities, expenses, demands and judgments, including court costs and attorney fees, which may arise out of the other party's acts or omissions under this Agreement.

The indemnifying party shall keep the other reasonably apprised of the continuing status of the claim, including any proceedings resulting from it, and shall permit the other party, at its expense, to participate in the defense or settlement of the claim. When a claim is resolved by the indemnifying party's payment of money, it shall have final authority regarding defense and settlement. When a claim resolution requires equitable relief against the non-indemnifying party or the indemnifying party has not or will not pay the money required for resolution, the parties shall cooperate regarding defense and settlement.

- 12.0 **Audit.** The Supplier is responsible for keeping accurate and reasonable records related to its performance and obligations under this Agreement. In particular, records will be kept documenting any price, cost or budget computations required under the Agreement. The Supplier agrees that the University or its duly authorized representative has the right to audit any directly pertinent books, documents, papers and records related to transactions and/or performance of the terms and conditions of the Agreement. The Supplier shall make available to the University or its agents all such records and documents for audit on the Supplier's premises during regular and reasonable working hours within ten (10) business days of a written request for availability. Supplier agrees to either (a) allow the University to make and retain copies of those documents useful for documenting the audit activity and results or (b) sequester the original or copies of those documents the University identifies for later access by the University. The Supplier further agrees to disclose within ninety (90) days of receipt any independent auditors' reports, which bear directly on the performance or administration of this Agreement.

The right to audit shall include periodic examinations of records throughout the term of the Agreement and for a period of three (3) years after its termination. The right to audit shall also apply to agents and subcontractors hired by the Supplier for the purpose of fulfilling the Agreement. In the event that audits discover substantive findings related to fraud, misrepresentation or non-performance, the University may recoup the costs of the audit work from the Supplier.

- 13.0 **Confidentiality.** Supplier shall keep confidential and not disclose to third parties any information developed or created under this Agreement or provided by the University or by private individuals, organizations or public agencies pursuant, including all information protected under Federal Acts, including but not limited to those listed below, unless Supplier has received the prior written consent of the University to make the disclosure or unless required by law or legal process. Only Supplier Personnel with a

need to know may have access to or use University information. Use of data needs to be appropriate use, e.g. use limited to contracted work.

This obligation of confidentiality does not extend to information that is or shall become through no fault of Supplier available to the general public.

The Supplier additionally agrees to the following stipulations related to this work:

- 13.1 To hold all data provided in carrying out the Services in strict confidence (as specified in the section above). The Supplier will not use or disclose the data received directly or indirectly from University or any of its agents or on behalf of University except as permitted by the terms of this Agreement. The Supplier will not transfer or disclose customer information to any third party without obtaining prior written consent from University's Office of the General Counsel. In the event of a transfer or disclosure, the Supplier will require the recipient of the information to agree to the same restrictions and conditions that are imposed upon the Supplier by this Agreement.
- 13.2 To develop, implement, and maintain reasonable administrative, technical and physical safeguards to protect the security, confidentiality, integrity, and availability of the data. The Supplier will demonstrate and provide to MSU their data safeguarding plan and risk assessment and data disaster recovery plans.
- 13.3 Except as required by federal or state laws or regulations, to return or destroy data provided in carrying out the Services and any other documents, compilations, reports, work papers, data entries, computer software and other work product prepared for and/or generated by the Supplier or its agents in connection with providing services under this Agreement to University within 30 days after the termination or expiration of the Agreement; or, if the extraction, formatting, and return of the data are impracticable or unreasonably costly or otherwise burdensome, the supplier shall, with University's prior written consent, destroy the data. The Supplier will certify in writing to University that the data has been destroyed according to industry best practices standards within 30 days after the termination, expiration of the agreement, or, if appropriate, by mutual agreement by University and the Supplier within the Agreement Term.
- 13.4 Supplier shall conform to the provisions of Gramm-Leach-Bliley (GLB).
- 13.5 Supplier shall conform to the standard of the Family Educational Rights and Privacy Act and MSU's Guidelines Governing Privacy and Release of Student Records in protecting the privacy of MSU student materials.
- 14.0 **Independent Contractor Status of Parties.** It is expressly understood that Supplier is an independent contractor and not the agent, partner, or employee of the University. Supplier and Supplier Personnel are not employees of the University and are not entitled to tax withholding, Worker's Compensation, unemployment compensation, or any

employee benefits, statutory or otherwise. Supplier shall not have any authority to enter into any contract or agreement to bind the University and shall not represent to anyone that Supplier has such authority.

- 15.0 **Assignment.** Supplier may not subcontract, assign or transfer this Agreement or any interest or claim under this Agreement without prior written approval of the University. Notwithstanding any consent by the University to any assignment, Supplier shall at all times remain bound to all warranties, certifications, indemnifications, promises and performances, however described, as are required of it under this Agreement unless specifically released from the requirements, in writing, by the University. The Supplier shall retain the right to pledge payment(s) due and payable under this Agreement to third parties.
- 16.0 **Waiver.** No delay or omission by either party to exercise any right or remedy under this Agreement shall be construed to be either acquiescence or the waiver of the ability to exercise any right or remedy in the future.
- 17.0 **Dispute Resolution.** Supplier and the University will attempt to settle any claim or controversy arising under this Agreement through consultation and negotiation in good faith and a spirit of mutual cooperation. The dispute will be escalated to appropriate higher-level managers of the parties, if necessary.
- 18.0 **Freedom of Information Act.** Nothing in this Agreement shall in any way limit the ability of the University to comply with any laws or legal process concerning disclosures by public bodies. The parties acknowledge that any responses, materials, correspondence or documents provided to the University are subject to the State of Michigan Freedom of Information Act ("Act") and may be released to third parties in compliance with that Act or any other such law and this release of information will not constitute a Michigan State University Default under this Agreement.

EXHIBIT B

Gramm-Leach-Bliley (GLB) Confidential Information and Safeguard Addendum

Michigan State University Federal Credit Union ("Service Provider") may have access to information that pertains to the financial or personal affairs of the Board of Trustees of Michigan State University ("MSU"), the higher education institution known as Michigan State University, its faculty, staff, and students which may be received through any communication or contact (collectively called "Customer Information")¹ in connection with providing services under this Agreement. Service Provider will hold the Customer Information in strict confidence and access it only for the explicit business purpose of this Agreement. Service Provider will not transfer or disclose the Customer Information to any third party without promptly obtaining the prior written consent of University's Office of the General Counsel. In the event of a transfer or disclosure, Service Provider will require the recipient of the Customer Information to agree to the same restrictions and conditions that are imposed on the Service Provider by this Agreement.

Service Provider agrees to comply with all applicable state and federal laws concerning the privacy and confidentiality of the Customer Information. Consequently, Service Provider has implemented and will maintain a written comprehensive information security program that includes administrative, technical and physical safeguards to protect the security, confidentiality, integrity, and the availability of the Customer Information and contains each of the elements set forth in §314.4 of the Gramm-Leach-Bliley ("GLB") Standards for Safeguarding Customer Information (16 C.F.R. § 314). Service Provider further agrees to safeguard all Customer Information in accordance with its information security program and the GLB Standards for Safeguarding Customer Information. MSU and any party on behalf of MSU may audit Service Provider's compliance with the safeguard requirements.

Service Provider will report any unauthorized use or disclosure of the Customer Information to MSU within one (1) business day after discovering the same. The report will identify (i) the nature of the unauthorized use or disclosure, (ii) the Customer Information used or disclosed, (iii) the person(s) and entities that made the unauthorized use or received the unauthorized disclosure, (iv) actions taken by the Service Provider or actions the Service Provider will take to mitigate the effect of the unauthorized use or disclosure, and (v) corrective action the Service Provider has

¹ Customer Information does not include information which (i) was already in the Service Provider's possession prior to disclosure by MSU (regardless of whether such disclosure is prior to, on or after the date of this Agreement), (ii) is or becomes generally available to the public other than as a result of a disclosure by the Service Provider, (iii) becomes available to the Service Provider on a non-confidential basis from a source other than MSU, which source is not prohibited from disclosing the information to the Service Provider by a legal, contractual, fiduciary or other obligation to the Service Provider, (iv) the Service Provider can show was independently developed by the Service Provider without the use of any Confidential Information of MSU or the involvement of any employee of the Service Provider who was privy to the Confidential Information of MSU, or (v) is required by law or regulations to be disclosed.

taken or will take to prevent future similar unauthorized use or disclosure. Service Provider will provide such other information, including a written report, as reasonably requested by MSU.

The confidentiality and information security program requirements provided herein shall survive the termination of this Agreement.

EXHIBIT C

PCI Service Provider Addendum

1. Provisions For Cardholder Data. The provisions set forth in this Addendum apply to Michigan State University Federal Credit Union ("Service Provider") that either itself, or through a processor or other agent, stores, processes, handles or transmits cardholder data in any manner. For purposes of this Addendum, the term "cardholder data" refers to the number assigned by the card issuer that identifies the cardholder's account or other cardholder personal information.

- A. Service Provider shall at all times comply with the Payment Card Industry Data Security Standard ("PCI DSS") for cardholder data that are prescribed in the card association Operating Regulations or otherwise issued, as they may be amended from time to time (collectively, the "PCI DSS Requirements"). Copies of current PCI DSS Requirements documentation are available on both the Visa and MasterCard websites.
- B. Service Provider acknowledges and agrees that cardholder data may only be used for assisting in completing a card transaction, for fraud control services, for loyalty programs, or as specifically agreed to by the card associations or as required by applicable law.
- C. In the event of a breach or intrusion of or otherwise unauthorized access to cardholder data stored at or for Service Provider, Service Provider shall immediately notify the Board of Trustees of Michigan State University, in the manner required in the PCI DSS Requirements, and provide the card associations, and the acquiring financial institution and their respective designees access to Service Provider's facilities and all pertinent records to conduct a review of Service Provider's compliance with the PCI DSS Requirements. Service Provider shall fully cooperate with any reviews of their facilities and records provided for in this paragraph.
- D. In the event of a breach as described in item C., Service Provider will pay all fees, cost escalations, assessments, tariffs, penalties, fines or other items that may be charged, assessed or imposed under this Agreement and/or the card association Rules.
- E. Service Provider shall maintain appropriate business continuity procedures and systems to ensure security of cardholder data in the event of a disruption, disaster or failure of Merchant's or Service Provider's primary data systems.

As it pertains to cardholder data that continues to be stored, processed or transmitted, Service Provider and its successors and assigns shall comply with the PCI DSS Requirements after termination of this Agreement.

MICHIGAN STATE
UNIVERSITY

January 10, 2011

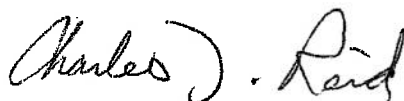
Mr. Patrick M. McPharlin
President/CEO
MSUFCU
3777 West Road
East Lansing, MI 48823

Dear Mr. McPharlin:

Enclosed, please find a fully-executed original of the lease between Michigan State University and the Michigan State University Federal Credit Union.

Please let me know if you have any questions.

Sincerely,



Charles J. Reid
Director

Enclosure



LAND MANAGEMENT

Charles J. Reid
Director
Michigan State University
246 Spartan Way
East Lansing, MI
48824-3005
(517) 355-3272
Fax: (517) 884-0401
Web: www.canr.msu.edu/lmo

LEASE

THIS LEASE is made this 7th day of January, 2011 by and between the BOARD OF TRUSTEES OF MICHIGAN STATE UNIVERSITY, a Michigan constitutional corporation, hereinafter called lessor or "University", and MICHIGAN STATE UNIVERSITY FEDERAL CREDIT UNION, a chartered credit union, hereinafter called lessee.

WITNESSETH:

1. For and in consideration of the rents and covenants herein, and on the terms and conditions herein, lessor leases to lessee the premises described on Exhibit A attached hereto. Lessor also grants to lessee, its employees, agents, members, and invitees, a non-exclusive license, irrevocable during the term of this lease, for ingress and egress to public right of way, over and across all streets constructed by lessee in connection with this lease, and for access to real property owned by lessor, but not part of the leased premises, necessary for lessee to comply with its maintenance obligations under this lease.

2. This lease shall run for the period of ninety-nine (99) years, commencing at the date of this lease above. Lessee promises to pay to lessor and to its successors and assigns as rent during the term of this lease the sum of One Dollar (\$1.00), receipt of which is hereby acknowledged by lessor

As additional consideration for the execution of this lease, lessee agrees that it will at all times during the term hereof, perform the functions and services of a credit union for the benefit of the employees of the lessor, and others in lessee's field of membership, in such manner as may be from time to time authorized by the laws of the United States as same relate to federally chartered credit unions, it being understood and agreed that the lessor contemplates that the financial counseling and assistance offered by a credit union to its members is a valuable service to lessor's employees and that the prospective rendering of such services by lessee is the major consideration for lessor's execution of this lease.

3. Lessee agrees that it will, on or before April 1, 2011, commence the construction of a credit union branch building and related improvements on the premises and on adjacent real property owned by lessor, but not part of the lease premises, including any streets necessary to provide ingress and egress to adjacent public roadways and all other infrastructure necessary for the project, including storm drains. All such construction and any other alterations and improvements (including landscaping) on or to the premises, buildings and improvements, other than alterations and improvements to the interior of an existing building, shall require the prior written approval of lessor. Before any such construction, alterations or improvements will be approved by lessor, lessee must deliver all plans, drawings, specifications and other information requested by lessor, and provide lessor reasonable time for review. Lessor's approval of such plans and drawings shall also constitute lessor's approval and granting of a license to lessee and its agents for purposes of accessing the real property described in the approved plans and drawings and owned by lessor, but not part of the leased premises, necessary to implement the plans and drawings, including construction of streets and drains and obtaining utilities as set forth in the plans and drawings. All construction, alterations and improvements must be

competed in accordance with applicable local and State laws and regulations and lessor's Rules and Regulations (defined below), including lessor's Storm Water Management Plan and Soil Erosion Plan. It is presently contemplated that the cost of the erection of said building and improvements will be approximately \$4,000,000, and it is understood and agreed that all costs of construction of the building and related improvements are the sole liability of lessee, including costs of obtaining all necessary building, zoning and other land use licenses and permits. It is further understood and agreed that during the term of this lease, lessee shall have title to the building and all improvements located on the leased premises.

4. If at any time prior to the expiration of this ninety-nine (99) year lease, the lessee shall involuntarily cease performing the functions and services of a credit union for the benefit of the employees of the lessor, it is understood and agreed that this lease shall thereupon terminate and, at lessor's option, (i) lessor shall purchase the building at lessee's book value or (ii) lessor shall lease the building from lessee upon terms and conditions mutually satisfactory to the parties or (iii) lessor may permit lessee to lease the building to a third party acceptable to lessor upon terms and conditions satisfactory to lessor or (iv) if lessor does not choose option (i) or (ii) and lessor, in its discretion, does not permit lessee to lease the building to a third party under option (iii), lessee shall remove any buildings and improvements designated by lessor for removal and return the premises associated with any such removed building and improvements to its original condition at lessee's cost, with title to any remaining building and improvements passing to lessor at no cost to lessor. However, if lessor terminates this lease as a result of lessee's material default (meaning any lessee default under this lease that is not cured within thirty (30) days after notice by lessor to lessee), or lessee requests to terminate this lease and vacate the premises, or if this lease expires or is terminated at any time after lessee's initial construction costs of the building have a book value of zero dollars (\$0), then, at lessor's option, lessee shall remove any buildings and improvements designated by lessor for removal and return the premises associated with any such removed building and improvements to its original condition at lessee's cost, with title to any remaining building and improvements passing to lessor at no cost to lessor.

5. Lessee agrees to pay all taxes and special assessments which may be levied against or attributed to the premises, building and improvements, and the contents thereof, commencing at the date hereof.

6. Lessee agrees that it will, at its own expense and in accordance with the plans, drawings and specifications approved by lessor referenced in paragraph 3 above, complete the construction of all streets and parking facilities, including streets necessary to provide ingress and egress to adjacent public roadways, and storm drains. Lessee agrees that the streets, parking facilities, storm drains and landscaping upon the premises shall be designed and developed according to lessor's Rules and Regulations and all construction, alterations and improvements require the prior written approval of lessee.

7. Lessee agrees that it will, at its own expense as required by the plans, drawings and specifications referenced in paragraph 3 above, complete the installation of all infrastructure, including tie-ins, taps or other connections necessary to obtain all utility services running to the building to be erected on the premises. Lessee agrees to make arrangements with the public utilities serving the area for the installation and provision of all utility services to said building,

and lessee agrees to pay such utilities for such services as they may render. Lessor agrees to provide water to said building, and lessee agrees to pay lessor, as frequently as it may be billed, for the water service provided by lessor at a rate comparable to public utility charges.

8. Lessee shall be responsible for all maintenance and repair of the premises, building, parking facilities, streets (including streets necessary to provide ingress and egress to adjacent public roadways), storm drains, landscaping and any other improvements on the premises or on real property owned by lessor and for which lessee is granted a license for access under this lease. It is understood and agreed that lessor will not provide any service for grounds maintenance, trash removal, parking lot maintenance, building maintenance or snow removal.

9. Lessee further covenants and agrees in the occupancy of the premises and operation of its business to conform with all of lessor's Rules and Regulations and all statutes and ordinances of the city, county, and state, and all regulations of the federal government affecting said premises, and to keep and save lessor harmless from any penalty, damages, or charges imposed or incurred for any violation of said ordinances and laws, whether occasioned by the neglect of the said lessee or any agent of lessee or contractor of lessee then upon or using said premises, but in no event shall lessee be liable to indemnify or save lessor harmless from penalties, damages or charges arising from or related to acts or omissions of lessor.

10. Lessee shall not place or permit to be placed any signage of any kind anywhere on or visible from the exterior of the building or any of the other improvements or any other portion of the premises without lessor's prior approval and written consent.

11. Lessee covenants not to assign or transfer this lease or sublet or mortgage said premises or any part thereof without the written consent of lessor.

12. Lessee agrees to save lessor harmless from any loss or damage or expense arising out of any accident or other occurrence upon said premises, involving injury to any person or property, and to this end shall carry public liability insurance in an amount and with an insurer agreeable to lessor, and to name the lessor as an additional insured under said policy.

13. It is understood and agreed that lessee shall maintain property insurance with replacement cost coverage upon said building and contents. Lessee shall provide evidence of said coverage to lessor. In the event of any loss, lessee shall be entitled to the entire proceeds of said property insurance. Lessee shall not be required to repair or rebuild unless it chooses to do so, but in the event lessee does not elect to repair or to rebuild a damaged or destroyed building or improvements within one hundred fifty (150) days following such casualty loss, this lease shall be deemed to have been cancelled and neither party shall be liable to the other by virtue of said cancellation, except that lessee shall, at the request of lessor, remove any buildings and improvements designated by lessor for removal and return the premises associated with any such removed building and improvements to its original condition at lessee's cost, with title to any remaining building and improvements passing to lessor at no cost to lessor. Any election by lessee to repair or rebuild shall be considered timely if notice is given by lessee to lessor within one hundred fifty (150) days following such casualty loss. Actual repair or rebuilding shall commence within a commercially reasonable time after such election by lessee.

14. Lessee will keep the premises, building and improvements, and any other real property for which lessee is granted a license under this lease free of Hazardous Materials, except to the extent that such Hazardous Materials are stored or used in compliance with all applicable Environmental Laws and lessor's Rules and Regulations. Lessee will immediately notify lessor of any releases of Hazardous Material on the premises, building or improvements, of any violation of Environmental Laws or lessor's Rules and Regulations.

Lessee will promptly provide lessor with copies of all summons, citations, directives, information inquiries or requests, notices of potential responsibility, notices of violation or deficiency orders or decrees, claims, complaints, investigations, judgments, letters, notices of environmental liens, response actions in progress, and other communications, written or oral, actual or threatened, from any federal, state or local government, agency or authority, or any other entity or individual, concerning (a) any actual or alleged release of a Hazardous Material on, to, or from the premises, building or improvements; (b) the imposition of any lien on the premises, building or improvements; (b) the imposition of any lien on the premises, building or improvements relating to Hazardous Materials or Environmental Laws; (c) any actual or alleged violation of, or liability or responsibility under, any Environmental Laws; or (d) any actual or alleged liability under any theory of common law tort or toxic tort, including without limitation, negligence, trespass, nuisance, strict liability, or hazardous activity.

Lessee will indemnify and defend lessor and lessor's trustees, officers employees and agents from and against any damage, loss, claim or liability resulting from any Hazardous Materials introduced in, on, at, about or from the premises, building or improvements by lessee, its agents, employees, contractors, invitees, successors or assigns, directly or indirectly, including any reasonable attorney's fees and costs incurred or required to be paid as a result thereof. This indemnity shall survive the termination of this lease.

Environmental Laws means all of the following, as amended: (a) the Federal Clean Air Act, 42 USC 7401 et seq.; (b) the Federal Water Pollution Control Act, 33 USC 1251 et seq.; (c) the Federal Resource Conservation and Recovery Act, 42 USC 6901 et seq.; (d) the Federal Comprehensive Environmental Response, Compensation and Liability act of 1980, 42 USC 9601 et seq.; (e) the Federal Hazardous Materials Transportation Act, 49 USC 5101 et seq.; (f) the Federal Toxic Substances Control Act, 15 USC 2601 et seq.; (g) the Federal Atomic Energy Act of 1954, the Federal Nuclear Waste Policy Act, 42 USC 2014 et seq.; (h) the Federal Low-Lever Radioactive Waste Policy Act, 42 USC 2021b et seq.; (i) the Federal Insecticide, Fungicide, and Rodenticide Act, 7 USC 136 et seq.; (j) the Michigan Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.101 et seq.; and (k) any rules, regulations, standards, or guidelines issued pursuant to these statutes.

Hazardous Materials means any material, substance, pollutant, chemical, contaminant or waste regulated by any Environmental law.

15. Lessee acknowledges that it has had the opportunity to conduct any environmental investigation of the premises lessee deems necessary prior to the construction of the building and improvements. Lessee shall be solely responsible for all costs associated with

such environmental investigations and the costs of the construction of the building and improvements, including the costs of any environmental remediation required by Environmental Laws. Upon expiration or termination of this lease, Lessee will surrender the premises, and any buildings and improvements that lessor permits to remain on the premises, to lessor free of any Hazardous Materials, except those expressly approved in writing by lessor to remain or those present on the date of this lease.

16. One or more waivers of any covenant or condition by the lessor shall not be construed as a waiver of a further breach of the same covenant or condition.

17. The lessor covenants that lessor is seized of the said demised premises in fee simple and has full right to make this lease, and that the lessee upon performing the covenants aforesaid shall and may peacefully and quietly have, hold and enjoy the said demised premises for the term herein.

18. The covenants, conditions, and agreements made and entered into by the parties hereto are declared binding on their respective successors and assigns.

19. All notices permitted or required by this lease shall be deemed to have been fully given or made when made in a writing delivered electronically or in paper form to the address stated below with acknowledgment of receipt by the party to whom notice is given:

Lessor: Fred L. Poston
Vice President & Treasurer, Financial Operations
Michigan State University
412 Administration Building
East Lansing, MI 48823
517-355-5014
poston@msu.edu

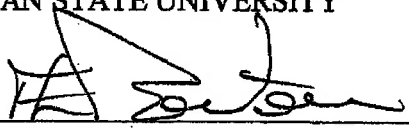
Lessee: Patrick M. McPharlin
President/CEO - MSUFCU
3777 West Road
East Lansing, MI 48823
517-333-2200
patm@msufcu.org

20. This lease represents the entire agreement between the parties. Except as expressly referenced herein, no oral or written, prior or contemporaneous agreements shall have any force or effect, and the lease may not be amended, altered or modified unless done so by means of a written instrument signed by both parties. This lease will be construed in accordance with Michigan law. This Lease has been negotiated at arms length and carefully reviewed by both parties. This lease has been negotiated and drafted by lessor and lessee, and therefore any ambiguity shall not be construed against either lessor or lessee based on a rule of construction that ambiguities be resolved against the drafter of the document.

21. Lessor's Rules and Regulations means lessor's Ordinances published at <http://trustees.msu.edu/ordinances/>, and all other rules, regulations and policies for all lands governed by lessor, whether now existing or established in the future. Lessee shall be excused from compliance with any future rule, regulation or policy if compliance with same would render commercially impossible lessee's conduct of its customary business operations.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

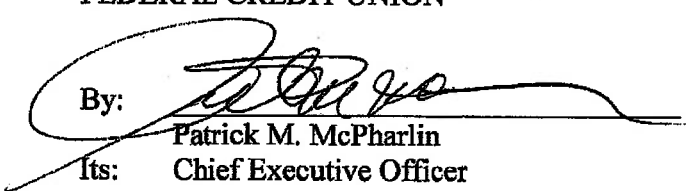
BOARD OF TRUSTEES OF
MICHIGAN STATE UNIVERSITY

By: 

Fred L. Poston

Its: Vice President for Finance and Operations
and Treasurer 1.7.11

MICHIGAN STATE UNIVERSITY
FEDERAL CREDIT UNION

By: 

Patrick M. McPharlin

Its: Chief Executive Officer

12-20-10

EXHIBIT A

A PART OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 19, T4N, R1W, CITY OF EAST LANSING, INGHAM COUNTY, MICHIGAN, DESCRIBED AS BEGINNING AT A POINT N89°39'17"E 1607.21 FEET ALONG THE SOUTH SECTION LINE AND N00°59'29"E 50.01 FEET TO THE NORTH LINE OF MT. HOPE ROAD FROM THE SOUTHWEST CORNER OF SAID SECTION 19; THENCE ALONG THE EAST LINE OF FARM LANE BEING 60.00 FEET EAST OF AND PARALLEL TO THE CENTERLINE THE FOLLOWING TWO COURSES, N00°59'29"E 77.09 FEET; THENCE NORTHERLY 240.21 FEET ALONG THE ARC OF A 5060.00 FOOT RADIUS CURVE TO THE LEFT WHOSE CHORD BEARS N00°22'07"W 240.19 FEET; THENCE N44°39'17"E 55.03 FEET; THENCE N89°39'17"E 448.39 FEET; THENCE S00°20'43"E 356.17 FEET TO THE NORTH LINE OF MT. HOPE ROAD; THENCE ALONG SAID NORTH LINE OF MT. HOPE ROAD S89°39'17"W 489.00 FEET TO THE POINT OF BEGINNING CONTAINING 3.96 ACRES MORE OR LESS, AND SUBJECT TO ANY EASEMENTS OR RIGHTS OF WAY OF RECORD.

MICHIGAN STATE
UNIVERSITY

May 23, 2013

April M. Clobes, Executive Vice President and Chief Operating Officer
Michigan State University Federal Credit Union
3777 West Road
East Lansing, MI 48823

Dear April,

Enclosed are the original executed Amendments for the Automated Teller Service Contract and the Financial Services Lease between Michigan State University (MSU) and Michigan State University Federal Credit Union (MSUFCU). Both contracts have been signed by Mark Haas, MSU's Vice President for Finance and Treasurer.



Division of
**Residential and
Hospitality
Services**

Office of the Chief
Financial Officer

W Holmes Hall
919 E Shaw Ln Rm 187
East Lansing, MI
48825

Phone: 517/355-7458
Fax: 517/353-1820

MSU is also very pleased at this time to accept your May 9, 2013 written request to exercise the six (6) year extensions of both contracts from June 1, 2015 to May 31, 2021. The option to request extensions was provided for in the Amendments for the Automated Teller Service Contract and the Financial Services Lease.

On behalf of MSU, I thank MSUFCU for its continued partnership. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Robert J. Patterson".

Robert J. Patterson, Chief Financial Officer
MSU Division of Residential and Hospitality Services

Enclosures



May 9, 2013

Robert Patterson, CFO
MSU Division of Residential and Hospitality Services
W185 West Holmes Hall
919 East Shaw Lane
East Lansing, MI 48825

Dear Robert Patterson:

Enclosed are the executed Amendment to the Automated Teller Service Contract and Amendment to the Financial Services Lease between Michigan State University (MSU) and Michigan State University Federal Credit Union (MSUFCU). Both copies of the amended documents have been signed by Patrick McPharlin, MSUFCU's President and Chief Executive Officer. Once signed by MSU, please provide one copy of each document to:

MSUFCU
Attn: April Clobes, EVP/COO
3777 West Road
East Lansing, MI 48823

At this time, MSUFCU is exercising our desire to provide notice to extend the terms of both the Financial Services Lease and Automated Teller Service Contract for six (6) additional years from June 1, 2015, to May 31, 2021. Please accept this letter as our written request to the University as specified in the Amendment to the Financial Services Lease and Amendment to the Automated Teller Service Contract.

On behalf of MSUFCU, I thank MSU for its continued partnership. If you have any questions, please do not hesitate to contact me.

Sincerely,

April M. Clobes
Executive Vice President and Chief Operating Officer
Michigan State University Federal Credit Union

Enclosures

East Lansing
77 West Rd.
25 E. Mt. Hope Rd.
3 E. Grand River Ave.
SU Union

Lansing
653 Micaud Ln.
200 E. Jolly Rd.
104 S. Washington Sq.
Sparrow Professional Bldg.

Okemos
1775 Central Park Dr.
Haslett
16861 Marsh Rd.

Charlotte
180 High St.
Auburn Hills
3265 Five Points Dr.

MISSION

To provide superior service while enabling members and employees to achieve financial security, their goals, and ultimately, their dreams.

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AMENDMENT TO FINANCIAL SERVICES LEASE

Michigan State University Federal Credit Union and Michigan State University

This Amendment to the Financial Services Lease ("Amendment") is made effective as of April 30, 2013 between Michigan State University (herein referred to as "Landlord" or "MSU" or "University") and Michigan State University Federal Credit Union (herein referred to as "Tenant" or "MSUFCU") and supplements and amends the original Financial Services Lease between the University and Tenant dated as of May 8, 2006 ("Lease"). The Tenant has requested and the University has agreed to modify the Lease.

University and Tenant agree as follows:

1. Each term used herein shall be defined in accordance with the Lease unless otherwise provided in this Amendment.
2. The Lease is amended by deleting the Renewal Term in Section II. B. on page 3 of the Lease in its entirety and substituting the following in place therefore:

"In the event that MSUFCU desires to extend the term of this Lease for six (6) additional years from June 1, 2015 to May 31, 2021, it shall provide the University with a written request at least one hundred twenty (120) days prior to the expiration of the original term. The University shall not be obligated to provide MSUFCU with future notice of the extension provisions of this Lease. The University will consider the request for an extension and notify MSUFCU of its decision at least sixty (60) days before the end of the Lease term. The renewal term shall be on such terms and conditions and at such fees as shall be agreed upon in writing by the parties."

3. The Lease is amended by replacing the Rental Payment schedule in Section III.A on page 3 of the Lease with the following schedule:

* see Letter from MSU excepting extension of terms to May 31, 2021

2012-2013	4,012 sq. ft.	\$18.62 per sq. ft.	\$74,718.62
2013-2014	4,012 sq. ft.	\$18.69 per sq. ft.	\$74,987.37
2014-2015	4,012 sq. ft.	\$19.25 per sq. ft.	\$77,236.99
2015-2016	4,012 sq. ft.	\$19.59 per sq. ft.	\$78,582.54
2016-2017	4,012 sq. ft.	\$19.93 per sq. ft.	\$79,957.74
2017-2018	4,012 sq. ft.	\$20.28 per sq. ft.	\$81,357.00
2018-2019	4,012 sq. ft.	\$20.63 per sq. ft.	\$82,780.74
2019-2020	4,012 sq. ft.	\$20.99 per sq. ft.	\$84,229.41
2020-2021	4,012 sq. ft.	\$21.36 per sq. ft.	\$85,703.42

4. Amended Tenant Address:

Michigan State University Federal Credit Union
3777 West Road
P.O. Box 1208
East Lansing, MI 48826

5. Amended University Oversight:

Contract Administrator:
Robert Patterson, CFO
MSU Division of Residential and Hospitality Services
W185 West Holmes Hall
919 E. Shaw Lane
East Lansing, MI 48825

6. Alternate Contract Administrator:

Phyllis Sherwood, Controller
MSU Division of Residential and Hospitality Services
W185 West Wonders Hall
919 Birch Road
East Lansing, MI 48825

Or at such other addresses as the University may give notice of to the Tenant.

If to the Tenant:

Patrick McPharlin, President/CEO
Michigan State University Federal Credit Union
3777 West Road
P.O. Box 1208
East Lansing, MI 48826

With copies to:

April Clobes, COO
Michigan State University Federal Credit Union
3777 West Road
P.O. Box 1208
East Lansing, MI 48826

Or at such other addresses as the Tenant may give notice of to the University.

TENANT:

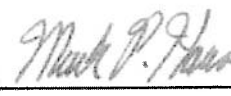
MICHIGAN STATE UNIVERSITY
FEDERAL CREDIT UNION

By:  Date: 4/30/13

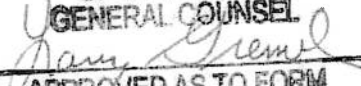
Patrick M. McPharlin
President/CEO

UNIVERSITY:

MICHIGAN STATE UNIVERSITY

By:  Date: 5-21-13

Mark Haas
Vice President for Finance and
Treasurer

OFFICE OF THE
GENERAL COUNSEL

APPROVED AS TO FORM
DATE 5-20-13

MSU - Union

FINANCIAL SERVICES LEASE

This Financial Services Lease ("Lease") is entered into by and between Michigan State University ("herein referred to as "Landlord" or "MSU" or University") and Michigan State University Federal Credit Union ("Tenant" or "MSUFCU").

***** *** *****

I. USE OF PREMISES

- A. Identification of Premises.** The Landlord hereby leases to Tenant and Tenant hereby rents from Landlord those premises located in the Room 108 of the MSU Union Building on MSU's East Lansing, MI campus ("Premises") which Premises consist of 4,012 square feet as specified in Exhibit A attached hereto and made a part hereof. The Landlord further grants MSUFCU the right to use, in common with the MSU community, guests of MSU and other tenants or licensees, the hallways, restrooms, and other common areas of the MSU Union Building. The address of the Premises is:

MSUFCU
MSU Union
Michigan State University
East Lansing, Michigan 48824

- B. Use.** The Landlord grants the Tenant permission to conduct its branch operations on the Premises for the sole purpose of providing financial services to Tenant's membership as follows:

- Teller staff shall perform services, including but not limited to, account withdrawals and deposits, process loan payments, mortgage payments, transfers, open CD's, issue cashier checks, money orders, and travelers checks, VISA gift cards, and order savings bonds, and maintain the lobby coin machine.
- ATM services shall include the production of ATM cards and VISA debit cards and re-pinning cards.
- Wire services shall include processing international wires, domestic wires, and Western Union transactions.
- Foreign monetary services shall include ordering foreign currency and foreign traveler's checks.
- Loan services shall include originating new and used auto loans, home improvement loans, computer loans, home equity loans, lines of credit, and VISA credit and debit cards.
- Member services shall include opening new accounts, notary public, signature guarantee, temporary checks, senior class services, opening IRA's, and/or distribution of IRA monies.
- Any other services that may be hereafter offered to the membership.

- C. Exclusivity.** MSUFCU is granted an exclusive license to provide financial services on the University's East Lansing, Michigan, campus, subject to financial services offered by various MSU units, including, but not limited to, MSU's Cashier's Office and Loan Receivables Office

to the University community. For purposes of this Lease, debit, credit and gift card transactions, checks and money orders, and Western Union services that are offered at MSU's campus are not financial services.

- D. **Reservation of Rights.** MSU reserves the right to enter into the Premises at reasonable times to inspect, repair, and maintain the Premises, as provided herein. To the extent possible, the University will endeavor not to unreasonably interfere with MSUFCU's business during the inspection, repair, and maintenance of the Premises.
- E. **Condition.** The Tenant accepts the Premises in an "As Is" condition. MSUFCU acknowledges that the University has not made any warranty or representation about the condition or security of the Premises.
- F. **Expiration or Termination.** Upon the expiration or termination of this Lease, MSUFCU shall surrender and deliver the Premises broom clean and in as good order and condition as the same shall have been at the commencement of the initial term of this Lease, or as modified by MSUFCU, reasonable wear and tear excepted. Upon the expiration or termination of this Lease, MSUFCU shall deliver the keys to the University and inform the University of all combinations of locks, safes, or vaults, if any, that were used on the Premises. This covenant shall survive termination of this Lease.
- G. **Occupancy of Premises.** Occupancy of the Premises shall commence on the earlier of (i) May 8, 2006, or (ii) three (3) days after all furnishings and office supplies are removed from the Premises. Regardless of occupancy transition, the Tenant shall be open for business by August 15, 2006, unless occupancy is delayed by acts or omissions of Landlord.
- H. **Parking.** The University shall designate two metered parking spaces along the east section of the north service area loop for short-term customer parking.

Tenant may contact the MSU's Department of Police and Public Safety at 517-355-8440 to obtain approval for regular parking permits for its employees. These regular parking permits are similar to all University employee permits which provide access to approved parking facilities but do not guarantee a parking space. The Tenant may also apply for leased parking spaces that are designated for specific MSUFCU employee. All parking fees are the responsibility of the Tenant and/or its employees.
- I. Throughout the term of the Lease, MSU shall schedule, without cost to the Tenant, 3rd floor meeting room space and table space in the 1st floor concourse of the MSU Union for the purpose of training MSUFCU staff and conducting new accounts sign-up campaigns for MSU students respectively.

II. LEASE TERM AND REVIEW

- A. **Term.** The original term of this Lease commences on May 8, 2006 ("*Commencement Date*") and ends as of the close of business on May 31, 2015. ("*Original Term*"), subject to extension (if any) and earlier termination as hereinafter provided.

- B. Renewal Term:** In the event that MSUFCU desires to extend the term of this Lease for three (3) additional years from June 1, 2015 to May 31, 2018, it shall provide the University with a written request at least one hundred twenty (120) days prior to the expiration of the original term. MSU shall not be obligated to provide Tenant with future notice of the extension provisions of this Lease. MSU will consider the request for an extension and notify MSUFCU of its decision at least sixty (60) days before the end of the Lease term. The renewal term shall be on such terms and conditions and at such fees as shall be agreed upon in writing by the parties.
- C. Annual Review.** In July of each year of the Lease, the parties will meet for the purpose of maintaining positive relations and improving services to the MSU community in addition to providing updates on trends in branch financial services, marketing and changes evolving throughout the financial services industry.
- D. University Oversight.** Oversight of the Lease shall be administered by the following University representatives:

Contract Administrator:

Mr. James Sheppard
 Director, MSU Union
 Phone: 517-355-3460

Alternate Contract Administrator:

Mr. Mark Simmons
 Associate Director, MSU Union
 Phone: 517-355-3460

III. RENT

- A. Rental Payment.** In consideration for the Lease, the Tenant shall pay the University rent based on the square foot rate in accordance with the following schedule:

2006-2007	\$16.87 per sq. ft.	\$67,682.44
2007-2008	\$16.93 per sq. ft.	\$67,907.51
2008-2009	\$17.43 per sq. ft.	\$69,944.74
2009-2110	\$17.49 per sq. ft.	\$70,183.52
2110-2111	\$18.02 per sq. ft.	\$72,289.02
2111-2112	\$18.08 per sq. ft.	\$72,542.35
2112-2113	\$18.62 per sq. ft.	\$74,718.62
2113-2114	\$18.69 per sq. ft.	\$74,987.37
2114-2115	\$19.25 per sq. ft.	\$77,236.99

Rent for any given year of the Lease shall be inclusive of electric, gas, water, and utility costs. The University shall not be responsible for the quality, quantity, interruption or failure in the supply of any utility to the Premises. The Tenant shall be responsible for the telephone installation and charges. Refuse services shall be provided by the University, at no expense to the Tenant, provided that the Tenant removes the trash from the Premises and deposits the

trash in the loading dock dumpster.

B. Due Date. Rent payments are due on the 1st day of each month commencing August 1, 2006, and shall be made payable to Michigan State University.

C. Rental Payment and Fee Inquiries. The Tenant shall contact the following University personnel with inquiries about rental payments and fees:

Business Manager, MSU Union
517-355-3458

D. Late Charge. The University may charge the Tenant interest on all rental payments and other fees, if any, that are thirty (30) days past due at the greater of (1) one percent (1%) per month, or (2) the highest interest amount allowed by applicable state law. All such amounts shall be calculated monthly and shall be due and owing in the same manner as specified hereunder.

E. Termination. Upon the early termination or expiration of the Lease, all amounts due or becoming due shall be paid to MSU through the final day of operating at the MSU Union, including, but not limited to, the annual rent which shall be calculated on a prorated basis. Except as otherwise provided herein, the Tenant shall pay any amount due MSU within thirty (30) days after the date of the University's invoice.

IV. HOURS of OPERATION

The Tenant shall conduct business during the following regular hours:

Monday – Thursday:	9:00 AM - 5:30 PM
Friday:	9:00 AM - 6:00 PM
Saturday:	9:00 AM - 3:00 PM

The Tenant shall adjust operating hours during designated University Holidays, inter-sessions and Summer sessions, in accordance with reduced building hours as may be specified by the University. As requested by the University, Tenant shall be open for business during 8 major University wide events and programs. The University shall provide reasonable notice to Tenant of all major University wide events and programs. The Tenant shall not reduce its hours of operation without the prior written approval of the University.

V. ADVERTISING, MARKETING, and SIGNAGE

A. Advertising and Marketing. The Tenant shall engage in local advertising to promote its financial services to the University community. Local advertising is defined as advertising that specifically directs customer traffic to the MSUFCU branch at the MSU Union. Advertisements and promotions conducted outside of the Premises on the University property shall comply with all University policies, ordinances and guidelines. MSUFCU shall not advertise its connection with MSU, its Board of Trustees, or affiliate or agency thereof, nor make use of the University's name or other identifying marks, or property, nor make representation, either expressed or implied, as to the University's promotion or endorsement of MSUFCU's operations unless Tenant has received prior written permission

from the University, provided however, Tenant may use its legal name and identifying marks as it desires.

- B. Advertising Plan.** On June 15th of each year, the Tenant shall submit its written annual advertising and promotion plan to the University. The document shall include the planned initiatives and corresponding budget for each activity for the following academic year.
- C. Signage.** The Tenant shall provide signage to identify and advertise its operations outside the Premises in the public access areas of the MSU Union. Signage design, features and placement, permanent or temporary, is subject to the written approval of the University. All signage shall be maintained in good condition and in "like new" appearance at all times. Approved signs shall include multiple lighted signs installed near window areas visible to pedestrian and vehicular traffic outside the MSU Union building.

VI. EMPLOYEES OF THE TENANT

- A. Quality Service.** MSUFCU employees shall provide the highest possible quality of service to fulfill MSUFCU member's financial goals and comply with MSU's performance standards.
- B. Independent Contractor.** MSUFCU is an independent contractor and no employee of the Tenant shall be deemed an employee of the University for any purpose. The Tenant shall be solely responsible for all human resource functions, applicable taxes, salary, and benefit payments to its employees.
- C. Part-Time Employees.** The Tenant shall give preference to University students when hiring part-time employees.
- D. Non-Discrimination.** MSUFCU shall not discriminate based on race, religion, sex, age, national origin, disability, or status as a veteran, or any other reason as defined and prohibited by applicable law, in the recruitment, selection, training, promotion, termination, or other employment related activities, or with respect to its services offered to the public.

VII. INSURANCE, INDEMNIFICATION, and SUBROGATION WAIVER

Throughout the term of the Lease, Tenant shall maintain the insurance coverage described below:

- A. Workers Compensation insurance, Coverage A, with limits statutorily required by any applicable federal or state law and Employers Liability insurance, Coverage B, with minimum limit of \$500,000 per accident.**
- B. Automobile Liability insurance covering liability arising out of any owned, hired, and non-owned vehicles with a minimum limit of \$1,000,000 each accident and personal injury protection as required by statute.**
- C. Commercial General Liability insurance with a minimum limit of \$5,000,000 each occurrence. Coverage shall be written on ISO 1998 form CG0001 or equivalent and include**

personal injury and advertising injury, independent contractors, products/completed operations, broad form property coverage and liability assumed under an insured contract.

- D. The Tenant shall maintain or cause its construction contractor to maintain, during the time improvements are made to the Premises, builder's risk insurance written on an all risk completed value form and in an amount equal to the initial sum of the construction project and subsequent modifications to the contract. The insurance policy shall name the University, the Tenant and all sub-contractors as insureds. The Tenant shall, upon request, supply the University with evidence of such insurance.
- E. Insurers shall possess a minimum A.M. Best rating of A or better and licensed to do business in the State of Michigan. No change or cancellation in insurance shall be made without thirty (30) calendar days prior written notice delivered by registered mail to the Director of the MSU Union. Prior to renovating and occupying the Premises, and thereafter ten (10) days prior to renewal of policies, certificates of insurance evidencing required coverage shall be delivered to MSU Risk Management and Insurance Office and the Director of the MSU Union (**Insurance Certificate, Exhibit A**). The certificates of insurance shall contain the following information:

Name and address of agent, phone number and fax number

Name of insurance company(ies) and policy number(s)

Policy period

Name and address of insured

Description of coverage(s)

Name/Number of Project Policy limits

Special instructions (eg; addition of Michigan State University as additional insured, waivers of subrogation, identification of project or operations with respect to certificate being issued)

Michigan State University as certificate holder signature of the insurer's agent or representative and date.

The insurance policies, except Workers' Compensation shall be endorsed to name Michigan State University, its Board of Trustees, agents, officers, employees, and volunteers as "Additional Insureds". In the event any insurance policy(ies) required by this Lease are written on a "claims made" basis, coverage shall extend for three years past completion and acceptance of the Tenant's work or services and must be evidenced by annual certificates of insurance. All policies of insurance must be on a primary basis, non-contributory with any other insurance and/or self-insurance carried by the University.

- F. **Property.** Tenant shall insure its furniture, fixtures, equipment, inventory located in, or near the Premises, and on MSU's campus against loss or damage. All property of the Tenant and its agents shall remain the sole responsibility of the Tenant and its respective employees and agents. Under no circumstances shall any liability whatsoever be incurred by the University for damage, pilferage, acts of violence, acts of God, power failure, theft, or for any other hazards or risks to persons or property.
- G. **Maintain Coverage.** In the event that the Tenant and/or its contractors shall fail to maintain and keep in force Commercial General Liability Insurance, Workers' Compensation Insurance, Automobile Liability Insurance, and any other insurance required under this

Lease, the University may declare a default and immediately terminate this Lease upon giving notice to the Tenant.

- H. **Waiver Clause.** The Commercial General Liability insurance certificate shall contain a statement from the insurer that it waives the care, custody, or control exclusion for this Lease.
- I. **Indemnity.** The Tenant shall defend, indemnify and hold harmless the University, and its Board of Trustees, officers, employees, and agents, individually and collectively, from any and all liability, losses, damages (including loss of use), expenses, demands and claims incurred in connection with or arising out of any injury or alleged injury to persons (including death) or damages or alleged damage to property, sustained or alleged to have been sustained in connection with or to have arisen out of the performance under this Lease, or occupancy, use or improvement of the Premises.
- J. **Damages.** The Tenant shall pay or reimburse the University, without regard to insurance limits, for any damage to or destruction of University property or injury to persons sustained as a result of the Tenant's performance under this Lease. The Tenant shall also mitigate all damages immediately and as directed by the University.

VIII. RENOVATIONS

- A. **Renovation.** Tenant shall renovate and transform the designated leased space into a fully operational financial services branch with a budgeted construction cost of **\$500,000**. Renovations to the Premises shall include, but not be limited to, walls, floors, ceilings, doors, fixtures, signs, electrical, communication cabling, security systems, HVAC system, and furnishings. The Tenant shall also, at its sole expense, renovate the 1st floor lobby area where two existing ATM stations are located. The University shall maintain the HVAC system after its installation.

The Tenant may not alter the Premises, at any time, without prior written consent from the University. All additions, alternations, and improvements made by the Tenant and affixed to the Premises that would cause substantial damage to the Premises if removed, shall become the property of the University upon the expiration or termination of the Lease, provided however, the University may, at its option, require the Tenant to remove, at the Tenant's cost and expense, any affixed property or improvements upon termination of this Lease. Equipment, furniture or other property of the Tenant shall be considered the property of the Tenant.

- B. **Demolition.** The University shall, at its sole expense, demolish the interior areas of the Premises which shall be limited to removal and disposal of interior walls, interior doors, dropped ceiling, electrical wiring, communication lines, ductwork, carpeting and asbestos. Demolition shall be performed by Tenant's construction contractor, at a cost not to exceed **\$17,250.00**, provided however, that Landlord shall pay all asbestos abatement costs in excess of the line item that is specified on the construction contractor's original estimate and provided to MSU. MSU shall pay the demolition costs directly to Tenant within 30 days of submission by Tenant of a written request for reimbursement including demolition contractor's invoices.

- C. **Design and Renovation Plan.** Tenant shall submit its design and renovation plan by **May 8, 2006** to the University for approval. With the University's written approval, the Tenant and its construction contractors may begin the renovations to the Premises, **(Final Plans, Exhibit B)**. All renovations are subject to University, local, state and federal codes, ordinances and statutes. The Tenant's compliance with University construction standards, notifications, and approvals shall be overseen by The Engineering Services of Physical Plant and Housing and Food Services Office of Construction, Maintenance, and Interior Design. The Tenant's contact for the space renovation shall be:

Ms. Diane Schimizzi
517-353-4852
For Blueprint/Architectural design approvals

Mr. Bill Whitbeck
517-355-7466
For Compliance Standards

IX. MAINTENANCE, SUPPLIES AND SECURITY

A. University Obligations.

The University shall maintain at its expense, in good condition and repair, the exterior domain of the premises, including the roof, foundation, structural components, HVAC systems, life support equipment, electrical systems (except for bulbs), public areas, except for reasonable wear and tear. The University shall also maintain passage-ways from the lobby, street and parking area leading to the Premises, in good order and repair, and free from snow, ice, rubbish and other obstructions in addition to maintaining foundation plant material to afford a reasonable view of interior signs.

B. Damage and Repairs.

In the event any portion of the Premises or MSU Union shall be damaged because of improvements, additions or alternations installed by the Tenant or in the event repairs and/or replacements are required by reason of the act, misuse, or neglect of the Tenant, its employees, agents, invitees, licensees, or contractors, the Tenant shall make such repairs and/or replacements promptly and properly at the Tenant's sole cost and expense. All repairs and replacements made by the Tenant shall be equal in quality to the original work. If the Tenant refuses or neglects to promptly commence or complete repairs and/or replacements for which the Tenant is responsible, the University may, at its option upon ten (10) days prior notice, make or complete any repairs and replacements, and the Tenant shall promptly pay the costs of such repairs and replacements to the University. Such action by the University shall not in any way be deemed to be a waiver by the University of any right the University may have under this Lease on account of any default by the Tenant.

- C. **Condition of Premises.** The Tenant shall maintain the Premises in good condition, reasonable wear and tear excepted, during the course of the Lease inclusive of daily custodial services, painting, carpet replacement and general repair and/or replacement of fixtures and furnishings. The Tenant shall comply with standards of sanitation and safety as required by Ingham County, the federal government, State of Michigan, and Michigan State University.

- D. **Deliveries.** The Tenant shall be solely responsible for the procurement, delivery, receipt, service, and payment of all supplies associated with the Tenant's business operations. The Tenant shall not purchase or charge supplies in the name of the University.
- E. **Pest Control and Refuse.** The University shall furnish pest control services, at its expense, within the Premises.
- F. **Locks.** Door lock mechanisms installed by Tenant, inside the Premises, shall be compatible with the University key system. The University shall issue the Tenant three (3) sets of keys to the main entrance of the Premises upon execution of the Lease. Additional sets of keys may be issued by the University to the Tenant when requested at the prevailing cost of keys produced by the University's Physical Plant Key Shop. Keys shall not be duplicated by independent sources, and are so noted on the keys. The Tenant shall not change or add any locks to any doors or windows associated with the Premises without the written approval of the University. Any changes or additions to the doors or windows shall be at the expense of the Tenant and made only with the University's written consent. The University shall not make available keys to the Premises to any persons other than Tenant and emergency response team members.
- G. **Alarm.** Alarm systems and other measures of security deemed necessary by the Tenant may be installed with the written approval of the University. Security is the sole responsibility of the Tenant. The Tenant's alarm system shall be monitored by MSU's Department of Police and Public Safety. The Tenant shall contact the Department of Police and Public Safety for contract information pertaining to an alarm system. (355-2221)
- H. **Hazardous Materials.** Disposal of hazardous materials, such as light bulbs and unused chemicals must comply with the University's Office of Radiation Chemical & Biological Safety (ORCBS) requirements. Contact ORCBS for procedures at 355-0153.

X. Damage to the Premises

- A. **Force Majeure.** If, because of riots, war, public emergency or calamity, fire, flood, earthquake, acts of God, government restriction, labor disturbance or strike, or other event(s) beyond the reasonable control of a party (a "Force Majeure Event"), business operations at MSU and/or the Tenant are interrupted or stopped, performance of this Lease, shall be suspended and excused to the extent commensurate with such Force Majeure Event; provided that if such Force Majeure Event and the resulting suspension of the performance of this Lease continues for a period of more than ninety (90) calendar days, then any party may terminate this Lease upon written notice to the other party.

If either party is prevented from performing under the Lease because of fire, explosion, water, civil disorders, labor disputes, vandalism, act of God, energy related closings, other casualties, or other disturbances beyond the control of either of the parties, the disruptions shall not be considered a default of the terms of the Lease. This provision shall not operate to excuse the Tenant from prompt payment of the rental payment or any other payments required by the terms of this Contract, however, either party may terminate this Lease pursuant to the immediately preceding paragraph and be excused from further performance of any covenants of the Lease.

Notwithstanding anything to the contrary, if any damage or destruction shall have been caused by the willful or negligent act or omission of the Tenant, no right or obligation of the University under this section A nor the exercise of any such right or the performance of any such obligation shall prejudice or be deemed to constitute a waiver of any rights or claims the University may have against the Tenant by reason of such willful or negligent act or omission by the Tenant.

- B. **Condemned.** If a portion of the Premises is condemned and the remainder of the Premises is still reasonably usable by the Tenant for the Tenant's purposes pursuant to the terms of this Lease, then this Lease shall continue in full force and effect except that the University shall restore the Premises and all fees shall be adjusted pro rata as to that portion condemned. In the event of condemnation due to the Tenant's acts or omissions, nothing shall prevent the Tenant from receiving any sums awarded on account of the Tenant's damages and for or on account of any cost or loss to which the Tenant may incur, including but not limited to, the Tenant's moving expenses and the loss of business, profits, improvements, inventory and trade fixtures.

XII. LEGAL COMPLIANCE

- A. **Law.** The Tenant shall comply with applicable Federal, State of Michigan, Ingham County, the City of East Lansing, and University laws, statutes, regulations, ordinances, standards, and policies during the term of the Lease. The Tenant shall, at its sole expense, obtain and maintain all permits, licenses and approvals that are necessary to operate a branch financial service.

The Tenant shall comply and cause its employees, invitees and agents to comply with the rules and regulations of the University, as they may be changed at the sole discretion of the University, over the term of the Lease. The University's failure to enforce any rules or regulations shall not constitute a waiver of such rules or regulations.

- B. **Anti-discrimination.**
In performing under this Lease, the Tenant shall not discriminate against any person because of race, creed, color, religion, sex, age, national origin, disability, age, sexual orientation, or on any other basis prohibited by law.
- C. **Strict Performance.** The failure of either MSUFCU or the University to insist upon strict performance of any of the terms or conditions of this Lease shall not be construed as a waiver or relinquishment of such term or condition, and the same shall remain in full force and effect.
- D. **Severability.** If any portion of this Lease shall be deemed to be held invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provisions of this Lease is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed and enforced as so limited.
- E. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Michigan.

XIII. DEFAULT of CONTRACT

A. Tenant's Default.

Upon the occurrence of any of the events of default listed below and throughout this Lease, the University may terminate the Lease and/or otherwise exercise all of its rights and remedies under this Lease and/or exercise any and all other rights and remedies existing at law or in equity or by statute against the Tenant. Events of default are listed below:

If the Tenant (a) shall fail to pay rent required by this Lease promptly when due, or (b) shall fail to perform or observe any other term, covenant or condition of this Lease and such failure shall remain unremedied for thirty (30) days after the University has given written notice to the Tenant; or, (c) any representation or warranty made by the Tenant under or in connection with this Lease or any document, instrument, statement or certificate delivered in connection with the Lease proves to have been incorrect in any material respect when made, then the Tenant shall vacate the Premises, as specified by the University, in the termination letter.

All remaining monies owed to the University shall be paid in full within ten (10) business days of the date of the termination letter. If the University determines, in its sole discretion, that the Tenant's departure has not been timely, the University may remove the Tenant's property from the Premises. The Tenant shall reimburse the University for all expenses that it incurs in removing and/or storing the Tenant's property. The University shall not be responsible for any damage to the Tenant's property.

B. Landlord's Default.

The Tenant may terminate this Lease if the Landlord shall fail to perform any covenant of this Lease and such failure shall remain unremedied for thirty (30) days after the Tenant has given written notice to the Landlord.

XIV. GENERAL PROVISIONS

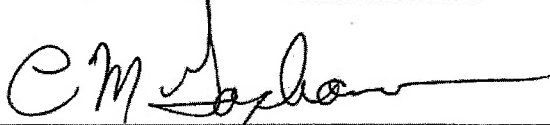
Whenever under the terms of this Lease, a written notice is required, or whenever a written notice or communication is sent, the same shall be accomplished by: (a) personal delivery, (b) certified mail, return receipt requested, postage prepaid, (c) nationally recognized overnight courier service, such as Federal Express, or (d) facsimile transmission followed promptly by overnight courier service. Personally delivered notices shall be effective upon receipt. Notices sent by United States Mail shall be deemed effective three (3) business days after they have been deposited in the United States Mail, properly addressed and with proper postage. Notices sent by overnight courier service shall be effective one (1) business day after submission to the overnight courier service for delivery. Notices that are faxed will be effective on the date faxed, if a second copy is sent to the party by overnight courier service on the same day. Any party may change the address(es) or fax number for notices hereunder by providing the other party with notice of such change as provided in this Section.

Michigan State University
James Sheppard
Director, MSU Union
MSU Union
East Lansing, MI 48824-1029
Fax: 517-432-2045

The Tenant
Michigan State University Federal Credit Union
600 E. Crescent
East Lansing, Michigan 48823

The University and the Tenant have caused their duly authorized representative to execute this Lease.

MICHIGAN STATE UNIVERSITY

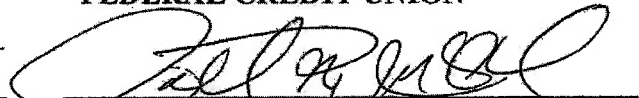


Charles M. Gagliano
Assistant Vice President for
Housing & Food Services

DATE:

5/3/06

**MICHIGAN STATE UNIVERSITY
FEDERAL CREDIT UNION**



Patrick M. McPharlin
President/CEO
Michigan State University Federal Credit
Union

DATE:

5/2/06

AUTOMATED TELLER SERVICE

CONTRACT

Contractor: Michigan State University Federal Credit Union
600 E. Crescent
East Lansing, Michigan 48823

Service Locations: See Exhibits A through S attached to this Contract and incorporated by this reference.

Administration Bldg.
Akers Hall West
Breslin Center*
Brody Hall Commons
Case Hall
Clinical Center
Holden Hall
Holmes Hall West
Hubbard Hall North
International Center
Kellogg Center
Mason-Abbot Hall
McDonel Hall
MSU Union
Owen Graduate Hall
Shaw Hall
Snyder-Phillips hall
Wilson Hall
Wonders Hall

*See attached Exhibit W. Machine will be installed provided agreement is made as to signage, public announcements, and message board notices.

Type of Services: Automated Teller Services

Service Hours: Available during all building hours in respective locations.
Adjustments in services will be subject to revision during non semester periods.

Term: Initial Term commencing on May 16, 1997 and ending on May 15, 2002.

**Renewal
Option:**

One additional period of **24 months** (Renewal Term), on such terms and conditions as are agreed upon by the University and the Contractor in writing not later than ninety (90) days before the expiration date of the Initial term.

Fees:

Aggregate minimum guaranteed annual fee for all locations, in accordance with the following schedule:

May 16, 1997 through May 15, 1998	-	\$300,000.00
May 16, 1998 through May 15, 1999	-	\$312,500.00
May 16, 1999 through May 15, 2000	-	\$325,000.00
May 16, 2000 through May 15, 2001	-	\$337,500.00
May 16, 2001 through May 15, 2002	-	\$350,000.00

The minimum guaranteed annual fee shall be payable during each year in advance in equal monthly installments in accordance to the yearly fee schedules on the first day of every calendar month during the term with the first monthly payment due and payable on **June 1, 1997** to include proration of fees from May 16, 1997 through May 31, 1997.

Payment of the Minimum Guaranteed Annual Fee shall be made by check payable to Michigan State University and sent to the address for notices provided by the University.

I. Use of Premises

A. Permission. Subject to the terms and conditions of this Contract, the University grants to the Contractor permission to use and occupy each service location only for the purpose of operating Automated Teller Service (ATS) facilities, including deposit and withdrawal services and Networking in accordance with Request for Bid Proposal Response submitted by the Contractor (**Exhibit T**) attached hereto, made a part hereof and incorporated herein by reference. Each service location shall be open for service and machines operational by the Contractor during all times the buildings are open. The Contractor shall operate each ATS facility seven days a week fifty-two weeks a year, excluding time periods and locations mutually agreed upon by the University and the Contractor. All changes in operational hours and service shall require written approval of the University.

B. Description of Services. The Contractor shall operate Automated Teller Services in accordance with the following requirements:

<u>LOCATION</u>	<u>NO. OF MACHINES</u>	<u>TYPE OF SERVICE</u>
Administration Bldg.	1	payout
Akers Hall West	1	payout
Breslin Center*	1	payout
Brody Hall Commons	1	payout
Case Hall	1	payout
Clinical Center	1	payout
Holden Hall	1	payout
Holmes Hall West	1	payout
Hubbard Hall North	1	payout
International Center	2	full
Kellogg Center	1	payout
Mason-Abbot Hall	1	payout
McDonel Hall	1	payout
MSU Union	2	full
Owen Graduate Hall	1	full
Shaw Hall	1	payout
Snyder-Phillips Hall	1	payout
Wilson Hall	1	payout
Wonders Hall	1	payout

Any changes in the varieties and charges of Automated Teller Services in, on or from each service location are subject to the review and written approval of the University. No consent will be necessary for enhancements typical of all other ATS locations under the Contractor's ownership and operation. However, the Contractor shall notify the University in writing of all enhancements prior to date of implementation.

C. Condition. The University has not made and does not make any warranty as to the condition of the respective service locations or as to the fitness or security of the respective services locations for any specific use, and the Contractor accepts each service location as is.

D. Signs. The Contractor will not place or allow to be placed or maintained on or about any service location, any sign, advertising matter, or similar thing of any kind, and will not place or maintain any decoration, lettering, or advertising matter on the glass of any window or door of any service location without first obtaining the University's written approval, and the Contractor will maintain such sign, decoration, lettering, advertising matter, or other things as may be approved in good condition and repair at all times.

II. Reports; Accounting

A. Contract Year. Each Contract Year shall commence on the 16th day of May and

shall terminate on the 15th day of the following May during the term of the Contract, with the first Contract Year commencing on May 16, 1997.

B. Monthly Reports. The Contractor, within twenty (20) days following the end of each month of each Contract Year, shall furnish the University a written statement showing a summary of transaction volume for each machine broken down by type, i.e., deposits, transfers, withdrawals, inquiries, and Network use and combined total withdrawal dollar amount for both in-house and network transactions made in, upon and from each of the demised service locations (19 locations) during such month. In addition, the Contractor shall supply special written statements from time to time as requested by the University for purposes of market and promotion and analysis.

C. Yearly Reports. Within thirty (30) days following the expiration of each Contract Year, the Contractor shall furnish the University a written statement, showing the amount of transaction volume made in, upon or from each of the contracted service locations (19 locations) during the preceding Contract Year. All transaction activity by the Contractor in, upon or from the contracted service locations shall be verifiable on the first day at the beginning of the first accounting period, and the Contractor shall keep accurate books of account of all transaction activity and all computer reports and books of record of such transactions. This is proprietary information for the sole purpose of verifying payment of fees. Subject to the University's release obligations under law, any further use must have permission of the MSU Federal Credit Union.

D. Certification of Yearly Reports. Each statement of transaction activity to be delivered by CONTRACTOR to UNIVERSITY shall be certified to be true, complete and accurate by an authorized officer of CONTRACTOR. Such authorized officer shall also certify computation of the total fee for the Contract Year and the computation of any fee due at the time of such report.

E. Audit. The University may at any time during normal business hours cause the appropriate records of the Contractor to be audited for any time period selected by the University. If any deficiency in the payment of fees for the time covered by such audit is disclosed by such audit, the Contractor shall promptly pay such deficiency. In addition, if such audit discloses for the time covered by such audit a deficiency in the payment of fees in excess of five percent (5%) of the fees actually paid by the Contractor for the time covered by such audit, the Contractor shall promptly pay to the University the cost of such audit, together with an amount equal to ten percent (10%) of the total fees for such time covered by the audit, as liquidated damages, and not as a penalty for the losses sustained by the University resulting from disruption of the University's cash flow and increased accounting and other leasing administration difficulties resulting from such deficient payment, the value of all of which would be at best difficult to determine.

F. Submission; Records. All reports of transaction activity and all fee payments shall be delivered to University no later than the day on which the same are due at the

following address:

Director
MSU Union
Michigan State University
East Lansing, Michigan 48824

Contractor shall maintain an office at 600 E. Crescent in East Lansing, all records respecting its transaction activity at each service location from which the fee can be computed, which records shall be open for inspection by the University, its employees, accountants and agents at all reasonable business hours. Such reports shall be retained for at least three (3) years following the end of each Contract Year.

III. Licenses and Permits

Contractor shall, at its own expense, obtain prior to the commencement of the term of this Contract, all licenses, permits and other approvals of all governmental authorities having jurisdiction necessary for the operation of Automatic Teller Service facility at each respective service location. During the term of this Contract, Contractor shall, at its own expense, maintain in full force and effect all such licenses, permits and other approvals.

IV. Rules and Regulations:

Contractor shall observe and comply with the rules and regulations of Michigan State University. University reserves the right to make such other and further rules and regulations as in its judgement may from time to time be necessary to ensure the safe and orderly use of each service location and to preserve any property therein. Failure by University to enforce any rules and regulations shall not constitute a waiver thereof. It shall be Contractor's obligation to see that Contractor's employees, invitees and agents obey said rules and regulations.

V. Contractor's Property

All fixtures, equipment, inventory and other personal property at any time located upon each service location, whether such property is owned by Contractor, University or any other person, and any additions, alterations and improvements to each service location made by Contractor shall be kept and maintained by Contractor at its sole risk, and Contractor shall bear cost, loss and expense for any casualty or theft risk in connection with such fixtures, furnishings, equipment, inventory and other personal property. Contractor shall indemnify and save and hold harmless University from and against any and all loss, cost and expense, including but not limited to reasonable attorney fees, by reason of any damage to or destruction of any fixtures, equipment, inventory and other personal property and any such additions, alterations and improvements made to each service location by Contractor.

VI. Alterations

A. Under this renewal Contract, no improvements and alterations to each assigned service location for operating Automated Teller Services will be required with the exception of the Breslin Center which will be performed under the conditions stated in Exhibit W.

B. All Automated Teller Service terminals have been named "Campus Cash Stop"® (Logo is property of MSUFCU. Registration of MSUFCU trademark pending.)

C. Contractor may make additions to, modifications to or replacements of Automated Teller equipment or any other element of the Financial Center(s) as it may, from time to time, at its discretion deem desirable to provide continued and expanded service to the public; provided, however, that the University must approve any change in the level of services provided, and that the obligations and duties of the University will not be materially increased without its consent.

D. The expense of additional machines or relocation of current machines will be at the University's expense. Any such change must be mutually agreed upon.

E. All additions, alterations and improvements made by Contractor become the property of University upon the expiration or termination of this Contract, (excluding Automated Teller Machines) provided however, that University may, at its option, require Contractor to remove, at Contractor's cost and expense, any such additions, alterations and improvements at the end of the Contract term or any renewal thereof.

VII. Maintenance and Repair

A. University, at its sole expense, shall maintain in good condition and repair the exterior portion of each service location including the roof, foundation, structural components, public areas, except for reasonable wear and tear, and except for such repairs as may be required by reason of the acts, misuse, or neglect of the Contractor, its employees, agents, invitees, licensees or Contractors and except as otherwise provided in this Contract. University shall also maintain the heating and ventilating systems, the life support systems (fire extinguishers, alarms and sprinklers) and the lighting system.

B. Contractor will bear sole responsibility and expense for maintenance of the ATS equipment and shall maintain the financial equipment in good operating condition and provide network accessibility 99% of total available service hours. In the event "up time" falls below 99% for the purpose of computing transaction fees due to University, the highest average usage hourly rate will be applicable.

The University will provide housekeeping and janitor services to each service location at University's sole expense. Periodically, as necessary or upon request by University, ATS

equipment will be moved by Contractor to facilitate cleaning the floors and walls.

C. Contractor shall give University notice of the necessity for repairs coming to the attention of the Contractor.

D. Contractor shall be responsible for maintaining each service location in as good condition as they are on May 16, 1997 and keeping them in an orderly condition, in compliance with standards, applicable laws, rules and regulations of the University and any governmental authority having jurisdiction over each service location.

E. Contractor shall provide each service location with receptacles for refuse. University shall be responsible for removing all refuse from the receptacles routinely, at its sole expense.

F. In the event any portion of each service location shall be damaged because of improvements, additions or alterations installed by Contractor or in the event repairs and/or replacements are required to University building(s) by reason of the act, misuse or neglect of Contractor, its employees, agents, invitees, licensees, or Contractor or in the event repairs and/or replacements are required by reason of the act, misuse or neglect of Contractor, its employees, agents, invitees, licensees, or Contractors, Contractor shall make such repairs and/or replacements promptly and properly at Contractor's sole cost and expense.

G. All repairs and replacements made by Contractor shall be equal in quality to the original work. If Contractor refuses or neglects to commence or complete repairs and/or replacements for which Contractor is responsible, promptly and adequately, University may, but shall not be required to, make or complete said repairs and replacements, and Contractor shall pay the costs thereof to University immediately upon University giving notice of same to Contractor; provided, however, that no such action by University shall in any way be deemed to be a waiver by University of any right University may have hereunder on account of any default by Contractor.

VIII. Damage University Destruction

If any service location shall be so damaged or destroyed by fire or other casualty that the same, in the sole opinion of University, are untenable, then University shall have the right to terminate ATS services to this location and adjust the Contract effective as of the date of such damage or destruction, which option shall be exercised, if at all, by University giving Contractor written notice of same within thirty (30) days after such damage or destruction. If this Contract shall be amended in accordance with this paragraph, the fee hereunder shall be apportioned to the date of such damage or destruction, and Contractor shall immediately surrender and deliver up the service location to University. If University elects not to terminate ATS services at damaged service location in accordance with this paragraph, the fee hereunder shall abate from the date of such damage or destruction to date for each service location again tenable. In such event, University, shall promptly repair

or rebuild the location (except such fixtures, furnishings, equipment and tenant improvements as shall have been installed by Contractor), and this Contract shall remain in full force and effect.

Anything in this paragraph to the contrary notwithstanding, if a service location constitutes a part of a larger building and more than twenty-five percent (25%) of the square footage of the larger building is damaged, University shall have the option to amend this Contract even when there has been no damage to the service location.

Anything in this paragraph to the contrary notwithstanding, if any damage or destruction shall have been caused by the willful or negligent act or omission of Contractor, no right or obligation of University under this paragraph nor the exercise of any such right or the performance of any such obligation shall prejudice or be deemed to constitute a waiver of any rights or claims University may have against Contractor by reason of such willful or negligent act or omission by Contractor.

IX. Insurance; Indemnity

A. Insurance. During the initial and any additional term of this the Contract, the Contractor shall at its sole cost and expense, carry and maintain, for the mutual benefit of itself, Michigan State University, the Board of Trustees of Michigan State University, its officers, agents, and employees, a policy of general liability insurance against claims for personal injuries, wrongful death, or property damage occurring on or about each service location with minimum amount of coverage of One Million Dollars (\$1,000,000.00) on account of bodily injury and/or death of one person and/or on account of damage to property. The policy(s) shall also provide coverage for product liability and contractual liability to cover the indemnification clause, and automotive liability to cover owned, non-owned, and hired vehicles. Such policy or policies of insurance shall be issued by an insurance company acceptable to the University and shall bear an endorsement to the effect that the insurer agrees to notify the University not less than thirty (30) days in advance of any modification or cancellation of the policy. The policy or policies or related certificate(s) shall name the University as an additional insured (**Exhibit U**). The Contractor shall cause to be issued and shall maintain during the initial and any additional terms of the Contract such statutory Workers' Compensation and disability insurance as may, from time to time, be required by city, county, state, or federal laws.

B. The Contractor agrees to deposit the policy or policies (or related certificates) required by Section A above with the University prior to the date of commencement of the Contract term. Not less than ten (10) days prior to the termination of such policy of insurance, the Contractor shall deposit with the University evidence satisfactory to the University of the renewal of such policy of insurance.

C. At no cost to the University, the Contractor shall maintain or cause its construction contractor to maintain, during the time any improvements are being constructed

on each service location by the Contractor, such builder's risk and other insurance as are normally maintained for similar construction projects. The Contractor shall upon request, supply the University with evidence of such insurance.

D. Property Risk. All merchandise and property of the Contractor shall remain the sole responsibility of the Contractor. Under no circumstances shall any liability whatsoever be incurred by University for damage, pilferage, acts of violence, fire, rain, power failure, theft, including merchandise or money, or for any other hazards or risks to persons or property.

E. Indemnity. The Contractor shall hold harmless, defend and indemnify University, its trustees, agents or employees from liability or costs of any nature or kind resulting from this Contract or occupancy or use or improvement of each service location. The Contractor shall furnish adequate protection from damages to University property and shall repair damages of any kind for which the Contractor, its suppliers, its agents, or its employees are responsible.

F. Subrogation Waiver. The Contractor and the University shall cause each insurance policy carried by it pursuant to the Contract to be written in such a manner so as to provide that the University's and the Contractor's insurers waive all right of recovery by way of subrogation against the other in connection with any loss or damage covered by the policy. If either party fails to procure such waiver, if available, it will pay to the other in liquidated damages, all monies to which any subrogor hereunder becomes entitled and the cost of reasonable attorney's fees of any claim for subrogation. The Contractor shall provide the University with a Certificate of Insurance with waiver of subrogation indicated.

X. Utilities

University, at University's sole expense, shall provide to each service location electrical power and heat, provided, however, that all utility service to each service location for operation of the ATS facility shall be provided by Contractor, at its sole expense. Contractor shall be responsible for telephone and electrical cabling installation and charges. University shall not be responsible for the quality, quantity, interruption or failure in the supply or any utility to each service location.

XI. Assignment and Subletting by Contractor

Contractor shall not, without the prior written consent of University, assign or transfer its interests under this Contract in whole or in part or sublet all or any part of ATS services at each service location. If Contractor is a corporation, any transfer of this Contract from Contractor by merger, consolidation or liquidation shall constitute an assignment for the purpose of this Contract and shall require the written consent of University. Any consent by University to any assignment or subletting shall not constitute a waiver of the necessity of such consent to any subsequent assignment or subletting. Each assignee or transferee shall

assume and be deemed to have assumed this Contract and shall remain liable jointly and severally with Contractor for the payment of all fees and for the due performance of all the terms, covenants, conditions and agreements herein contained on Contractor's part to be paid and performed for the term of this Contract. No assignment shall be binding on University unless such assignee or Contractor shall deliver to University a counterpart of such assignment and an instrument in recordable form which contains a covenant of assumption by the assignee. No assignment or subletting by Contractor with the consent of University shall relieve Contractor of its obligations hereunder unless University expressly so agrees in writing.

XII. Surrender of Premises

Upon the expiration of this Contract, any extension thereof, or its termination in any way, Contractor shall surrender and deliver up each service location broom clean and in as good order and condition as the same shall have been at the commencement of the initial term of this Contract, or shall have been put by Contractor and/or University, reasonable wear and tear expected.

Contractor hereby expressly authorizes University as agent of Contractor to remove such debris and make such changes and repairs as may be necessary to restore each service location to such condition at the expense of Contractor without notice to Contractor, in the event that this covenant and other covenants of this Contract on the part of the Contractor in respect to repair are not complied with at the termination of this Contract, and the agreement respecting damages suffered by University through the breach of such covenants shall survive the termination of this Contract.

The foregoing provisions of this paragraph notwithstanding, Contractor shall have the right, upon the termination of this Contract, to remove such equipment, fixtures (including signs) and other personal property of Contractor placed in or upon or affixed in each service location by Contractor in accordance with Section 6 (Alterations), within fifteen (15) days from the termination of this Contract, provided, however, that Contractor shall, at its sole expense, repair any damage to each service location caused by such removal.

XIII. Default

If the Contractor (a) shall fail to pay any fees required by this Contract promptly when due, or (b) shall default in performance of any of the other terms, covenants or conditions of this Contract and such default shall continue for a period of thirty (30) days after the University shall have given notice of such default to the Contractor, during which period the Contractor shall not promptly have commenced and diligently continued an effort to cure such default, or (c) shall abandon or vacate each service location, then the University may remove the Contractor's property at each service location, at the Contractor's expense, and this Contract shall terminate; provided, however, that the University shall retain and may enforce any other rights it may have, at law or equity, against the Contractor.

XIV. Legal Compliance; University Regulations

A. Discrimination. In performing under this Contract, the Contractor shall not discriminate against any person because of race, creed, color, religion, height, weight, sex, age, national origin, sexual orientation or any unlawful basis.

B. University Regulations. The Contractor shall comply, and cause its employees, invitees, and agents to comply, with the rules and regulations of the University, as they may be changed at the sole discretion of the University from time to time. Failure by the University to enforce any rules and regulations shall not constitute a waiver of such rules and regulations.

C. Governmental Regulations. Contractor shall comply with all laws, ordinances and regulations of the Government of the United States, State of Michigan and county and municipal authorities with respect to the use, occupancy, or maintenance of each service location and site by Contractor.

D. Terminating by Court Order. In the event this Contract is determined in any court action to be in violation of any state law, Contractor shall vacate each service location as soon as possible, not look to University for recovery of any damages or reimbursement of expenses of any kind, any fee paid hereunder and, upon vacating each service location, pay all unpaid fee accruing to the time of such vacation.

XV. Accord and Satisfaction

No payment by Contractor or receipt by University of a lesser amount than the monthly fee herein stipulated shall be deemed to be other than on account of the stipulated fee, nor shall any endorsement or statement of any check or any letter accompanying the check or payment as fee be deemed an accord and satisfaction, and University may accept such check or payment without prejudice to University's right to recover the balance of such fee or pursue any other remedies in this Contract provided.

XVI. General Provisions

A. Entire Agreement. This Contract and its exhibits and the Contractor's response to the University's Request for Proposal constitute the entire agreement between the parties with respect to its subject matter and there are no oral understandings or agreements with respect thereto.

B. Changes; Assignment. No variation or modification of this Contract and no waiver of its provisions shall be valid unless it is in writing and signed by the duly authorized officers of the Contractor and University. The Contractor may not assign this Contract without the prior written permission of University.

C. Acts Beyond Control of the Parties. In the event that the University or the Contractor shall be delayed or hindered or prevented from the performance of any act required by this Contract by reason of strikes, lock-outs, labor troubles, inability to procure materials, inadequate or failed power, restrictive governmental laws or regulations, severe weather conditions, riots, insurrection, war or other similar reason not the fault of the University or the Contractor in performing work or doing acts required under the terms of this Contract, the performance of such acts shall be excused for the period of the delay. This provision shall not operate to excuse the Contractor from prompt payment of fees or any other payments required by the terms of this Contract.

XVII. Submission of Contract

The submission of this Contract for examination does not constitute an offer to Contract, and this Contract becomes effective only upon execution thereof by University and Contractor.

XVIII. Advertising and Promotion of Services

The Contractor shall engage in local advertising in order to promote ATM services in all locations outlined in Section XVIII.

For each Contract Year of operations an advertising and promotion plan (**Exhibit V**) shall be submitted by the Contractor outlining initiatives related exclusively to the ATM contract, more specifically to the single product offered by the Contractor known as Campus Cash Stops. This plan shall be submitted thirty (30) days prior to the beginning of each Contract Year and require the approval of the University.

Other than as an incidental consequence of use of its own name the Contractor shall not advertise any connection with Michigan State University, its Board of Trustees, or any agency thereof, nor make use of the University's name or other identifying marks or property nor make representation, either expressed or implied, as to the University's promotion or endorsement of the Contractor's operation unless it has received prior written permission from the University.

XIX. Notice

A. Any notice required by this Contract to be given by either the University or the Contractor to the other shall be in writing and shall be personally delivered or sent by certified mail, return receipt requested. Notice shall be deemed to be given when personally delivered or five (5) days after being deposited in the United States mail, postage paid, addressed to the University or the Contractor at their respective addresses as follows:

If to the University:

Stephen H. Terry
Assistant Vice President
of Finance and Operations
420 Administration Building
East Lansing, MI 48824-1046

With copies to:

James P. Sheppard, Director
MSU Union
Michigan State University
East Lansing, MI 48824-1046

Or at such other addresses as the University may give notice of to the Contractor.

If to the Contractor:

Kenneth H. Laubenstein
President/CEO
MSU Federal Credit Union
600 E. Crescent Rd.
East Lansing, MI 48823

With copies to:

Joyce Banish-Dick
Vice President of Marketing
MSU Federal Credit Union
600 E. Crescent Rd.
East Lansing, MI 48823

Or at such other addresses as the Contractor may give notice of to the University.

XX. Headings

It is understood and agreed that the headings of the various sections of this Contract have been inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of intent of this Contract or any of its provisions. The singular number and gender of personal pronouns as used throughout this Contract shall be construed to mean such number and gender as the context, circumstances or its antecedent may require.

XXI. Successors and Assigns

Any term, covenant or condition of this Contract which inures to the benefit of or is binding upon University shall also inure to the benefit of and be binding upon the successors and assigns of University. Any term, covenant or condition of this Contract which inures to the benefit of or is binding upon Contractor shall inure to the benefit of and be binding upon the successors and assigns of Contractor.

XXII. Entire Agreement

This Contract constitutes the entire agreement between University and Contractor in respect of the subject matter thereof and this Contract supersedes all prior and contemporaneous contracts and agreements, if any, between University and Contractor in connection with the subject matter of this Contract.

XXIII. Public Relations and Employment

Contractor acknowledges that public relations with students, University staff and visitors to the campus are an important part of its service and it shall instruct its personnel in appropriate standards of personal cleanliness and appearance and the proper handling of customer requests and complaints. Contractor agrees to remove any employees from its employ, subject to Contractor's lawful personnel policies in existence at the time of the request, when requested to do so by University on the grounds that continued employment would be detrimental to such public relations.

(a) Contractor shall be solely responsible for employee compensation, including all applicable taxes, insurance, records, payroll processing applicable statutes and any losses incurred as a result of dishonest, fraudulent or negligent acts on the part of Contractor's employees or agents.

XXIV. Exhibits

This Contract consists of 16 pages and 23 exhibits. The 23 exhibits are identified as follows:

Exhibit A	Administration Bldg.
Exhibit B	Akers Hall West
Exhibit C	Breslin Center
Exhibit D	Brody Hall Commons
Exhibit E	Case Hall
Exhibit F	Clinical Center
Exhibit G	Holden Hall
Exhibit H	Holmes Hall West
Exhibit I	Hubbard Hall North
Exhibit J	International Center
Exhibit K	Kellogg Center
Exhibit L	Mason-Abbot Hall
Exhibit M	McDonel Hall
Exhibit N	MSU Union
Exhibit O	Owen Graduate Hall
Exhibit P	Shaw Hall
Exhibit Q	Snyder-Phillips hall
Exhibit R	Wilson Hall
Exhibit S	Wonders Hall
Exhibit T	Request for Bid Proposal
Exhibit U	Insurance Form
Exhibit V	Advertising Plan
Exhibit W	Installation at Breslin Center Letter

To the extent that any provision or term contained in any exhibit attached hereto and incorporated herein shall be found to be in direct conflict with any term or provision contained in this Contract, the Contract shall be controlling.

XXV. Taxes

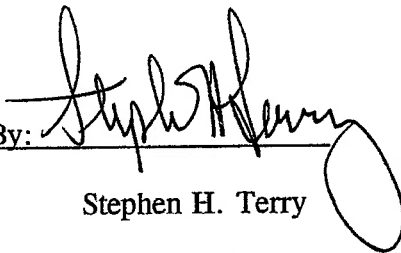
The Contractor shall pay and discharge all present and future taxes which may be levied or imposed in relation to Automated Teller Service on the campus of Michigan State University.

IN WITNESS WHEREOF, the University and the Contractor have caused their duly authorized representatives to execute this Contract.

UNIVERSITY

Dated: 6/2/97

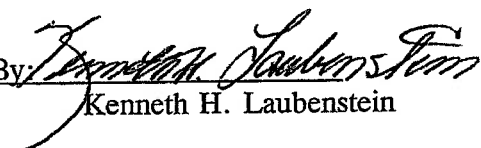
MICHIGAN STATE

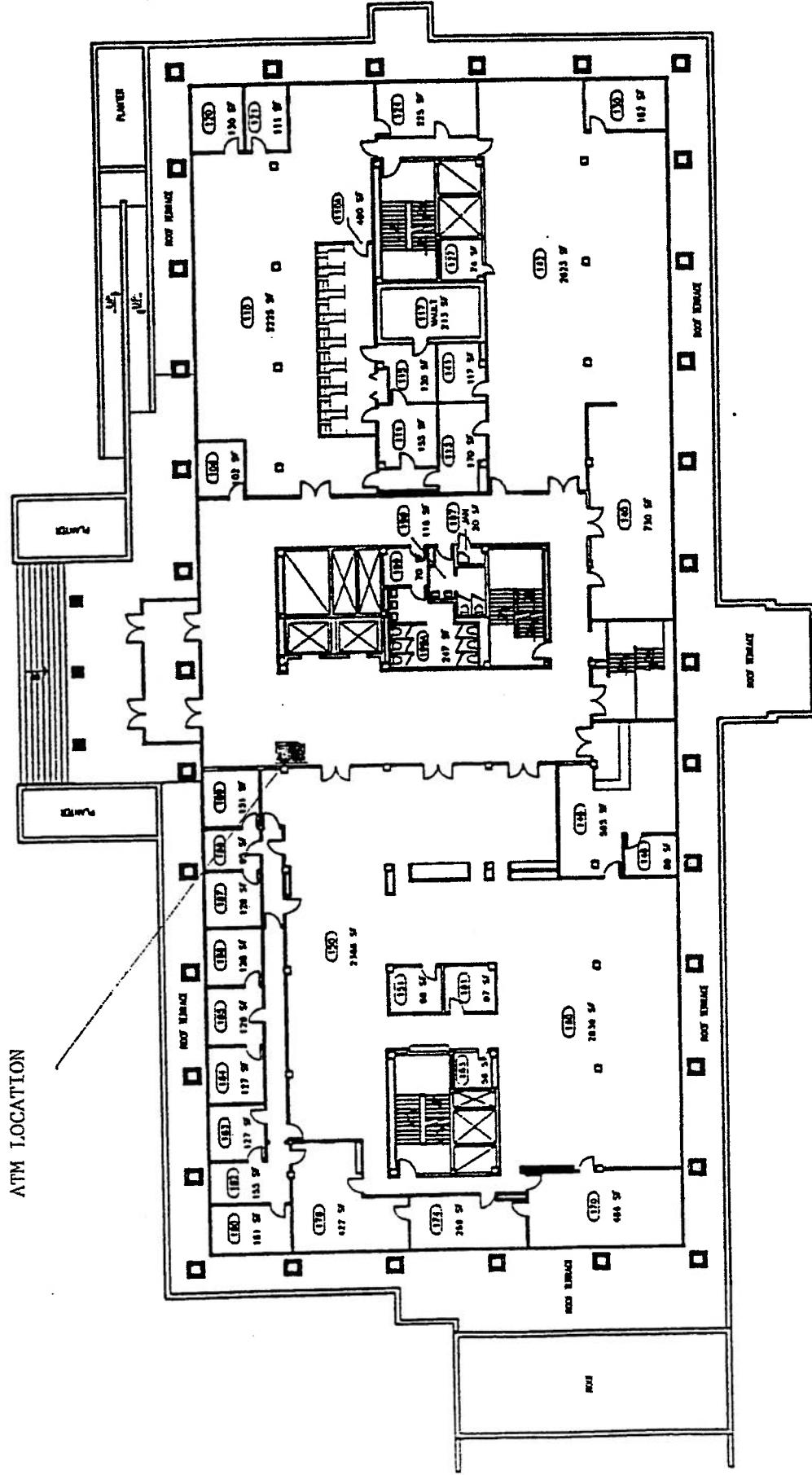
By: 
Stephen H. Terry

Its: Assistant Vice President
of Finance and Operations
and Treasurer

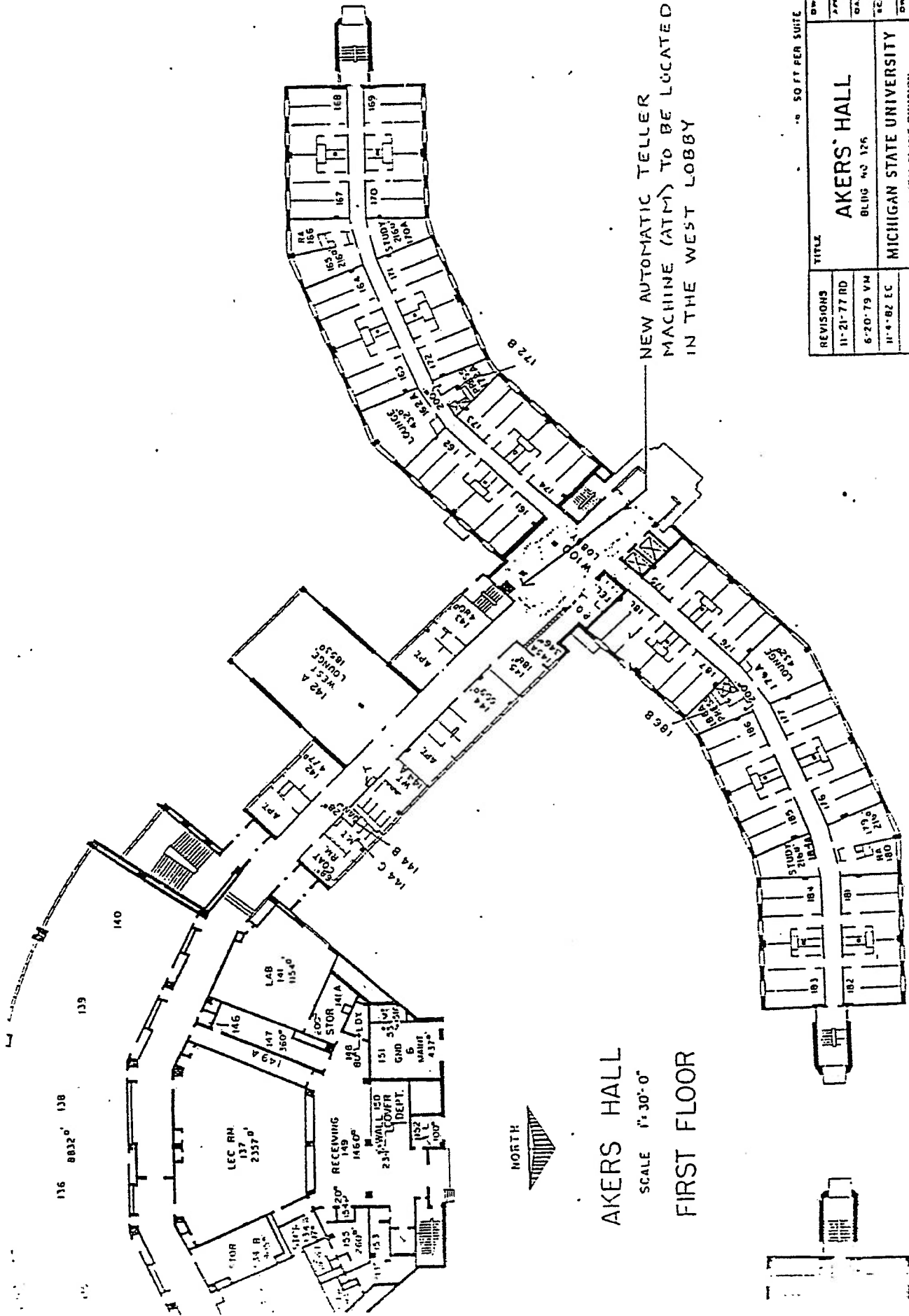
CONTRACTOR

Dated: 5/28/97

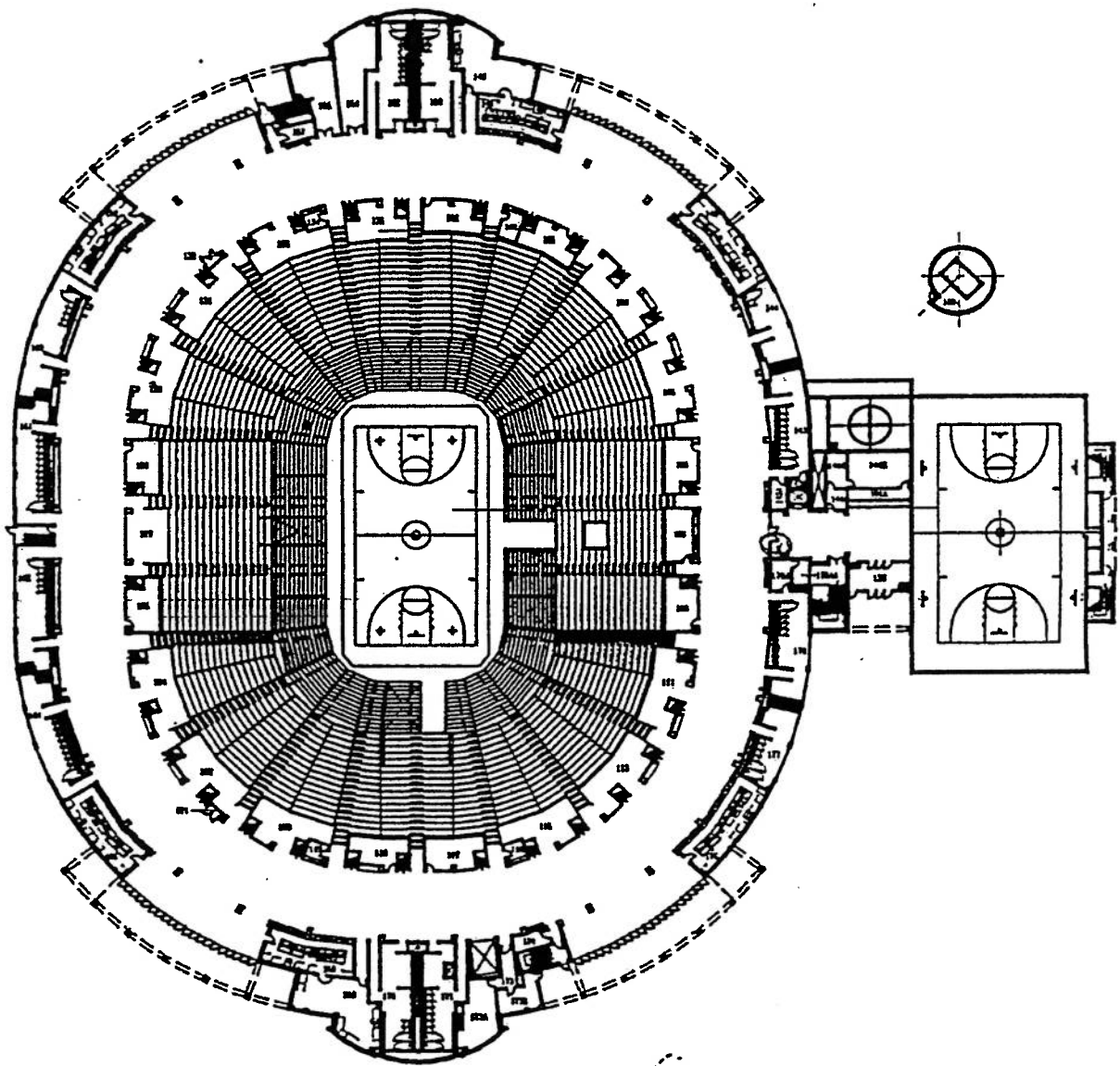
By: 
Kenneth H. Laubenstein
Its: President/CEO



FIRST FLOOR PLAN



REVISIONS		TITLE	DRAWN BY: MCK	
11-21-77 RD		AKERS' HALL BLDG NO 126 MICHIGAN STATE UNIVERSITY PHYSICAL PLANT DIVISION	APP'D BY:	
6-20-79 VM			DATE:	
11-4-82 EC			SCALE:	
			DWG NO	

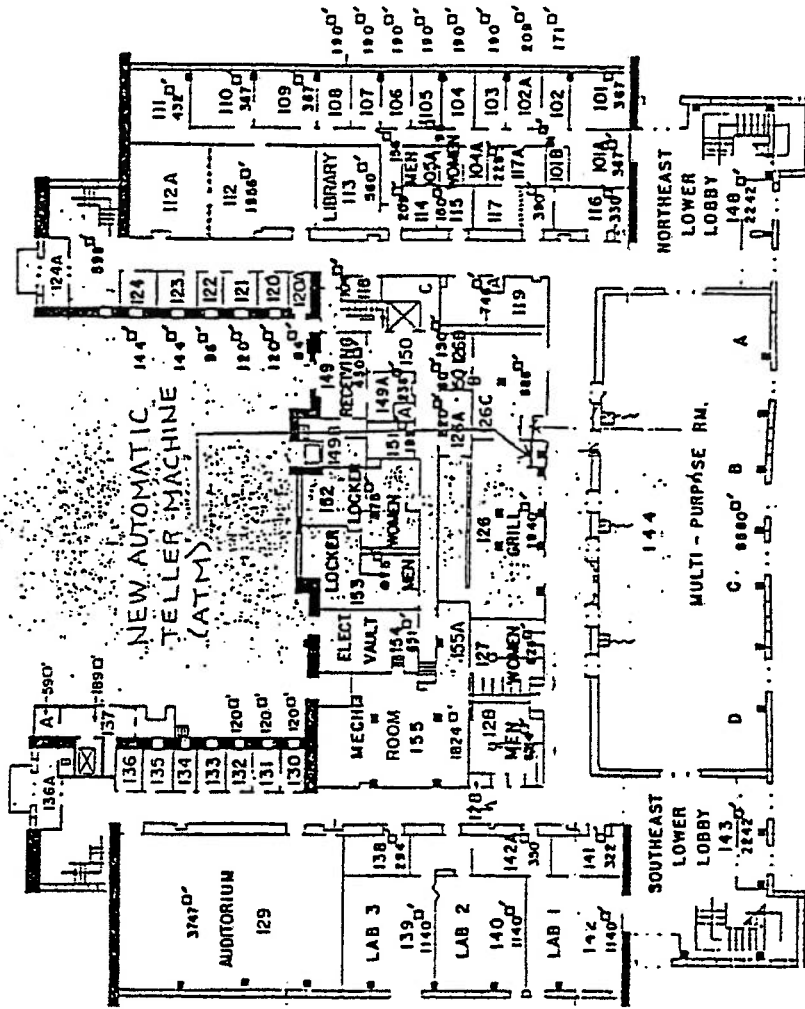


NORTH



CONCOURSE LEVEL PLAN

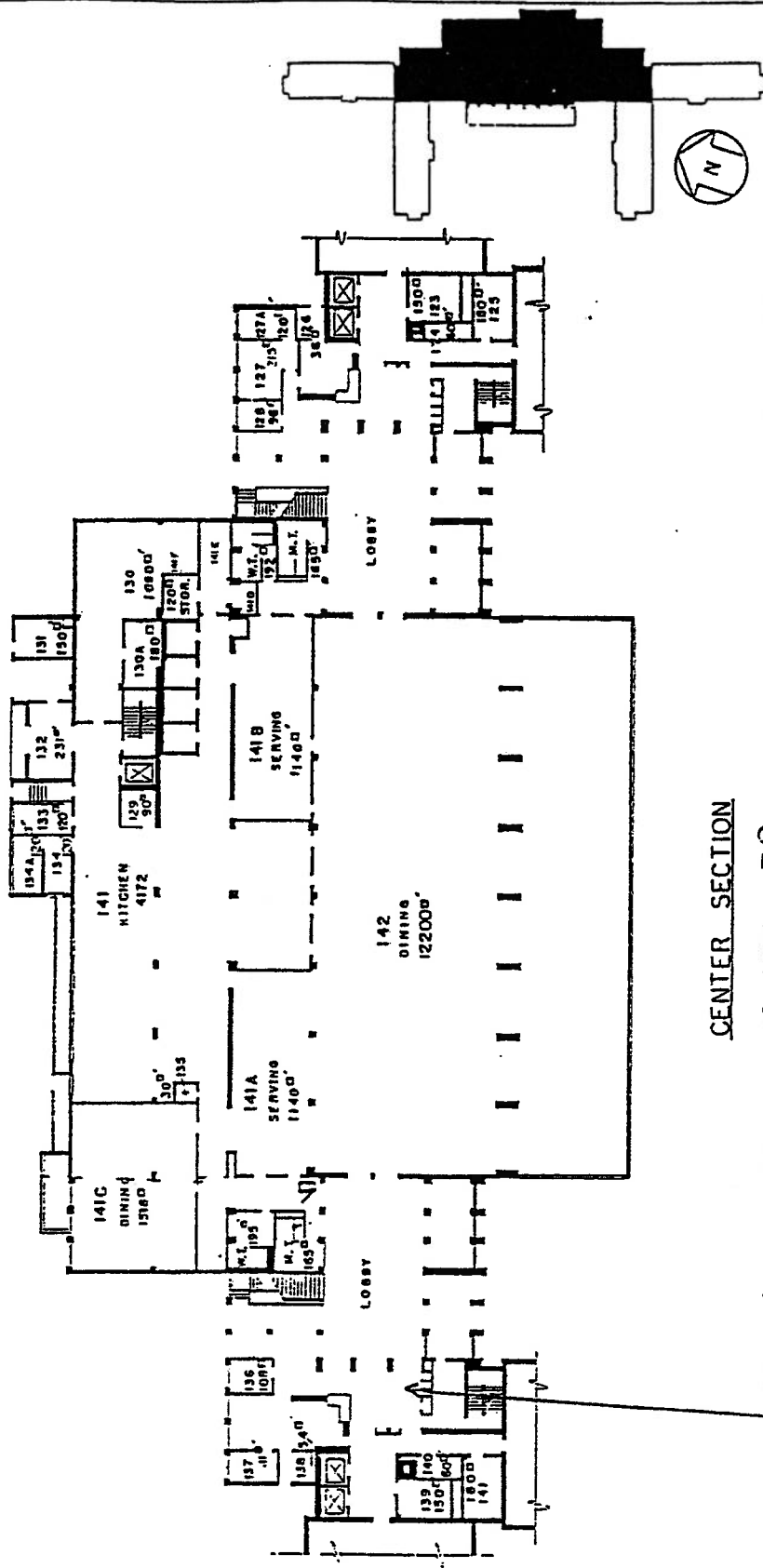
JACK BRESLIN STUDENTS EVENT CENTER
MICHIGAN STATE UNIVERSITY



(NOTE: x-x-x-x Denotes wire partition
Square footage for rooms 133 thru 136
is 114 sq. ft.)

FIRST FLOOR PLAN

REVISED	TITLE	DATE	BY
12-02-77 C.K.	BRODY DINING HALL	7-28-76	J.M.
05-14-79 C.K.	BLDG. 313		
6-14-85 M.V.	MICHIGAN STATE UNIVERSITY		
	PHYSICAL PLANT DIVISION		
	ENGINEERING SERVICES DEPARTMENT		



CENTER SECTION

NEW AUTOMATIC TELLER
MACHINE TO BE LOCATED
IN THE NORTH LOBBY

FIRST FLOOR

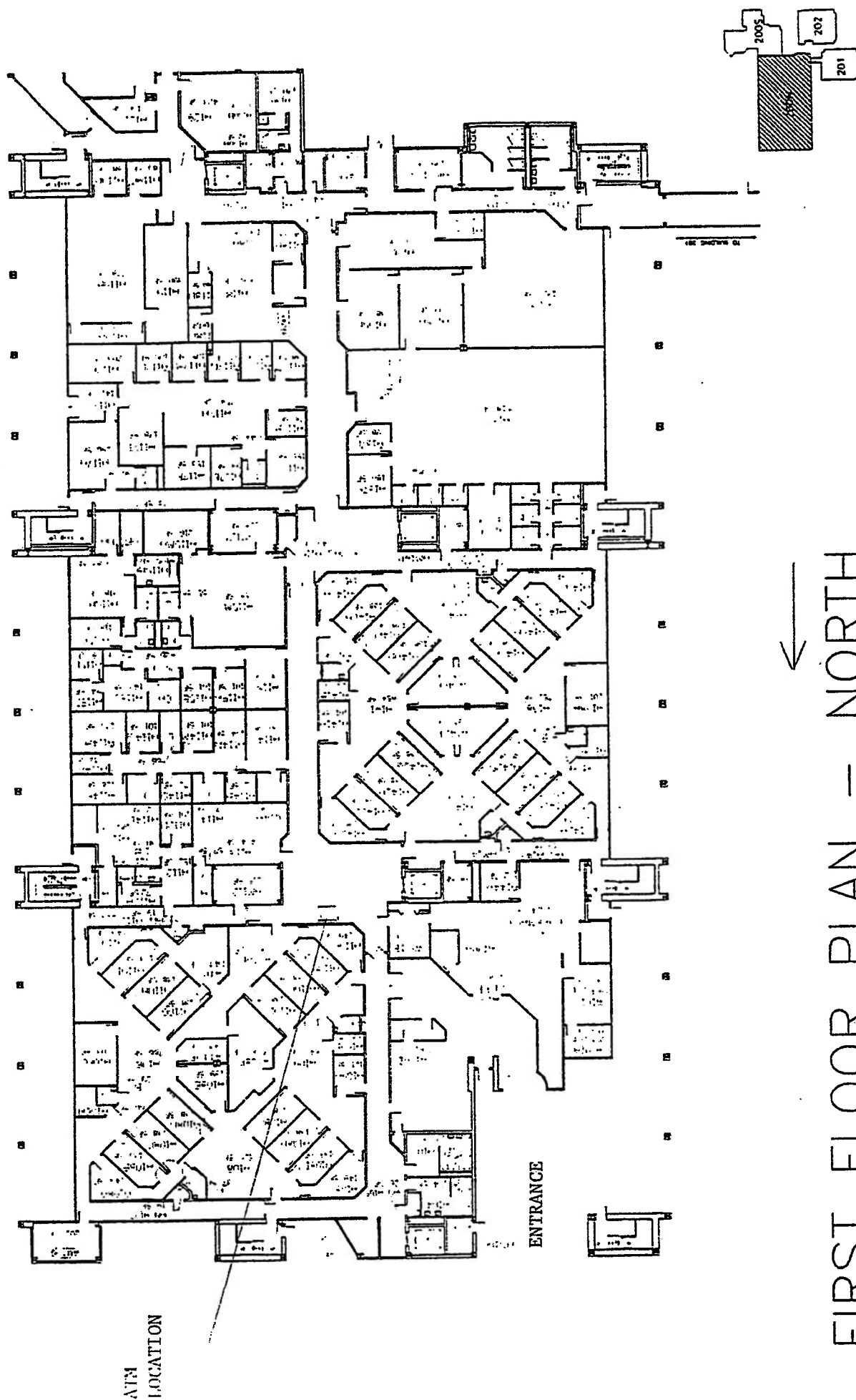
REVISIONS	REVISIONS	DWN.	D.L.G.
12-13-91 KSF	8-8-72 JB	APP.	
	8-5-78 PJS	DATE	1-82
	7-16-79 VM	SCALE	1"=30'
	7-1-85 MV	DWG.	
	2-26-91 KH	FILE	SS.

CASE HALL

BLDG. 321

MICHIGAN STATE UNIVERSITY

CLINICAL CENTER



FIRST FLOOR PLAN - NORTH

NEW AUTOMATIC TELLER MACHINE TO BE LOCATED IN EAST LOBBY

TYPICAL STUDENT ROOM 162 0' x 80 0' (TYPICAL)

RECEPTION DESK

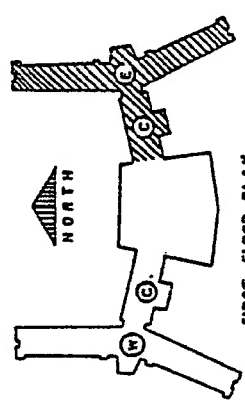
LOUNGE 1300 0'

CONF. 375 0'

FIRST FLOOR PLAN

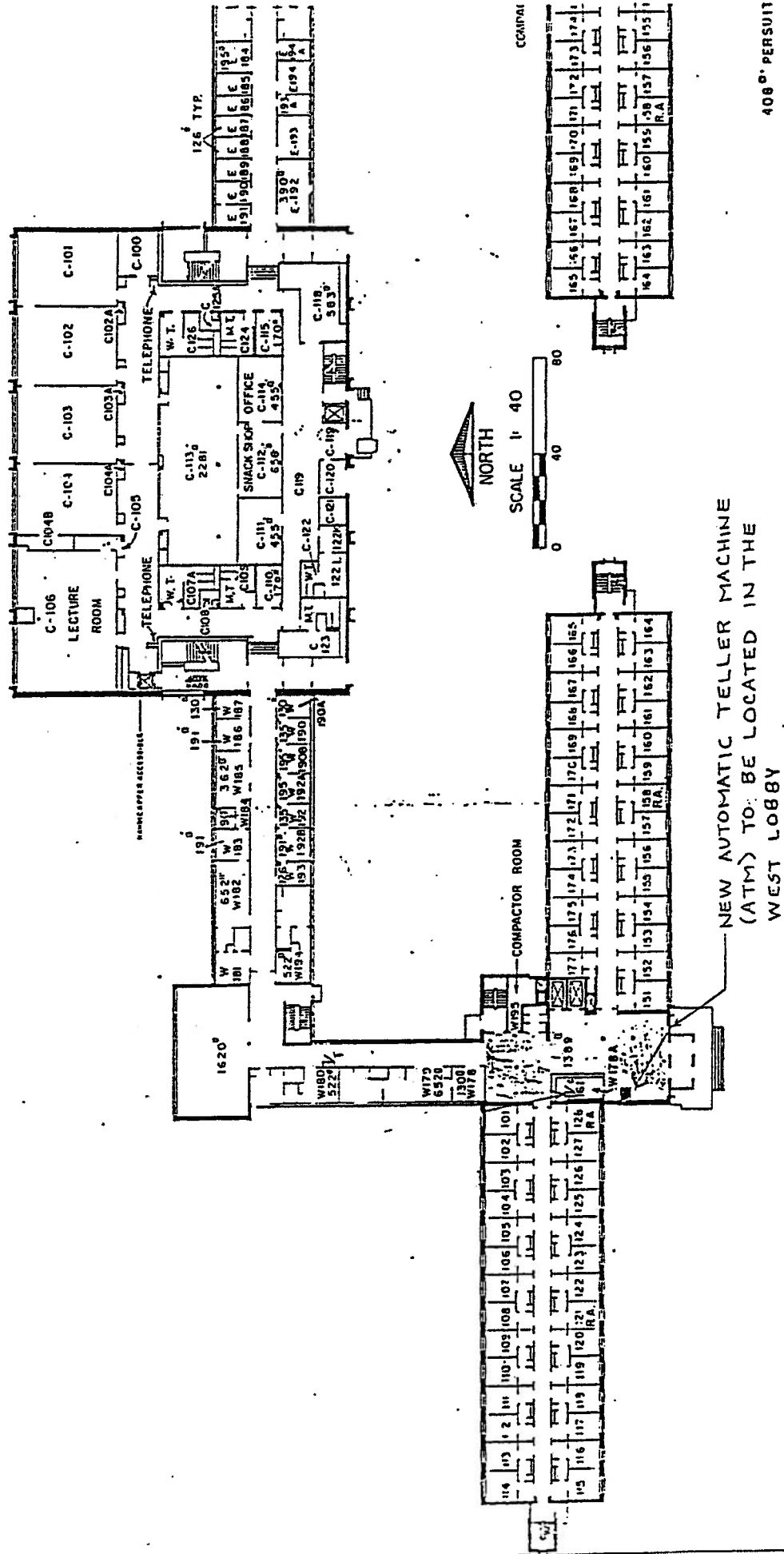
REVISED	APPROVED	TITLE
10/26/90	7-26-72 JB	HOLDEN HALL

TYPICAL STUDENT ROOM 162 Q.
BATHROOM 4B Q. (TYPICAL)

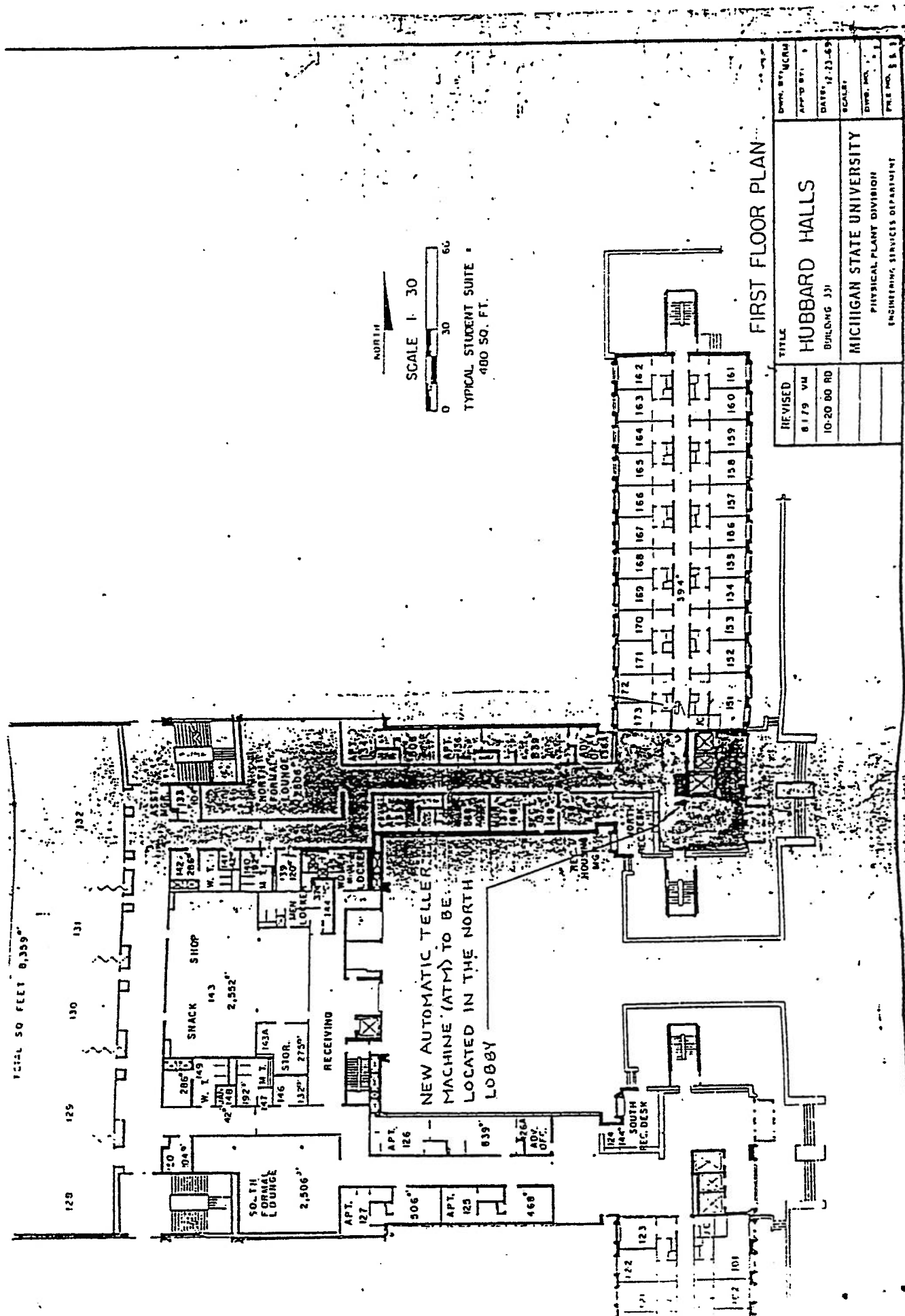


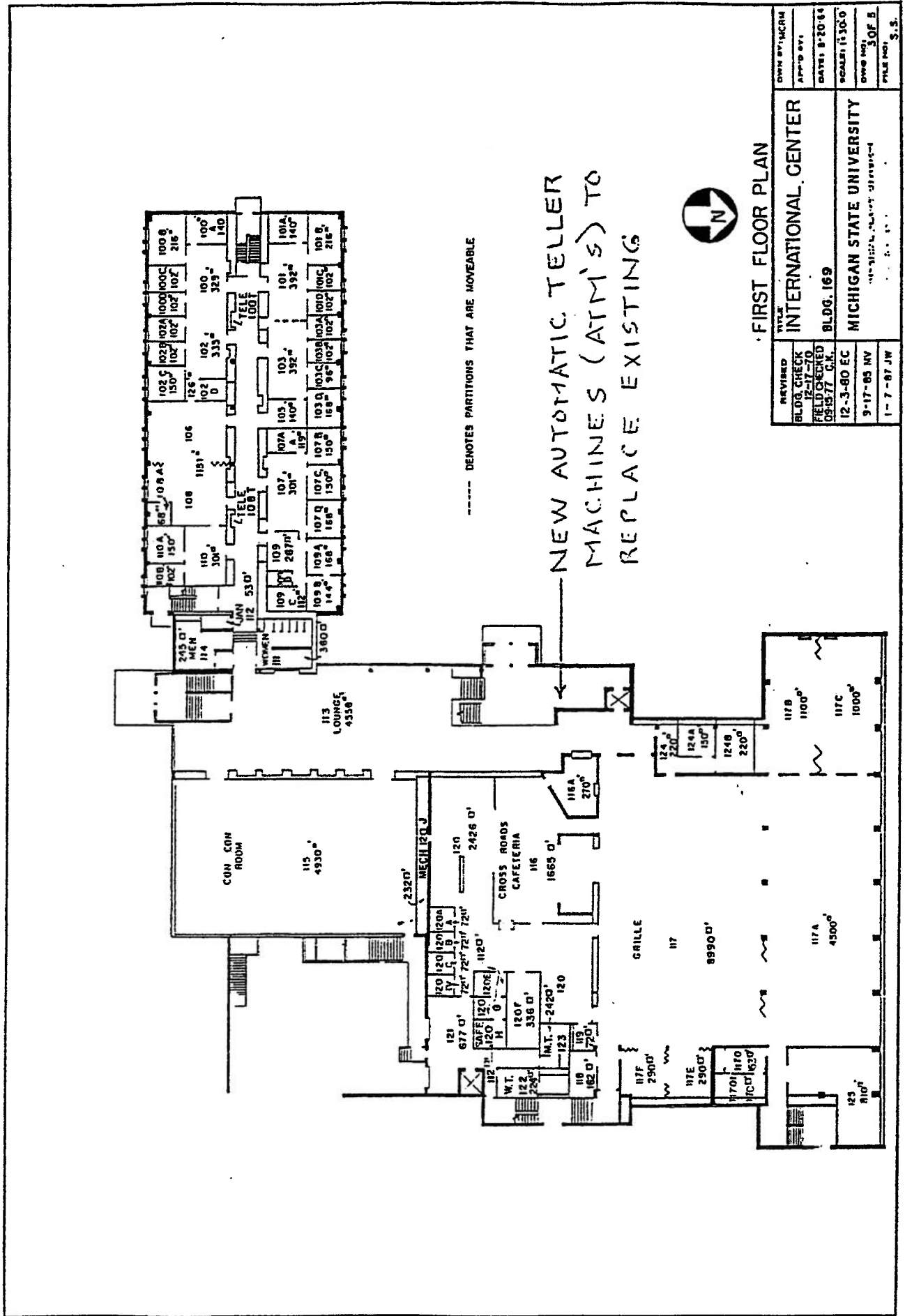
FIRST FLOOR PLAN

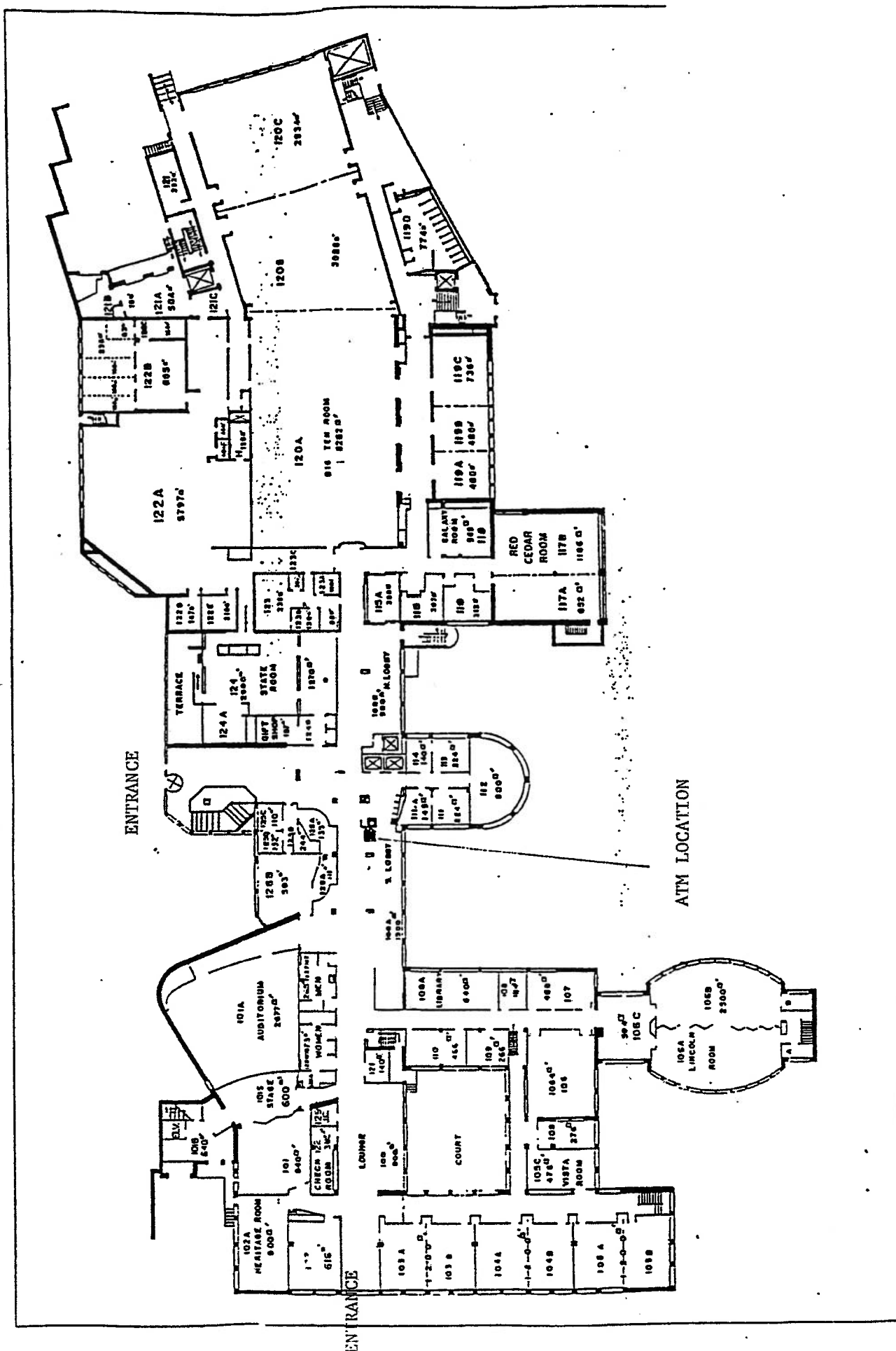
REVISED	REVISED	TITLE	DRAWN BY
10/26/80	7-26-72 JB	HOLDEN HALL	5 H.
	FELD CREDIT	BLDG. 332	APP'D BY
	7-15-78 OJ		DATE
	11-13-78 DAR	MICHIGAN STATE UNIVERSITY	SCALE
	12-27-78 DAR	PHYSICAL PLANT DIVISION	DRAWN NO.
	5-7-84 B-B	"ADMINISTRATIVE SERVICES" DEPARTMENT	FILE NO.



HOLMES HALL
FIRST FLOOR PLAN

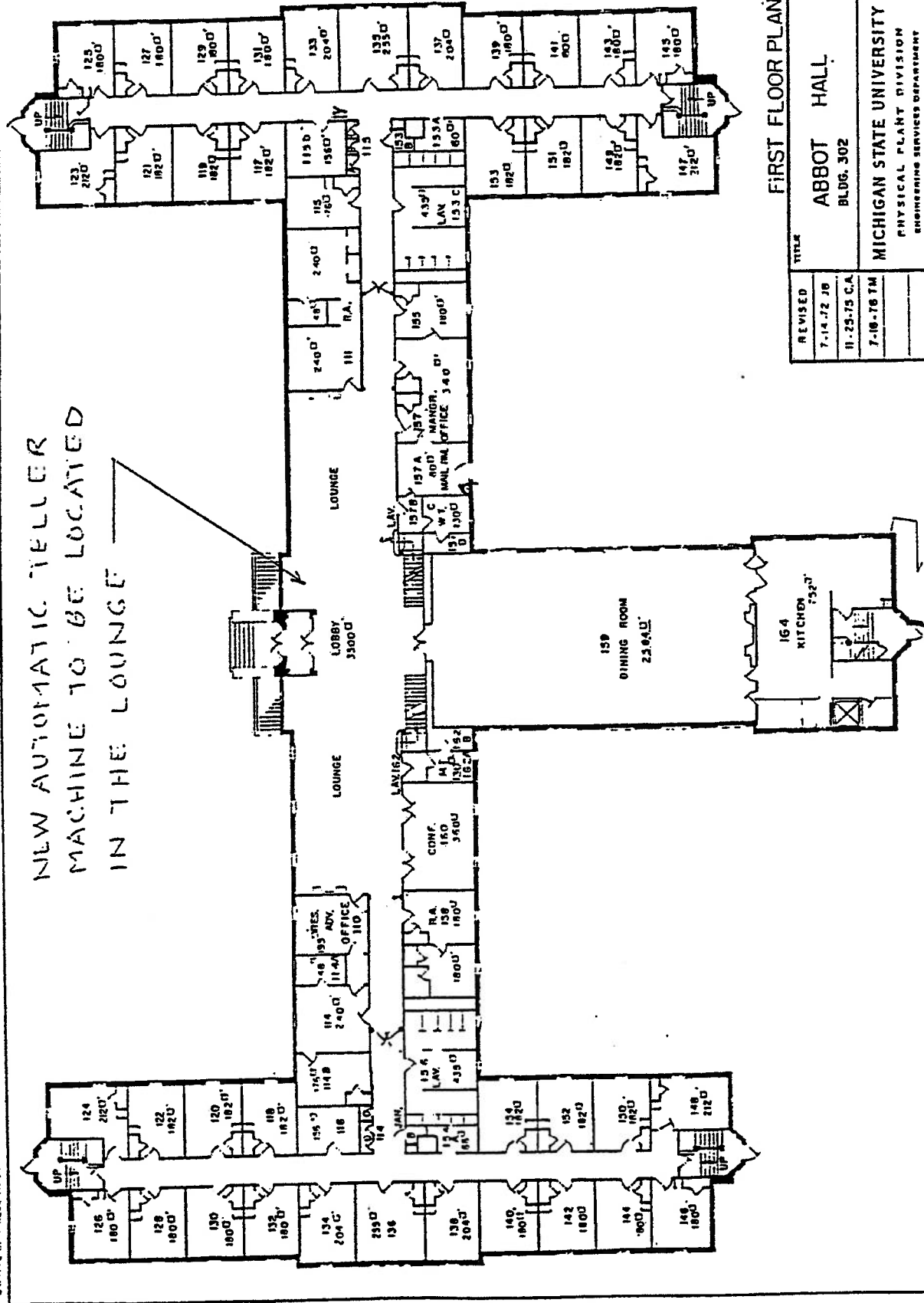






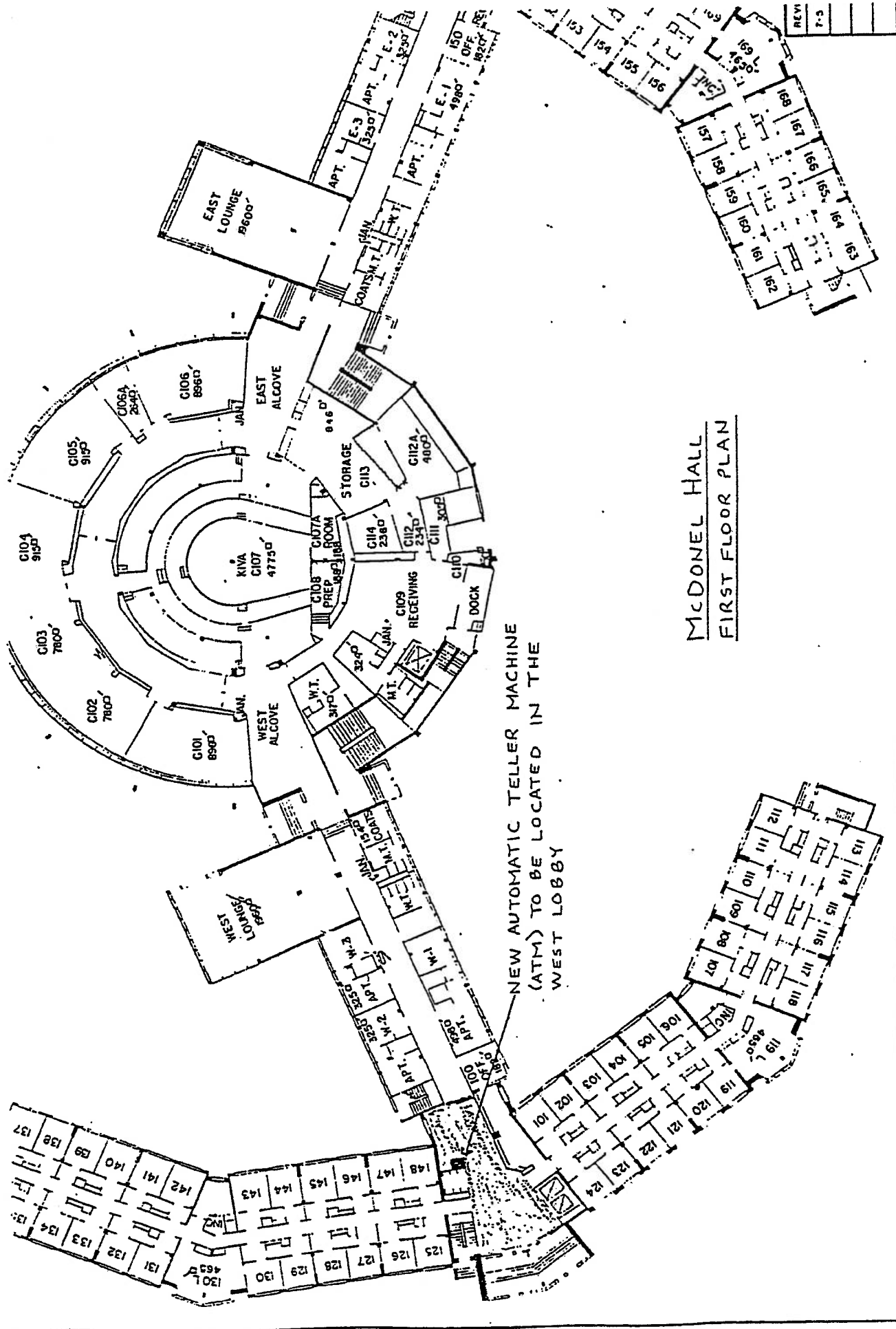
CAPITAL CITY BLUE BOOK 1971

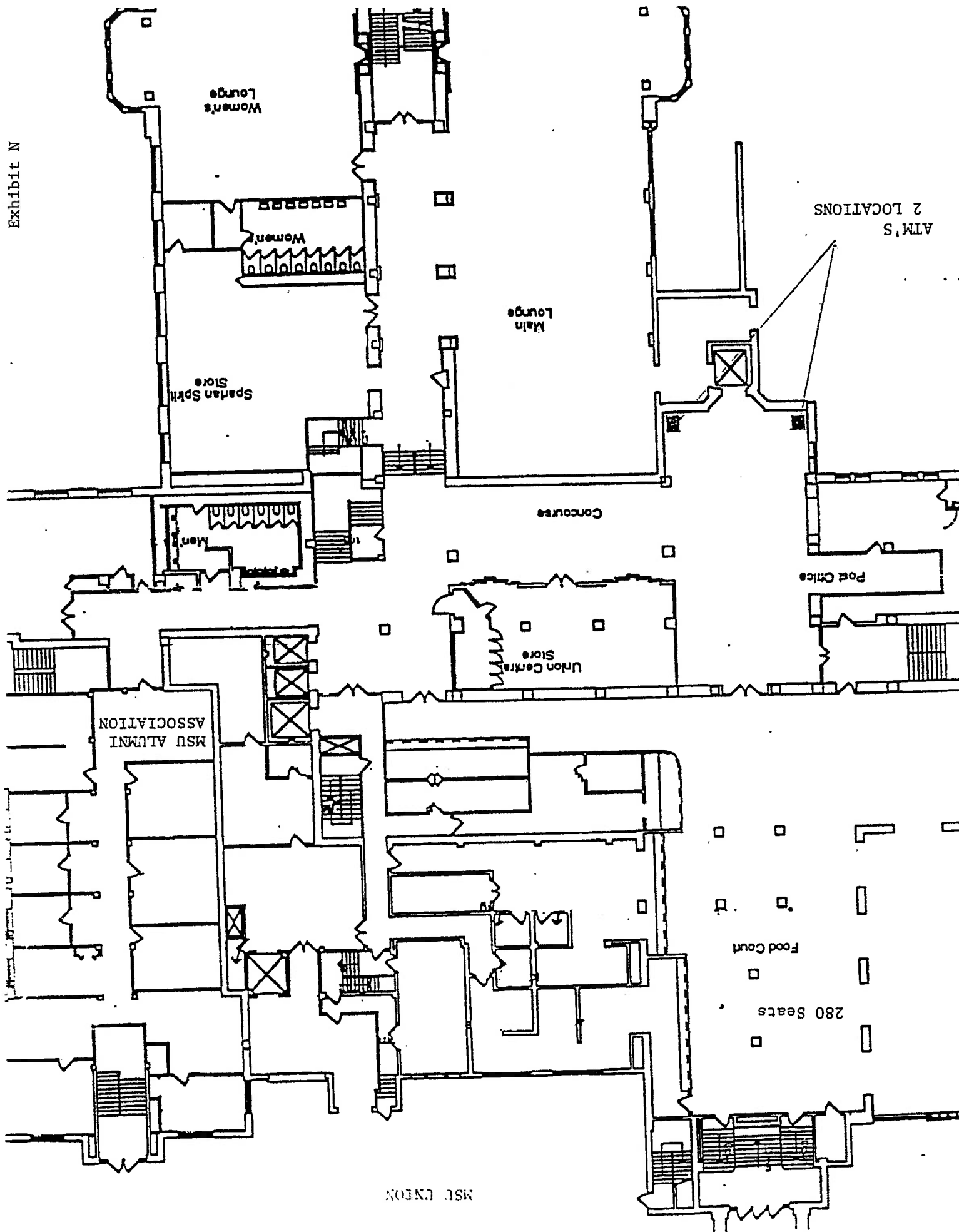
NEW AUTOMATIC TELLER
MACHINE TO BE LOCATED
IN THE LOUNGE

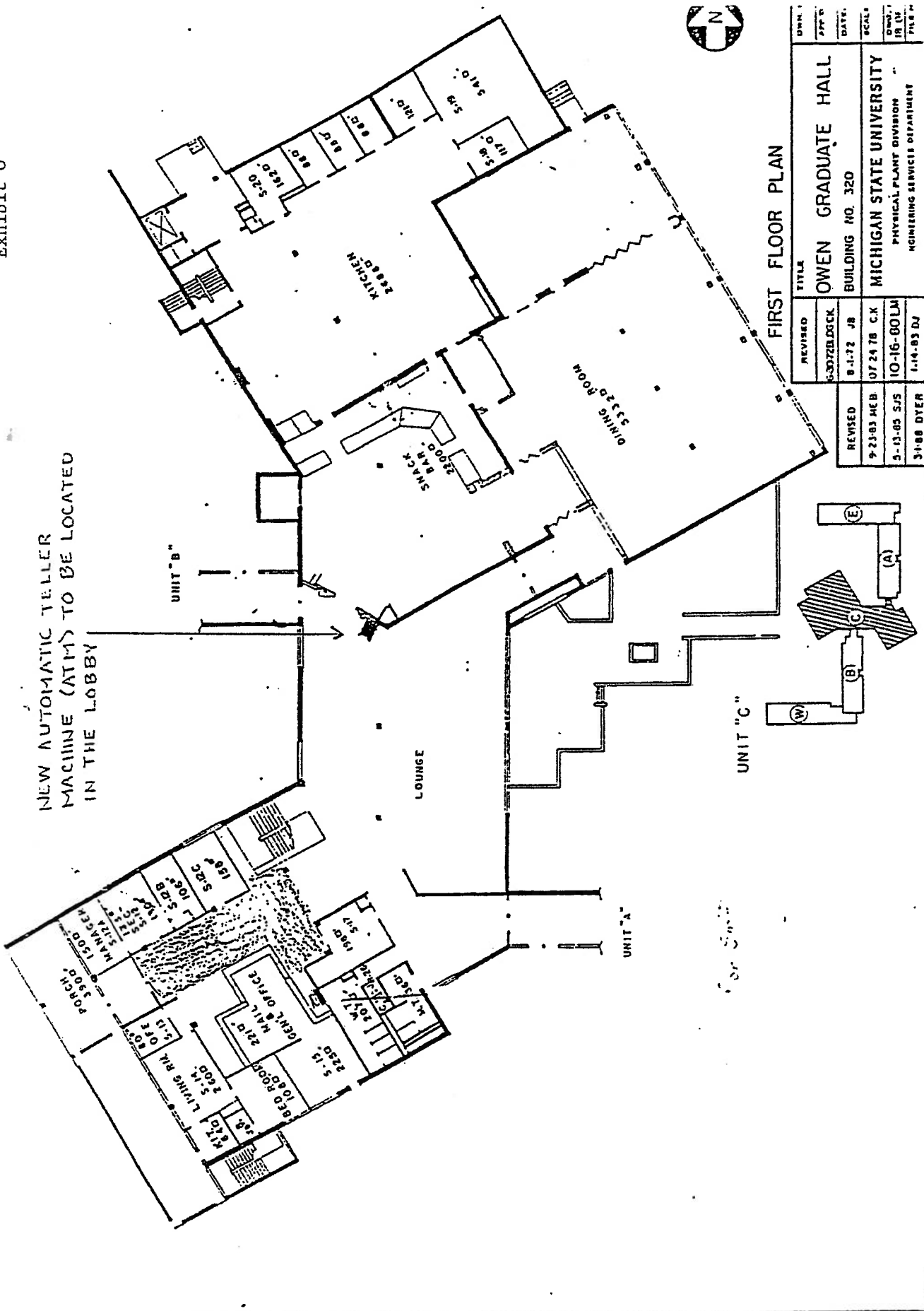


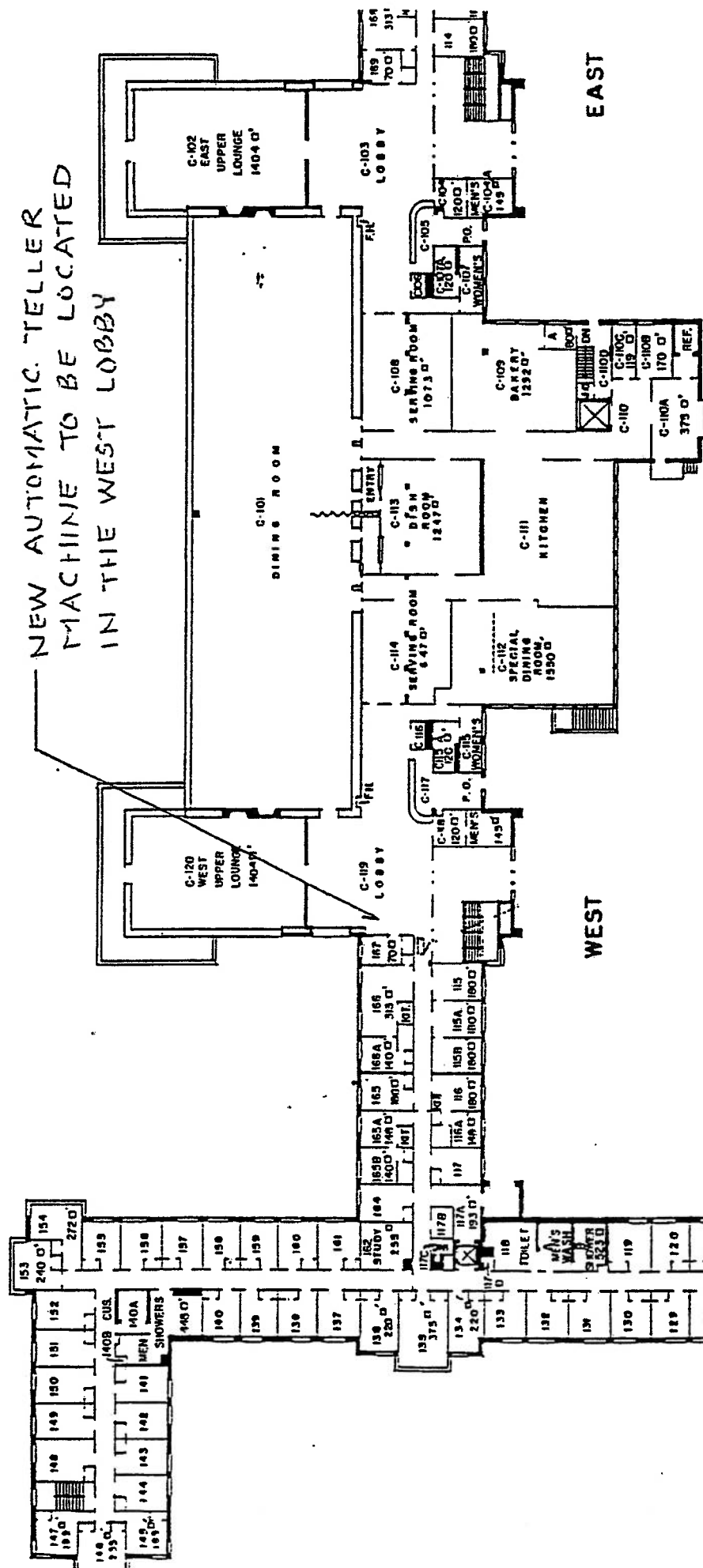
FIRST FLOOR PLAN

REVISED	TITLE	DRAWN BY
7-14-72 JB	ABBOT HALL	AM
11-25-75 CA	BLDG. 302	APP'D BY
7-10-76 TM	MICHIGAN STATE UNIVERSITY	DATE: 8-26-72
	PHYSICAL PLANT DIVISION	SCALE: 1"=20'-0"
	ENGINEERING SERVICES DEPARTMENT	DWG NO.
		FILE NO. 5.5









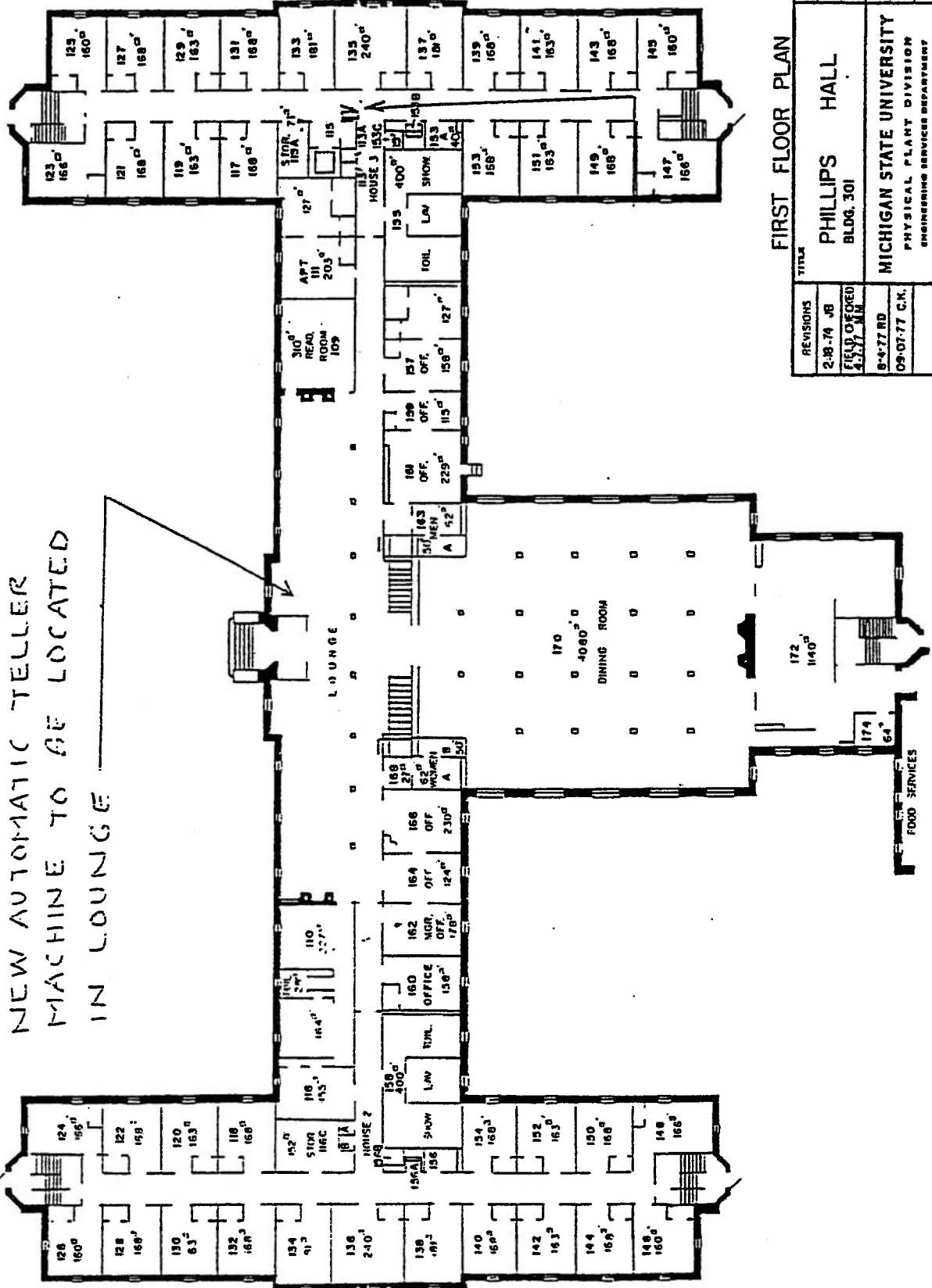
1000' PER STUDENT ROOM

----- DENOTES PARTITION

[illegible]

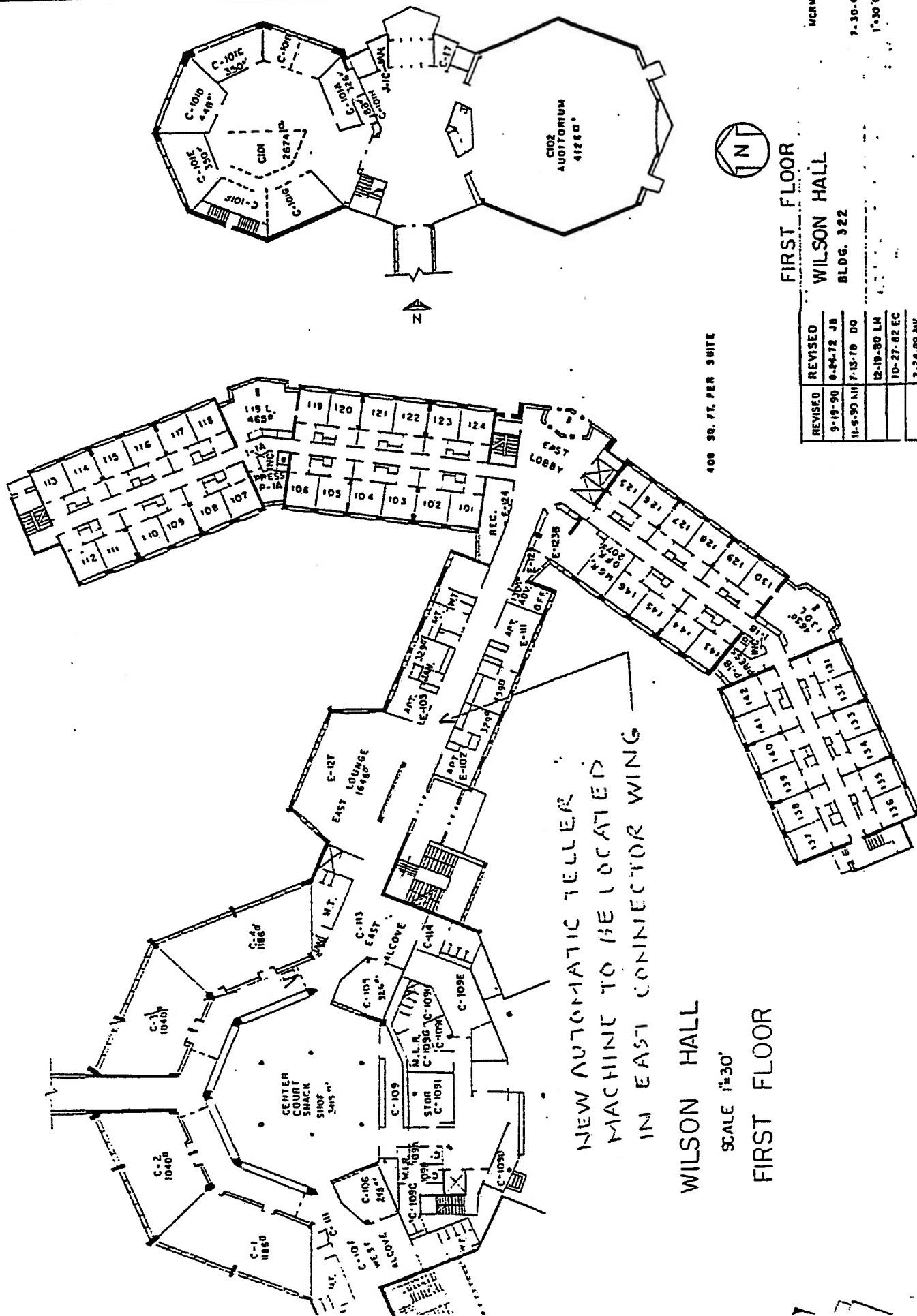
CAPITAL CITY BLUE PRINT

NEW AUTOMATIC TELLER
MACHINE TO BE LOCATED
IN LOUNGE



FIRST FLOOR PLAN

REVISIONS	TITLE	DWG BY	APP'D BY
2-10-74 JB	PHILLIPS HALL		
FIELD CHECKED	BLDG. 301		
4-17-77 JH			
8-4-77 RD	MICHIGAN STATE UNIVERSITY	DATE: 1-27-72	SCALE:
09-07-77 C.K.	PHYSICAL PLANT DIVISION	DWG NO.	FILE NO.
	ENGINEERING SERVICES DEPARTMENT		



400 SQ. FT. PER SUITE

FIRST FLOOR

WILSON HALL

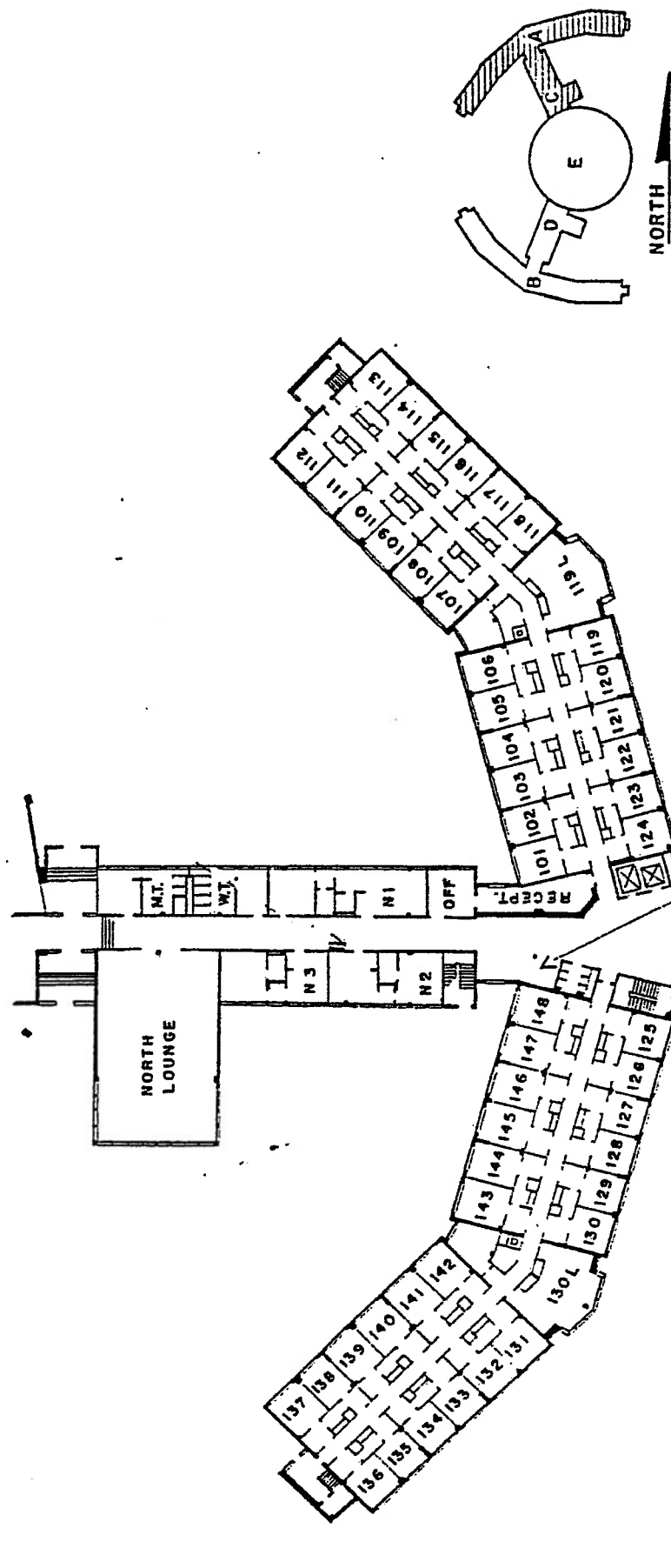
BLDG. 322

REVISED	REVISED
9-19-90	8-24-72 JB
11-5-99 MH	7-13-78 DO
	12-19-80 LM
	10-27-82 EC
	2-24-89 MV

MCAM

7-30-64

1-30-60



NEW AUTOMATIC TELLER
MACHINE TO BE LOCATED
IN THE NORTH LOBBY —

FIRST FLOOR PLAN UNIT "A" & "C"

REV	WONDERS HALL BLDG. 323	LC#00000000
		APP
		DATE 9-63
	MICHIGAN STATE UNIVERSITY	SCALE 1/32"
	BUILDING & UTILITIES DEPT	DWG. NO. 1
	ENGINEERING DIVISION	FILE 55.

INVITATION TO SUBMIT BID PROPOSALS

Michigan State University

Automated Teller Services

Michigan State University invites sealed bid proposals from all financial service institutions for the installation of automated teller services under either one combined contract or two separate contracts in accordance with the following groupings, locations and service specifications (See attached floor plans and map detail for specific site locations).

<u>LOCATION</u>	<u>NO. OF MACHINES</u>	<u>TYPE OF SERVICE</u>	<u>TRANSACTION VOL. 9/1/95 - 8/31/96</u>
Group #1			
International Center	2	full	153,326
Administration Bldg.	1	payout	21,360
Clinical Center	1	payout	16,741
Case Hall	1	payout	25,880
Wonders Hall	1	payout	25,389
Holden Hall	1	payout	27,641
Shaw Hall	1	payout	23,940
Snyder-Phillips Hall	1	payout	17,937
Mason-Abbot Hall	1	payout	12,463
Wilson Hall	1	payout	<u>25,866</u>
		Total:	350,543
Group #2			
MSU Union	2	full	165,915
Kellogg Center	1	payout	15,557
Brody Hall Commons	1	payout	30,529
McDonald Hall	1	payout	22,888
Owen Graduate Hall	1	payout	66,263
Holmes Hall West	1	payout	27,709
Akers Hall West	1	payout	28,168
Hubbard Hall North	1	payout	<u>27,019</u>
		Total:	384,048
GRAND TOTAL:			734,591

Note: The number of transactions includes: deposits, withdrawals and transfers made by both customers of current contractor as well as customers of other financial institutions.

Bid proposals must be received in the Purchasing Department Office, Purchasing Building, 133 West Service Road, Michigan State University, East Lansing, Michigan 48824, by **March 20, 1997, at 3:00 p.m. E.S.T.** Bids received after 3:00 p.m. E.S.T. will not be considered and will be returned to the bidder.

The subject facilities will be made available for inspection. An appointment should be made with the Director of the MSU Union. A pre-bid meeting will be held in Green Room (Second Floor) at **10:30 a.m.** at the MSU Union, on **Wednesday, February 26, 1997**, to entertain questions from bidders. Attendance by all interested parties is required.

It is the intent of the University to secure a mutually beneficial agreement with a reputable Michigan financial institution, and to offer the convenience of automated teller services to students, faculty, employees and guests of the University.

Bids for the installation of automated teller services may be submitted by financial institutions who are presently engaged in the operation and/or management of existing automatic teller services in the central Michigan region. In addition, an association with regional and nationwide automatic teller networks will be required.

The University reserves the right to accept or reject any and all proposals and to accept other than the highest proposal. In addition, the University reserves the right to determine the relative weight to be accorded the various factors considered in the selection of the successful proposal. Selection will be announced on or about **April 4, 1997**.

The decision to select a proposal will be made on the basis of an offer which conforms with this INVITATION TO SUBMIT A BID PROPOSAL, which would be the most advantageous to the University, and which best embraces the interests of the University.

Selection criteria include, but are not limited to: history of performance and experience, strength of operational ability, scope of financial services to the MSU community, network systems, installation features, technical description of services, maintenance and service of machines, security and liability, marketing/advertising of services, staff support plan, ability to begin services on schedule and financial return to the University.

All equipment must be installed and operated in a test mode for a minimum of ten (10) days prior to the commencement of on-line services. Automatic teller services will require the prior approval of the Comptroller of the Currency and notification of the State Banking Authorities. Contractor agrees to use its best efforts to obtain such approvals. However, Contractor cannot make application to the appropriate regulatory authorities until the contract is awarded.

All automatic teller service facilities must be completed and ready for full operation no later than **June 15, 1997**. The exact date will be negotiated at the time the contract is initiated.

General Site History and Description of MSU

Michigan State University was founded in 1855 and maintains a prominent role in national and international programs with 14 colleges and 75 schools and departments. This past year the University employed over 22,459 individuals, including 4,000 academic personnel, 5,154 non academic personnel, 3,200 graduate assistants, and 10,099 student workers (See **Exhibit A** for Campus Map).

The University operates on a semester system with beginning and ending dates as follows:

Spring Semester 1997: January 8 - May 2

Summer Semester 1997: May 12 - August 14

Fall Semester 1997: August 25 - December 12

Michigan State University is the 3rd largest university in the United States with approximately 41,000 students enrolled during Fall and Spring Semester; enrollment drops to 15,000 during Summer session. This enrollment is projected to fluctuate plus or minus 1,000 through the year 2,000.

Michigan State University operates the largest residence hall and apartment system in the United states, housing approximately 13,643 students and 5,500 in University apartments (including spouses and children).

Residence Halls close for Spring 1997 semester May 2

Residence Halls open for Summer 1997 semester May 7

Residence Halls open for Fall 1997 semester August 21

Residence Halls close for Fall 1997 semester Dec. 12

Residence Halls open for Spring 1998 semester Jan. 11

Automatic Teller Service Location Descriptions

MSU INTERNATIONAL CENTER (See **Exhibit B** for Floor Plan Location)

The International Center is positioned near the geographical center of campus housing the Center of International Studies and two major service facilities, the MSU Bookstore and Crossroads Food Court featuring five restaurants. An average of 5,000 students, faculty, staff and guests visit the International Center daily.

Current operating hours of the building are:	M - F	8 a.m. - 10:30 p.m.
	Sat. & Sun.	8 a.m. - 6 p.m.
●Office of International Studies:	M - F	8 a.m. - 5 p.m.
●MSU Bookstore:	M - Th.	8:30 a.m. - 7 p.m.
	F	8:30 a.m. - 6 p.m.
	Sat.	10 a.m. - 5 p.m.
	Sun.	12 n - 5 p.m.
●Crossroads Food Court	M - Th.	7:30 a.m. - 9 p.m.
	F	7:30 a.m. - 6 p.m.
	Sat.	9 a.m. - 5 p.m.
	Sun.	12 n - 9 p.m.

Summer hours as well as hours for breaks and holidays are adjusted accordingly.

ADMINISTRATION BUILDING (See **Exhibit C** for Floor Plan Location)

The Administration Building is positioned near the geographical Center of Campus housing numerous administrative departments. Several thousand students, faculty staff and guests visit the building daily.

CLINICAL CENTER (See **Exhibit D** for Floor Plan Location)

Located on the south/eastern area of Campus on Service Road, this facility serves to provide medical care to a wide range of patients limited to office visits only. 150 medical, administrative and operations staff work there in addition to 800 patient visits a day.

CASE HALL (See **Exhibit E** for Floor Plan Location)

CASE HALL provides housing and food services for nearly 1,000 academic year residents, 6,800 first-time MSU students attending the summer Academic Orientation Program and some 400-500 other summer guests. Case is home to the James Madison College and provides office space to the College faculty and staff and classroom facilities for

residential and non-residential students. Case serves approximately 110 faculty and staff from James Madison College and the Duffy Daugherty Football building, immediately across the street, plus 25 full-time and approximately 200 part-time student Case Hall employees. In addition, a computer laboratory, available for general student use, is open 24 hours a day weekdays with slightly shorter hours Saturday and Sunday. Varsity athletic teams are also provided training table and non-season conditioning meals throughout the academic year. The building is open to the general public from 6:30am until 12midnight daily; residents and their invited guests may enter anytime day or night.

WONDERS HALL (See **Exhibit F** for Floor Plan Location)

WONDERS HALL provides housing and a variety of food service options for over 1100 residents. Wonders Hall staff consists of 25 full-time employees, over 200 student employees, 31 Residence Life Staff as well as faculty and staff offices for the University Undergraduate Division, King Parks Chavez, and Talent Search. The building also provides classrooms which are extensively used Monday through Friday. There is also a large lecture hall (Kiva) that seats 300 which is heavily used seven days a week. Wonders Hall is open year round, Sport Camp guests are housed during the summer months. Wonders is also located across from several major sports facilities, and the Breslin Center, which creates extensive foot traffic through the building. Wonders is open to the public from 7am - 12midnight Monday through Friday and to 1am Saturday and Sunday.

HOLDEN HALL (See **Exhibit G** for Floor Plan Location)

HOLDEN HALL houses 1200 students. The hall employs 200 students and 25 full-time staff. The 32 academic offices support 25 full-time employees. Facilities include 7

large classrooms, lecture auditorium, computer lab, Student Life Asian Pacific Heritage Room, Midwest Institute of International Agriculture, Department of Environmental Toxicology, Department of English - My Brothers Keeper Program, 2 Radio Stations - WDBM-FM and WFIX-AM, RHA Main Office, RHA Movie Office, Sparty's Convenience Store, Office of Enrollment Services, and MSU Community Police Office. Classrooms and offices within Holden bring in an average of 2,000 students per day. In addition, it averages 200 visitors per day during summer conferences. Holden Hall is open from 6:30am to 12midnight daily throughout the academic school year.

SHAW HALL (See **Exhibit H** for Floor Plan Location)

SHAW HALL is a 270,000 square foot residence hall that houses 1,011 students. The facility is open to the public 7am - 12midnight and residents and their guests only from 12 midnight to 7am. Staff consists of 29 full-time employees and approximately 250 student employees. Shaw Hall is centrally located on campus and receives a significant amount of utilization from non-resident guests and visitors.

SNYDER-PHILLIPS HALL (See **Exhibit I** for Floor Plan Location)

SNYDER-PHILLIPS is an undergraduate residence hall housing 650 students. It is located near Baker Hall, the Alumni Memorial Chapel and the Physics Astronomy Building. The academic staff and students attend classes and visit the Psychology Department's office located in the building. The Computer Lab draws traffic from off-campus students living in nearby apartments. Snyder-Phillips is open to the public 7:00am - 12midnight and residents and their guests only from 12midnight to 7:00am. Hall staff consists of 25 full-time and 175 student employees. Approximately 100 academic and support staff occupy the Psychology

Department Offices.

MASON-ABBOT HALL (See **Exhibit J** for Floor Plan Location)

MASON ABBOT is an undergraduate hall that houses 650 residents. The hall is open to the public 7 am to 12 midnight and residents and their guests only from midnight until 7 am. The building has a computer center which draws off campus students. Hall staff consists of 25 full time and 100 student employees.

WILSON HALL (See **Exhibit K** for Floor Plan Location)

WILSON HALL houses up to 1,124 students during the academic year. Additionally, over 8,000 conference guests either visit or live here during the summer months. The hall is also the home for the central administrative offices of the Department of Residence Life. The total number of administrative and support staff served in this location is 70. Wilson Hall provides four 55-seat classrooms, a 60-seat computer lab, and a 400-seat auditorium for day and evening classes and programs. These classes and programs generate constant traffic throughout the day and evening hours. The building is open from 6:30am until 12midnight daily.

MSU UNION (See **Exhibit L** for Floor Plan Location)

The MSU Union is positioned at the north edge of campus and contains 176,000 square feet of space and provides a wide variety of facilities and services for the enjoyment of the students, faculty, staff and guests of the University. An average of 7,500 people visit the building daily with over 5,000 events scheduled annually ranging from conferences, banquets, receptions, meetings and a wide range of student activities.

Current operating hours of the building are:

Monday-Thursday: 7:00 a.m. - 12:00 midnight

Friday & Saturday: 7:00 a.m. - 1:00 a.m.

Sunday: 9:00 a.m. - 12:00 midnight

Present services at the MSU Union include:

Food Court:(Wendys, Melting Moments, Little Caesars and "new restaurant")

Automatic Teller Services Union Station Cafe

Billiards/Games Union Central Store

Spartan Spirit Store Bowling Lanes

U.S. Post Office Gourmet Coffee Station (Starbucks)

- Notary Public

- Public Fax

- Campus Lost & Found

- Western Union Money Order Receiving Station

Barber/Hairstyling Shop Scheduling/Catering Services

Computer Center Conference Facilities

The MSU Union also houses the MSU Alumni Association, Women's Resource Center, Associated Students of Michigan State University Programming Board (ASMSU PB), and MSU Licensing Programs.

Summer hours, as well as hours for breaks and holidays, are adjusted according to operational requirements.

KELLOGG CENTER (See **Exhibit M** for Floor Plan Location)

This facility serves as a hotel/conference center for many of the Continuing Education

Programs of the university with guest rooms. Over events are scheduled annually with over people visiting the Center daily.

BRODY HALL COMMONS (See Exhibit N for Floor Plan Location)

BRODY COMPLEX is comprised of six mostly undergraduate residential buildings - Armstrong, Bailey, Bryan, Butterfield, Emmons, and Rather, and one administrative building, Brody Hall. The residence halls house up to 2,100 students in an academic year. Unique to Brody Complex is Lafayette Square Restaurant and Butterfield Guest House (conference house). Also housed within Brody Hall is Sparty's Convenience Store, an Undergraduate University Division office, Young Spartans Program, Financial Aid office, RHA Movie Office, Community Police Program, Central Bakery (for entire campus), computer labs, classrooms, an auditorium, and several Professors' offices. Brody cafeteria is the largest non-military kitchen in the world and Brody Complex is the largest housing facility in the U.S. The student staff consists of 355 employees and the full-time staff consists of 86 employees.

MCDONALD HALL (See Exhibit O for Floor Plan Location)

MCDONEL HALL provides housing, food services academic classrooms and a variety of related services to over 1100 students. Hours of operation are 7am-12M Sunday-Thursday, 7am-1am Friday and Saturday. The hall is currently located near the Wharton Center for Performing Arts, Owen Graduate Center and the Eli Broad College of Business. The operation has 30 full-time staff as well as approximately 200 student employees. The building also houses offices for the Department of Anthropology. Summer activities include a variety of youth and adult conferences.

OWEN GRADUATE HALL (See **Exhibit P** for Floor Plan Location)

OWEN HALL houses 860 graduate and professional students. It is open year-round including semester breaks. There is a cafeteria in the building that is open to the residents and public from 7:00am - 11:30pm daily. In close proximity to the hall is Van Hoosen, which houses undergraduate women in 32 apartments. Owen's location makes it only a short walk from the Eli Broad Business School, the Detroit College of Law, Wharton Center, Engineering Building and the Cyclotron. During the summer, besides the regular student housing, there are many conferees that reside in the hall.

HOLMES HALL WEST (See **Exhibit Q** for Floor Plan Location)

HOLMES HALL provides housing services to 1260 residents. It employs over 200 students and 30 full-time staff members. Central staff offices for the Department of University Housing are also located in this facility, adding an additional 25-30 full-time employees. Lyman Briggs is a residential college program for the College of Natural Science, which is also located in Holmes Hall. It supports over 30 faculty and staff appointments, with offices in Holmes Hall. Facilities include 2 computer labs, 4 science labs and 6 classrooms. There are several meeting rooms as well. The building is open from 7am-Midnight M-F and 7-1:00am Saturday and Sunday. Sparty's convenience store is located on the main floor of Holmes Hall which provides food, beverage and misc. supplies to residents and staff.

AKERS HALL WEST (See **Exhibit R** for Floor Plan Location)

AKERS HALL is an undergraduate resident hall housing 1200 students. The facility is open from 7:00 AM to 12:00 midnight daily and has a full time staff of 40 people. The

hall provides six 80-seat classrooms, two 40-seat labs, and a 250-seat auditorium, all used for classes and programs. Akers Hall houses an R.H.A. video rental office, University Undergraduate Division offices, and the Department of Housing Construction and Design.

HUBBARD HALL NORTH (See **Exhibit S** for Floor Plan Location)

HUBBARD HALL houses up to 1,200 students. Conference guests are housed in the hall during the summer months. Hubbard has 25 full-time staff positions, as well as faculty offices for the RISE and DREW programs. The hall provides eight 59-seat classrooms, a 150-seat classroom and a 30-seat computer lab. The building is open from 6:30am until 12:00 midnight daily. Located at the East entrance to the MSU Campus, Hubbard Hall receives a lot of foot traffic from off-campus students.

Basic Criteria for Submission and Evaluation of the Bid Proposal

Each proposal must be bound in one volume (5 copies) with sections clearly identified, and shall include the following specific information:

1. Cover letter/Contact

Name and address of the financial institution, including the name and position of a single contact person.

2. History of performance and experience

Provide a description of the history, performance and resources of financial institution. List the current number of ATM machines and card holders. Enclose a copy of institutions most recent annual report.

3. Automated Teller Machine Network Systems

Describe how non-depositors can utilize your automated Teller Machines. Describe any membership in shared regional and national ATM network systems. Provide the name(s) of the system(s), and a list of all participating financial institutions. Describe

expected growth of Financial Institutions' ATM network. Bidding institutions must be affiliated with Magic Line.

4. Installation Features

The Contractor will be required to pay all costs related to the installation of ATM units specified by the University. The University will provide power and telephone conduit to all existing ATM sites. Complete details on site specifications will be available at the pre-bidders meeting. Specify electrical, heating/air conditioning and space requirements; inside/outside access requirements; approximate installation period; hook-up requirements to telephone lines and/or computer equipment data sets; graphics design process and other options.

5. Technical Description of Services

Explain what, if any, specialized financial services your institution will provide for MSU students, faculty, staff and visitors. Specify deposit and cash withdrawal functions, services for depositors and non-depositors and access to availability for out-of-area depositors and non-depositors. Indicate the number of MSU student accounts currently served by institution.

6. Maintenance and Service

Provide a summary of your scheduled daily machine and area maintenance program, the average response time for non-routine maintenance, percentage of ATM down time, percentage of prime time availability, and percentage of overall availability.

7. Security and Liability

Describe the type of security that you will provide for the ATM(s). What is the responsibility and procedure for customer, machine, and loss of funds liability situations? All equipment and security devices must meet requirements of the Bank Protection Act for overnight storage of cash.

8. Marketing/Advertising

Describe marketing and advertising programs you will use on the MSU campus and any special promotions you will maintain on an on-going basis.

9. Staffing Plan

Identify specific management personnel and maintenance route personnel assigned to your Automated Teller Machine service. Include title, address and phone numbers. Please specify key management people, including titles, address and phone numbers,

assigned to each phase of sales, installation and operation.

10. A description of your internal accounting procedures for:
 - a. Recording, verifying and reporting transactions.
 - b. Internal auditing of automated teller systems.
 - c. Accounting and internal control.
11. Financial return to University

State the proposed compensation plan for Automatic Teller Machine services on the MSU campus (See **Exhibit T** Bid Summary Form).
12. A statement indicating the bidder's commitment to equal opportunity in employment.
13. A floor plan to scale (minimum 1/2" suggested) for each location of the anticipated equipment layout, accompanied by an elevation view of a typical service location with a rendering of lighted signage.
14. A completed bid summary form (**Exhibit T**)
15. Five (5) copies of the Bid Proposal submitted in a sealed envelope with the name of the Bidder on the back of the return envelope. These copies will not be returned.

Special Notices

This INVITATION TO SUBMIT BID PROPOSALS is mailed only as a courtesy.

The University assumes no responsibility for failure to send it to all interested financial institutions. Management personnel may personally pick up this bid and any other specifications from the Purchasing Department Office.

It is the responsibility of all financial institution representatives to inspect all facility locations completely in order to determine requirements associated with any forthcoming contract prior to submitting a proposal. Failure to do so, however, will not relieve the successful bidder of the obligation to furnish and install, without additional cost to the

University, any materials and equipment, or to bear the cost of materials, equipment, or labor that may be required to carry out the intent of the resulting contract, especially where problems could have reasonably been anticipated from an on-site visit.

Before the bid opening, offers may be modified or withdrawn by written notification to the Purchasing Department. However, no proposal will be accepted or considered after the appointed hour.

Bids signed by an agent must be accompanied by evidence of authority as the agent. In all instances sufficient evidence that the person signing the bid has the power to bind the offering company must be received by the Purchasing Department prior to the issuance of a contract.

Proposals will be expected to be in full and complete compliance with the terms, provisions and specifications contained herein, unless deviations are clearly described in the proposal. A contract may be awarded, based upon the initial bid proposal response, without negotiation or discussion. Therefore, each initial bid proposal should be submitted on the most favorable terms. A bid proposal should not be based on verbal information from any employee of the University, an exception being information provided at the pre-bid meeting. If errors or omissions are found in the bid summary or specifications, the bidder should notify the Purchasing Department immediately, who will publish the correction and/or notify all known interested parties.

BONDING REQUIREMENTS

Bid Security: Each bid proposal shall be accompanied by a Bid Security in the amount of 5% of minimum annual guaranteed payment as stated on Bid Summary Form (**Exhibit T**)

pledging that the Bidder will enter into a contract with the University on the terms stated in accordance to the bid proposal and will furnish bonds as described hereunder covering the faithful performance of the contract and the payment of all obligations arising thereunder. Should the bidder refuse to enter into contract or fail to furnish such bonds, the amount of the Bid Security shall be forfeited to the University as liquidated damages, not as a penalty.

The bonding firm must be licensed to do business in the State of Michigan. The bonds are to be made out to: Michigan State University, Board of Trustees.

The University will have the right to retain the Bid Security of Bidders under consideration until either (a) the contract has been executed and bonds have been furnished, or (b) the specified time has elapsed so that Bids may be withdrawn, or (c) the Bid has been rejected.

CONTRACT TERMS

After a bid is selected, a written agreement between the University and the successful bidder (the "Contractor") will be negotiated. Such written agreement shall be completed and executed prior to **April 11, 1997**. It will contain at least the following terms and conditions.

Contract Period

The contract period will cover requirements for an initial period of three (3) years, commencing on the first (1st) day of operation and terminating at the end of thirty-six (36) months, both dates inclusive, provided, however, that this Contract may be canceled by either party upon one hundred and twenty (120) days prior written notice to the other party for failure to perform.

Payment to the University, as set forth in the terms below, will commence on the first

day of operations or the agreed upon date, whichever is sooner.

Renewal Option

The Contract may be extended by mutual agreement and/or renegotiated for one (1) successive additional period up to two (2) years for a total of five (5) years. The terms and conditions agreed upon will be in writing and signed by both the University and Contractor 90 days prior to expiration.

Terms

As specified in the Contractor's bid proposal (See Bid Summary Form - **Exhibit T**), the Contractor will agree to pay the University during the entire period of the Contract a minimum guaranteed annual fee, or a sum based on a sliding per-transaction fee scale, whichever is greater, during the entire period of the contract, as specified in the bidder's proposal.

Liability and Indemnity

During the initial and any renewal term of this Contract, the Contractor must carry and maintain for the mutual benefit of itself and the University, an All-Risk property insurance insuring all fixtures, equipment, inventory and other personal property at any time located upon the premises and alterations and improvements to the same. Such policy must be written on a replacement cost basis. The policy of insurance must be issued by such insurance company and be in a form as is acceptable to the University. The Contractor must carry and maintain, for the mutual benefit of itself, and, Michigan State University, the Board of Trustees of Michigan State University, its officers, agents and employees, a policy of general liability insurance against claims for personal injuries, death or property damage

occurring on or about the premises with a minimum amount of coverage of one million dollars (\$1,000,000.00) on account of bodily injury and/or death of one person and/or on account of damage to property.

The Contractor must furnish to the University a certificate of insurance which lists Michigan State University as an additional insured (See **Exhibit U**).

Workers' Compensation

The Contractor must furnish University a certificate of statutory Workers Compensation coverage. Note: See **Exhibit U** for Certification of Insurance Form.

General Conditions

During the entire period of the contract and any renewal(s) thereof, Michigan State University will:

1. Provide required access to the facility and to those areas necessary for the operation of the proposed site, including loading and unloading areas.
2. At the University's expense, provide electrical power and telephone lines for each machine at their existing locations. All installation and hookup costs will be assumed by Contractor. The University will not be responsible for the quality, quantity, interruption or failure in the supply of any utility to the premises.
3. Maintain in good condition and repair of the premises at each location. The University will maintain the heating and ventilating systems, the life support systems (fire extinguishers, and alarms) and the lighting system (except for lighting in signs provided by Contractor).

During the entire period of the contract and any renewal(s) thereof, the Contractor is required to:

1. Submit transaction reports consisting of the number of transactions, transaction types, and total dollar volume to the Office of the Director of the MSU Union within the first business week of each month. Transaction tapes must be available for auditing purposes by the University.

2. Make all records maintained in support of contract terms available to proper federal, state, local and University authorities having jurisdiction at any reasonable time.

In addition, such records shall be maintained for a minimum of three (3) years from the close of the fiscal year to which they pertain.

3. Submit to the Director of the MSU Union for written approval, prior to the fact, any change or modification of operation, transaction charges, and services offered.

4. Pay and discharge all present or future taxes which may be levied or imposed.

5. Make any and all renovations required and otherwise assume all costs necessary for the start-up and operation of each ATM unit, including all normal conveniences for making deposits or withdrawals. All renovations, as required by the University, must meet University engineering standards. Cosmetic finishes and signage will require approval by University Interior Design Office.

6. Obtain written approval for use of any University logos.

7. Obtain prior written approval for the placement of any signs, decoration, lettering, advertising matter and other materials on or about the premises of the University and maintain such approved signs, decoration, lettering and advertising matter and other material

in good condition and repair at all times.

8. Be responsible for telephone installation and charges.
9. Be prepared to have units in operation during the open hours of the respective buildings seven days a week (exception: Clinical Center and Administration Building which maintain Monday through Friday operational hours) on a fifty-two week basis, excluding certain designated days determined by the University. Changes in the levels of service are subject to the written approval of the Director of MSU Union.
10. Maintain good public relations with all members of the MSU community.
11. Maintain a Marketing/Advertising plan directed to all potential users in addition to providing informational services to all site location managers. All on-campus University promotions will be subject to the written approval of the Director of the MSU Union.
12. Be solely responsible for employee compensation, including without limitation all applicable taxes, insurance, records, payroll processing, applicable statutes and also for any losses incurred as a result of dishonest, fraudulent or negligent acts on the part of company employees or agents.
13. Comply and ensure that all employees comply with all laws, rules and regulations of the county, state, local, University, federal or other governmental units.
14. Post in a conspicuous manner at each location a sign identifying services and/or instructions.
15. Perform in accordance with the terms and conditions as stated herein and in accordance with the highest standards and commercial practices.
16. Complete the attached Bid Summary Form (**Exhibit T**).

Bid proposal Check List

Please note the following list of items require action at the time of submitting your bid proposal:

- A: Proposal bound in one volume (5 copies) with sections
clearly identified: _____
- B: Items 1 through 15 on pages 12-14: _____
- C: Bid Security Bond: _____
- D: Evidence of authority by agent signing bid proposal: _____
- E: Certificate of Insurance Form: _____

BID SUMMARY FORM
(Please type of print clearly)

BIDDER'S NAME: _____

Type of Financial Institution: _____

State or National Chartered? _____

Bid Options: (check (✓) preference)

_____ If bid is only for combined contract of Group #1 and Group #2

_____ If bid is only for either contract of Group #1 or Group #2

_____ If bid is for both combined contract of Group #1 and Group #2 as well as for either contract Group #1 and Group #2

Combined:

In compliance with guaranteed minimum annual payment, the Bidder hereby offers \$_____ per year. The Bidder additionally offers the following fees in the event transaction volume supersedes guaranteed minimum:

<u>Monthly Volume</u>	<u>Transaction Fee</u>
0 - 10,000 transactions	\$ _____ per transaction
10,001 - 20,000 transactions	\$ _____ per transaction
20,001 - 30,000 transactions	\$ _____ per transaction
30,001 - 40,000 transactions	\$ _____ per transaction
40,001 + transactions	\$ _____ per transaction

Separate: Group #1

In compliance with guaranteed minimum annual payment, the Bidder hereby offers \$ _____ per year. The Bidder additionally offers the following fees in the event transaction volume supersedes guaranteed minimum:

<u>Monthly Volume</u>	<u>Transaction Fee</u>
0 - 10,000 transactions	\$ ____ per transaction
10,001 - 20,000 transactions	\$ ____ per transaction
20,001 - 30,000 transactions	\$ ____ per transaction
30,001 - 40,000 transactions	\$ ____ per transaction
40,001 + transactions	\$ ____ per transaction

Separate: Group #2

In compliance with guaranteed minimum annual payment, the Bidder hereby offers \$ _____ per year. The Bidder additionally offers the following fees in the event transaction volume supersedes guaranteed minimum:

<u>Monthly Volume</u>	<u>Transaction Fee</u>
0 - 10,000 transactions	\$ ____ per transaction
10,001 - 20,000 transactions	\$ ____ per transaction
20,001 - 30,000 transactions	\$ ____ per transaction
30,001 - 40,000 transactions	\$ ____ per transaction
40,001 + transactions	\$ ____ per transaction

Projected average monthly transaction volume by type for each location:

Group #1

<u>Location</u>	<u>Deposit</u>	<u>Withdrawl</u>	<u>Transfer</u>	<u>Network</u>	<u>Total</u>
Intl. Cntr.	_____	_____	_____	_____	_____
Administration	_____	_____	_____	_____	_____
Case	_____	_____	_____	_____	_____
Wonders	_____	_____	_____	_____	_____
Holden	_____	_____	_____	_____	_____
Shaw	_____	_____	_____	_____	_____
Snyder/Phillips	_____	_____	_____	_____	_____
Mason/Abbot	_____	_____	_____	_____	_____
Wilson	_____	_____	_____	_____	_____
Clinical Cntr	_____	_____	_____	_____	_____

Projected annual gross revenue to MSU: \$ _____

Group #2

<u>Location</u>	<u>Deposit</u>	<u>Withdrawl</u>	<u>Transfer</u>	<u>Network</u>	<u>Total</u>
MSU Union	_____	_____	_____	_____	_____
Kellogg Cnt	_____	_____	_____	_____	_____
Brody Commons	_____	_____	_____	_____	_____
McDonald Hall	_____	_____	_____	_____	_____
Owen Grad Cnt	_____	_____	_____	_____	_____
Holmes West	_____	_____	_____	_____	_____
Akers West	_____	_____	_____	_____	_____
Hubbard North	_____	_____	_____	_____	_____

Projected annual gross revenue to MSU: \$ _____

CERTIFICATION OF INSURANCE MICHIGAN STATE UNIVERSITY

NAME AND ADDRESS OF AGENCY

COMPANIES AFFORDING COVERAGES

COMPANY
LETTER **A**COMPANY
LETTER **B**COMPANY
LETTER **C**COMPANY
LETTER **D**

NAME AND ADDRESS OF INSURED (Contractor)

This is to certify that policies of insurance listed below have been issued to the insured named above and are in force at this time.

COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	POLICY EXPIRATION DATE	Limits of Liability in Thousands (1000)		
					EACH OCCURRENCE	AGGREGATE
	1. COMPREHENSIVE GENERAL LIABILITY IS POLICY UNDER THE 1986 SIMPLIFIED FORM? YES ___ NO ___			BODILY INJURY	\$	\$
				PROPERTY DAMAGE	\$	\$
				BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$	\$
	2. COMPREHENSIVE AUTOMOTIVE LIABILITY			BODILY INJURY (EACH PERSON)	\$	
				BODILY INJURY (EACH OCCURRENCE)	\$	
				PROPERTY DAMAGE	\$	
				BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$	
	3. UMBRELLA LIABILITY				\$	\$
	4. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY			STATUTORY		
				\$ 100,000	(EACH ACCIDENT)	
				\$ 500,000	(DISEASE POLICY LIMIT)	
				\$ 100,000	(DISEASE EACH EMPLOYEE)	

NOTE: Any combination of primary and umbrella limits in 1, 2, and 3 above must total at least \$500,000 in each category.

UNDER GENERAL LIABILITY POLICY OR POLICIES (Coverage Must be Provided)

YES

1. Is Completed Operations coverage afforded? _____
2. Is Personal Injury coverage included? _____
3. Is CGL coverage written on an occurrence basis? _____
4. Does Property Damage insurance include coverage for XC and U hazards? _____
5. Is coverage provided for Contractual Liability (including indemnification provision) assumed by the Insured? _____

UNDER AUTOMOBILE LIABILITY POLICY OR POLICIES (Coverage Must be Provided)

1. Does coverage shown apply to non-owned and hired automobiles? _____

In the event of cancellation, material change or intent not to renew any of the foregoing, thirty (30) days written notice shall be given to the party to whom this certificate is addressed.

Michigan State University
Purchasing Department
Service Road
East Lansing, MI 48824-1232

Date Issued _____

Authorized Representative

Exhibit W

April 8, 1997

James Shepard
Manager
MSU Union
Manager's Office
East Lansing, MI 48824

Dear Jim:

This letter is to follow up on our conversation about the installation of an ATM in the Breslin Center. As you know it has been our least productive machine in terms of transaction volume and exposure. There exists the opportunity, however, to make this somewhat of a *win, win* situation for both MSUFCU and Breslin. Breslin will have a machine; we would like help in letting people know the machine is there, that the machine is an MSUFCU machine, that any card will be accepted for transactions and there are no surcharges for using this machine. We have the following expectations:

1. Signage noting the location of the machine is to be placed at each gate and at all concession stands. Our logo will be featured on this signage. All signage is to be approved by MSUFCU. A significant, perhaps lighted sign, will be placed at the location of the machine in the concourse. The cost of signage to be Breslin's responsibility.

It is our feeling that the installation of a \$15,000 machine and the resulting cost in maintaining the machines is a significant expense and that Breslin can participate in promotional costs by installing appropriate and visibly appealing signage.

2. Announcements noting the machine's location and owner, MSUFCU — the financial institution of the MSU community, will be made at all MSU events and whenever such announcements are permissible. MSUFCU would like an explanation as to what types of events this announcement is not permissible as the machine is a convenience to those in attendance. Scripts for announcements are to be approved by MSUFCU.

It is our hope to have the ATM up and operational early fall before the first basketball game. We look forward to hearing from you regarding the results of your negotiations. Perhaps after you have discussed these issues, we can set up a time for putting the plan into action. We will also want to schedule a meeting sometime next summer for the purpose of evaluating our efforts to build the machine's transaction volume

Sincerely,

Joyce M. Banish-Dick
Vice President of Marketing

**LICENSE AGREEMENT BETWEEN
MICHIGAN STATE UNIVERSITY AND
MICHIGAN STATE UNIVERSITY FEDERAL CREDIT UNION
FOR AN AFFINITY CREDIT CARD PROGRAM**

Michigan State University (MSU), a public institution of higher education located in East Lansing, Michigan, and Michigan State University Federal Credit Union (MSUFCU), a federally-chartered, non-profit financial corporation conducting business in East Lansing, Michigan, enter into this License Agreement as of the Effective Date stated below.

Recitals

WHEREAS, MSU has agreed to grant MSUFCU a non-exclusive license to use certain MSU trademarks, service marks, and mailing lists to promote an affinity credit card program sponsored by MSUFCU; and,

WHEREAS, MSU has agreed to grant MSUFCU an exclusive right to use MSU trademarks and service marks on affinity credit cards and materials used to market such cards ; and

WHEREAS, the parties desire to set forth their respective rights and obligations in this Agreement.

Agreement

THEREFORE, in consideration of the mutual covenants, promises and conditions contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions.

- a. "Agreement" means this License Agreement.
- b. "Contract Year" means a period of 12 consecutive calendar months during the Term of the Agreement.
- c. "Credit Card" or "Credit Cards" means one or more VISA-brand affinity credit cards issued by MSUFCU as part of the Program.
- d. "Effective Date" means December 1, 2010.
- e. "Licensed Use" or "Licensed Uses" means use of the MSU Marks for Marketing and display on Credit Cards.
- f. "Mailing List" means access to mutually agreeable data from MSU's current and future database of all alumni, faculty, staff, and friends of MSU, including all season ticket holders in any and all sports and Spartan Fund donors. The Mailing List also includes current affinity cardholders to be disclosed according to paragraph 5.1. below. The

Mailing List will not include MSU students or persons who have requested not to receive solicitations.

g. "Marketing" means all marketing and promotional information, materials and/or programs developed by MSUFCU, or on its behalf, relating in any way to the Credit Cards, including without limitation all signs, advertising, publicity releases, invitations, announcements, targeted mailings, solicitations, promotions, pamphlets, leaflets, brochures, "take-ones," presentations, posters, T-shirts, promotional items and electronic and/or digital communications.

h. "Member" means a member of MSUFCU.

i. "Program" means the affinity credit card program developed by MSUFCU and Marketing of same pursuant to this Agreement. The Program offered by MSUFCU will mirror MSUFCU's non-affinity Visa credit card program.

j. "MSU Mark" or "MSU Mark(s)" means existing and future MSU trademarks and service marks authorized by MSU, including reasonable variations and combinations of such marks.

k. "VISA" means Visa U.S.A. Inc., a privately held Delaware membership corporation.

2. Term. This Agreement commences on the Effective Date, for an initial term of five (5) years, and automatically renews for consecutive five (5) year terms unless either party notifies the other party earlier than twelve (12) months before the Agreement expiration date then in effect (hereinafter the "Term").

3. License: MSU Marks. MSU grants MSUFCU an exclusive license, during the Term, to use MSU Marks for purposes related to the Credit Cards as follows:

a. Licensed Uses. MSUFCU will only use the MSU Marks for Licensed Uses. MSUFCU will not sell, transfer, sub-license or assign any part of MSUFCU's rights to use the MSU Marks to any third party or any other person or entity. MSUFCU will not modify any MSU Mark in any way.

b. Approval of Licensed Uses. All Licensed Uses are subject to MSU approval. MSUFCU will request that MSU communicate its decision about MSUFCU's proposed Marketing and use of the MSU Marks within ten (10) business days of MSUFCU's request for approval. MSU's failure to communicate its decision within ten (10) business days of MSUFCU's request for approval shall not constitute approval by MSU.

c. Ownership Rights. MSU retains all rights to the MSU Marks. Nothing in this Agreement gives MSUFCU any right, title or interest in any MSU Mark, except the licenses to use the MSU Marks as specifically provided herein. The MSU Marks are MSU's property.

d. Exclusivity. During the Term, MSU will not grant to any person or entity a license or any other right to use MSU Marks on a credit card or on any materials used to market or promote such cards, or a license or any other right to market a credit card, except the license and right to MSUFCU as provided herein. Any credit cards previously issued through another affinity credit card program and yet to expire are not subject to this exclusivity provision. MSUFCU acknowledges that MSU Marks may be used in connection with any MSU corporate credit card or MSU calling card. MSUFCU will not expressly state, in MSUFCU's advertising or otherwise, that MSUFCU or its activities are endorsed or sponsored by MSU.

e. Non-Exclusivity. During the Term, MSU grants MSUFCU a non-exclusive license to use MSU Marks on debit cards and marketing materials used to promote such cards.

4. Mailing List. MSU will provide MSUFCU, during the Term, with the Mailing List and a license to use the Mailing List for purposes related to the Agreement as follows:

a. Use of Mailing List. MSUFCU will use the Mailing List solely for Marketing, as mutually agreed by the parties, and will not sell, transfer, assign or otherwise provide all or part of any Mailing List to any third party, or any other person or entity. MSU will neither provide the Mailing List (or similar data from a database of alumni, faculty, staff, or friends of MSU), nor provide a license or other right to use the Mailing List or similar data, to any other party for purposes of soliciting participation in any credit card program.

b. Initial Mailing List. MSU will, within 30 days after the Effective Date, provide an initial Mailing List to MSUFCU in an electronic database.

c. MSU Updates to the Mailing List. Within thirty (30) days of MSUFCU's written request, and at a frequency of no more than once every three (3) months, MSU will provide to MSUFCU an update to the then existing Mailing List in an electronic database.

d. MSUFCU Updates to the Mailing List. At no cost to MSU and upon written request, MSUFCU will provide MSU with a list of the names and addresses for all active Credit Card accounts opened under the Program, provided that MSU does not make this list available, except as required by law, to any third party. MSUFCU shall not be obligated to provide such list more often than one (1) time in any twelve (12) month period. MSUFCU shall also not be obligated to provide the list if such disclosure would violate state or federal law or regulation.

5. Marketing Efforts. MSU (for its Alumni Association, Department of Intercollegiate Athletics, and Division of Residential and Hospitality Services) and MSUFCU agree to the following Marketing efforts related to the Credit Cards; and further agree that in the event any of the enumerated Marketing opportunities are unavailable in the future due to circumstances beyond the control of MSUFCU, MSU will exercise its best efforts to provide to MSUFCU a replacement marketing opportunity of similar value which

replacement marketing opportunity offered by MSU shall not be unreasonably rejected by MSUFCU:

- a. MSUFCU will use all or some of the MSU Marks on the Credit Cards.
- b. MSUFCU shall have the right to engage in direct mail, telemarketing, and other Marketing efforts to promote the Credit Cards.
- c. MSUFCU shall have the right to distribute Credit Card information at MSU football, men's basketball, women's basketball, hockey, and baseball games, and at non-revenue athletic events); and upon MSU's written consent, at MSU Alumni Association outreach events; at the MSU Union; and at non-athletic events at the Breslin Center.
- d. MSUFCU shall have a direct link on three (3) StatEmails sent by the MSU Spartan Ticket Office annually and on the MSU Athletics website.
- e. MSUFCU shall have a direct link on various landing pages of the Alumni Association website to online application opportunities.
- f. MSU shall insert Marketing materials provided by MSUFCU in season ticket mailings. Such Marketing materials will be provided at MSUFCU's expense.
- g. MSUFCU shall receive video board and PA announcements of recognition at each MSU home football, men's basketball, women's basketball and hockey game. The content of announcements will be provided by MSUFCU and will be subject to MSU's prior approval.
- h. MSUFCU shall have the right, but is not obligated, to have its own designed and printed insertions included in MSUAA membership renewal mailings. Such material will be provided at MSUFCU's expense and will be subject to MSU's prior approval.
- i. MSUFCU shall receive a direct link or messaging opportunities on alumni e-newsletters distributed to an estimated 140,000 alumni (minimum: 4 per year).
- j. MSUFCU shall receive two annual full-page insertions (or the space equivalent) in the MSU Alumni Magazine.
- k. MSUFCU may include on its website (i) information accessible to the public describing the Program; and (ii) a Credit Card application.
- l. MSUFCU shall receive MSU's most current list of affinity cardholders, including available contact information within thirty (30) days from the start of the second Contract Year.
- m. MSUFCU may, with MSU's prior consent, use MSU promotional merchandise in a MSU authorized Credit Card rewards program (for example, event tickets, golf packages, tennis packages, lodging packages, bookstore gift certificates, merchandise give-aways, cross promotions with University retail partners).

n. The above listed efforts are not intended to limit the Marketing MSUFCU may utilize to promote the Credit Card, and MSUFCU may, with MSU's prior approval, engage in other forms of Marketing. MSU may substitute the form of communication listed in paragraph 5 of this Agreement with other forms of communication.

6. Payment. MSUFCU will pay MSU the following amount for the licensing of the MSU Marks and as consideration for MSU's compliance with the terms of this Agreement:

a. Guaranteed Fee Payment. MSUFCU will pay MSU a guaranteed fee of \$400,000 annually, in quarterly installments of \$100,000 each during the Term. The first payment will be made upon MSU's approval of MSUFCU's initial Credit Card design. MSUFCU agrees that the Credit Card design will be submitted for review by MSU no later than January 1, 2011. Subsequent installment payments will be made in the first month of each subsequent quarter, on the same calendar day of the month as the day of the first payment.

b. No Payment for Other Services: MSUFCU will not pay MSU for other services that Credit Card holders obtain through MSUFCU. It is agreed MSUFCU owns all accounts of its Members, including but not limited to all Credit Card and other VISA accounts.

c. Payment after Termination. Within thirty (30) days of the termination of this Agreement, MSUFCU shall pay MSU the outstanding balance of the annual guaranteed fee for the year that the termination became effective.

7. Program Design, Development, and Administration. MSUFCU will design, develop and administer the Program as follows:

a. Credit Decisions and Risks. MSUFCU will make all credit decisions and will bear all credit risks with respect to each Credit Card holder. MSUFCU may maintain separately all information which it obtains as a result of an account relationship or an application for an account relationship. This information becomes a part of MSUFCU's own files and MSUFCU shall be entitled to use this information for any purpose.

b. Card Design. MSUFCU will create one or more designs and layouts for the Credit Cards. The front of all Credit Cards will prominently display a MSU Mark. Use of any design and layout is subject to approval by MSU according to paragraph 3.b.

c. VISA Compliance. MSUFCU will ensure that the Program complies with all applicable Visa credit card rules and requirements.

d. Member Support. MSUFCU will provide Member support for the Program, including without limitation in-person, internet, and telephone support, which is the equivalent of support available to MSUFCU's other Members.

e. Complaint Resolution. MSUFCU will take commercially reasonable steps to resolve complaints relating to the Program. MSUFCU will provide MSU with written notification immediately following the resolution of complaints that MSU refers to MSUFCU.

f. Reports. MSUFCU shall submit quarterly reports in a mutually agreeable format to MSU showing : (i) the total number of active Credit Card accounts, (ii) the number of new Credit Card accounts opened during the preceding quarter and the Marketing channel(s) through which they were derived, and (iii) the net retail purchase transaction volume made during the preceding quarter.

8. Representations and Warranties. Each of the parties represent and warrant to the other as of the Effective Date, and throughout the Term, that:

a. It has all necessary power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.

b. The Agreement constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as otherwise provided by law and the application of general principles of equity.

9. Confidentiality. The terms of this Agreement, the Mailing List(s) and any financial information provided by or on behalf of one party to the other party prior to, contemporaneously with, or subsequent to, the execution of this Agreement ("Confidential Information") are confidential as of the date of disclosure. Confidential Information will not be disclosed by the receiving party to any other person or entity except as permitted by this Agreement. The parties may disclose the other party's Confidential Information (a) to their accountants, legal, financial and marketing advisors, and employees as necessary for the performance of their respective duties, provided that said persons are advised to treat the Confidential Information as confidential in the above described manner; (b) as required by law or by any governmental regulatory authority; (c) pursuant to a properly issued judicial order, subpoena or other request consistent with applicable law; and or (d) with the other party's prior written approval. MSUFCU understands that MSU complies with the Michigan Freedom of Information Act ("FOIA") and the MSU may provide Confidential Information to other persons or entities upon receipt of a FOIA request.

10. Legal Compliance. MSUFCU will comply with all applicable federal, state and local statutes, ordinances, rules, regulations and requirements, including without limitation: (a) nondiscrimination laws; (b) banking laws and regulations; and (c) regulations of any other federal and/or state agency with competent jurisdiction.

11. Financial Responsibilities. Each party will, except as otherwise provided in this Agreement, perform all of its obligations under this Agreement at its sole expense.

12. Default.

a. **MSUFCU Default.** MSUFCU will be in default of this Agreement ("MSUFCU Default") if and when MSUFCU materially fails to observe and perform any covenant, condition, agreement or obligation on MSUFCU's part to be observed or performed pursuant to this Agreement, and such failure continues for a period of 30 calendar days after written notice to cure has been delivered to MSUFCU by MSU that specifies such default and requests that such default be remedied ("MSUFCU Cure Period"), provided however, if the default stated in the notice cannot be corrected within the MSUFCU Cure Period after diligent effort by MSUFCU, the MSUFCU Cure Period shall be extended for as long as MSUFCU diligently pursues correction of the default, however, in no event shall the extension be more than 60 calendar days.

b. **MSU Default.** MSU will be in default of this Agreement ("MSU Default") if and when MSU materially fails to observe and perform any covenant, condition, agreement or obligation on MSU's part to be observed or performed pursuant to this Agreement, and such failure continues for a period of 30 calendar days after written notice to cure has been delivered to MSU by MSUFCU that specifies such default and requests that such default be remedied ("MSU Cure Period"), provided however, if the default stated in the notice cannot be corrected within the MSU Cure Period after diligent effort by MSU, the MSU Cure Period shall be extended for as long as MSU diligently pursues correction of the default, however, in no event shall the extension be more than 60 calendar days.

13. Termination. This Agreement will terminate; (a) upon expiration of the Term; (b) upon mutual written consent of the parties; (c) at MSU's option with notice to MSUFCU, upon MSUFCU's failure to timely cure a MSUFCU Default; or (d) at MSUFCU's option with notice to MSU, upon MSU's failure to timely cure a MSU default. Upon the effective date of the termination of this Agreement, MSUFCU will immediately cease using the MSU Marks and Mailing Lists and MSUFCU will not issue any new or renewal Credit Cards, although this provision does not restrict MSUFCU from issuing new, renewal, or replacement credit cards without using any MSU Marks. Notwithstanding anything to the contrary above, MSUFCU will not be required upon termination or expiration of this Agreement to retrieve unexpired Credit Cards in the possession of Members or cease processing transactions on unexpired Credit Cards.

14. Indemnification/Hold Harmless. MSUFCU will defend, indemnify and hold harmless MSU, its Board of Trustees, officers, employees and agents from any and all claims, liabilities, judgments, penalties, losses, damages and costs, including reasonable attorneys' fees and expenses, made against MSU, or any or all of the above-mentioned persons or their successors, caused by or arising directly or indirectly from MSUFCU's performance of this Agreement. MSU warrants that it is the lawful owner of the MSU Marks and has the right to enter into this Agreement. MSU shall indemnify MSUFCU for reasonable costs, and damages, incurred by or imposed upon it due to third-party claims of trademark infringement arising from MSUFCU's use of the MSU Marks, provided MSU has approved such use as referenced in Section 3.b. hereof.

15. Force Majeure. Neither MSUFCU nor MSU will be in breach hereunder by reason of their delay in the performance of or failure to perform any of their obligations herein if such delay or failure is caused by strikes or other labor disputes, acts of God or the public enemy, riots, incendiaries, interference by civil or military authorities, delays in transit or delivery, or any other event beyond their control.
16. Notices. All notices provided for in this Agreement must be in writing and will be deemed given when delivered in person or within four (4) business days of being deposited in the United States Mail by registered or certified mail, postage prepaid, return receipt requested. Notices will be sent to MSU c/o Terry R. Livermore, Manager, University Licensing Programs, 13 MSU Union, Michigan State University, East Lansing, MI 48824; and to MSUFCU c/o Patrick McPharlin, President/CEO, 3777 West Road, East Lansing, MI 48823; or to any other person designated in writing by either party to receive notices for such party pursuant to this Agreement.
17. Applicable Law and Forum. Michigan law will govern the validity, construction and performance of this Agreement and Michigan will be the forum for any proceeding or suit at law or in equity arising from or incident to this Agreement.
18. Cooperation. MSU and MSUFCU will act diligently and use their best efforts to promptly perform their respective obligations under this Agreement, and will reasonably cooperate with each other, execute and deliver such further documents and instruments, and do such further acts as are reasonably necessary to give effect to the intent of MSU and MSUFCU as expressed in this Agreement. Whenever pursuant to this Agreement a matter is subject to MSU approval or consent, it is agreed such approval or consent shall not be unreasonably delayed or denied.
19. Remedies. The remedies provided in this Agreement are cumulative and the use of any such remedy by MSU or MSUFCU will not preclude or waive the use of any other remedy provided in this Agreement. The remedies provided in this Agreement are in addition to any other rights or remedies available to either party at law or in equity. The failure of either party to exercise any rights or remedies under this Agreement shall not be deemed a waiver of such right or remedy or any other right or remedy.
20. Binding Effect. This Agreement will inure to the benefit of and be binding upon MSU and MSUFCU and their respective successors and assigns.
21. Survival. Paragraphs 8, 9, 14, 15, 16, 17, 18, 19, and 20 of this Agreement will survive expiration or termination of this Agreement.
22. Partial Invalidity. If any part of this Agreement shall for any reason be found or held invalid or unenforceable by any court or governmental agency of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of this Agreement which shall survive and be construed as if such invalid or unenforceable part had not been contained in this Agreement.

23. No Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any party other than MSU and MSUFCU, their successors and assigns, any rights or remedies under or by reason of this Agreement.
24. Arm's Length Transaction. This Agreement has been negotiated at arm's length between MSU and MSUFCU, both of which are sophisticated and knowledgeable in the matters dealt with in this Agreement. In addition, each party has been represented by experienced and knowledgeable legal counsel. Therefore, in the event of ambiguity, such ambiguity shall not be interpreted against only one party as the drafter.
25. Entire Agreement. The Recitals are incorporated by reference into this Agreement. This Agreement contains the only and entire agreement between the parties regarding the matters addressed herein, and supersedes all prior discussions, negotiations, representations and agreements, whether verbal or in writing.

IN WITNESS WHEREOF, MSU and MSUFCU have executed this Agreement as of the dates written below.

Michigan State University:

By:

Fred L. Poston

Its:

Vice President for Finance
and Operations

Date:

12.1.10

Michigan State University Federal
Credit Union:

By:

Patrick M. McPharlin

Its:

President/CEO

Date:

11/2/2010