



FIFTH THIRD BANK

**COMMERCIAL CARD
MEMBER REBATE AMENDMENT
Kentucky Education Co-op REBATE PROGRAM**

This Commercial Card Rebate Amendment (“*Amendment*”) supplements the Commercial Card Service Agreement (as amended from time to time, the “*Card Agreement*”) currently in effect between the “Customer” identified on the Signature Page (“*you*”) and Fifth Third Bank, National Association (“*we*” or “*us*”). Capitalized Terms used but not defined in this document have the meaning assigned to them in the Card Agreement.

1. **Acknowledgement.** You acknowledge that you are a member of the Kentucky Education Co-op and that the Kentucky Education Co-op has negotiated for its members the opportunity to earn a rebate as described in this Amendment (“*Rebate Program*”). You agree that in lieu of any rebate that we would otherwise be willing to pay to you (which may have been higher or lower than the payment you would otherwise receive from us), we will pay to you a rebate based on a rebate percentage determined by reference to the Aggregate Qualified Volume (as defined below) of the Kentucky Education Co-op members including you who participate in the Rebate Program and who remain eligible to receive a rebate under the terms of their Rebate Amendment for the applicable Calendar Year (“*Participating Members*”). You acknowledge that we have agreed to make a payment to Kentucky Education Co-op based on the Aggregate Qualified Volume of all Participating Members equal to two basis points of such Aggregate Qualified Volume.

2. **Definitions.** As used in this Agreement, the following terms have the indicated meanings:

“**Calendar Year**” means the period from January 1 of a year through December 31 of the same year; if the Effective Date is other than January 1, the first Calendar Year will be deemed to commence on the execution date of this Rebate Amendment and end on December 31 of the same year as the Effective Date, and the last Calendar Year shall be deemed to end on the date of the expiration or termination of the Rebate Term (as defined below) and to begin on the immediately preceding January 1 of the same year in which the expiration or termination occurred.

“**Aggregate Qualified Volume**” means the sum of the combined Qualified Volume (including Large Ticket Transactions, Payment Gateway Transactions, Enhanced Data Rate Transactions, and Discount Transactions) of all Participating Members including you who have satisfied the Rebate Conditions for them in a particular Calendar Year or portion of a Calendar Year, as applicable. “Aggregate Qualified Volume” is also referred to as “Rebate Spend” in the attached Rebate Table.

“**Card Losses**” means the amount of charge-offs and other losses we incur in connection with your Account as a result of your failure to pay any amount owing on the Account as principal, interest or fees or other charges, but not including amounts not

chargeable to you under the Card Agreement as a result of the Fifth Third Use Liability Policy.

“Discount Transactions” means transactions (excluding Large Ticket Transactions and Enhanced Data Rate Transactions) that are subject to discount interchange rates that are less than large ticket interchange rates as established and designated by Mastercard International, Inc. (“*Mastercard*”).

“Effective Date” means, if the Execution Date is the first calendar day of a month, that date; otherwise, the first day of the first full calendar month after the Execution Date.

“Enhanced Data Rate Transactions” or “EDR” mean transactions that qualify for non-LTI Data Rate III or Level III reduced interchange rates as established and designated by the respective association (MasterCard or Visa).

“Large Ticket Transactions” or “LTI” mean transactions (excluding Discount Transactions and Enhanced Data Rate Transactions) that qualify for reduced interchange rates as established and designated by the respective association (Mastercard or Visa).

“Qualified Volume” means the US dollar amount of transactions for the purchase of goods and services by you attributable to a Mastercard Card issued under the Card Agreement during the period of calculation excluding: (a) the principal amount of any balance transfer, cash advances or checks, credits and returns, account fees, finance charges, transaction fees, delinquency fees, over-the-limit fees, and any other fees imposed by us, Mastercard or another entity; (b) Card Losses; and (c) any other amounts not chargeable to you under the terms of the Card Agreement including by virtue of the Fifth Third Use Liability Policy or similar protection plan provided by Mastercard or otherwise. “Qualified Volume does not include any volume transaction subject to any rebate, bonus or similar payment not provided under the Rebate Program.

3. **Member Rebate.**

Determination. Subject to the fulfillment of the Rebate Conditions (as defined below), we will pay to you for each Calendar Year during the Rebate Term which your Qualified Volume is \$250,000 or greater a rebate (“*Rebate*”) equal to the sum of the following products:

a. your Qualified Volume for such Calendar Year (excluding Large Ticket Transactions, Enhanced Data Rate Transactions, and Discount Transactions) multiplied by the applicable payment percentage (“*Rebate Percentage*”) in the row corresponding to the Aggregate Qualified Volume for such Calendar Year as set forth in the Rebate Table included on Exhibit A; plus

b. your Qualified Volume of Large Ticket Transactions in such Calendar Year multiplied by the lower of (i) the Rebate Percentage for Large Ticket Transactions specified on Exhibit A and (ii) the Rebate Percentage applied under clause (a) above to your Qualified Volume; plus

c. your Qualified Volume of Discount Transactions in such

Calendar Year multiplied by the lower of (i) the Rebate Percentage for Discount Transactions specified as Exhibit A and (ii) the Rebate Percentage applied under clause (a) above to your Qualified Volume; plus

d. your Qualified Volume of Enhanced Data Rate Transactions in such Calendar Year multiplied by the lower of (i) the Rebate Percentage for Enhanced Data Rate Transactions specified on Exhibit A and (ii) the Rebate Percentage applied under clause (a) above to your Qualified Volume.

If for any Calendar Year your Qualified Volume is less than \$250,000, you are not a Participating Member and will not receive a Rebate although your Qualified Volume will be included in Aggregate Qualified Volume. Subject to the terms of the paragraph entitled “Rebate Conditions” below, for any Calendar Year for which a Rebate is payable that is less than twelve months, your actual Qualified Volume for such period will be annualized for purposes of determining Aggregate Qualified Volume for such period and your actual Qualified Volume will be multiplied by the Rebate Percentage in the applicable tier so determined. If you do not meet the minimum Qualified Volume level specified in the Rebate Table for a Calendar Year, no Rebate will be payable for that Calendar Year. ***This Rebate Amendment is not valid unless Exhibit A including a Rebate Table is attached or deemed attached to this Rebate Amendment at the time of signing this Rebate Amendment.***

Card Losses. There will be deducted from each Rebate otherwise payable to you the amount of all Card Losses attributable to the Calendar Year in which the Rebate was earned or any subsequent period.

Rebate Conditions. To be eligible for the Rebate for a Calendar Year, you must: (a) maintain the Account in good standing throughout such Calendar Year by timely paying all amounts due on the Account each month in accordance with the Card Agreement and otherwise being in compliance with, and not in default under the Card Agreement; and (b) not have reduced your Qualified Volume due to use of, or transition to, a competing card or service, during the 90 days following the end of the Calendar Year (other than following expiration or termination of the Rebate Term) (the “*Rebate Conditions*”). In addition, if this Amendment or the Card Agreement is terminated by you for any reason or is terminated by us as a result of a Rebate Default (as defined in Section 5), you will be deemed to have failed to meet the Rebate Conditions for the Calendar Year in which such termination occurs. If the Rebate Conditions are not satisfied in or with respect to any Calendar Year, you are not entitled to a Rebate for that Calendar Year.

Adjustment Events. Your Rebate terms have been established based in part on certain assumptions relating to a number of external conditions including interest rate and market conditions, your financial condition, and current regulatory requirements (including interchange rates and restrictions). Should a significant change in such conditions or requirements occur, we reserve the right to adjust your Rebate terms to reflect the effect of such change on us as determined by us in good faith. We will give you not less than ninety (90) days’ notice of the implementation of any such adjustment.

4. Determinations.

a. Calculation. We will determine the Qualified Volume, Aggregate Qualified

Volume and your Rebate for each Calendar Year based on the Qualified Volume and related data reported to us by Mastercard for that Calendar Year. You consent to the reporting of your Qualified Volume and related information to Kentucky Education Co-op and release us from any liability or obligation with respect to that information once reported to Kentucky Education Co-op. Any claim that an error has been made in determining the Rebate must be made by you within 90 days receipt of the Rebate.

b. Reports and Information. We will provide the calculations and supporting summary-level Qualified Volume and Aggregate Qualified Volume documentation reasonably available to us upon request. You agree to provide validation and documentation reasonably satisfactory to us of any transaction or other information should we require support to verify the Qualified Volume or other matters relating to the determination of Qualified Volume for any period.

c. Payment. We will pay the Rebate due to you, if any, not later than 120 days after the end of the Calendar Year.

5. Term. Unless terminated sooner as provided in this Amendment, the term of this Amendment ("*Term*") shall commence on the date of execution of this Amendment and expire on Expiration Date and may be extended beyond that date only by mutual written agreement of both parties. This Amendment and the Term terminate automatically upon the termination of the Rebate Program by Kentucky Education Co-op or us, and upon termination of the Card Agreement by you or us. We may terminate this Amendment by giving you written notice at any time (a) upon the occurrence of any default under the Card Agreement or (b) upon any default by you in connection with any loan or advance we or any of our affiliates have made to you, or under any other indebtedness, obligation or liability you owe to us or any of our affiliates, whether now existing or arising in the future (any such event in clause (a) or (b), a "*Rebate Default*"). Either party may terminate this Amendment upon 90 days written notice to the other party.

6. Confidentiality. During the Term and for two (2) years after the Term you and we agree to keep confidential all information relating to this Amendment including the existence, terms and conditions of this Amendment, and to not disclose such information except to those individuals within our respective organizations with a reasonable need to know such information (provided such individuals agree to be bound by the confidentiality obligations contained in this Section 6). Each of us acknowledges that, in the event of a breach of this Section 6, the non-breaching party will likely suffer irreparable damage that cannot be fully remedied by monetary damages. Accordingly, in addition to any remedy that the non-breaching party may possess pursuant to applicable law, the non-breaching party retains the right to seek and obtain injunctive relief against any such breach in any court of competent jurisdiction. We may disclose card and transaction data to our vendors and vendor personnel in connection with your credit card or credit card rebate program and you hereby authorize us to do so. The provisions of this Section 6 shall survive the termination of this Amendment and the Card Agreement.

7. Effect. This Amendment amends the Card Agreement solely for purposes of establishing a rebate opportunity for you during the Term. All provisions of the Card Agreement not inconsistent with this Amendment shall remain unchanged and in full force and effect, and are ratified and confirmed. In the case of any conflict between and among the various provisions in

the Card Agreement and this Amendment, the provisions of this Amendment shall prevail.

8. **Miscellaneous**. We represent and warrant to each other that this Amendment has been authorized by all necessary corporate or other entity action, and that the person signing this Amendment on our behalf is duly authorized to do so. The captions in this Amendment are included for convenience only and shall not affect the meaning or interpretation of this Amendment. This Amendment evidences the entire agreement and understanding between us respect to the subject matter of this Amendment and supersedes all prior agreements and discussions between us with respect to that subject matter.

*******Signature Page Follows*******

CONFIDENTIAL

EXECUTED this _____,

FIFTH THIRD BANK, NATIONAL ASSOCIATION

By: _____

Print name: _____

Print title: _____

<Member>

[MEMBER]

By: _____

Print name: _____

Print title: _____

FIFTH THIRD BANK, NATIONAL ASSOCIATION

By: _____

Print name: _____

Print title: _____

Fifth Third Bank, National Association. Member FDIC. Fifth Third and Fifth Third Bank are registered service marks of Fifth Third Bancorp.

CONFIDENTIAL

EXHIBIT A

REBATE SCHEDULE

Rebate Schedule							
Kentucky Ed Consortium							
REBATE SPEND LEVELS		PAYMENT TERMS			LTI*	Discount Txn*	Level III (EDR)
		30/25	30/15	14/07			
\$40,000,000	\$49,999,999.99	1.50%	1.55%	1.60%	0.50%	0.20%	0.60%
\$50,000,000	\$59,999,999.99	1.55%	1.60%	1.65%	0.50%	0.20%	0.60%
\$60,000,000	\$69,999,999.99	1.60%	1.65%	1.70%	0.50%	0.20%	0.60%
\$70,000,000	\$79,999,999.99	1.65%	1.70%	1.75%	0.50%	0.20%	0.60%
\$80,000,000	\$89,999,999.99	1.70%	1.75%	1.80%	0.50%	0.20%	0.60%
\$90,000,000	\$99,999,999.99	1.75%	1.80%	1.85%	0.50%	0.20%	0.60%
\$100,000,000	and greater	1.80%	1.85%	1.90%	0.50%	0.20%	0.60%