

PURCHASE OF SERVICE AGREEMENT

The State of North Dakota, through the undersigned agencies (State), has determined the services identified in the Scope of Service paragraph below should be purchased.

Xerox State & Local Solutions, Inc., ("Vendor"), 8260 Willow Oaks Corporate Drive, 6th Floor, Fairfax, VA 22031, proposes to provide those services.

State and Vendor therefore enter into the following Purchase of Service Agreement (the "Agreement"):

1. **TERM OF THE AGREEMENT**

The term shall begin upon full execution of the Agreement, and will continue for three (3) years from the "go live" date, which may not be later than May 1, 2017. The State shall have the option to extend the Agreement for up to four (4) successive two-year terms.

2. **SCOPE OF SERVICE**

Except as otherwise provided in this Agreement, Vendor shall provide services to State according to the Request for Proposals (RFP) dated February 8, 2016, the amendments to the RFP, Vendor's proposal dated April 19, 2016, and the contract documents listed in paragraph 3 of this Agreement, all of which are made a part of this Agreement by their reference here.

3. **CONTRACT DOCUMENTS**

Paragraphs 7.3 and 7.4 of the RFP are revised as follows and incorporated as part of this agreement:

7.3 Contract Resulting from this RFP

The parties are obligated to perform all contracted services described in the RFP and the proposal unless the contract with each Consortium State specifically directs otherwise. Each contract resulting from this RFP shall be executed following the proposal selection award and shall consist of the following elements:

- a) The entire RFP, including all addenda, except the state-specific addendum of a State other than the contracting State;
- b) The RFP Amendment no. 3 dated March 24, 2016, and Amendment no. 4 dated April 12, 2016;
- c) Contents of the April 19, 2016, proposal response provided by Vendor;
- d) Vendor clarifications dated June 15, 2016, and July 15, 2016; and
- e) The request for Best and Final Offers published by the Consortium on July 15, 2016, and the response received from Vendor on July 29, 2016, consisting of a Best and Final Offer – Technical Proposal and a Best and Final Offer – Cost Proposal.

7.4 Conflict of Terms

In the event of a conflict in contractual terms and conditions or scope of work between a State and the Vendor the following order shall prevail for purposes of contract interpretation:

- a) The executed contract document;
- b) The July 29, 2016, response to the States' request for Best and Final Offers;
- c) The July 15, 2016, request for Best and Final Offers;
- d) The June 15, 2016, and July 15, 2016, clarification documents;
- e) The RFP Amendment no. 3 dated March 24, 2016, and Amendment no. 4 dated April 12, 2016;
- f) All RFP addenda, except the State-specific Addendum of a State other than the contracting State;
- g) The States' RFP document; and
- h) The proposal.

4. Fee Structure

The cost proposal received from Vendor on July 29, 2016, and the alternative cost proposal dated October 21, 2016, are annexed hereto as Appendix A and Appendix B respectively. Following is the fee structure election by State agency or department:

Agency/Department	Fee Structure Selected
North Dakota Department of Human Services	Appendix A
State of North Dakota Job Service North Dakota	Appendix A
State of North Dakota North Dakota Department of Corrections And Rehabilitation	Appendix A
State of North Dakota Workforce Safety And Insurance	Appendix A

5. Pre-Existing Hardware and Software Tools

In providing the services in connection with this Agreement, Vendor will leverage certain pre-existing software and hardware tools that are either owned or licensed by Vendor (collectively, the "Vendor Tools"). Vendor hereby grants the State a non-exclusive and non-transferable license to use and access the functions, reports, output and other materials derived from or otherwise produced by the Vendor Tools. The State may not modify, reverse engineer, decompile or otherwise disassemble the Vendor Tools. The State shall have no residual rights to the Vendor Tools beyond the term of this Agreement.

6. Vendor Restructuring

The State hereby acknowledges that Vendor's parent corporation has announced its intention to separate its technology and services businesses into two independent, publicly traded companies. The separation is tentatively scheduled to occur after the execution of the Agreement. Upon separation, the businesses of Xerox State & Local

Solutions, Inc. (including this Agreement) will become part of Conduent, Inc. If the Vendor's name changes following separation, the parties agree to execute an amendment acknowledging the name change.

XEROX STATE & LOCAL SOLUTIONS, INC.

By [Signature] 11/16/16
DATE

Its Senior Vice President
{TITLE}

13-1996647
Vendor's Federal Taxpayer Identification Number

STATE OF NORTH DAKOTA
NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

By [Signature] 12/29/2016
MAGGIE D. ANDERSON
EXECUTIVE DIRECTOR
DATE

By [Signature] 12-29-16
CHERYL FITZGERALD
CONTRACT OFFICER
DATE
Approved for form and content

STATE OF NORTH DAKOTA
JOB SERVICE NORTH DAKOTA

By [Signature] 12/19/16
CHERI GIESEN
EXECUTIVE DIRECTOR
DATE

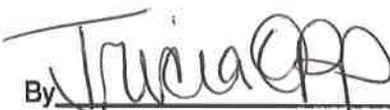
STATE OF NORTH DAKOTA
NORTH DAKOTA DEPARTMENT OF CORRECTIONS AND
REHABILITATION

By  12/12/16
LEANN BERTSCH, DIRECTOR DATE

STATE OF NORTH DAKOTA
WORKFORCE SAFETY AND INSURANCE

By  12/7/16
BRYAN KLIPFEL, DIRECTOR DATE

STATE OF NORTH DAKOTA
OFFICE OF MANAGEMENT AND BUDGET,
STATE PROCUREMENT OFFICE

By  12/29/16
TRICIA OPP DATE
PROCUREMENT OFFICER II

Appendix A - Cost Proposal dated July 29, 2016

5.4.1. Cardholder Cost Schedule

Fee Description	# of "No Charge" Transactions	# of Fee Transactions (i.e. unlimited or a specific number)	Explanation (i.e. cost for fee-based transactions)
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Cardholder Fees

Initial Card Issuance	Unlimited Free	None	\$0.00
Monthly Account Maintenance	Unlimited Free	None	\$0.00. There is no monthly maintenance fee.

Point-of-Sale Transactions

Visa or MasterCard Debit (signature-based)	Unlimited Free	None	\$0.00
PIN-based	Unlimited Free	None	\$0.00

Cash Access Transactions

ATM Withdrawal Surcharge (In-Network)	Unlimited Free	None	\$0.00. There is no surcharge for ATM withdrawals performed at any of the more than 26,500 nationwide MoneyPass, Comerica, and TransFund surcharge-free ATM locations.
ATM Withdrawal Surcharge (Out of Network)	None	All	Controlled by ATM owner
ATM Withdrawal Service Charge (In-Network)	Unlimited Free	None	\$0.00. There is no fee for any in-network ATM withdrawal at any of the more than 26,500 nationwide MoneyPass, Comerica, and TransFund surcharge free ATM locations.
ATM Withdrawal Service Charge (Out of Network) – Option A – (no statements)	Two per month	Fee for each withdrawal after the two	\$0.00 for the first two transactions per month; \$1.25

		free transactions per month	for the third and subsequent transactions
ATM Withdrawal Service Charge (Out of Network) – Option B (with printed mailed statements)	None	Fee for each withdrawal	\$1.25 each
Visa or MasterCard Cash Advance – Bank teller	Unlimited Free	None	\$0.00 at any MasterCard member bank worldwide

Customer Service

Live Representative calls	Unlimited Free	None	\$0.00
Customer Service IVR calls	Unlimited Free	None	\$0.00
Customer Service Web-based Account Access	Unlimited Free	None	\$0.00
Account Overdraft Fee	Unlimited Free	None	\$0.00
Monthly Inactivity Fee	12 months	The fee applies following 12 months of no transaction activity.	\$4.00 per month
Standard Card Replacement	Unlimited Free	None	\$0.00
Expedited Card Replacement	None	All	\$10.00 for each expedited card replacement
ATM Balance Inquiries/Declines	Unlimited Free	None	\$0.00
Transfer of Funds	Unlimited Free	None	\$0.00
Monthly Statement – Option A	Unlimited Free	None	\$0.00 for all statements access through the website and mobile app. Ad hoc request through the CSR are also free.
Monthly Statement – Option B	1 per month	None	\$0.00 for all statements printed mail monthly or accessed through the website and mobile app. Ad hoc request through the CSR are also free.
Statement Replacement	Unlimited Free	None	\$0.00
Bill Pay Option – single or recurring payments	Unlimited Free	None	\$0.00

Optional Services

Cardholder Alerts	Unlimited Free	None	\$0.00
Mobile App (iPhone or Android)	Unlimited Free	None	\$0.00
POS and ATM Denials	Unlimited Free	None	\$0.00
Companion Cards	Unlimited Free	None	\$0.00
Fuel Rewards	Unlimited Free	None	\$0.00

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Appendix B – Alternative Cost Proposal dated October 21, 2016

5.4.1. Cardholder Cost Schedule

Fee Description	# of "No Charge" Transactions	# of Fee Transactions (i.e. unlimited or a specific number)	Explanation (i.e. cost for fee-based transactions)
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Cardholder Fees

Initial Card Issuance	Unlimited Free	None	\$0.00
Monthly Account Maintenance	Unlimited Free	None	\$0.00. There is no monthly maintenance fee.

Point-of-Sale Transactions

Visa or MasterCard Debit (signature-based)	Unlimited Free	None	\$0.00
PIN-based	Unlimited Free	None	\$0.00

Cash Access Transactions

ATM Withdrawal Surcharge (In-Network)	Unlimited Free	None	\$0.00. There is no surcharge for ATM withdrawals performed at any of the more than 26,500 nationwide MoneyPass, Comerica, and TransFund surcharge-free ATM locations.
ATM Withdrawal Surcharge (Out of Network)	None	All	Controlled by ATM owner
ATM Withdrawal Service Charge (In-Network)	Unlimited Free	None	\$0.00. There is no fee for any in-network ATM withdrawal at any of the more than 26,500 nationwide MoneyPass, Comerica, and TransFund surcharge free ATM locations.
ATM Withdrawal Service Charge (Out of Network) – Option A – (no statements)	None	Fee for each withdrawal	\$1.25 each

ATM Withdrawal Service Charge (Out of Network) – Option B (with printed mailed statements)	None	Fee for each withdrawal	\$1.25 each
Visa or MasterCard Cash Advance – Bank teller	Unlimited Free	None	\$0.00 at any MasterCard member bank worldwide

Customer Service

Live Representative calls	Unlimited Free	None	\$0.00
Customer Service IVR calls	Unlimited Free	None	\$0.00
Customer Service Web-based Account Access	Unlimited Free	None	\$0.00
Account Overdraft Fee	Unlimited Free	None	\$0.00
Monthly Inactivity Fee	12 months	The fee applies following 12 months of no transaction activity.	\$2.00 per month
Monthly Inactivity Fee – Option B (with printed mailed statements)			\$4.00 per month with Option B (printed mailed statements)
Standard Card Replacement	Unlimited Free	None	\$0.00
Expedited Card Replacement	None	All	\$10.00 for each expedited card replacement
ATM Balance Inquiries/Declines	Unlimited Free	None	\$0.00
Transfer of Funds	Unlimited Free	None	\$0.00
Monthly Statement – Option A	Unlimited Free	None	\$0.00 for all statements access through the website and mobile app. Ad hoc request through the CSR are also free.
Monthly Statement – Option B	1 per month	None	\$0.00 for all statements printed mail monthly or accessed through the website and mobile app. Ad hoc request through the CSR are also free.
Statement Replacement	Unlimited Free	None	\$0.00
Bill Pay Option – single or recurring payments	Unlimited Free	None	\$0.00

Optional Services

Cardholder Alerts	Unlimited Free	None	\$0.00
Mobile App (iPhone or Android)	Unlimited Free	None	\$0.00
POS and ATM Denials	Unlimited Free	None	\$0.00

Companion Cards	Unlimited Free	None	\$0.00
Fuel Rewards	Unlimited Free	None	\$0.00

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