



**NASPO VALUE POINT
STATE OF CALIFORNIA PARTICIPATING ADDENDUM 7-20-99-42
LOCAL AGENCY SUBSIDIARY AGREEMENT**

This Local Agency Subsidiary Agreement ("**Subsidiary Agreement**") is entered into by undersigned entity, organized under the laws of the State of California ("**Local Agency**"), and U.S. Bank. This Subsidiary Agreement shall become effective upon signing by U.S. Bank.

RECITALS

1. The State of California, Department of General Services (the "**State**") and U.S. Bank entered into California Participating Addendum 7-20-99-42 effective January 1, 2021, as amended, supplemented or otherwise modified (the "**Participating Addendum**") for the purpose of making available a Commercial Card Services Program ("**Program**") as described in the Participating Addendum for use by state agencies and local agencies of the State;
2. Local Agency desires to participate as a "Participating Agency" under the Program and Agreement, with sole liability for its own obligations it may incur under the Program and Participating Addendum; and
3. U.S. Bank has agreed to allow Local Agency to be bound under the Participating Addendum and participate in the Program as a "Participating Agency."

AGREEMENT

Now, therefore, for and in consideration of the mutual promises contained in this Subsidiary Agreement and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Local Agency and U.S. Bank agree as follows:

1. **DEFINITIONS.** Unless otherwise stated in this Subsidiary Agreement, all capitalized terms shall have the same meaning as set forth in the Participating Addendum.
2. **DESIGNATION.** Local Agency is hereby designated as a "Participating Agency" under the Participating Addendum, and upon U.S. Bank's execution of this Subsidiary Agreement (after completing its necessary due diligence) Local Agency shall be deemed a "Participating Agency" thereunder until Local Agency so elects to remove such designation or such designation is revoked as set forth in section 6 below. U.S. Bank will take direction from such Local Agency in the issuing of Accounts (or the suspension of Accounts issued at Local Agency's direction).

3. LOCAL AGENCY REPRESENTATIONS, WARRANTIES AND COVENANTS. Local Agency:

- 3.1** Represents and warrants that it received a copy of the Participating Addendum;
- 3.2** Represents that it is a valid political subdivision of the State of California;
- 3.3** Represents and warrants that as of the date hereof that each of the representations and warranties made by the State in the Participating Addendum to U.S. Bank can be made by Local Agency without breach on the date hereof;
- 3.4** Represents and warrants that all financial and other information provided to U.S. Bank by or about Local Agency is true and correct;
- 3.5** Agrees to comply with and be bound by the terms and conditions of the Participating Addendum, including any future amendment regardless of whether Local Agency has received notice of such amendment;
- 3.6** Agrees it is liable for its own performance of the terms and conditions of the Participating Addendum (including as it may be amended from time to time) as if Local Agency signed the Participating Addendum, including for all obligations incurred by it or by any party issued an Account at its direction, but shall not be liable for any obligations incurred by the State or any other Local Agencies; and
- 3.7** Agrees that it may not assign or transfer its rights under this Subsidiary Agreement or the Participating Addendum without the express consent of U.S. Bank.

4. LIABILITY FOR LOCAL AGENCY'S PERFORMANCE AND OBLIGATIONS. Local Agency agrees that it shall be solely liable for its performance of the terms and conditions of the Participating Addendum and this Subsidiary Agreement. The State shall have no liability for any obligations incurred under the Program by Local Agency and any Account holder designated by such Local Agency.

5. NOTICES. The notice address for Local Agency is:

 Attn: _____

6. CHANGE OF CONTROL. Local Agency shall immediately notify U.S. Bank in writing of the occurrence of any event concerning Local Agency that (i) would prevent Local Agency from making the representations and warranties contained in section 3 at such time or (ii) results in a change of the legal name of such Local Agency. Local Agency shall promptly provide such additional details as reasonably requested by U.S. Bank regarding such event. At the election of U.S. Bank, the rights of Local Agency to be designated a "Participating Agency" under the Participating Addendum may be revoked based upon the notification provided by pursuant to section 6 (i) and this Subsidiary Agreement shall terminate.

- 7. BINDING AGREEMENT.** The representations, warranties and covenants of Local Agency in this Subsidiary Agreement constitute valid, binding and enforceable agreements of Local Agency. The execution of this Subsidiary Agreement and the performance of the obligations hereunder are within the power of Local Agency, have been authorized by all necessary action and do not constitute a breach of any agreement to which Local Agency is a party or is bound. Local Agency represents and warrants that this transaction is within the scope of the normal course of business and does not require further authorization for Local Agency to be duly bound by this Subsidiary Agreement. Any breach of the terms of this Subsidiary Agreement by the Local Agency shall also be a default under the Participating Addendum by the Local Agency giving rise on the part of U.S. Bank to exercise remedies outlined within the Participating Addendum based upon such default. A breach of the terms of the Subsidiary Agreement by Local Agency shall give rise to the right of U.S. Bank to terminate this Subsidiary Agreement in accordance with terms outlined within the Participating Addendum and remove Local Agency from the Program.
- 8. RATIFICATION, AMENDMENT AND TERMINATION OF AGREEMENT.** Local Agency acknowledges that U.S. Bank and the State may from time to time enter into amendments of the Participating Addendum. No such amendments shall require the consent of, or notification to, Local Agency and Local Agency shall be bound by the terms contained in any such amendments. **In the event of a termination of the Subsidiary Agreement, Local Agency acknowledges and agrees that Local Agency shall remain liable for all debts arising from the use of a card and/or account prior to the termination date and U.S. Bank will pay applicable rebates in accordance with the Participating Addendum.**

- 9. AUTHORIZATION AND EXECUTION.** This Subsidiary Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. This Subsidiary Agreement may be executed and delivered by the parties electronically, and fully executed electronic versions of this Subsidiary Agreement, or reproductions thereof, will be deemed to be original counterparts.

The signer(s) represents and warrants that (i) he or she is authorized by an applicable authority to enter into all transactions contemplated by this Subsidiary Agreement, and (ii) the signatures appearing on all supporting documents of authority are authentic.

LOCAL AGENCY**U.S. BANK**

DATE: _____

DATE: _____

Legal Name of Local Agency_____
U.S. Bank National Association_____
(Signature of Authorized Individual)_____
(Printed Name of Authorized Individual)_____
Vice President_____
(Printed Title of Authorized Individual)