

STANDARD CONTRACT FORM

Goods and Non-Professional Services

1. Agency Contract Number	2. Contract Title Depository and Banking Services	3. Financial Coding	4. Agency Assigned Encumbrance Number	
5. Vendor Number	6. Project/Case Number RAP 2008-0400-7912	7. Alaska Business License Number 299500		
This contract is between the State of Alaska,				
8. Department of Revenue		Division Treasury		hereafter the State, and
9. Contractor Wells Fargo Bank, National Association hereafter the Contractor				
Mailing Address	Street or P.O. Box	City	State	ZIP+4
Commercial Banking Group	301 W. Northern Lights Blvd.	Anchorage	AK	99503

10.

ARTICLE 1. Appendices: Appendices referred to in this contract and attached to it are considered part of it.

ARTICLE 2. Performance of Contract:

2.1 Appendix A¹ (General Conditions), Items 1 through 17, govern contract performance.

2.2 Appendix B sets forth the liability and insurance provisions of this contract.

2.3 Appendix C sets forth the scope of work/services to be performed by the contractor.

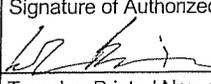
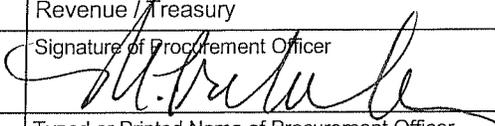
ARTICLE 3. Period of Performance: The period of performance for this contract begins July 01, 2008, and ends May 31, 2013 with two (2) one-year renewal options.

ARTICLE 4. Considerations:

4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed \$400,000.00 in accordance with the provisions of Appendix D.

4.2 When billing the State, the contractor shall refer to the Agency Contract Number and send the billing to:

11. Department of Revenue	Attention: Division of Treasury
Mailing Address PO Box 110406	Attention: Susan Bump

12. CONTRACTOR	13. CONTRACTING AGENCY
Name of Firm Wells Fargo Bank, National Association	Department/Division Revenue / Treasury
Signature of Authorized Representative 	Signature of Procurement Officer 
Typed or Printed Name of Authorized Representative Luke Panning	Typed or Printed Name of Procurement Officer Michelle Prebula
Date 6/16/08	Date 7/9/08

APPENDIX A¹
GENERAL CONDITIONS

- 1. Inspection and Reports:**

The department may inspect, in the manner and at reasonable times it considers appropriate, all of the contractor's facilities and activities under this contract. The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.
- 2. Suitable Materials, Etc.:**

Unless otherwise specified, all materials, supplies or equipment offered by the contractor shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.
- 3. Disputes:**

Any dispute arising out of this agreement shall be resolved under the laws of Alaska. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain any relief from or remedy in connection with this agreement may be brought only in the superior court for the State of Alaska.
- 4. Default:**

In case of default by the contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.
- 5. No Assignment or Delegation:**

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Procurement Officer.
- 6. No Additional Work or Material:**

No claim for additional supplies or services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Procurement Officer.
- 7. Independent Contractor:**

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.
- 8. Payment of Taxes:**

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.
- 9. Compliance:**

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; and be liable for all required insurance, licenses, permits and bonds.
- 10. Conflicting Provisions:**

Unless specifically amended and approved by the Department of Law the General Conditions of this contract supersede any provisions in other appendices.
- 11. Officials Not to Benefit:**

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.
- 12. Contract Prices:**

Contract prices for commodities must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity can be utilized without further cost. Prices for services must be in U.S. funds and include applicable federal duty, brokerage fee, packaging, and transportation cost so that the services can be provided without further cost.
- 13. Contract Funding:**

Contractors are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.
- 14. Force Majeure:**

(Impossibility to perform) The contractor is not liable for the consequences of any failure to perform, or default in performing, any of its obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the contractor. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.
- 15. Contract Extension:**

Unless otherwise provided, the State and the contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect, and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.
- 16. Severability:**

If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.
- 17. Continuing Obligation of Contractor:**

Notwithstanding the expiration date of this contract, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.

APPENDIX B¹
INDEMNITY AND INSURANCE

Article 1. Indemnification

The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

Article 2. Insurance

Without limiting Contractor's indemnification, it is agreed that Contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the Contracting Officer prior to beginning work and must provide for a 30-day prior notice of cancellation, nonrenewal or material change of conditions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the Contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

2.1 Workers' Compensation Insurance: The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

2.2 Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000. combined single limit per occurrence.

2.3 Commercial Automobile Liability Insurance: covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000. combined single limit per occurrence.

APPENDIX C SCOPE OF SERVICES

Wells Fargo Bank, National Association ("Contractor") shall provide depository and related banking services described below. At the specific direction of the Cash Management Section of the Treasury Division, the Contractor will provide services that include, but are not limited to the following:

- Establish any bank accounts required by the state
- Process paper deposits for approximately 50 subaccounts used by state agencies
- Provide deposit slips and endorsement stamps for the 50 subaccounts
- Transmit a daily report of all bank transactions to Treasury for interface to the state's general ledger
- Process checks returned as Non-Sufficient Funds or for other reasons
- Provide currency and coins to state agencies
- Provide an online inquiry system for research of bank account balances and transactions
- Various standard banking services.
- Foreign Item processing
- Safe Deposit Boxes as needed

No response required.

1. **Depository Concentration**

The Contractor will act as the State's alternate depository bank and perform all required depository services. The Contractor shall provide a demand deposit account that will serve as the State's depository concentration account. The Contractor will process and report deposits for various State programs and locations (subaccounts) of the depository concentration account. Deposits include but are not limited to cash, checks, money orders, travelers checks, wire transfers, and ACH transactions. The State reserves the right to transfer any of the subaccounts of the depository concentration account to another bank at the State's discretion.

The State requires all deposits and deposit-related transactions to include the appropriate subaccount number. The subaccount number is the State's primary mechanism for tracking deposits by department, agency and location. This information is essential for the accurate appropriation accounting required for state government.

The Contractor will process and report all deposit related transactions, including but not limited to various debit and credit adjustments, zero balance account transactions, returned items, collection items, and foreign exchange adjustments. The Contractor will make a 2nd attempt to deposit all Non-Sufficient Funds checks, including on-us checks.

The Contractor will provide other related banking services, such as safe deposit boxes, etc.

Wells Fargo can comply with all of the above-mentioned requirements.

2. **Other Accounts**

The Contractor shall provide banking services for several state agencies that have special processing requirements. These agencies may include, but are not limited to the Dept of Public Safety, Alaska Psychiatric Institute, and the Dept of Corrections. Generally these accounts require a wide range of banking services such as check processing, zero balance accounts, depository services, wire transfers, ACH processing, and reporting for all banking transactions. The State reserves the right to transfer any of the special processing bank accounts to another bank at the State's discretion.

Wells Fargo has the capacity to handle the State of Alaska's requirements listed above.

3. **Supplies and Third Party Fees**

The Contractor shall provide a variety of bank supplies including MICR encoded deposit slips, endorsement stamps. The State will order supplies from the Contractor's established third party printer. The State will only use supplies that meet the

Contractor's quality specifications. All supply fees and any other third party fees, such as courier or armored car fees, will be paid by the Contractor and billed to the State through the account analysis.

Wells Fargo has the capacity to handle the State of Alaska's requirements listed above.

All supply fees and any other third party fees, such as courier or armored car fees, will be paid by the Contractor and billed to the State through the account analysis.

4. Electronic Transactions

The Contractor will provide an electronic funds transfer (EFT) system that can be accessed through the public internet. The State may generate wire transfers and Automated Clearing House (ACH) transactions using this system. The Contractor and the State will comply with all Federal Reserve regulations, National Automated Clearing House Association (NACHA) rules, and Office of Foreign Assets Control (OFAC) requirements when generating wires and ACH transactions.

The Wells Fargo **Commercial Electronic Office® (CEO)** business portal is Wells Fargo's propriety information reporting system. The Commercial Electronic Office (CEO®) business portal is an Internet site, which can be accessed by any browser that can access the worldwide web and uses 128-bit SSL encryption. The CEO portal is accessible 24 hours a day, seven days a week with single sign-on.

The **CEO Self Administration** service is the principal method your designated administrators will use to add and delete users and perform other critical administrative functions. CEO Self Administration is an online service that enables the State of Alaska to structure authorization controls to meet your specific needs and risk management requirements. User profiles for transactional services include account access restrictions and transaction limits.

Wells Fargo is able to support the State of Alaska's requirement to originate wire transfers via the Internet through our secure *Commercial Electronic Office (CEO)* business portal.

State of Alaska's designated users will have the option of sending same-day or future-dated transfers, templated or freeform (repetitive and non-repetitive). For same-day, wires must be sent by 1:30 p.m. AST. Wire Transfer makes processing one-time and recurring payments as easy as possible from a single web page with a single sign-on and state-of-the-art security. You can use the freeform transfer feature and supply all payment information at the time you create the transaction. Or, you can create and maintain a set of template transfers that include pre-authorized, predefined payment instructions, all of which are stored on Wells Fargo's servers. Flexible customization features allow you to tightly control which functions your staff can access and transfers can be generated by any State of Alaska's combination of users.

CEO Wire Transfer Process Flow

Sign-On and User Authentication. Users log on to the CEO portal using a Company ID, User ID and password. Two-factor authentication is required to access the Wire Transfer service.

Repetitive Wire Initiation. Process flows for initiating repetitive wires are as follows:

- The user searches for the appropriate template or selects it from a dropdown list.
- The user enters the value date (which can be future-dated up to 60 days), the wire amount and beneficiary information (if not already built into the template). High-volume wire customers can use our premium service that allows users to initiate repetitive wires from multiple templates from a single screen. The user simply specifies which templates to use, enters the wire amounts and value dates, and initiate all of the selected transfers at once.
- Once all required information has been entered, the user clicks the Submit button. The system then displays a confirmation, which can be printed for audit purposes.
- If the template has been set up to require secondary approval, the wire is placed in the Pending Wires: Awaiting Verification queue. If no approval is required, the wire is released on the value date.

Freeform (non-repetitive) Wire Initiation. Process flows for initiating freeform wires are as follows:

- The user inputs all required wire transfer fields including credit currency, debit account number, value date, wire amount, beneficiary account and bank information, optional beneficiary and intermediary bank information, and originator's reference data.

- To streamline input of bank information, a bank lookup tool enables users to search for financial institutions by name or reference number (Fedwire/RTN number). Once the desired institution is found, the user simply selects it and the bank information is automatically inserted in the appropriate fields.
- After all required fields have been filled, the user clicks the Submit button. The system then displays a confirmation.
- If you have set up freeform wires to require secondary approval, the wire will be placed in the Pending Wires: Awaiting Verification queue. If no approval is required, the wire is released on the value date.

Wire Release. Wires are released immediately after our Wire Transfer system automatically checks that there are adequate funds available in your debit account and that the transfer is not going to a country or beneficiary on the U.S. Treasury's Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list.

Regarding ACH transactions, it is understood that the State of Alaska will initiate these transactions via their existing ACH provider's service. Should the State of Alaska require ACH services from Wells Fargo, we will be most happy to provide a full proposal to meet the State of Alaska's needs.

5. Collateralization

All State deposits maintained with the Contractor must be collateralized to the extent that they exceed insurance coverage provided by the Federal Deposit Insurance Corporation (FDIC), according to Alaska Statute and State Investment Policies and Procedures collateral requirements. Acceptable collateral is currently defined as U.S. Treasury Bonds, Notes and Bills and agency guaranteed obligations approved by the State. A tri-party agreement will be executed between the State, the Contractor, and an eligible trustee who agrees to safekeep the pledged securities. The Contractor shall pay all collateralization expenses incurred with the trustee.

Wells Fargo currently collateralizes with the State of Alaska's regulation approved investments, typically agency guaranteed obligations. We do not collateralize with U.S. Treasury Bonds, Notes, or Bills. As trustee, we will utilize the Wells Fargo Public Funds Administration Treasury group located in our San Francisco office. Wells Fargo Bank holds only AAA rated securities, and these securities are of the highest quality and TBA deliverable. Please see the attached copy of the monthly pledge report which lists the securities pledged currently. The State will continue to receive this report monthly.

Collateral value is based on the prior day's net collected balance. In the event that the State of Alaska expects a significant deposit injection, we will collateralize to the amount requested, provided we are notified by 8:30 a.m.

Please note that Wells Fargo invests in only AAA rated securities, which are rated by an independent 3rd party, and that Wells Fargo is the only AAA rated bank in the United States.

The aggregate market value of Collateral held by custodian at all times during the term of this agreement must be in an amount not less than one hundred and ten percent (110%) of (a) the amount of the collected funds on deposit, increased by (b) the amount of accrued but uncredited interest, (c) reduced by that portion of the funds insured by the FDIC. The existing Tri-party agreement will be updated to reflect the increase in collateralization.

6. Reporting

The Contractor will provide a variety of daily, monthly and ad hoc paper and electronic reports for the State's use. These reports will include a daily bank report in BAI2 format of the prior day's detail transaction activity and balance transactions for all State bank accounts. This report should be made available to the State via an electronic delivery process, currently dial up modem, delivered prior to 7:30 am Alaska Prevailing Time each day. If the State notifies the Contractor that it is not able to pick up the daily file due to technical difficulties or an emergency, the Contractor will retain the file(s) until such a time that the State can resume normal operations. Other required reports or information include account statements, account analyses, and check images.

Wells Fargo can comply with the State of Alaska's request to provide electronic reports.

The State of Alaska is migrating from the current dial-up modem transmission of Previous Day Reporting to **Secure File Transfer Protocol (FTP)** of this BAI report. Secure FTP is a standard protocol for transferring files over the Internet, secured with SSH (Secure Shell). Wells Fargo is able to meet the State of Alaska's delivery deadline of 7:30 a.m. AST. Our reports are delivered by 2:45 a.m. AST, Monday through Saturday (Friday's file can be picked up on Saturday or first thing Monday morning).

Report files are kept on the State of Alaska's profile for 7 days.

The **CEO Treasury Information Reporting (TIR) ~ Previous Day Composite Report** provides comprehensive previous-day balance, transaction summary and transaction detail information for your accounts. Download and viewing are available in BAI Version 2 format, which the State of Alaska requires. We update previous day information by 3:00 a.m. AST on business days. Both information reporting and transaction initiation can be performed anytime.

Benefits

- **Early morning report availability.** Reports are available starting at 4:00 a.m. AST.
- **Get the information you need.** View, print and download balance and transaction information with flexible and user-friendly reporting capabilities.
- **Custom views.** Customize any of the reports, narrowing the results to just the data you need. You can also create your own report templates that can be saved and reused.
- **Viewing check images.** You may also click on paid checks to see and print front and back images.

The State of Alaska can view an image of a deposit slip and drill down to see images of the checks deposited using our Stops-Images-Search function on our secure Internet portal, the Commercial Electronic Office (CEO). The images are received when requested.

With Wells Fargo's **Stops-Images-Search** service you can conveniently research banking transactions and manage stop payments right from your desktop. Use Stops-Image-Search to find and view images of deposits, checks, details regarding debits, credits, stop payments, or other items posted to your account, and make, renew, or release stop payments. Items are available one business day after posting to your account and searchable in 180-day increments. Conduct searches by date, dollar amount, or check / customer reference numbers, then zoom in, rotate, print, or download check or deposit slip images to your local hard drive. You can even create, view, and print reports, such as all stop activity, regardless of where or how the stop was processed.

The State of Alaska will continue to receive both bank account and account analysis statements via mail. Should the State of Alaska desire online statements, we will be happy to provide a proposal for these services.

Manual research performed by a Business Associate or other support staff for information and images accessible to the state online through CEO will be \$50 per incident.

7. Negative Collected Balance

The intent of the State is to maintain a positive collected balance in the depository concentration. However, there will be occasions when an account may become overdrawn. Upon discovery of an overdrawn account, the State will deposit funds to eliminate the negative collected balance.

Wells Fargo is able to comply with the above-mentioned requirements. A charge is assessed for both overdrafts and for the use of uncollected funds. Both overdraft fees and negative collected fees can be offset with compensating balances.

8. Confidentiality

All information each party receives from or respecting the other in the performance of this agreement shall be received in confidence and shall not be disclosed to any other person except as such disclosure may be required by law or expressly permitted in writing by the other party.

Wells Fargo is able to comply with all of the above-mentioned requirements.

For more than 150 years, the Wells Fargo name has been a trusted symbol of service and reliability, and we remain dedicated to those principles today. You can count on us to provide you with the responsive, professional service you deserve, and to protect your privacy and security along the way.

9. Other Services

The description of services in this contract is not meant to preclude the use of new services or technologies as they are developed, such as new internet-based systems, new fraud prevention techniques, and advances in imaging technology.

If the State requires the Contractor provide new banking services or technologies, those services will be within the general scope of this contract. The State will provide the Contractor a written description of the additional work and request the contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work.

Wells Fargo offers a wide range of Internet-based treasury management services and state-of-the-art technology. Please see our Commercial Electronic Office (CEO) Fact Sheet included in our attachment section for a brief outline of these services. While fraud fighting tools were not required for this banking contract, we strongly recommend the State of Alaska consider services such as **Positive Pay** to mitigate check fraud; and **ACH Fraud Filters**, to mitigate electronic fraud. We look forward to the State of Alaska's additional work request and we will be happy to provide a full proposal with pricing.

10. Bank Agreements

In addition to the standard contract the contractor may request the State to enter into modified bank operating agreements for services they provide, e.g. ACH agreement, wire transfer agreement, stop payment agreement, etc. Bank operating agreements, modified to the satisfaction of the State, will be incorporated into this standard contract, provided that they do not conflict with the State's standard contract terms in appendices A¹ and B¹ of this contract. If a dispute arises between bank operating agreements and appendices A¹ and B¹, the appendices in this agreement prevail.

We have included our standard legal agreements along with this proposal.

APPENDIX D
PAYMENT FOR SERVICES

1. Method of Payment

The State may compensate the Contractor by maintaining compensating balances, by direct payment, or by a combination of the two methods. The State will initially use compensating balances for the purpose of providing payment to the Contractor for services performed under this contract. The State will inform the Contractor in advance of any changes in the compensation method.

The State will use its best efforts to maintain a level of compensating balances that will generate an earnings allowance equal to the cost of services at the close of each calendar year. However, due to fluctuations in the earnings rate and the volume of services provided, the State will be unable to reach a net zero funding position. The Contractor agrees to carry forward to the new calendar year a reasonable amount not to exceed \$2,500 net of all cumulative fees vs. Earnings Credit Allowances for all accounts combined.

Wells Fargo has the capacity to handle the State of Alaska's requirements listed above.

2. Compensating Balance Account

Wells Fargo is not able to accommodate the State of Alaska's request to eliminate the Federal Reserve 10% reserve requirement for purposes of maintaining a compensating balance. Wells Fargo would use the balance available after the 10% Reserve Requirement. Refer to the completed cost proposal form attached.

No comment required.

3. Earnings Credits

The earnings credit allowance shall be calculated monthly using the following formula and will be reported by the Contractor, along with any adjustments, on the account analyses:

The Earnings Credit Rate (ECR) will be the average of the 91-day T-bill (also known as the 13-week T-bill) auction rates minus 10 basis points. The Federal Reserve Bank auctions the 91-day T-bill each Monday throughout the month. After the last auction of the month, the weekly auction rates are averaged to arrive at the monthly rate. The weekly auction rates are available at the following at <http://www.treasurydirect.gov/>. *Note: This figure is rounded before entering to the analysis system.*

The following formula is used to convert collected balances into the monthly earnings credit:

$$\frac{\text{collected balances} \times (0.90) \times (\text{ECR} \times \text{Days in Month})}{365}$$

Compensating balances based on the ECR will be used to offset monthly activity charges (please see the attached Fee Schedule for a detailed description of fees).

4. Uncollected Funds Charge

A service charge for uncollected funds will be charged for any day(s) when an account has a negative collected balance, using the following formula:

The Average Daily Negative Collected Balance is the sum of the negative Collected Balances at the close of business on each day of the statement cycle divided by the number of days in the cycle. The prime rate (as published in the Wall Street Journal) plus 2% is applied to your Average Daily Negative Collected Balance for the monthly statement cycle.

5. Charges

The Contractor will assess charges for services performed that are listed in the attached Schedule of Fees.

If the State requests Contractor to perform a service that is not included in the attached Schedule of Fees, the Contractor and the State will agree on the charge to be assessed prior to the service being performed.

Contract prices will remain firm through the first three years of the initial five-year period of the contract. The Contractor must request a price adjustment, in writing, 30 days prior to the end of the first three years of the contract and annually on the same date thereafter. If the Contractor fails to request a CPI price adjustment 30 days prior to the adjustment date, the adjustment will be effective 30 days after the State receives their written request.

Price adjustments will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index (CPI-W) for Urban Wage Earners and Clerical Workers, All Items, Anchorage Area. The price adjustment rate will be determined by comparing the percentage difference between the CPI in effect for the base year six month average for July through December 2007; and each July through December six month average thereafter. The percentage difference between those two CPI issues will be the price adjustment rate. No retroactive contract price adjustments will be allowed. The original July through December 2007 index will continue to be used as the base throughout the life of the contract.

The Fee Schedule is attached.

Fee Schedule

Estimated volumes are based on Apri 2008 Account Analysis Statement.

AFP Code	Service Description	Estimated Monthly Volume	Per Item Fee	Extended Cost	Comments ~ Charge Basis
Branch Cash Services					
100015	Cash Dep/\$1 Ver At Teller Window	65,087	0.00120	78.10	dollar
150511	Official Bank Check	2	8.00000	16.00	check purchased
Cash Vault					
100141	Cash Vault Cash Order-Touchtone	3	4.00000	12.00	cash order
100148	Cash Vault Currency Furn-Nonstandard Strap	500	0.00090	0.45	dollar
100199	Cash Vault Currency Furnished-Standard Strap	300	0.00200	0.60	dollar
100199	Cash Vault Currency/Coin Deposited	50	0.00100	0.05	dollar
100100	Cash Vault Monthly Base	2	5.00000	10.00	location
100199	Cash Vault Return Duplicate Deposit Ticket	1	0.00000	0.00	location - <i>no charge</i>
100199	Currency Deposited	443	0.00099	0.44	dollar
100220	Deposited Checks Cash Vault - On Us	38	0.05500	2.09	check deposited
100222	Deposited Checks Cash VLT-Local Cir	34	0.08000	2.72	check deposited
100225	Deposited Checks Cash Vault-Region	29	0.08000	2.32	check deposited
100224	Deposited Checks Cash Vault-Transit	51	0.09000	4.59	check deposited
Deposited Items Unencoded - Branch					
100502	Deposit Adjustment Charge	0	0.00000	0.00	adjustment - <i>no charge</i>
100220	Deposited Checks - On Us	669	0.05500	36.80	check deposited
100222	Deposited Checks - Local Clearing	591	0.08000	47.28	check deposited
100225	Deposited Checks - Regional	515	0.08000	41.20	check deposited
100224	Deposited Checks - Transit	695	0.09000	62.55	check deposited
Foreign Cash Letter					
609999	Deposited Check Canadian	4	3.00000	12.00	check deposited
General Account Services					
010000	Account Maintenance-Chexstor	1	10.00000	10.00	account
100699	Subaccount Maintenance	300	5.00000	1,500.00	subaccount
010100	Debits Posted	13	0.20000	2.60	debit
010101	Credits Posted	222	0.40000	88.80	credit
010310	Bank Statement - Duplicate	1	5.00000	5.00	statement
250202	ACH Received Item	8	0.10000	0.80	transaction
150400	CEO Search	1	0.95000	0.95	inquiry
General Disbursement Services					
150410	Stop Payment - PC	0	6.00000	0.00	stop payment
150100	Checks Paid	1	0.20000	0.20	check paid
Image Delivery					
151352	Stops-Images-Search ~ Online Image View	1	0.50000	0.50	per image retrieved 1st - 15 images = \$0.50 each 16+ images = \$1.00 each
Information Services					
400000	CEO Prev Day Subscription Monthly base	1	Minimum	20.00	account
400001	CEO Prev Day Subscription Detail Item	235	0.10000	23.50	item loaded
400000	BAI Previous-Day Monthly Base	1	25.00000	25.00	account
400000	BAI Transactions Reported	235	0.15000	35.25	transaction
Returned Items					
100400	Return Item - Chargeback	5	7.00000	35.00	item
100400	Return Item Special Instructions	5	0.25000	1.25	item
100401	Return Item Special Inst Mthly Base	1	0.00000	0.00	account - <i>no charge</i>
100402	Return Item Redeposited	10	1.00000	10.00	item
Additional Services					
	Safe Deposit Box	1	80.00000	80.00	Annual fee
350300	Incoming Wire Transfer		10.00000		per wire received
10021	Zero Balance Account (ZBA)		5.00000		per account - <i>as needed</i>