

**PUBLIC UTILITY DISTRICT NO. 1  
OF  
JEFFERSON COUNTY, WASHINGTON**

**RESOLUTION NO 2017-014**

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington ("the PUD" or "District") authorizing the National Rural Utilities Cooperative Finance Corporation ("CFC") One Card Program Reimbursement Agreement.

WHEREAS, the PUD wants to provide District Commissioners and certain employees with an assigned credit card for District business use.

WHEREAS, RCW 43.09.2855 allows all local governments in Washington to use credit cards for "official government purchases and acquisitions" and requires the legislative body to adopt a system for distribution, administration, and oversight.

WHEREAS, the PUD wants to supplement current credit card policies outlined in Section 6.2, District Credit Cards, in the Procurement Manual.


NOW, THEREFORE, BE IT RESOLVED that:

The District establishes its participation in a corporate credit card program under the terms, conditions and provisions of the One Card Program Reimbursement Agreement (the "Agreement"), and to reimburse CFC, together with interest, for any amounts that CFC is required to pay U.S. BANK on behalf of the District pursuant to the terms of the Agreement; and,

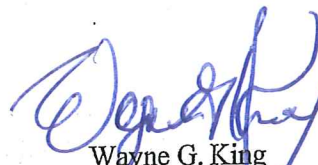
The General Manager of the District be and is hereby authorized to execute the Agreement on behalf of the District, to execute any future amendments to said Agreement as such individual may deem appropriate, and to execute such further documents as may be necessary or appropriate in order to comply with CFC's or U.S. Bank's requirements; and,

That it is the intent of the Board that upon execution and delivery of the Agreement to CFC, and when executed by CFC, the Agreement shall constitute a valid and binding agreement between CFC and the District, enforceable in accordance with its terms.

ADOPTED by the Commission of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 20<sup>th</sup> day of June 2017.

  
Kenneth Collins  
President

  
Jeff Randall  
Vice President

  
Wayne G. King  
Secretary

## One Card Program Reimbursement Agreement

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This One Card Program Reimbursement Agreement (the "Agreement") is entered into by and between National Rural Utilities Cooperative Finance Corporation ("CFC") and the undersigned (the "Member").

**WHEREAS**, CFC and U.S. Bank, have entered into that certain Master Agreement Commercial Card & Account Program, effective as of September 1, 2016, for the purpose of offering to the Member and others a commercial credit card program (the "Program") (such agreement and any and all amendments, addenda, schedules and the like thereto, as amended from time to time (the "Commercial One Card Agreement"));

**WHEREAS**, the Commercial One Card Agreement, among other things, requires CFC to facilitate the Member's compliance with certain of its terms and conditions, as are therein and hereinafter set forth;

**WHEREAS**, the Member and CFC also wish to establish the understandings and agreements between them relating to the Program as hereinafter set forth;

**NOW THEREFORE**, in consideration of the mutual promises herein exchanged and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **EFFECTIVE DATE.** This Agreement shall be effective on the date executed by CFC (the "Effective Date").
2. **DEFINITIONS.** In this Agreement:

**"Account"** means any account established by U.S. Bank pursuant to the Commercial One Card Agreement in the name of a Participant, to which Debt may be charged, regardless of whether or not a Card is issued. The term 'Account' also includes accounts established using, or in order to use, U.S. Bank's Access® Online electronic access and management system.

**"Affiliate"** means any corporation, company, limited liability company, general partnership, limited partnership, limited liability partnership, unincorporated association, subsidiary, trust or joint venture that directly or indirectly, through one or more intermediaries, is controlled by the Member and any department, branch, office or similar part or section of the Member.

**"Card(s)"** means any U.S. Bank charge card issued to or used by Participants under the Program including, without limitation, U.S. Bank's One Card product, regardless of whether an individual's name appears on the Card.

**"Debt"** shall be defined as any activity that has a debit value on an Account, whether or not by way of a Card (including, without limitation, debits incurred by way of U.S. Bank's Payment Plus product, U.S. Bank's Access® Online system, any cash advance fees, late payment charges, delinquency charges and other charges or fees).

**"One Card(s)"** means a One Card commercial card issued by U.S. Bank.

**"Participant"** means the Member, its Affiliates and any individual participating in the Program or having access to or privileges respecting Cards, Accounts or Program materials, including but not limited to Program Administrators and representatives, accounting and finance personnel, system administrators and general management personnel.

**"Participant Agreement"** means the Agreement(s), if any, between U.S. Bank and Participants, which establishes the terms and conditions of an Account, a Card and the Program, as they may be amended from time to time.

**"Payment Plus"** means U.S. Bank's Web-based electronic payment management system.

**"Program Administrator"** means the employee designated by Member to serve as the primary point of contact between Member, CFC and U.S. Bank and shall be trained and have thorough knowledge of Commercial Card Programs offered by U.S. Bank to Member.

**"Reimbursement Amount"** means all amounts owed to CFC pursuant to this Agreement and all amounts debited to or against an Account, including, without limitation, all amounts related to Debt that are owed to U.S. Bank by Member, Affiliates and Participants.

**"U.S. Bank"** means U.S. Bank National Association USA.

**"U.S. Bank's Access® Online"** means the U.S. Bank electronic access system which permits CFC and authorized Participants to establish and access Accounts and Cards.

3. **U.S. BANK COMMERCIAL CARD PROGRAM.** Member has requested that U.S. Bank establish, and U.S. Bank has agreed to establish, Accounts for the benefit of the Participants. Accounts, and One Cards when issued, may be used by Participants to pay only business expenses, e.g., business travel and entertainment, goods and services related to the business of the Member or Affiliate and fuel and maintenance of authorized Participant's vehicles.
4. **ACCOUNT AND CARD ISSUANCE, RENEWAL AND CANCELLATION.** Any Accounts established by U.S. Bank shall be established subject to the following conditions, in addition to any terms and conditions between U.S. Bank and Participants:
  - a) Member shall authorize Accounts only for Participants who have a business or commercial purpose for an Account.
  - b) Each Participant will, if and as required by U.S. Bank, agree to such terms and conditions as may be required by U.S. Bank from time to time.
  - c) Each Card shall be valid for the term indicated thereon unless the Account is sooner canceled by U.S. Bank or at the request of CFC or a Participant. Unless and until an Account is canceled, U.S. Bank will, in its discretion, continue to issue renewal or

replacement Cards for the duration of the Program. Accounts may be canceled by U.S. Bank or at the request of CFC at any time.

- d) The Member agrees to determine, subject to CFC and U.S. Bank approval, and to adhere to, an aggregate credit limit for all Accounts. If U.S. Bank reduces the overall credit limit for the Program, Member agrees that CFC may reduce the aggregate credit limit for Accounts. Member agrees to adhere to such reduced Credit Limit.
- e) Any request for modification of its aggregate credit limit or the allocation thereof among its Participants, or to modify or terminate its participation in the Program, or that of any Participant, will come from the Member in writing to CFC.

**5. LIABILITY FOR CHARGES; BILLING PROCEDURE; SETOFF RIGHTS.** Member must make payment to U.S. Bank using Autopay (ACH Debit), another electronic payment method approved by U.S. Bank or such other method as CFC may approve from time to time. U.S. Bank will send directly to Member or Participants a periodic billing statement ("Statement") which will itemize all transactions for the billing period. The amounts shown on the Statement as the amount due ("Amount Due") shall be due and payable in U.S. Dollars within the time specified by U.S. Bank according to the Statement. Each month U.S. Bank shall provide the Member or the Participants (if so requested) with information reflecting the Debt of each Participant and on each Account during the current billing cycle. Debt shall be billed and paid as follows:

- a) U.S. Bank shall directly bill the Member for (with copies of bills to the Participants, if so requested), and the Member shall timely pay, all Debt.
- b) If U.S. Bank does not receive payment for Debt from the Member within the time period specified by U.S. Bank, then CFC may elect to pay all or any portion of the Debt.
- c) Member shall, immediately upon demand, reimburse CFC for any and all amounts CFC has paid U.S. Bank or incurred as a result of the Member's failure to pay (including without limitation, unpaid Debt, interest, fees and expenses), plus interest at the CFC line of credit rate in effect at the time of CFC's payment. If the Member fails to reimburse CFC for such amounts, then CFC may, in its sole discretion, advance such amounts from Member's existing credit facilities, if any, instruct U.S. Bank to cancel any or all of the Accounts established on behalf of the Member or its Participants and, additionally, may exercise rights of setoff or recoupment and apply any and all amounts then held by CFC or owed to the Member or for the credit or account of the Member, in an amount not to exceed the aggregate of all amounts which CFC has paid to U.S. Bank, or incurred in connection therewith, plus interest as provided above. The foregoing setoff rights include, without limitation, the right to withhold patronage capital distributions, the right to liquidate capital term certificates and the right to liquidate membership fees. The Member hereby waives all rights of setoff, deduction, recoupment or counterclaim. The Member hereby agrees that CFC shall not incur any liability to the Member as a result of the exercise of the rights, remedies and obligations hereunder, except in cases of gross negligence or willful misconduct.

**6. REGULATORY APPROVALS.** The Member represents and warrants to CFC that the Member has all required authority to execute and to perform this Agreement and makes such

further representations and warranties concerning regulatory approval as are set forth in Schedule 1 hereto.

- 7. PROGRAM ADMINISTRATOR; LIABILITY FOR TERMINATED EMPLOYEES.** The Member, upon signing this Agreement, and each Affiliate, if any, shall designate in writing signed by the person executing this Agreement on Member's behalf, one (1) employee of the Member, and one (1) individual for each participating Affiliate, to serve as the Program Administrator. The designated Program Administrator for each Affiliate may be the same as the designated Program Administrator for the Member or for another Affiliate. Each Program Administrator shall undertake the following duties with respect to the Program on behalf of the Member or an Affiliate, as well as any other reasonable Program-related duties requested by U.S. Bank or CFC:

- a) The Program Administrator shall be familiar with all aspects of the Program including but not limited to, billing procedures, number and status of Cards and Accounts, number and status of Participants, notice requirements, and status of delinquent Debt.
- b) The Program Administrator shall serve as a single point of contact for billing and Account communications, including, by way of example and not limitation, accepting and responding to delinquency notices and other communications relating to the Program between the Member and its Affiliates, on one hand, and CFC or U.S. Bank on the other.
- c) If U.S. Bank elects to pursue collection efforts, the Program Administrator shall assist U.S. Bank in its collection efforts, but pursuit by U.S. Bank of collection efforts shall not relieve the Member of its liability for payment of Debt.
- d) The Program Administrator shall timely advise U.S. Bank and CFC of any Participant's termination of employment, as such termination is processed in accordance with the employer's usual termination procedures. The Program Administrator shall take all reasonable actions necessary to collect Cards issued to, and to coordinate the closure of Accounts opened on behalf of, Participants whose employment has been terminated or who's Accounts will be canceled. If requested by U.S. Bank, Cards shall be returned to U.S. Bank cut in half, or shall be otherwise processed by the Program Administrator as reasonably requested by U.S. Bank. Failure to give prompt notice to U.S. Bank of any Participant's termination date shall result in the Member's continuing liability to pay all Debt posted to such Participant's Account between the date of termination of employment and the date such notice is received by U.S. Bank. All such Debt shall be paid within thirty (30) days of the Member's receipt of billing therefor.

- 8. TERM AND RENEWAL; TERMINATION FOR DEFAULT.** This Agreement shall remain in full force and effect until the Participant Agreement is terminated or this Agreement is terminated by either the Member or CFC, whichever is later. Any termination of this Agreement by Member shall be effective only upon written notice to CFC or U.S. Bank. No Debits shall be permitted following notice of termination and all Cards and Accounts shall be deemed canceled effective upon receipt of full payment of the Debt. In addition, CFC may, at its option, terminate this Agreement by written notice to the Member upon or at any time after the occurrence of any of the following:

- a) failure of the Member or its Affiliates to perform any obligation contained herein or in any Program agreement between U.S. Bank and the Member or its Affiliates, including without limitation the Participant Agreement;
- b) upon the dissolution, consolidation or merger of the Member or Affiliate, or the sale or other transfer of any substantial part of the assets of either; or
- c) the occurrence of any adverse change in the financial condition of the Member or Affiliate which CFC reasonably deems to be material.

The reimbursement and other obligations of Member hereunder shall survive the expiration or termination of this Agreement.

9. **REMEDIES.** In the event that either party breaches or violates any of the obligations contained in this Agreement, the other party shall be entitled to exercise any right or remedy available to it either at law or in equity, including without limitation immediate termination of this Agreement, damages and injunctive relief. The exercise of any right or remedy shall not preclude the concurrent or subsequent exercise of any other right or remedy, and all rights and remedies shall be cumulative.

10. **COMPLIANCE WITH AND CHANGES TO THE PARTICIPANT AGREEMENT.** Member agrees a) that CFC may, from time to time, provide US Bank with information including, for example, Member's and Affiliate's tax identification number, articles of incorporation and other information requested by US Bank in connection with participation in the Program; b) that the Member and its Affiliates will comply with all applicable provisions of the Participant Agreement; and c) that the Member will hold harmless, indemnify and (upon CFC's request and with counsel satisfactory to CFC) defend CFC from and against any and all liability, loss, claim, damages, cost and expense arising out of or in connection with CFC furnishing information to US Bank as provided herein and any failure of Participants to comply with those provisions of the Participant Agreement that are applicable to Participants. CFC may change the terms of this Agreement at any time by giving Member written notice. U.S. Bank may change the terms of the Participant Agreement in accordance with its provisions.

#### 11. MISCELLANEOUS.

- a) Complete Agreement; Amendments. This Agreement, together with the Addenda, Schedules and Exhibits to this Agreement, applies to all Cards and Accounts, whether existing and in use as of the Effective Date or issued thereafter, and constitutes the complete understanding between the parties with respect to the subject matter hereof and all prior oral or written communications and agreements with respect thereto are amended and restated. No failure on the part of CFC to exercise, and no delay in exercising any right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right. No alteration, amendment or modification of any of the terms and provisions of this Agreement shall be valid unless made pursuant to an instrument in writing signed by both of the parties.
- b) Survival. Those provisions that are, by their sense and context, intended to survive the expiration, termination or cancelation of this Agreement will survive, including without limitation, the indemnity and payment provisions. Liabilities of the Member to

CFC which arise prior to the expiration, termination or cancelation of this Agreement shall survive the expiration, termination or cancelation of this Agreement, notwithstanding any other provision herein to the contrary.

- c) Corporate Authority. The execution, delivery and performance of this Agreement by the Member have been duly authorized by all necessary corporate action on the part of the Member. The Member shall furnish to CFC a resolution of its board of directors or other such evidence of corporate action and authority as CFC or U.S. Bank may reasonably request.
- d) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided, however, that this Agreement may not be assigned by the Member without the prior written approval of CFC.
- e) Severability. Should any provision of this Agreement be declared invalid for any reason, such decision shall not affect the validity of any other provisions, which shall remain in force and effect as if this Agreement had been executed with the invalid provision(s) eliminated. If required to fulfill the essential purpose of this Agreement, the parties shall use their best efforts to agree upon a valid substitute provision in accordance with the purpose of this Agreement and the intent of the parties.
- f) Notices. All notices hereunder shall be in writing and shall be deemed duly given when personally delivered or mailed, first class postage prepaid to the appropriate party at the address set forth below or at such other address as the parties may indicate from time to time in writing.

CFC:  
National Rural Utilities Cooperative Finance Corporation  
20701 Cooperative Way  
Dulles, Virginia 20166  
Attn: General Counsel

Member:

The address set forth in Schedule 1 hereto.

- 12. AMENDMENT AND RESTATEMENT OF ORIGINAL REIMBURSEMENT AGREEMENT.** In the event that Member and CFC are currently parties to an existing agreement pertaining to a US Bank commercial card program, Member agrees that such existing agreement is hereby amended and restated by this Agreement and that any outstanding principal, interest and other amounts outstanding thereunder shall be subject to this Agreement and shall become payment obligations hereunder as of the Effective Date. This Agreement amends and restates in its entirety any such existing commercial card program agreement between Member and CFC and all of the terms, conditions and provisions between us governing any outstanding Reimbursement Amount under the Program. The amendment and restatement of such existing commercial card program agreement by this Agreement shall not constitute a novation or termination of the obligations and covenants of the Member under that agreement, but shall constitute an amendment and restatement of the obligations and covenants of the Member under that agreement. Any CFC line of credit associated with such existing agreement shall, to the same extent, now be associated with this Agreement.

13. **AGGREGATE CREDIT LIMIT.** Subject to reduction pursuant to Section 4(d), the Member's aggregate credit limit for all Cards and Accounts shall be as set forth in Schedule 1 hereto.

14. **GOVERNING LAW AND CONSTRUCTION.** The validity, construction and enforceability of this Agreement shall be governed by the laws of the Commonwealth of Virginia. As used herein, the singular form of any noun includes the plural form and vice versa.

IN WITNESS WHEREOF, the parties hereto have, by their duly authorized representatives, executed this Agreement as of the Effective Date.

Dated this 21 day of Jun 2017, \_\_\_\_\_

Public Utility District No. 1 of Jefferson County

By: \_\_\_\_\_

(Signature of Authorized Individual)

JAMES G PARKER

(Printed Name of Authorized Individual)

District Manager

(Title of Authorized Individual)

Dated this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

National Rural Utilities

Cooperative Finance Corporation

By: \_\_\_\_\_

Assistant Secretary-Treasurer

Loan Number: WA060-G-9000



**Schedule 1**

1. The Member's aggregate credit limit, referred to in Section 13, for all Charge Cards and Accounts issued to all Participants shall be \$100,000.00.
2. The Member's and each Affiliate's Program Administrator referred to in Section 7 and the address for notices to Member and each Affiliate referred to in Section 11(f) shall be as stated below, subject to written notification of change signed and given to CFC by the individual authorized by the Member to sign this Agreement:

Member:        Name: Kim Younger  
                  Street Address: 310 Four Corners Road  
                  City, State, Zip Code: Port Townsend, WA 98368-9368  
                  Telephone: 360-385-8359  
                  Fax: (360) 385-5945  
                  Email: kyounger@jeffpud.org

3. In connection with Section 6 of this Agreement, the Member represents and warrants to CFC the following (Member to check one):
  - ☒ no regulatory approvals are required to enter into and perform this Agreement.
  - ☐ all regulatory approvals required to be obtained in order to enter into and perform this Agreement have been obtained, and a copy thereof is attached hereto.