

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

July 14, 2006

CHANGE NOTICE NO. 9
TO
CONTRACT NO. 071B1001735
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Veronica Collins (248) 706-7742
Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934 Veronica_Collins@wrightexpress.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 335-4804 Douglas S. Collier
Contract Compliance Inspector: Gayle Pratt Fuel Card Services - Statewide		
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: September 30, 2006		
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE (S):

**Effective immediately this Contract is hereby EXTENDED to September 30, 2006.
 All other terms, conditions, specifications and pricing remain unchanged.**

AUTHORITY/REASON:

Per agency and vendor agreement.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$35,117, 186.00

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

June 23, 2006

CHANGE NOTICE NO. 8
TO
CONTRACT NO. 071B1001735
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Veronica Collins (248) 706-7742
Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934 Veronica_Collins@wrightexpress.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 335-4804 Douglas S. Collier
Contract Compliance Inspector: Gayle Pratt Fuel Card Services - Statewide		
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: August 15, 2006		
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE (S):

Effective immediately this Contract is hereby EXTENDED to August 15, 2006. All other terms, conditions, specifications and pricing remain unchanged.

AUTHORITY/REASON:

Per agency and vendor agreement.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$35,117, 186.00

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

March 21, 2006

CHANGE NOTICE NO. 7
 TO
 CONTRACT NO. 071B1001735
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR		TELEPHONE Veronica Collins (248) 706-7742
Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934 Veronica_Collins@wrightexpress.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 335-4804 Douglas S. Collier
Contract Compliance Inspector: Gayle Pratt Fuel Card Services - Statewide		
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: June 30, 2006		
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE (S):

Effective immediately this Contract is hereby EXTENDED to June 30, 2006. All other terms, conditions, specifications and pricing remain unchanged.

AUTHORITY/REASON:

Per agency and vendor agreement.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$35,117, 186.00

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

November 18, 2005

CHANGE NOTICE NO. 6
 OF
 CONTRACT NO. 071B1001735
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR		TELEPHONE Veronica Collins (248) 706-7742
Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934 Veronica_Collins@wrightexpress.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 335-4804 Douglas S. Collier
Contract Compliance Inspector: Gayle Pratt Fuel Card Services - Statewide		
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: March 31, 2006		
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE (S):

Effective November 15, 2005, this Contract is hereby INCREASED \$325,000.00

All other terms and conditions remain the same.

AUTHORITY/REASON:

Per DMB/ Acquisition Services.

INCREASE: \$325,000.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$35,117, 186.00

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
ACQUISITION SERVICES
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

October 6, 2005

CHANGE NOTICE NO. 4
OF
CONTRACT NO. 071B1001735
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Veronica Collins (248) 706-7742
Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934 Veronica_Collins@wrightexpress.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 335-4804 Douglas S. Collier
Contract Compliance Inspector: Gayle Pratt Fuel Card Services - Statewide		
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: November 1, 2005		
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

PLEASE NOTE: THE FOLLOWING CHANGES, NEW ACCOUNT PERSONNEL:

1. **Veronica Collins**
Government Accounts Manager
2. **Rob Gava**
Personal Fleet Services Account Manager
Rob_Gava@wrightexpress.com
1-207-523-7064

NATURE OF CHANGE (S):

Effective September 24, 2005, this Contract is hereby EXTENDED to November 1, 2005. Also, this contract is INCREASED by \$3,000,000.00.

All other terms and conditions remain the same.

AUTHORITY/REASON:

Per DMB/Acquisition Services.

INCREASE: \$3,000,000.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$34,792,186.00

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

April 20, 2005

CHANGE NOTICE NO. 3
OF
CONTRACT NO. 071B1001735
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Brian Truman (801) 728-3229
Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934 Veronica_Collins@wrightexpress.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 335-4804 Douglas S. Collier
Contract Compliance Inspector: Gayle Pratt Fuel Card Services - Statewide		
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: October 1, 2005		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE (S):

This Contract is hereby INCREASED by \$4,335,721.00.

All other terms and conditions remain the same.

AUTHORITY/REASON:

DMB/Acquisition Services and Wright Express Financial Services Corporation.

INCREASE: \$4,335,721.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$31,792,186.00

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

September 30, 2004

CHANGE NOTICE NO. 2
OF
CONTRACT NO. 071B1001735
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Brian Truman (801) 728-3229
Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934 Veronica_Collins@wrightexpress.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 335-4804 Douglas S. Collier
Contract Compliance Inspector: Gayle Pratt Fuel Card Services - Statewide		
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: October 1, 2005		
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE (S):

This Contract is hereby EXTENDED for on additional year to October 1, 2005. Wright Expression Financial Services Corporation will provide 25 basis points for all invoices paid net 10 days and will continue to provide and add to the Merchant rebates network and Tax Exemption program.

All other terms and conditions remain the same.

AUTHORITY/REASON:

DMB/Acquisition Services and Wright Express Financial Services Corporation.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$27,456,465.00

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
ACQUISITION SERVICES
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

October 2, 2002

CHANGE NOTICE NO. 1
OF
CONTRACT NO. 071B1001735
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934	TELEPHONE Brian Truman (801) 728-3229
	VENDOR NUMBER/MAIL CODE
	BUYER (517) 335-4804 Douglas S. Collier
Contract Administrator: Gayle Pratt Fuel Card Services - Statewide	
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: October 1, 2004	
TERMS N/A	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	

NATURE OF CHANGE (S):

Alternate Payment Method

State Warrant

The contractor will accept orders by fax, phone, e-mail, or purchase order. Payment will be made with a State warrant, upon the State's receipt and acceptance of the merchandise and receipt of the contractor's invoice.

AUTHORITY/REASON:

DMB/Acquisition Services

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 OFFICE OF PURCHASING
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

September 11, 2001

**NOTICE
 OF
 CONTRACT NO. 071B1001735
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934	TELEPHONE Brian Truman (801) 728-3229 VENDOR NUMBER/MAIL CODE BUYER (517) 335-4804 Douglas S. Collier
Contract Administrator: Gayle Pratt <p style="text-align: center;">Fuel Card Services - Statewide</p>	
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: October 1, 2004	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

The terms and conditions of this Contract are attached.

Estimated Contract Value: \$27,456,465.00

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 OFFICE OF PURCHASING
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

**CONTRACT NO. 071B1001735
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR <p style="text-align: center;">Wright Express Financial Services Corporation Fleet Fueling PO Box 6293 Carol Stream, IL 60197-2934</p>	TELEPHONE Brian Truman (801) 728-3229 VENDOR NUMBER/MAIL CODE BUYER (517) 335-4804 Douglas S. Collier
Contract Administrator: Gayle Pratt <p style="text-align: center;">Fuel Card Services - Statewide</p>	
CONTRACT PERIOD: 3 Yr 1 Mo From: September 2, 2001 To: October 1, 2004	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are attached. Estimated Contract Value: \$27,456,465.00	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the **ITB No. 071I1000370**. A Purchase Order Form will be issued only as the requirements of the State Departments are submitted to the Office of Purchasing. Orders for delivery may be issued directly by the State Departments through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE VENDOR:	FOR THE STATE:
Firm Name	Signature David F. Ancell
Authorized Agent Signature	Name State Purchasing Director
Authorized Agent (Print or Type)	Title
Date	Date



OFFICE OF PURCHASING
STATE OF MICHIGAN

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A CONTRACTOR’S PRICING



DEFINITION OF TERMS

TERMS	DEFINITIONS
Contract	A binding agreement entered into by the State of Michigan resulting from a vendor's proposal; see also "Blanket Purchase Order."
Contractor	The successful vendor who is awarded a Contract.
DMB	Michigan Department of Management and Budget
RFP	Request For Proposal - A term used by the State to solicit proposals for services such as consulting. Typically used when the requesting agency requires vendor assistance in identifying an acceptable manner of solving a problem.
ITB	Invitation to Bid - A generic form used by the Office of Purchasing to solicit quotations for services or commodities. The ITB serves as the document for transmitting the RFP to interested potential vendors.
Successful Vendor	The vendor(s) awarded a Contract as a result of a solicitation.
State	The State of Michigan For Purposes of Indemnification as set forth in section I-J, State means the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents.
Blanket Purchase Order	Alternate term for "Contract" used in the State's Computer system (Michigan Automated Information Network [MAIN])
Expiration	Except where specifically provided for in the Contract, the ending and termination of the contractual duties and obligations of the parties to the Contract pursuant to a mutually agreed upon date.
Cancellation	Ending all rights and obligations of the State and Contractor, except for any rights and obligations that are due and owing.
Work Product	Work Product means any data compilations, reports, and any other media, materials, or other objects or works of authorship created or produced by the Contractor as a result of and in furtherance of performing the services required by this Contract.



**SECTION I
CONTRACTUAL SERVICES TERMS AND CONDITIONS**

I-A PURPOSE

The purpose of this Contract for fuel services is to obtain necessary products and services for statewide fuel card program.

This contract is the following type:

- Lump sum/fixed price Contract
- Unit price Contract
- Part lump sum/fixed price, part unit price
- Other (specify) Pass thru/actual charges for purchases using Wright Express®

fleet fueling charge card.

X **See contract payment section.**

I-B TERM OF CONTRACT

The State of Michigan is not liable for any cost incurred by any vendor prior to signing of a Contract by all parties. The fuel card services in this Contract cover the period **September 2, 2001 – October 1, 2004**. The State fiscal year is October 1st through September 30th. The prospective Contractor should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations.

I-C ISSUING OFFICE

This CONTRACT is issued by the State of Michigan, Department of Management and Budget (DMB), Office of Purchasing, hereafter known as the Office of Purchasing, for the State of Michigan, **Department of Management & Budget , Vehicle and Travel Services**. Where actions are a combination of those of the Office of Purchasing and **Vehicle Travel Services**, the authority will be known as the State.

The Office of Purchasing is the sole point of contact in the State with regard to all procurement and contractual matters relating to the services described herein. The Office of Purchasing is the only office authorized to change, modify, amend, alter, clarify, etc., the prices, specifications, terms, and conditions of this Contract. The OFFICE OF PURCHASING will remain the SOLE POINT OF CONTACT throughout the procurement process, until such time as the Director of Purchasing shall direct otherwise in writing. See Paragraph II-C below. All communications concerning this Contract must be addressed to:

Douglas Collier, Buyer
 Technology and Professional Services Division
 DMB, Office of Purchasing
 2nd Floor, Mason Building
 P.O. Box 30026
 Lansing, MI 48909
Collierd1@state.mi.us
 (517) 335-4804



I-D CONTRACT ADMINISTRATOR

Upon receipt at the Office of Purchasing of the properly executed Contract Agreement, it is anticipated that the Director of Purchasing will direct that the person named below or any other person so designated be authorized to administer the Contract on a day-to-day basis during the term of the Contract. However, administration of this Contract implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications herein. That authority is retained by the Office of Purchasing. The Contract Administrator for this project is:

**Gayle Pratt, Director
 Department of Management & Budget
 Vehicle and Travel Services
 6951 Crouner Drive
 Lansing, MI 48909
 Prattg1@state.mi.us**

I-E COST LIABILITY

The State of Michigan assumes no responsibility or liability for costs incurred by the Contractor prior to the signing of this agreement. Total liability of the State is limited to the terms and conditions of this Contract.

I-F CONTRACTOR RESPONSIBILITIES

The Contractor will be required to assume responsibility for all contractual activities offered in their proposal whether or not that Contractor performs them. Further, the State will consider the Prime Contractor to be the sole point of contact with regard to contractual matters, including but not limited to payment of any and all costs resulting from the anticipated Contract. If any part of the work is to be subcontracted, the contractor must notify the state and identify the subcontractor(s), including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational abilities. The State reserves the right to approve subcontractors for this project and to require the Contractor to replace subcontractors found to be unacceptable. As of the date of this Contract, Wright Express LLC performs third-party processing services on behalf of Contractor. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract.

I-G NEWS RELEASES

News releases pertaining to this document or the services, study, data, or project to which it relates will not be made without prior written State approval. No results of the program are to be released without prior approval of the State.

I-H DISCLOSURE

All information in a vendor's proposal and any Contract resulting from the Invitation to Bid (ITB) is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, *et seq.*



I-I ACCOUNTING RECORDS

The Contractor will be required to maintain all pertinent financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Michigan. Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Auditor General at any time during the Contract period and any extension thereof, and for three (3) years from the expiration date and final payment on the Contract or extension thereof.

I-J INDEMNIFICATION

Contractor hereby waives, releases, relinquishes, discharges, and agrees to indemnify, protect and save harmless the State of Michigan, the Department of Natural Resources, their officers and employees, of and from any and all claims, demands, liabilities, loss, costs, or expenses for any loss or damage or bodily injury (including but not limited to death), personal injury, property damage and attorneys’ fees directly related to the acts or omissions of Contractor, its employees, subcontractors, or any other party acting on behalf of Contractor under this Contract.

I-K LIMITATION OF LIABILITY

Except as set forth herein, neither the Contractor nor the State shall be liable to the other party for indirect or consequential damages, even if such party has been advised of the possibility of such damages, and either party’s maximum aggregate liability shall be limited to the maximum amount of \$300,000.00. Such limitation as to in direct or consequential damages, and as to a party’s maximum liability shall not be applicable for claims arising out of gross negligence, willful misconduct, the Contractor’s indemnification responsibilities to the State as set forth in Section I-J with respect to third party claims, actions and proceeding brought against the State, or the State’s liability for unauthorized use of cards in accordance with the terms of this Contract.

I-L NON INFRINGEMENT/COMPLIANCE WITH LAWS

The Contractor warrants that in performing the services called for by this Contract it will not violate any applicable law, rule, or regulation, any contracts with third parties, or any intellectual rights of any third party, including but not limited to, any United States patent, trademark, copyright, or trade secret.

I-M WARRANTIES AND REPRESENTATIONS

The Contract will contain customary representations and warranties by the Contractor, including, without limitation, the following:

1. The Contractor will perform all services in accordance with high professional standards in the industry;
2. The Contractor will use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services;



3. The Contractor will use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to the State;
4. The Contractor will use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance;
5. The Contractor will perform the services in a manner that does not infringe the proprietary rights of any third party;
6. The Contractor will perform the services in a manner that complies with all applicable laws and regulations;
7. The Contractor has duly authorized the execution, delivery and performance of the Contract;
8. The Contractor has not provided any gifts, payments or other inducements to any officer, employee or agent of the State;

I-N CONFIDENTIALITY OF DATA AND INFORMATION

1. All financial, statistical, personnel, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this section.
2. The Contractor shall not be required under the provisions of this section to keep confidential, (1) information generally available to the public, (2) information released by the State generally, or to the Contractor without restriction, (3) information independently developed or acquired by the Contractor or its personnel without reliance in any way on otherwise protected information of the State. Notwithstanding the foregoing restrictions, the Contractor and its personnel may use and disclose any information which it is otherwise required by law to disclose, but in each case only after the State has been so notified, and has had the opportunity, if possible, to obtain reasonable protection for such information in connection with such disclosure.



I-O REMEDIES FOR BREACH OF CONFIDENTIALITY

The Contractor acknowledges that a breach of its confidentiality obligations as set forth in section I-Q of this Contract, shall be considered a material breach of the Contract. Furthermore the Contractor acknowledges that in the event of such a breach the State shall be irreparably harmed. Accordingly, if a court should find that the Contractor has breached or attempted to breach any such obligations, the Contractor will not oppose the entry of an appropriate order restraining it from any further breaches or attempted or threatened breaches. This remedy shall be in addition to and not in limitation of any other remedy or damages provided by law.

I-P CONTRACTOR'S LIABILITY INSURANCE

The Contractor shall purchase and maintain such insurance as will protect him/her from claims set forth below which may arise out of or result from the Contractor's operations under the Contract (Purchase Order), whether such operations be by himself/herself or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- (1) Claims under workers' disability compensation, disability benefit and other similar employee benefit act. A non-resident Contractor shall have insurance for benefits payable under Michigan's Workers' Disability Compensation Law for any employee resident of and hired in Michigan; and as respects any other employee protected by workers' disability compensation laws of any other State the Contractor shall have insurance or participate in a mandatory State fund to cover the benefits payable to any such employee.
- (2) Claims for damages because of bodily injury, occupational sickness or disease, or death of his/her employees.
- (3) Claims for damages because of bodily injury, sickness or disease, or death of any person other than his/her employees, subject to limits of liability of not less than \$300,000.00 each occurrence and, when applicable \$1,000,000.00 annual aggregate, for non-automobile hazards and as required by law for automobile hazards. (note: limits may be adjusted according to the project's risk)
- (4) Claims for damages because of injury to or destruction of tangible property, including loss of use resulting therefrom, subject to a limit of liability of not less than \$50,000.00 each occurrence for non-automobile hazards and as required by law for automobile hazards.
- (5) Insurance for Subparagraphs (3) and (4) non-automobile hazards on a combined single limit of liability basis shall not be less than \$300,000.00 each occurrence and when applicable, \$1,000,000.00 annual aggregate.



The insurance shall be written for not less than any limits of liability herein specified or required by law, whichever is greater, and shall include contractual liability insurance as applicable to the Contractor's obligations under the Indemnification clause of the Contract (Purchase Order).

BEFORE STARTING WORK THE CONTRACTOR'S INSURANCE AGENCY MUST FURNISH TO THE DIRECTOR OF THE OFFICE OF PURCHASING, ORIGINAL CERTIFICATE(S) OF INSURANCE VERIFYING LIABILITY COVERAGE. THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING. These Certificates shall contain a provision that coverage's afforded under the policies will not be canceled until at least fifteen days prior written notice bearing the Contract Number or Purchase Order Number has been given to the Director of Purchasing.

I-Q NOTICE AND RIGHT TO CURE

In the event of a curable breach by the Contractor, the State shall provide the Contractor written notice of the breach and a time period to cure said breach described in the notice. This section requiring notice and an opportunity to cure shall not be applicable in the event of successive or repeated breaches of the same nature or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage or destruction of any real or tangible personal property.

I-R CANCELLATION

The State may cancel this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the reasons provided in this Section I-R. The State remains obligated to pay for all purchase made prior to the effective date of the cancellation. The State agrees to return all cards to the Contractor upon notice of cancellation or certify destruction of the same.

1. **Material Breach by the Contractor.** In the event that the Contractor breaches any of its material duties or obligations under the Contract, which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State, or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.

In the event the State chooses to partially cancel this Contract for cause charges payable under this Contract will be equitably adjusted to reflect those services that are cancelled.



In the event this Contract is cancelled for cause pursuant to this section, and it is therefore determined, for any reason, that the Contractor was not in breach of contract pursuant to the provisions of this section, that cancellation for cause shall be deemed to have been a cancellation for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in the Contract for a cancellation for convenience.

2. Cancellation For Convenience By the State. The State may cancel this Contract upon thirty (30) days advance written notice for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.

3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.

4. Criminal Conviction. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.



5. Approval(s) Rescinded. In the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, section 5, and Civil Service Rule 4-6. Cancellation may be in whole or in part and may be immediate as of the date of the written notice to the Contractor or may be effective as of the date stated in such written notice.

I-S RIGHTS AND OBLIGATIONS UPON CANCELLATION

1. If the Contract is canceled by the State for any reason, the Contractor shall, (a) stop all work as specified in the notice of cancellation, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Work Product or other property derived or resulting from the Contract that may be in the Contractor's possession, (c) return all materials and property provided directly or indirectly to the Contractor by any entity, agent or employee of the State, (d) transfer title and deliver to the State, unless otherwise directed by the Contract Administrator or his or her designee, all Work Product resulting from the Contract, and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or cancellation settlement costs, to the maximum practical extent, including, but not limited to, canceling or limiting as otherwise applicable, those subcontracts, and outstanding orders for material and supplies resulting from the canceled Contract.
2. In the event the State cancels this Contract prior to its expiration for its own convenience, the State shall pay the Contractor for all charges due for services provided prior to the date of cancellation and if applicable as a separate item of payment pursuant to the Contract, for partially completed Work Product, on a percentage of completion basis. In the event of a cancellation for cause, or any other reason under the Contract, the State will pay, if applicable, as a separate item of payment pursuant to the Contract, for all partially completed Work Products, to the extent that the State requires the Contractor to submit to the State any such deliverables, and for all charges due under the Contract for any cancelled services provided by the Contractor prior to the cancellation date. All completed or partially completed Work Product prepared by the Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and the Contractor shall be entitled to receive just and fair compensation for such Work Product. Regardless of the basis for the cancellation, the State shall not be obligated to pay, or otherwise compensate, the Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.
3. If any such cancellation by the State is for cause, the State shall have the right to set-off against any amounts due the Contractor, the amount of any damages for which the Contractor is liable to the State under this Contract or pursuant to law and equity.
4. Upon a good faith cancellation, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and materials provided under this Contract, and may further pursue completion of the Work Product under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.



I-T EXCUSABLE FAILURE

1. Neither party shall be liable for any default or delay in the performance of its obligations under the Contract if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, rebellions or revolutions in any country; the failure of the other party to perform its material responsibilities under the Contract (either itself or through another contractor); injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected services from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable thereunder shall be equitably adjusted to reflect those services canceled; or (c) the Contract will be canceled without liability of the State to the Contractor as of the date specified by the State in a written notice of cancellation to the Contractor. The Contractor will not have the right to any additional payments from the State as a result of any excusable failure occurrence or to payments for services not rendered as a result of the excusable failure condition. Defaults or delays in performance by the Contractor which are caused by acts or omissions of its subcontractors will not relieve the Contractor of its obligations under the Contract except to the extent that a subcontractor is itself subject to any excusable failure condition described above and the Contractor cannot reasonably circumvent the effect of the subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

I-U ASSIGNMENT

The Contractor shall have the right to assign this Contract, individual transactions, the State's accounts and any or all of its duties or obligations under this Contract to any other party with thirty (30) days advance notice to the State. Any purported assignment in violation of this section shall be null and void. Further, the Contractor may not assign the



right to receive money due under the Contract without the prior written consent of the State Purchasing Director.

I-V DELEGATION

The Contractor shall not delegate any duties or obligations under this Contract to a subcontractor other than a subcontractor named in the bid unless the State Purchasing Director has given written consent to the delegation.

I-W NON-DISCRIMINATION CLAUSE

In the performance of any Contract or purchase order resulting herefrom, the vendor agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position. The vendor further agrees that every subcontract entered into for the performance of any Contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2101, *et seq.* and the Persons with Disabilities Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, *et seq.* and any breach thereof may be regarded as a material breach of the Contract or purchase order.

I-X MODIFICATION OF SERVICE

The Director of Purchasing reserves the right to modify this service during the course of this Contract. Such modification may include adding or deleting tasks that this service shall encompass and/or any other modifications deemed necessary.

This Contract may not be revised, modified, amended, extended, or augmented, except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.

The State reserves the right to request from time to time, any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. At a minimum, the State would like the Contractor to provide a detailed outline of all work to be done, including tasks necessary to accomplish the deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

1. Within ten (10) business days of receipt of a request by the State for any such change, or such other period of time as to which the parties may agree mutually in writing, the Contractor shall submit to the State a proposal describing any changes in products, services, timing of delivery, assignment of personnel, and the like, and any associated price adjustment. The price adjustment shall be based on a good faith determination and calculation by the Contractor of the additional cost to the Contractor in implementing the change request less any savings realized by the Contractor as a result of implementing the change request. The Contractor's proposal shall describe



in reasonable detail the basis for the Contractor's proposed price adjustment, including the estimated number of hours by task by labor category required to implement the change request.

2. If the State accepts the Contractor's proposal, it will issue a change notice and the Contractor will implement the change request described therein. The Contractor will not implement any change request until a change notice has been issued validly. The Contractor shall not be entitled to any compensation for implementing any change request or change notice except as provided explicitly in an approved change notice.
3. If the State does not accept the Contractor's proposal, the State may:
 - a) withdraw its change request; or
 - b) modify its change request, in which case the procedures set forth above will apply to the modified change request.

If the State requests or directs the Contractor to perform any activities that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly, and before commencing performance of the requested activities, that it believes the requested activities are New Work. If the Contractor fails to so notify the State prior to commencing performance of the requested activities, any such activities performed before notice is given by the Contractor shall be conclusively considered to be In-scope Services, not New Work.

If the State requests or directs the Contractor to perform any services or functions that are consistent with and similar to the services being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the scope of the Contractor's responsibilities and charges as set forth in the Contract, then prior to performing such services or function, the Contractor shall promptly notify the State in writing that it considers the services or function to be an "Additional Service" for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing such services or functions. If the Contractor does so notify the State, then such a service or function shall be governed by the change request procedure set forth in the preceding paragraph.

IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATIONS.

I-Y NOTICES

Any notice given to a party under this Contract must be written and shall be deemed effective, if addressed to such party as addressed below upon (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

For the Contractor:

With a Copy to:



*General Counsel
Wright Express LLC
97 Darling Avenue
South Portland, ME 04106*

*Chief Risk Officer
Wright Express Financial Services Corporation
5353 South 960 East – Suite 200
Salt Lake City, Utah 84117*

For the State: *Douglas S. Collier
State of Michigan
Office of Purchasing
PO Box 30026
Lansing, MI 48909*

Either party may change its address where notices are to be sent giving written notice in accordance with this section.

I-Z ENTIRE AGREEMENT

The contents of this Contract agreement, the ITB/RFP document and the vendor's proposal will become contractual obligations upon execution of this agreement. Failure of the Contractor to accept these obligations may result in cancellation of the award.

This Contract agreement shall represent the entire agreement between the parties and supersedes all proposals or other prior agreements, oral or written, and all other communications between the parties relating to this subject.

I-AA NO WAIVER OF DEFAULT

The failure of a party to insist upon strict adherence to any term of this Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

I-BB SEVERABILITY

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

I-CC HEADINGS

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of this Contract.

I-DD RELATIONSHIP OF THE PARTIES

The relationship between the State and the Contractor is that of client and independent Contractor. No agent, employee, or servant of the Contractor or any of its subcontractors shall be or shall be deemed to be an employee, agent, or servant of the State for any reason. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of this Contract.

I



I-EE UNFAIR LABOR PRACTICES

Pursuant to 1980 Public Act 278, as amended, MCL 423.231, et seq. the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board.

A Contractor of the State, in relation to the Contract, shall not enter into a Contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 Public Act 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of the Contractor as an employer, or the name of the subcontractor, manufacturer or supplier of the Contractor appears in the register.

I-FF SURVIVOR

Any provisions of the Contract that impose continuing obligations on the parties including, but not limited to the Contractor's indemnity and other obligations shall survive the expiration or cancellation of this Contract for any reason.

I-GG GOVERNING LAW

This Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

I-HH CONTRACT DISTRIBUTION

The Office of Purchasing shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by the Office of Purchasing.

I-II STATEWIDE CONTRACTS

If the contract is for the use of more than one agency and if the goods or services provided under the contract do not meet the form, function and utility required by an agency, that agency may, subject to state purchasing policies, procure the goods or services from another source.

I-JJ TRANSITION

If this Contract is not renewed at the end of this term, or is canceled prior to its expiration, for any reason, the Contractor must provide for up to **90 days** after the expiration or cancellation of this Contract, all reasonable transition assistance requested by the State, to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this Contract, (notwithstanding this expiration or cancellation) except for those Contract terms or conditions that do not reasonably apply to such transition assistance. The State shall pay the Contractor for any



resources utilized in performing such transition assistance at the most current rates provided by the Contract for Contract performance. If the State cancels this Contract for cause, then the State will be entitled to off set the cost of paying the Contractor for the additional resources the Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said cancellation.

I-KK ESTABLISHMENT OF ACCOUNT

Contractor will establish for the State a credit card account under this Contract. The State agrees that this account will only be used for the purchase of products and services for business purposes and not for personal, family or household purposes. Contractor will issue or cause to be issued credit cards (a “card” or “cards”) under this agreement. The State agrees to pay for all purchases or other transactions using cards in accordance with the terms of this agreement. Credit will be authorized in our sole discretion and may be canceled at any time without notice. Credit granted by use of a card may include: (a) a loan by us to you equal to the amount of the card transaction, and (b) sale of information and other services directly to you by us. You agree to pay us the face amount of all such credit obligations created by use of a card and all additional charges provided herein.

I-LL CREDIT LINE AND CAPACITY

The State agrees that the Contractor may establish a credit line (limit) for the State’s convenience, and that the State’s unpaid credit purchases will not exceed such credit line. The State will be advised of the credit line when the account is approved. Notwithstanding anything to the contrary herein, the State agrees that Contractor may change the credit line without notice from time to time based on Contractor’s evaluation of the State’s creditworthiness and other factors.

I-MM CREDIT CARDS

The State requests Cards from Contractor for use in accordance with the provisions of this Contract by individuals, or in connection with vehicles, to be identified to Contractor. Unless earlier revoked or canceled, all Cards shall be valid through their respective expiration dates. The State may request the issuance of additional Cards, the cancellation of existing Cards, or changes in authorized use thereof. Contractor may issue renewal Cards prior to the expiration date and all such renewal or additional Cards shall be subject to the terms of this Contract as then in force. The State agrees that this Contract controls all purchases made on the State’s account by the State, its employees or any person who uses a Card or the State’s account. The State agrees that use of a Card or the Card number and the applicable driver identification number (“DIN”) will constitute authorized use for all purposes. The State will promptly notify Contractor of the loss, theft, or unauthorized use of any Card or account by telephoning Contractor at (800) 492-0669, and then promptly confirm such notice in writing. Contractor shall have the option to accept by telephone any and all other notices or communications with respect to any Card or the account while reserving its right to have the State provide such information in writing. Subject to any limitations imposed by applicable law, the State will be liable to Contractor for all unauthorized use of a Card until the State notifies Contractor of such use.



I-NN AUTOMATED FACILITIES

Cards may be honored at fully automated fueling facilities which allow the State’s drivers to purchase fuel by presenting a Card to an unattended credit card reading machine. The State agrees that use of a Card with a DIN and the corresponding entry of sales data into the card system will evidence the State’s agreement to pay for such purchases. In addition, Cards may be honored at mobile fueling facilities. Such facilities may be obtained by the State by contracting with a designated third party fuel provider. Such facilities allow the State to purchase fuel from a designated third party fuel provider through the use of a bar code or other data capture device which corresponds to the State’s Cards. The State agrees that the use of such device and the corresponding entry of sales data into the card system will evidence the State’s agreement to pay for such purchases.

I-OO FLEET INFORMATION AND CREDIT CARDS

The Fleet Contact Person listed on the Account Application the State filed with Contractor is authorized to provide Contractor with the information necessary to initially establish the State’s account records and Cards. The Fleet Contact Person shall also be the individual authorized to select products and/or features that Contractor offers. Contractor is also authorized to send to the Fleet Contact Person’s attention, or other persons designated by the Fleet Contact Person, all account summary information and Cards so produced. In addition, the Fleet Contact Person is the individual designated by the State to provide all fleet vehicle, driver and other information Contractor may request and receive all Cards and purchase reports and such other information as Contractor may provide from time to time. Unless the State reports any errors in the account information or Cards within three (3) business days of your receipt thereof, Contractor shall be entitled to rely on such information and Cards for processing the State’s account. The State will provide Contractor with reasonable advance written notice of any change in the Fleet Contact Person. Contractor is also authorized to deal with any contact person with apparent authority to act on the State’s behalf.

I-PP MANAGEMENT REPORTS AND DISCLAIMER

Contractor provides as a part of the products and services it sells and the State purchases certain purchase reports and other management reports and information, created in either paper or electronic formats, including, but not limited to, information relating to the State’s use of Cards based upon transactions and information reported to Contractor. Contractor is not responsible for the accuracy or completeness of such reports.



SECTION II
CONTRACTOR'S OFFER/OBJECTIVES & TASKS

II-A PROGRAM SPECIFICATIONS

1. Card Assignment (C) (NC) (CM)
 Each card will be assigned to a specific vehicle. A unique vehicle ID and license plate number identifies each vehicle. Vehicles are assigned to various department, and locations. Location assignment may change over the vehicle life. Unique drivers are not consistently identified with vehicles as multiple drivers share most vehicles. The State requires only one pin number for that can be used by all drivers.

A Wright Express® Card is assigned to each vehicle or unit in the State's fleet. Purchases on this card are used to track all vehicle/unit activity. Wright Express recommends that fleet managers assign a personal driver identification number (DID) to each driver on its Wright Express account. Any active DID can activate any card on your account, and any active card on your account may fuel any vehicle/unit. Should the State request that only one DID be assigned for use by all State drivers, Wright Express can accommodate that request.

There are two distinct disadvantages to assigning only one DID for all drivers in the State's fleet. First, the State will not have access to useful information on who fueled the vehicle. Second, assigning only one DID will increase the State's exposure to fraud.

Wright Express makes it easy for fleet managers to maintain large DID databases through the use of the Wright Express online management tool WEXOnline®. With WEXOnline, fleet managers - and others authorized by the fleet manager - can add, delete, or change DIDs from their desktop. Changes can be made via this internet-based fleet management tool at any time of the day, in real time.

2. Tax Exempt Processing (C) (NC) (CM)
 The State requires bidders to process transactions tax-exempt where authorized. Describe your capability to process transactions tax exempt.
- a. Specifically can your company process the exempt the following purchases:
- | | | | |
|-------------------------------------|---|--|--|
| - Unleaded Gas Federal Road Use Tax | <input checked="" type="checkbox"/> (C) | <input type="checkbox"/> (NC) | <input type="checkbox"/> (CM) |
| - Unleaded Gas State Road Use Tax | <input type="checkbox"/> (C) | <input type="checkbox"/> (NC) | <input checked="" type="checkbox"/> (CM) |
| - Unleaded Gas State Sales Tax | <input type="checkbox"/> (C) | <input type="checkbox"/> (NC) | <input checked="" type="checkbox"/> (CM) |
| - Diesel Fuel Federal Road Use Tax | <input type="checkbox"/> (C) | <input checked="" type="checkbox"/> (NC) | <input type="checkbox"/> (CM) |
| - Diesel Fuel State Road Use Tax | <input type="checkbox"/> (C) | <input checked="" type="checkbox"/> (NC) | <input type="checkbox"/> (CM) |
| - Diesel Fuel State Sales Tax | <input type="checkbox"/> (C) | <input checked="" type="checkbox"/> (NC) | <input type="checkbox"/> (CM) |
| - Other Product Purchases Sales Tax | <input type="checkbox"/> (C) | <input checked="" type="checkbox"/> (NC) | <input type="checkbox"/> (CM) |

Wright Express is an industry leader in providing tax-exempt fuel billing services to federal, state and local governments as well as other tax-exempt entities. Wright Express processes tax exemption billing and reporting on fuel transactions for qualified fleets on behalf of the fuel merchants that participate in the Wright Express tax-exempt program. This program supports tax exemption on applicable motor fuel transactions only. Non-fuel transactions are not billed net of tax.



Tax-exempt fuel transactions conducted at merchants participating in the Wright Express® tax-exempt program are "ticketed" at the point of sale as taxed sales. Applicable tax calculations are then completed at Wright Express on all fuel transactions, both electronic and manual, occurring at fuel locations that participate in the Wright Express tax-exempt program. Transactions with applicable exempted taxes are then billed to tax-exempt fleets net of tax. All other transactions are reported and billed to tax-exempt fleets inclusive of taxes.

For fueling transactions with those fuel marketers who do not participate in the Wright Express tax-exempt program, but for which the fleet is eligible to receive tax exemption, Wright Express reports applicable taxes as "showtax." "Showtax" transactions clearly list any transactions and tax amounts which Wright Express does not exempt so the fleet can file for exemption directly. (Many large fleets use their WEXLink™ data file to aid in the recovery of taxes that could not be excluded through the tax-exempt program. Additional information on the WEXLink product is included later in this proposal.)

IRS regulations do not permit diesel fuel purchased at a retail site with a universal credit card to be billed net of Federal excise tax. The IRS stipulates that the "Ultimate Vendor," defined as the individual site selling the fuel, is the only entity entitled to exemption and recovery of excise tax on diesel fuel. Wright Express is involved in lobbying efforts to effect change in this area. We also encourage you to contact the IRS to request a change in this Federal law.

Upon request, Wright Express will provide the State of Michigan with possible strategies for reporting retail diesel transactions.

Customer Setup

Wright Express requires the State to sign a "Federal Exemption Certificate," "Ultimate Purchaser Certificate" and "Applicable State and/or Local Exemption Certificate" for each participating fuel merchant where the fleet will fuel. Wright Express provides both the Federal Exemption Certificate and Ultimate Purchaser Certificate.

Tax Tables and Calculations

Wright Express calculates taxes at Federal, State (Excise, Sales and Special), County (Excise, Sales and Special) and City (Excise, Sales and Special) levels. We bill tax-exempt fleets net of the Federal excise tax and other qualified taxes on purchases made at participating fuel marketers, as permitted by the applicable taxing jurisdictions. Wright Express receives tax types and rates from numerous sources, including the fuel merchants. Tax rates are verified against available resources for accuracy.

Customer Invoicing and Reporting

Wright Express invoices tax-exempt fleets net of all exempted taxes on fuel transactions, and gross of all taxes for any other transactions. Transactions at fuel marketers not participating in tax-exempt billing are billed inclusive of taxes.



The customer's purchase report shows an exempted tax amount and a reported tax amount, by transaction. The customer's purchase report also includes a summary of tax types by product for exempted and reported transactions.

Fuel Merchant Settlement and Reporting

Wright Express® settles with participating fuel merchants net of tax on exempted transactions. Wright Express provides the necessary reporting on exempted transactions to allow the merchant to file for their tax credit or refund.

b. Describe the limitation on the handling of transactions tax exempt.

Wright Express is limited on the handling of tax-exempt transactions as follows:

- Wright Express is limited by the participation of the merchant in the Wright Express tax-exempt program.
- Wright Express is limited by the product code information received from the merchants. Merchants program their own product codes, and occasionally Wright Express learns from its fleets of inconsistencies that exist between the product purchased and the product reported through the product code. Wright Express works regularly with the merchants to correct product code errors as soon as they are brought to our attention.
- Wright Express is limited by IRS regulations. For example, IRS regulations do not permit diesel fuel purchased at a retail site with a universal credit card to be billed net of Federal excise tax. The IRS stipulates that the "Ultimate Vendor," defined as the individual site selling the fuel, is the only entity entitled to exemption and recovery of excise tax on diesel fuel. Wright Express is involved in lobbying efforts to effect change in this area. We also encourage you to contact the IRS to request a change in this Federal law.
- Due to a recent change in Michigan State law, Wright Express is now limited in its ability to process state excise tax in Michigan. We are researching the technical feasibility of adjusting our tax settlement process for the benefit of the State. We expect to make a determination shortly.

c. Detail the companies that do not participate in your tax-exempt program.

Following is a list of merchants with more than forty fueling stations in Michigan. Their participation in the Wright Express® tax program is indicated below:

Merchant	Approx. # of MI Fueling Stations	Participation in Wright Express Tax Program?
ADMIRAL	50	No
AMOCO	510	Yes
BP	341	Yes



CITGO	623	Yes
CLARK	241	Yes
DIAMOND SHAMROCK	496	No
HOLIDAY	46	Yes
MARATHON	802	No
MOBIL	603	Yes
PHILLIPS 66	58	Yes
SHELL	509	Yes
SPEEDWAY / SUPERAMERICA	413	Yes
SUNOCO	734	Yes

In addition to the above participating merchants, there are several small merchants in the State, some participating in the Wright Express tax program and some not. We would be pleased to provide additional information on such merchants upon request.

The decision of whether to participate in the Wright Express tax-exempt program is made by the merchants. Wright Express maintains close relationships with each of its fuel merchants, and continues to work with those that do not participate in the tax-exempt program in an effort to show them the added benefits of participating, both for the merchant and the State.

3. Controls/Restrictions (C) (NC) (CM)
 CASH ADVANCES ARE STRICTLY PROHIBITED. Bidder must provide controls that will prevent the use of the card for cash advances, or for purchasing at certain vendor types.

The Wright Express Card can not be used for cash advances, under any circumstances.

Please refer to our response to “e” below for further information regarding product control and restrictions.

- d. Document your transaction authorization process.

Wright Express® authorizes transactions in real time, and then posts the transaction detail on a daily basis. Typically transaction detail is available within 24 to 48 hours after the transaction.

For each transaction, the point of sale device dials Wright Express through one of many participating networks. During this process, Wright Express confirms that the card in use and the driver identification number are valid, and then authorizes the transaction and posts the information.

- e. Does your company have the capability of issuing fuel cards with the following controls:
- Transaction limits (C) (NC) (CM)
 - Daily limits (C) (NC) (CM)
 - Monthly limits (C) (NC) (CM)
 - Product type restrictions (C) (NC) (CM)
 - Vendor type restrictions (C) (NC) (CM)



The Wright Express Authorization Controls product allows fleet managers to control the amount and frequency of purchases on each card within an account.

Defining limits helps a fleet manager detect and prevent unauthorized transactions in real time. Authorization Controls utilizes a log of authorizations rather than posted transactions. Therefore, there is no delay in suspending activity on a vehicle/card while waiting twenty-four to forty-eight hours for a transaction to post. Daily limits and transaction caps allow for immediate detection rather than waiting for a monthly limit to be exceeded.

If defined limits are exceeded, the transaction is declined. This decline is consistent through all channels of authorization: Electronic Point of Sale (EPOS), Voice Response Unit (VRU) and Customer Service. Authorization Controls are unable to measure manual transactions against limits, as they are not presented to Wright Express for authorization.

Daily Dollar Limit

A daily limit of \$1.00 to \$999,999,999.00 can be set for each card/vehicle. This limit is set at the account level in whole dollar increments. Each card/vehicle may purchase allowable products (Fuel Only cards are still restricted to fuel) up to the daily dollar limit in a day. If the daily dollar limit is exceeded, a decline response is returned through the EPOS equipment, VRU or Customer Service.

Daily Number of Transactions Limit (Velocity Limit)

A daily limit of 1 to 9,999 transactions can be set for each card/vehicle. This limit is set at the account level in whole number increments. Each vehicle/card may be used that number of times per day. If the transaction limit is exceeded, a decline is returned through the EPOS equipment, VRU or Customer Service.

Transaction Dollar Limit (Transaction Cap)

A transaction limit of \$1.00 to \$999,999,999.00 is set for each vehicle/card. This limit is set at the account level in whole dollar increments. Each vehicle/card may purchase allowable products (Fuel Only cards are still restricted to fuel) up to this transaction dollar limit. If the dollar limit is exceeded, a decline response is returned through the EPOS equipment, VRU or Customer Service.

General product type restrictions can be achieved with the use of “Fuel Only” cards.

Vendor type restrictions can be achieved by selecting one of the three card type categories:

- Fuel Only Permits purchases of fuel (gasoline, diesel, etc.) only
- Unrestricted Permits purchases of any item sold at the service station (fuel, oil, etc.)
- Unrestricted plus VSP Permits any purchase at service stations or Vehicle Service Provider locations (additional VSP merchant restrictions will be made available should the State select this option)



A Wright Express® site restriction product that will enable fleets to lock out selected sites by brand or by location is currently in development.

- f. Does your company have the capability of providing controls at the card level or only at the account level? (C) (NC) (CM)

Controls can be applied at the account level.

- g. Describe the limitation on the number of cards per account and the number of accounts.

There is no limit to the number of Wright Express accounts for any one fleet. Each Wright Express account can accommodate up to 9,999 cards.

- h. Describe any restrictions on accounts such as billing separate state departments.

There are no restrictions on accounts with respect to the billing of separate State departments. To establish a separate billing address under the State’s program, Wright Express only requires that the request to establish such address be submitted by the State’s Contract Administrator or similarly authorized State personnel.

- i. Describe the limits on the number of cards per account.

Each Wright Express account can accommodate up to 9,999 cards.

- 4. Acceptance (C) (NC) (CM)

The issued cards must have a very high acceptance among merchants throughout the country and especially in the State of Michigan, both Lower and Upper Peninsulas.

- a. Provide an overview of the acceptance of your fuel card, including level three data capture.

Nationally, Wright Express® is affiliated with over 170 different fuel marketers and more than 150,000 fueling stations. With acceptance at 9 out of 10 fueling stations nationwide, Wright Express is the most widely accepted fleet fueling credit card throughout the United States. Wright Express also maximizes your drivers’ productivity by offering the greatest number of convenient “Pay-at-the-Pump” fueling sites.

Please refer to our response to “b” below for an overview of Wright Express Card acceptance and data capture.



- b. The State requires a minimum of 90% of the transaction include level three data capture.

Over ninety-nine percent (99%) of all Wright Express fuel transactions are electronically processed, providing the fleet with Level III transaction data. We know of no competitor who can provide this level of electronic data capture at such a broad base of fuel merchants.

- c. Provide the number of stations that accept your card in Michigan.

The Wright Express Card is accepted at more than 5,750 fueling stations in Michigan.

- d. Provide a list of participating brands in Michigan.

Some Wright Express accepting fuel marketers in Michigan include:

- 76 Admiral Amoco BP
- Citgo Clark Diamond Shamrock Freedom
- Holiday Marathon Mobil Murphy
- Phillips 66 Shell Speedway/SuperAmerica
- Texaco Total Various Independent and Unbranded Sites

The Wright Express® Card is also accepted at these other fuel marketers across the country:

- Ampride Ashland Best Break Time
- Casey's Cenex Chevron Circle K
- Coastal Conoco Crown Dixie Boy
- Etna E-Z Mart Farmland Fina
- Gas City Gas World Getty Go Mart
- Gulf Irving Kwik Star Kwik Trip
- Mapco Minit Mart PDQ Petro
- Quik Trip Scotchman Sheetz Sinclair
- Stamart Steel City Sunoco Super Quik
- Tesoro Alaska Tom Thumb TM Wilco
- Worsley Various Independent and Unbranded Sites

With such wide acceptance, including more than 5,750 fueling stations in Michigan, your drivers will not spend valuable time searching for specific fueling locations that accept their fuel purchase card. The Wright Express Card's broad acceptance will also enable your drivers to select the fueling station with the lowest retail price. Please refer to the transaction data below for an illustration of your fleet's potential savings by choosing the lower priced fuel merchant.



Wright Express fuel transactions (excluding diesel) in Michigan
May 21, 2001

Merchant	Avg. PPG
HOLIDAY	\$1.88
MOBIL	\$1.84
SHELL	\$1.83
BP	\$1.82
SUNOCO	\$1.80
AMOCO	\$1.80
CITGO	\$1.80
PHILLIPS 66	\$1.80
MARATHON	\$1.80
SPEEDWAY / SUPERAMERICA	\$1.79
CLARK	\$1.78
DIAMOND SHAMROCK	\$1.77
ADMIRAL	\$1.70

A complete listing of Michigan fueling locations is included and available as part of contract costume for state users.

- e. Detail your supplier enrollment strategy.

Please refer to our response to “f” below.

- f. Detail your supplier enrollment resources, including whether you outsource supplier enrollment to a third party or internally handle this activity.

An internal Wright Express® team works directly with merchants to establish agreements for Wright Express Card processing at merchant locations. Upon reaching an agreement, the Wright Express Implementation Department works with the merchant to set all stations up for acceptance of the Wright Express Card.

5. Customer Service (C) (NC) (CM)

- a. Define the process for providing customer service. What is your process for resolving customer service issues?

Customer assistance is provided to drivers, station attendants, and fleet managers through the Wright Express Customer Service Department. Additionally, Letitia Rose, your PFS Account Manager, is the primary customer service resource for fleet managers.

Customer service issues that can not be resolved immediately by a Customer Service Representative are escalated to the Customer Tactical Support Line. This line is answered by a Team Leader or CSR Specialist whose job it is to seek the quickest resolution to problems brought to their attention. Team Leaders and CSR Specialists have been trained on escalation procedures and resolution for such problems as forgotten DIDs, fueling station issues, etc. Your



PFS Account Manager or Government Accounts Manager can also provide assistance with problem resolution, escalating problems to the senior management level if necessary.

- b. Describe the resources have been committed to your customer service program.

Wright Express is committed to serving the needs of its fleets through a high quality customer service call center. As a result, extensive resources are allocated to the Customer Service Department, including the following human resources:

- 2 Managers
- 6 Team Leaders
- 4 Research Specialists
- 4 Correspondence Representatives
- 3 E-commerce Representatives
- 83 Customer Service Representatives

In addition, the State of Michigan's customer service team at Wright Express will also consist of one PFS Account Manager and one Government Accounts Manager.

There are both French and Spanish speaking Wright Express CSRs available to assist callers in those languages. In addition, Wright Express can seek other language support through the AT&T Language Line.

- c. Describe your 24-hour fuel card service assistance if available. Are calls routed to a third party after business hours? If so, please explain.

The Wright Express® Customer Service Department is available twenty-four hours a day, 365 days a year, and is staffed with over 100 service representatives and supervisors. The Customer Service Department is always available to handle questions about the Wright Express Card from fleet managers or drivers, and to help station attendants process transactions. Every call is answered by the Wright Express Customer Service Department, not a third party.

The toll-free Customer Service number is prominently displayed on the back of the Wright Express Card and in the credit card manual at all stations. On average, over eighty percent (80%) of Customer Service calls are answered by a live person, not a voice response unit, in less than twenty seconds.

In addition to assisting fleet managers and drivers with their questions regarding the Wright Express Card, Customer Service Representatives are also trained to handle questions regarding account billing and reporting.



d. Describe the back-up system, if the 24-hour help line is down.

There are two possible ways in which the 24-hour Customer Service line may be adversely affected by system failure. There is a plan in place for dealing with each of these possibilities.

- Voice Response Unit System Failure

The Wright Express Voice Response Unit automatically handles calls for authorizations from fueling stations. If the problem with the VRU is at Wright Express in South Portland, Maine, calls will be forwarded to a VRU at Wright Express Financial Services Corporation in Salt Lake City, Utah. If both VRUs are compromised, the Customer Service Department will staff the call center with as many CSRs as possible to answer calls and provide verbal authorizations over the telephone.

- Power Failure at Wright Express in South Portland, Maine

In the event of a power loss, many of our telephones and computers can be run by generators, allowing CSRs to provide verbal authorizations over the telephone.

WEX*Online*, the Wright Express internet-based account maintenance tool, can also be used for account maintenance functions instead of the Customer Service Department.

e. Explain how you measure your performance as a fuel card issuer and how customer satisfaction is gauged. Briefly describe the specific indicators used and how the data is gathered. How are the results reported and to whom?

A representative of the Customer Service Department performs random telephonic surveys of fleet managers on a regular basis. The survey consists of seven questions ranging from the quality of service received from the Customer Service Department, to the responsiveness, knowledge and courtesy of the Wright Express CSRs. Surveys are conducted by one surveyor for consistency. Of a possible 5 points, survey results consistently average in the 4.7 to 4.8 range.

Wright Express® as a company is committed to working with its customers to ensure the fleet services we provide are perceived to be at an exceptional level of both quality and service. Wright Express regularly surveys its customers for product and service attribute importance, as well as the quality with which Wright Express delivers against those attributes. The management team at Wright Express uses the results from these surveys as input during strategic planning, key issue identification, and initiative selection. Each year the survey is reviewed and changes are made to ensure the relevance of the survey in a continually changing market. At Wright Express, customer intimacy is considered to be one of our core strengths.

One of the ways that we have sought targeted feedback from large fleets is by surveying fleet managers at the account level, via a mail-in response card method. Wright Express compiles the responses and reports back to the fleet on the feedback received. We then work with the fleet to create an action plan in response to any issues raised. Wright Express can work with the State to create a customized satisfaction survey to be sent to its agencies. We recommend that such a survey be undertaken once per year or once every two years. Please refer to the sample survey included in this Proposal.



Wright Express also seeks feedback from the Lead User Group. Established in 1996, the Lead User Group is a panel of Fleet Managers representing some of Wright Express' largest and most demanding fleets. The group conferences at Wright Express headquarters in Portland, Maine annually and teleconferences quarterly. Additionally, the group responds to "rapid-fire surveys" several times per year, answering questions regarding satisfaction, products and services. This forum enables Wright Express to stay close to its customers and maintain a clear understanding of the requirements necessary to keep the product current and competitive.

Last year, Wright Express initiated the Government Fleet Advisory Board for current State customers. This Board is helping Wright Express to meet the unique needs of State government fleets. The group meets annually in conjunction with the National Conference of State Fleet Administrators. In addition, there are two conference calls throughout the year. This Board was formed to allow Wright Express to provide proactive communications to our key government fleets on the progress and direction of the company. It also allows Wright Express to learn from some of its largest customers how we are doing as a company. Most importantly, it gives the Board a chance to provide feedback to Wright Express on products, services, and any other issues that are of most importance to them.

Additionally, Wright Express facilitates Focus Groups and Fleet Surveys as part of the ongoing product development process. Through the efforts of a highly effective Research & Analysis function, Wright Express continually monitors the competitive landscape of the fleet services industry and incorporates the findings into business planning. Each of these tools has become, and will continue to be, an integral part of business development at Wright Express.

- f. Describe how you address station attendant training and resolving product-coding issues.

Many of the fuel merchants provide station training to their employees on acceptance of the Wright Express® Card. Merchants also provide stations with a credit card manual describing the processes for accepting all major credit cards, including the Wright Express Card. As an additional resource, the Wright Express Customer Service Department number is prominently displayed both on the back of the card and in the credit card manual. Our Customer Service Department is available twenty-four hours a day, 365 days a year to answer station attendant questions and process Wright Express Card transactions.

Should a station require further assistance or formal training, the Wright Express Site Team specializes in working with individual fuel service stations that require such support.

The merchants program their own product codes. Through its intimate relationship with its fleet customers, Wright Express endeavors to learn of inconsistencies between the product purchased and the product reported through the product code. If we learn of such inconsistencies, Wright Express routinely works with the merchants to correct these errors as soon as possible.



g. Describe your program level management and assistance.

Brian Truman, Government Accounts Manager, will work with the State to ensure that the overall needs of the State fleet are being met, and to address any unique requirements of your State government fleet that might arise. Brian will conduct quarterly account reviews with the State fleet manager, and is also available on an as-needed basis.

Letitia Rose, PFS Account Manager, will act as the State’s day-to-day contact. Letitia will handle all daily account maintenance issues, ensuring that the program is working smoothly. Letitia will also expedite all problems to their quickest resolution so that minimal disruption is felt by the fleet.

For the benefit of our fleets, the PFS Department maintains the following performance standards:

Toll Free Number for all PFS fleets	1-877-WEX-CARD
Return telephone calls	Within 2 hours
Follow-up on issue resolution	Daily for daily issues Minimum of weekly for other issues
Reporting enhancement and creation	As agreed upon with fleet

h. Does your company offer a method for your clients to network and share best practices? If yes, please describe.

Wright Express® uses several tools to capture feedback regarding fleet management needs and allow its fleets to network and share best practices. These tools include the Wright Express Lead User Group, Government Fleet Advisory Board, Focus Groups and Fleet Surveys.

The Lead User Group, established in 1996, is a panel of Fleet Managers representing some of Wright Express’ largest and most demanding fleets. The group conferences at Wright Express headquarters in Portland, Maine annually and teleconferences quarterly. Additionally, the group responds to "rapid-fire surveys" several times per year, answering questions regarding satisfaction, products and services. This forum enables Wright Express to stay close to its customers and maintain a clear understanding of the requirements necessary to keep the product current and competitive.

Last year, Wright Express initiated the Government Fleet Advisory Board for current State customers. This Board is helping Wright Express to meet the unique needs of State government fleets. The group meets annually in conjunction with the National Conference of State Fleet Administrators. In addition, there are two conference calls throughout the year. This Board was formed to allow Wright Express to provide proactive communications to our key government fleets on the progress and direction of the company. It also allows Wright Express to learn from some of its largest customers how we are doing as a company. Most importantly, it gives the Board a chance to provide feedback to Wright Express on products, services, and any other issues that are of most importance to them.



Additionally, Wright Express facilitates Focus Groups and Fleet Surveys as part of the ongoing product development process. Through the efforts of a highly effective Research & Analysis function, Wright Express continually monitors the competitive landscape of the fleet services industry and incorporates the findings into business planning. Each of these tools has become, and will continue to be, an integral part of business development at Wright Express.

6. Fees (C) (NC) (CM)

Fees must not be charged to the State solely for the purpose of establishing an account regardless of the purchasing activity on that account.

- a. Identify any fees associated with your program for which the State shall be liable (i.e., card fees, implementation fees, transaction fees, delinquency or late charges) and **include in the separately sealed Price Proposal.**
- b. Identify any fees for generating reports and **include in the separately sealed Price Proposal.**

Please refer to the separately sealed Price Proposal.

7. Implementation (C) (NC) (CM)

Bidder must be able to transition to the program with cards delivered to state locations by September 12, 2001.

- a. The State requires that the initial cards be delivered directly to state locations. The state will provide a list of vehicles that includes a code identifying the location each vehicle is assigned. A file that provides the address and location contact for each location code will be provided. There are approximately 1,000 locations. Included with each group of cards shipped by the vendor must be a listing of the cards enclosed and the vehicles that the cards are assigned to. The State requires a compact list of participating stations or brands be provided to all new recipients during implementation and future additions.

If the State provides a file containing vehicle, driver, location, and address information, Wright Express® can automatically upload this file into our system and will ensure that the initial cards are delivered directly to the State’s 1,000 different locations. A listing of the cards enclosed and the vehicles to which the cards are assigned will be included in the mailing. Each card is sent with a plastic envelope and a Driver Guide. The Driver Guide includes a compact list of participating brands, along with additional helpful information. Please refer to the Driver Guide included in this Proposal. This Driver Guide is sent with every new Wright Express Card.



- b. Please provide a recommended implementation and transition plan that details key elements, support resources, card issuance, chart of tasks, timelines, and proposed completion dates.

Please refer to the task list and timeline, formatted in MS Project, included in this Proposal.

- c. What type of material for both cardholders and program administrators will your company make available during program implementation?

Wright Express offers a variety of resources to educate fleet managers and drivers about the Wright Express Program. Letitia Rose, your PFS Account Manager, will work with you to determine the resources that will best meet your fleet's needs. Some examples include a training video, fueling station directory, logo sheets and Driver Guides.

- d. Please submit the plan in MS Project format

Please refer to the task list and timeline, formatted in MS Project, included in this Proposal.

- 8. Billing (C) (NC) (CM)

Currently the State of Michigan pays for fuel purchases once every month. Bidder must demonstrate the capability of providing electronic billing.

- a. Describe your billing options.

Most of Wright Express'® larger fleets choose to receive billing information in the form of WEXLink, an Electronic Account Billing module that allows customers to electronically receive transaction billing information via the internet (i.e. FTP). The data is provided in billing file format and shows extensive transaction detail, including both fueling (net of tax) and non-fueling charges. WEXLink information can be provided on a daily, weekly, or monthly basis depending upon the State's needs. The data contained in the WEXLink file can be used to reconcile your fleet's monthly invoices.

Wright Express is currently developing a product that will allow our fleet customers to view and pay their bills electronically. This project is now in development with a projected completion date of early 2002.

- b. Describe your billing dispute resolution process.

Transaction disputes should be reported to Customer Service as soon as possible. Wright Express will request a copy of the signed ticket receipt from the merchant, which will help in determining whether the charge is valid. The State is responsible for payment of the invoice until a determination is made on the transaction in dispute. If the transaction is disputed within sixty days and is determined to be fraudulent, Wright Express will credit the State's account and charge the transaction back to the merchant.



The State’s PFS Account Manager and Government Account Manager are also available to assist with other, general, billing disputes.

- c. Describe the data that will be available to the state with the billings.

The State may choose to receive either the Vehicle Analysis Reporting package (detailed later in this Proposal) or WEXLink. Both products, one paper and one electronic, contain similar vehicle and transaction data. WEXLink was specifically developed to meet the information needs of customers who maintain their own fleet management systems and who want to eliminate the manual entry of transactions into their systems.

Some of the vehicle, site and transaction information available in the WEXLink file includes:

Vehicle number	Product Code
Site Name	Product Name
Brand Name	Odometer
Site Address	Unit of Measure
Site City	Unit Cost
Site State	Quantity Purchased
Site Zip Code	Gross Dollars
Department	License Plate Number
DID	License Plate State
Driver Last Name	Driver First Name

For a complete description of the information included in the WEXLink file, please refer to the WEXLink Billing Specifications included in this Proposal.

- 9. Liability (C) (NC) (CM)

The State shall only be liable for the use of credit cards by authorized users provided that the use is within the purchase limits established for the specific account, and the use is processed through a merchant whose Standard Industry Classification Code (SIC Code) is approved for participation.

- a. What liability protection options do you offer? What liability does State of Michigan have under each option?

The State can limit its liability through the use of general product type restrictions, best achieved with the use of “Fuel Only” cards. In addition, vendor type restrictions can be achieved by selecting one of the three card type categories:

Fuel Only	Permits purchases of fuel (gasoline, diesel, etc.) only
Unrestricted	Permits purchases of any item sold at the service station (fuel, oil, etc.)
Unrestricted plus VSP	Permits any purchase at service stations or Vehicle Service Provider locations (additional VSP merchant restrictions will be made available should the State select this option)



The State is responsible for all purchases in the permitted product or vendor type range, as described above. If a Wright Express® Card is lost or stolen, the State will be relieved from responsibility for any subsequent charges to the card once Wright Express has received notification that the card should be cancelled.

- b. Describe your policies on liability for unauthorized purchases including lost or stolen cards.

If a Wright Express Card is lost or stolen, it should be reported immediately to the Wright Express Customer Service Department by calling the toll-free number (800-492-0669). Lost or stolen cards can also be reported through **WEXOnline**.

Once a card has been reported as lost or stolen, it is invalidated in the Wright Express® system. Upon cancellation of the card or DID, all electronic sales associated with that card or identification number are declined at the time a purchase is attempted. Once Wright Express receives proper notification, the State will be relieved from responsibility for any subsequent charges to the card.

- c. Describe your fraud protection system.

Wright Express has instituted a series of reasonable business practices to prevent, detect, and reduce fraud and/or misuse of the business charge card. These practices are used to protect the interests of Wright Express, its customers and accepting merchants.

It should be noted that the Wright Express Card can not be electronically activated without an active DID. Without this code, the card is useless to someone who has found or stolen it.

Card controls and monitoring programs exist in the Wright Express Loss Prevention Department, where analysts work to detect and minimize unauthorized and inappropriate card use through programs such as “The Fraud Awareness Education Program”. This program is designed to educate CSRs, credit analysts, and collection representatives to look for trends, ask questions, and make suggestions and recommendations regarding methods to reduce losses due to misuse, abuse and fraud.

Analysts review multiple activity reports daily and contact fleet managers in the event that “unusual” or increased daily activity is noted. Similarly, transaction monitoring and analysis enables analysts to detect single transactions of \$100 or more. Information such as who made the purchase, where the purchase took place, what was purchased, and when and how much was purchased is then forwarded to the fleet manager. Our experience shows that such monitoring programs have resulted in continued positive trends in identifying potential misuse, abuse and fraud issues early on, and minimizing the size of any associated losses.



10. Bidder's Database (C) (NC) (CM)

The bidder's system must be able to contain as a minimum the following information:

- | | |
|----------------------------------|-------------------------------|
| - Vehicle ID | - Transaction Date |
| - License Plate | - Transaction Time |
| - License Plate State | - Station Brand |
| - VIN | - Station Name |
| - Department | - Station Address |
| - Location Code | - Station City |
| - Driver Last Name | - Station State and Zip code |
| - Driver First Name | - Quantity purchased |
| - Per transaction limit | - Cost per unit |
| - Daily spending limit | - Total sale |
| - Daily transaction limit | - Taxes reduced |
| - Monthly transaction limit | - Internal or pay to the pump |
| - Monthly spending limit | - Type of product purchased |
| - Approved SIC or merchant codes | |
| - Expiration date | |
| - Card Status | |

The bidder must retain transaction data according to industry standards.

Wright Express® systems can accommodate all of the above information. Wright Express maintains fleet and transaction data for a minimum of three years.

11. Reports (C) (NC) (CM)

Reports must be available in a variety of formats (i.e., hard copy, magnetic formats such as tape or disk or by electronic data interchange). Bidder must have the ability to provide to the State upon request validation or individual transaction data.

- a. Give a comprehensive description of your standard reports including content, flexibility, frequency, etc. Please provide sample reports.

Wright Express provides several standard and customized reporting options to fleet customers based on their needs. These reports can be used as tools to track fuel costs, buying patterns, card usage and areas for potential cost savings.

Standard Reporting

Wright Express offers all clients a complete monthly fleet management reporting package that includes an Invoice, Vehicle Analysis Report (VAR™), Financial Summary, Site Summary, and Exception reports (Fleet Analyst™).



This comprehensive paper reporting package is designed to facilitate tracking and management of fleet costs and trends. The VAR, Financial Summary and Site Summary support billing reconciliation, tax filings, and budget management. The Exception reports support enforcement of each client’s chosen purchase policies.

The transaction level detail provided in the VAR includes:

- The Wright Express Fleet Card number and your customer ID number
- Driver name
- Odometer reading (as entered by driver)
- Fuel product type (regular, super, diesel, etc.)
- Non-fuel products (service, parts, labor, tax, etc.)
- Quantity of fuel purchased (in gallons)
- Transaction date
- Transaction time
- Transaction location site number
- Fuel price per gallon
- Total transaction amount
- Exempted and reported fuel tax amounts (exemptions based on fleet qualifications and merchant participation)

Transaction activity that can be monitored using the Exception reports include:

- Premium Unleaded fueling
- Weekend and holiday transactions
- Multiple transactions in a day
- Price per gallon exceeds pre-set limit
- Cost per transaction exceeds pre-set limit
- Gallons per transaction exceeds pre-set limit (tank capacity)
- Vehicles not fueling
- Non-electronic (manual) transactions

Flexible Exception Reporting

In addition to the Exception Report sent monthly, Wright Express also offers Flexible Exception Reporting. This reporting feature provides you with a summary of key exceptions for your fleet, enabling you to closely monitor and act on transactions that fall outside of your accepted policies. Our experience has been that the quicker action is taken on major exceptions, the quicker that buying pattern is eliminated. Typically fleets monitor one or two of the following exceptions on a daily or weekly basis through the Wright Express Flexible Exception Reporting:

- More than X dollars per day
- More than X transactions per day
- More than X gallons per day
- Transactions on weekends
- Transactions on holidays
- Transactions outside normal business hours



- Non-electronic (manual) transactions
- Non-fuel transactions
- Unauthorized fuel products
- Inactive vehicles

Excessive transactions or transactions that fall outside of your set parameters can be reported on a daily, weekly, or monthly basis. These reports can be provided to you via e-mail. Paper reports can be distributed on a weekly or monthly basis.

Flexible Exception Reporting enables you to view transactions that truly are exceptions and require immediate corrective action. The impact of this kind of management will create a ripple effect throughout your fleet, lowering your operating costs, and preventing abuse before it occurs.

The ability to take full advantage of a fuel card system for tracking fuel consumption and vehicle and driver performance is dependent upon the data captured at the point of sale. If your fuel card only captures full electronic data for eighty percent (80%) or fewer of your monthly transactions, you will miss the opportunity to use fuel card data to manage and monitor fleet performance statistics.

Wright Express® takes great pride in the fact that over ninety-nine percent (99%) of the fuel transactions processed monthly contain all of the data necessary to track the type of information our fleets are requesting.

- b. Describe your ability to provide customized reports. Include delivery timeframes. **If there are any fees, submit that information in the separately sealed Price Proposal.**

Wright Express can provide a variety of customized management information reports in both paper and electronic format.

Wright Express offers fleets comprehensive on-line and electronic reporting solutions. There are no special system or software requirements to take advantage of these reporting options, other than database, spreadsheet, or internet browser software running on a standard Windows-based platform.

Wright Express electronic data can be downloaded to most commercially available software, including Windows-based desktop programs and most fleet management software packages. The data is available in several different file formats, including .wk1, .dbf and .sdf.

Wright Express' electronic WEXLink reporting files are designed specifically for fleet customers who want to perform detailed analysis and reporting of their vehicle and driver information. This electronic information can be merged with your existing information management system, making it easier for you to track vehicle costs.



WEXOnline®

WEXOnline internet access service is available to all Wright Express® fleet customers. **WEXOnline** offers timely, accurate, virtually *paperless* fleet fueling information and control, enabling fleet managers to stay on top of their fleet card programs. System requirements are browser software (current minimum requirements are Netscape Navigator™ 4.06 or higher or Microsoft Internet Explorer 4.01 or higher) and internet access through an internet service provider. With **WEXOnline**, you can access a wide array of fleet management options with the click of a button, including:

- Access at either the National level or the Account level
- Vehicle add, delete, update
- Driver add, delete, update
- Vehicle search
- Driver search
- Vehicle card replacement (lost, stolen) with overnight delivery available
- Site Directory search by brand, city, state or zip
- Transaction Query (tax data available)
- Site Query
- Vehicle Query
- Driver Query
- Online help guide

Queried data can be downloaded into Microsoft Excel or Lotus, where it can be manipulated to suit your needs.

Wright Express also offers customized paper or electronic management information reports that can be designed in several formats including:

- Financial Summary - shows by department and in total the period and year-to-date costs for each type of transaction, plus total costs for fuel and non-fuel purchases;
- Site Summary - gives transaction totals for the reporting period sorted by location site number;
- Exception Summary - presents frequency and costs of purchases meeting fleet defined exception categories;
- Top 20 manual fueling locations;
- Vehicles not fueling; and
- Drivers and vehicles added or deleted.

The State currently receives one customized report directly from Wright Express. This report summarizes the mileage for each vehicle over the previous thirty days. It is an electronic text file that is provided to the fleet once per month, via the internet. It is our understanding that the State downloads this information into its fleet tracking system.



Wright Express® can also provide special ad-hoc reports to the State upon request, such as:

- Listing of all fuel purchases, by site, for all agencies
- Listing of all sites with X or more transactions
- Listing of fuel purchases, by product code, for each agency
- Listing of all diesel transactions

As a Premium Fleet, the State can select from a variety of reports to help meet its fleet reporting needs. Many of these reporting options are outlined below.

Wright Express on-line and electronic data can be downloaded to interface with most commercially available software programs, including Fleet Anywhere and most Windows-based desktop programs.

- c. Describe your capability to capture data from a fuel card transaction. List the data elements.

Please refer to the list of data elements in the specifications for WEXLink Billing included in this proposal.

- d. Describe your current capability for the State to perform ad hoc queries on your database.

The State can perform a variety of customized ad hoc queries with WEX*Online* and with WEXLink, once it has been downloaded into your fleet management system or other compatible software package.

12. Database Technology (C) (NC) (CM)

The State has a preference to be able to order new or replacement cards and cancel cards through an internet application.

- a. Describe the system and accessibility options available to the State through your product(s). For each option, include implementation timeframes, hardware and software requirements, and technical support required from the State for each option. **Identify related pricing (if any) in the separately sealed Price Proposal.**

WEX*Online* internet access service is available to all Wright Express fleet customers. System requirements are browser software (current minimum requirements are Netscape Navigator™ 4.06 or higher or Microsoft Internet Explorer 4.01 or higher) and internet access through an internet service provider.

Queried data can be downloaded into Microsoft Excel or Lotus, where it can be manipulated to suit your needs.



During the implementation process, your Implementation Account Manager will work with you to determine access passwords for those who will use the system.

Technical support for *WEXOnline* is available through the Customer Service Department E-commerce Team. This team of four CSRs is dedicated solely to e-commerce assistance.

- b. Describe the ability to request a large quantity of new cards through an electronic file.

Authorized users will find it easy to request new cards through *WEXOnline*. As another option, fleet managers can also provide vehicle and driver information to Wright Express® in a designated spreadsheet format. This file can be uploaded into our system and new cards will be cut immediately.

- c. Describe the ability to update your system with an electronic file.

To perform multiple account changes at one time, the State may wish to use WEXLink Maintenance. This product, which works best for large, centralized fleets, enables fleet managers to make multiple changes to its account via an electronic file. To use WEXLink Maintenance, Wright Express will provide the State with the appropriate file specifications. The State will then use its technology resources to establish the file specifications and an interface with its systems. Once the State has completed a test file, Wright Express will work with the State to test it. The State will place the file at a designated internet address. Wright Express systems automatically check this site four times per day for new files. Once successfully received, the State's file is then automatically uploaded into our systems. Changes take effect immediately.

- d. Describe the process for accessing the system. Include response time, up time, and capacity.

Fleet managers can access *WEXOnline* from their desktop anytime, twenty-four hours a day. The State may experience varying response times, based upon the performance of its internet service provider.

- e. Describe capabilities related to Internet access (account administration and/or cardholder online access) and the process and description of security for this type of access.

Fleet managers will find *WEXOnline* most helpful, while individual cardholders will be best served through Customer Service. The State's fleet manager will determine who has access to the State's account information through *WEXOnline*. Wright Express will provide those people with access names and passwords.



- f. List the data elements that are accessible on transactions.

WEXOnline fuel transaction data includes the following information:

- Driver Name
Odometer
Product
Gallons
Unit Cost
Gross Cost
Net Cost
Fuel Cost
Non-Fuel Cost
Exempt Tax
Reported Tax

WEXOnline also offers other query options, including:

- Identify Exceptions – by purchasing behavior outside of company policy
Summarize Purchases – by hierarchy, merchant state, transaction date or merchant
Account Maintenance – receive information on cards and card holders
Status Search – receive information on active or terminated status of vehicles or drivers

- g. How long is data retained in your system?

Data is retained in the WEXOnline system for a period of thirteen months.

- h. Does your system include a station listing? If so please describe.

WEXOnline includes a fueling location query feature. Queries can be performed to locate fueling sites by brand, city, state, or zip code.

- i. Describe the ability for an administrator to create organizational hierarchies and move cardholders around within it.

Fleet managers can use WEXOnline to perform a variety of fleet maintenance tasks, such as creating organizational hierarchies and moving cardholders around within them.

- j. Describe your back-up process, for example, the dial in number in the event internet connection is down. Describe your disaster recovery process

If the State is experiencing problems with its internet service provider and access is denied to WEXOnline, the Wright Express® Customer Service Department is available twenty-four hours a day as an alternative for assistance with your immediate fleet maintenance needs.



In the event of a system failure, Wright Express® would recover data through its Business Resumption Plan. This plan utilizes a third party data disaster recovery company, Sun Guard. The plan is tested twice yearly, and has had good results during testing.

- k. Describe your process for software enhancements. What future innovations are you investigating? And if known date of completion.

Wright Express is always working to improve its product offerings. Wright Express has just released WEX*Online* 3.0, our newest version of this product, in May 2001.

- 13. Training (C) (NC) (CM)

The bidder must assist the State in the development of a training program and to provide materials to inform individuals participating in the State’s Fuel Card Program.

- a. Describe a training process, which may or may not include temporary on-site representation.

Minimal training time is required for your drivers to learn how to fuel with the Wright Express Card. Wright Express provides training materials and customized training sessions to all new fleets. The specific training needs of the State’s fleet will be identified during the implementation process.

II-B CARD PROCESSES AND SPECIFICATIONS

- 1. Issuance (C) (NC) (CM)

The State will develop internal rules and procedures for issuance, security and operation matters related to the Fuel Card Program. The bidder must assist the State with development, implementation, modification, or enhancement of these rules upon request by the Contract Administrator.

- a. Detail the process to open and maintain accounts. What are your timeframes for issuing new fuel cards, replacements, reissues, and account maintenance?

Your PFS Account Manager can assist the State with the process of opening and maintaining new accounts. New fuel cards on new accounts will be available within one week after Wright Express® receives the vehicle and driver data. Card replacements and reissued cards can be ordered through WEX*Online* or the Customer Service Department. They will be available the next day. Account maintenance can be done through the Customer Service Department or from the fleet manager’s desktop, with WEX*Online*.



- b. Describe the electronic flexibility your program offers to open, close and change cardholder accounts.

Your PFS Account Manager can assist the State with opening and closing accounts. Vehicles and drivers can be moved within accounts through *WEXOnline* or by calling the Customer Service Department.

- 2. Replacement (C) (NC) (CM)

Lost or stolen cards must be replaced at no cost to the State.

- a. Describe your process for replacing lost or stolen cards, including timeframes.

If a Wright Express Card is lost or stolen, it should be reported immediately to the Wright Express Customer Service Department by calling the toll-free number (800-492-0669). Lost or stolen cards can also be reported through our *WEXOnline* internet-based account management tool.

Replacement cards can be printed and on their way to you within twenty-four hours of notification. There is no charge for replacement cards sent via regular mail. If notification is received by 2:00 p.m. EST, you may opt to have replacement cards sent to you via overnight mail. While there is no charge for the replacement cards, overnight charges are billed to your account.

- b. Describe your method of shipping replacement cards.

Replacement cards are typically sent via regular mail. If notification is received by 2:00 p.m. EST, you may opt to have replacement cards sent to you via overnight mail. While there is no charge for the replacement cards, overnight charges are billed to your account.

- c. What is your policy for reporting lost or stolen cards? Describe the assistance you provide for lost or stolen cards.

Once a card has been reported as lost or stolen, it is invalidated in the Wright Express® system. Upon cancellation of the card or personal driver identification number, all electronic sales associated with that card or identification number are declined at the time a purchase is attempted. Once Wright Express receives proper notification, the State will be relieved from responsibility for any subsequent charges to the card.

- 3. Cancellation (C) (NC) (CM)

The State shall not be liable for charges incurred after verbal or written notice to the Contractor to cancel a card. As part of its procedures, the State will recover credit cards whenever possible from employees upon retirement, termination or reassignment of a vehicle.

- a. Describe your firm's account suspension and cancellation policies and procedures.



Wright Express’ account suspension and account cancellation policies and procedures for the State of Michigan will be defined in accordance with the specifications outlined in the final contract agreed upon between the State and Wright Express.

4. Card Format Design (C) (NC) (CM)

The card format must be distinctive so that it readily identifies the cardholder as an employee of the State of Michigan.

- a. Do you offer fully customized cards? Is there a cost? **If so, include in the separately sealed Price Proposal.**

The Wright Express Card is a standard size CR80 card with a high coercivity, ISO track 2 encoded magnetic strip on the back. The Wright Express Card contains four lines of information. The first and second lines consist of the account number, prefix number, vehicle number and expiration date. Wright Express assigns this information. The third line and fourth lines are available for customer information, with twenty and seventeen alphanumeric characters respectively.

Wright Express offers fully customized cards and can create a card that readily identifies the cardholder as an employee of the State of Michigan. Please refer to the Concept Custom Card Designs for the State of Michigan included in this Proposal.

Wright Express be willing to provide three special custom cards to the State of Michigan.

- b. Can the following data appear on the card?
- State of Michigan
 - Phrase: For Official Use Only – Tax-Exempt - NO. A154961
 - Vehicle ID and License Plate
 - The Contractor’s free “help” telephone number printed on the reverse side of the card.

All of this information can be included on the State’s customized Wright Express® Card. By printing “Tax-Exempt” on the State of Michigan’s card, Wright Express is relying on the State of Michigan’s representation that their fleet is tax exempt. Please refer to our response to ITB Section II-C, “Program Specifications”, subsection 2 above for further information about tax exempt processing.



II-C PROGRAM ENHANCEMENTS

1. E-commerce (C) (NC) (CM)

Currently the State is pursuing electronic fund payments and an e-procurement system with an Ariba platform

- a. Detail any partnerships with e-commerce solution providers.

While Wright Express® does not partner with any e-commerce solution providers per se, the company is currently developing a product that will allow its fleet customers to view and pay their bills electronically. This project is now in development with a projected completion date of early 2002.

Until then, Wright Express offers fleets the opportunity to pay electronically with the Electronic Fleet Payment System (EFPS™). Participation in this program requires the fleet to establish an electronic payment process that meets Wright Express payment specifications. Incentives exist for fleets who participate in the EFPS program and who pay early.

<u>Frequency of Payment</u>	<u>Electronic Payment Discount</u>
DAILY	.75%
TRI-MONTHLY	.50%
5 TH DAY OF THE MONTH	.25%

Wright Express also offers a MasterCard program to cover travel, entertainment and procurement costs. Wright Express can provide additional information on this product upon request.

- b. Describe how your firm will support our e-commerce initiatives as described on the e-Michigan web site.

Wright Express recognizes the importance of e-commerce initiatives for its fleets. We look forward to learning more about the e-commerce initiatives of the State of Michigan and to discussing how we can work with the State to achieve its goals in this area.

- c. Describe the ability of your procurement card product to interface with e-procurement systems. Is there a cost? **If so, please indicate in separately sealed Pricing Proposal.**

The MasterCard website can interface with most e-procurement systems. Wright Express can provide additional information once we better understand the State's needs in this area.



2. Products and Services (C) (NC) (CM)

The State may need cards assigned to state employees who work in undercover law enforcement operations. Describe alternatives available in your program that would meet this need.

Wright Express® can assign a unique account number under which cards can be created to accommodate undercover vehicle operations. The account instructions include special information alerting Customer Service to the special needs of the card holders. Information pertaining to the type or name of the account will not be given to station attendants. These instructions may be accompanied by a request for a password that must be provided prior to initiating discussions with anyone calling on the account. Numbers can be used in place of driver names on monthly reports to help conceal the identity of undercover officers.

Some fuel suppliers will offer volume incentives. Describe any vendor discount or purchase credit programs that will result in lower fuel costs to the State that we may be able to take advantage of.

Fuel volume discounts are available at Speedway SuperAmerica LLC convenience stores, operating under the brand names Speedway, SuperAmerica, Bonded, Gastown, Rich Oil, Martin, WakeUp, Kwik Sak, Cheker, and select Total branded stations in Michigan. These discounts are applicable for unleaded gasoline and diesel fuel.

The State of Michigan currently receives a discount on fuel purchases made at Speedway SuperAmerica. This discount is facilitated by Wright Express. The current discount is equal to \$.01 per gallon for every gallon purchased, once the State has achieved a minimum purchase level of 25,000 gallons per month. Additionally, Speedway SuperAmerica will extend further discounts for incremental volume above 25,000 gallons, paid quarterly. This discount increases with volume levels, topping out at \$.02 per gallon.

Should the State wish to negotiate additional fuel discounts directly with any of the Wright Express accepting fuel merchants, Wright Express can either report such discounts on the State's invoice or provide separate reporting information to support the State's claim for a discount. Discounts can be reported in the following ways: cents off per gallon, tiered volume, or contract pricing.

The State's monthly fueling reports can be sorted to summarize total transactions by marketer and/or by fueling location. This information can then be used by the State to negotiate with the merchants to secure discounts based on purchase volume.

3. Payment (C) (NC) (CM)

Bidder must accept payment through the use of electronic funds transfer (EFT) upon the request of the State. Payments may be made directly to the Contractor, or to the bank account established by the Contractor to receive payments from the State. The responsibility of payment will rest with the State, and not the individual employee/cardholder. Describe your proposed payment terms.



Wright Express® offers fleets the opportunity to pay electronically with the Electronic Fleet Payment System (EFPS™). Participation in this program requires the fleet to establish an electronic payment process that meets Wright Express payment specifications. Incentives exist for fleets who participate in the EFPS program and who pay early.

<u>Frequency of Payment</u>	<u>Electronic Payment Discount</u>
DAILY	.75%
TRI-MONTHLY	.50%
5 TH DAY OF THE MONTH	.25%

Wright Express payment terms are net 26 days. WEX FSC may assess a late fee on balances not paid within 26 days of the billing date. In accordance with Michigan Public Act 279 of 1984, Wright Express will not charge late fees in excess of .75% per month (9% APR).

4. Program Expansion

Bidders must describe their support to enhance the State’s program and increase card usage. Provide a detailed description including past experience and reference information.

Wright Express offers a value-added fuel management program. Each quarter, Brian Truman will deliver and discuss the State’s Account Reviews with the fleet manager and other decision makers. These Account Reviews will highlight trends, from which strategies can be developed to enhance the State’s fuel card program.

For example, quarterly account reviews may include reviewing the State’s activation rate and the number of “cards not fueling” to identify vehicles or agencies that are not compliant with the use of their Wright Express Cards.

Significant savings on a fleet’s overall fueling costs are often realized through the tracking of purchase activity. Electronic data capture provides detailed information on all purchases, enabling fleets to monitor and account for irregular activity. A focus on one or several of the following areas may yield significant savings for your fleet:

- Brand Management: Direct your fleet to the lowest cost providers
- Days, Times and Capacities: Track purchases made outside of normal parameters
- Unnecessary Premium Purchases: Track more expensive fuel purchases (i.e. Premium Unleaded vs. regular Unleaded)
- Non-Fuel Purchases: Track purchases of non-fuel items (i.e. oil, windshield wiper fluid, etc.)
- Non-Company Vehicle Fueling: Eliminate fueling of personal vehicles



II-D PROJECT CONTROL AND REPORTS

1. Project Control

- a. The Contractor will carry out this project under the direction and control of the Department of Management & Budget, Vehicle and Travel Services.
- b. Although there will be continuous liaison with the Contractor team, the client agency's project director will meet as a minimum, with the Contractor's project manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems which arise.
- c. The Contractor will submit brief written **monthly** summaries of progress which outline the work accomplished during the reporting period; work to be accomplished during the subsequent reporting period; problems, real or anticipated, which should be brought to the attention of the client agency's project director; and notification of any significant deviation from previously agreed-upon work plans. A copy of this report will be forwarded to the named buyer in the Office of Purchasing.
- d. Within five (5) working days of the award of the Contract, the Contractor will submit to the **Contract Administrator** project director for final approval a work plan. This final implementation plan must be in agreement with section IV-C subsection 2 as proposed by the vendor and accepted by the State for this Contract, and must include the following:
 - (1) The Contractor's project organizational structure.
 - (2) The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
 - (3) The project breakdown showing sub-projects, activities and tasks, and resources required and allocated to each.
 - (4) The time-phased plan in the form of a graphic display, showing each event, task, and decision point in your work plan.



2. Reports

This portion of the Contract should be specific as to the content, frequency, and number of copies of each report required. If the project has included the development of a computerized system, documentation requirements as provided for in current DMB standards must be followed (as regards computerized systems only).

II-E PRICE

All prices/rates quoted in herein will be firm for the duration of this Contract. No price changes will be permitted.

II-F CONTRACT PAYMENT

The specific payment schedule for this/these Contract(s) will be mutually agreed upon by the State and the Contractor(s). The schedule should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy statements shall be forwarded to the designated representative by the 15th day of the following month.



**SECTION III
CONTRACTOR INFORMATION**

III-A BUSINESS ORGANIZATION

PRIMARY CONTRACTOR:

NAME & ADDRESS OF VENDOR

**Wright Express Financial Services Corporation
Fleet Fueling
P.O. Box 6293
Carol Stream, IL 60197-2934**

SUB-CONTRACTOR:

Wright Express LLC

III-B AUTHORIZED CONTRACTOR EXPEDITER:

Fred Madeira
Vice President & General Manager – Strategic Accounts
97 Darling Avenue
South Portland, Maine 04106
(207) 761-7165

III-C ACCOUNT SETUP/IMPLEMENTATION PERSONEL:

Brian Truman
Government Accounts Manager
Program Manager for State of Michigan
Syracuse, Utah
(810) 728-3229

Letitia Rose
Premium Fleet Services Account Manager
97 Darling Avenue
South Portland, Maine 04106
(207) 974-1554



APPENDIX A
CONTRACTOR'S PRICING



Wright Express® Universal Fleet Card

Price Proposal for State of Michigan Contract #071B1001735

In accordance with Section IV-F of Michigan Contract #071B1001735, Wright Express® submits the following price proposal. Your use of your account indicates your acceptance of this schedule of fees and charges.

This cost and price analysis is submitted in full compliance with the provisions of the paragraph titled “Independent Price Determination” in Part III of the ITB to which this proposal is a response.

Set-up Fee	\$0.00
Monthly Card Charge	\$0.00 per card
Replacement Card	\$0.00 per card
Late Fee for Delinquent Balances (excluding unpaid late fees) Must comply with P.A. 279	9% APR
Reproduced VAR	\$25.00
Overnight Mail Fees	\$12.50
Returned Item Fee (NSF/ACH)	\$20.00
Additional Fleet Management Products & Services	Pricing Available on Request

**If you have any questions about any of the above, please call
Customer Service, toll-free at 800-492-0669.**