

EXHIBIT C1 – PURCHASE CARD REBATE/INCENTIVE SHARE

INTRODUCTION

This Exhibit includes the Rebate/Incentive Share components for Category 1 – Purchase Card Services

RESPONSES

Bidders must compete all Rebate/Incentive Share components. Bidders must bid Basis Point rates for the entire term (up to eighty-four (84) months). Bidders may enter a zero (0) if choosing not to offer incentive share in any of the components.

REBATE/INCENTIVE SHARE DETAILS

Rebate amounts will be based on total volumes less write-offs, returns, and fraudulent charges.

REBATE/INCENTIVE SHARE PAYMENT

A single payment combining Incentive Share Components 1 through 3 will be paid directly to the Participating State/Purchasing Entity on a quarterly basis as determined in the Participating Addendum. Payment can be made via account credit, mailed check, ACH or EFT payment (via standard or non-standard format) as determined in the Participating Addendum. Payments must be received no later than the 60th day following the end of each quarter.

Incentive Share Component 4 will be paid to the Participating State/Purchasing Entity on an annual basis. Payment can be made via mailed check, ACH or EFT as determined in the Participating Addendum. Payment must be received no later than the 60th day following the end of each calendar year.

Delivery of the rebate may be adjusted in any Participating State's Participating Addendum.

1 Basis Point = .0001 or .01%

INCENTIVE SHARE COMPONENTS

1. **Rebate/Incentive Share #1 – Standard Volume Incentive** – Each Participating Entity will receive a basis point (percentage) of their quarterly standard sales volume. The formula for calculating the Standard Volume Incentive is:

$$(\text{Quarterly Total Volume} - \text{Quarterly Non-Standard Volume}) \times \text{basis points} = \text{Quarterly Standard Volume Incentive.}$$

Basis Points Offered: 135.0

2. **Rebate/Incentive Share #2 – Non-Standard Volume Incentive** – Each Participating Entity will receive a basis point (percentage) of their quarterly non-standard sales volume. Non-Standard sales volume includes Large Ticket (LT) and Merchant Negotiated Interchange (MNI). The formula for calculating the Non-Standard Volume Incentive is:

$$(\text{Large Ticket Quarterly Volume} \times \text{Large Ticket basis points}) + (\text{Merchant Negotiated Interchange}$$

Quarterly Volume x Merchant Negotiated Interchange basis points) = Quarterly Non-Standard Volume Incentive.

Large Ticket Purchases Basis Points Offered: 135.0

Merchant Negotiated Interchange Basis Points Offered: 135.0

3. **Rebate/Incentive Share #3 – Prompt Payment Incentive** – Each Participating Entity will receive a basis point (percentage) of their Quarterly Total Volume based on the entity's average speed of pay. The formula for calculating the Prompt Payment Incentive is:

Quarterly Total Volume x Basis Points for Entity average Client-held Days = Quarterly Prompt Payment Incentive.

Note: The payment terms for the Master Agreement is forty-five (45) days.

Basis Points Offered:

Avg Client-held Days	Basis Point	Avg Client-held Days	Basis Point	Avg FClient-held Days	Basis Point
1	44.0	16	29.0	31	14.0
2	43.0	17	28.0	32	13.0
3	42.0	18	27.0	33	12.0
4	41.0	19	26.0	34	11.0
5	40.0	20	25.0	35	10.0
6	39.0	21	24.0	36	9.0
7	38.0	22	23.0	37	8.0
8	37.0	23	22.0	38	7.0
9	36.0	24	21.0	39	6.0
10	35.0	25	20.0	40	5.0
11	34.0	26	19.0	41	4.0
12	33.0	27	18.0	42	3.0
13	32.0	28	17.0	43	2.0
14	31.0	29	16.0	44	1.0
15	30.0	30	15.0	45	0.0

4. **Incentive Share #4 – National Annual Volume Incentive** – Each Participating State will receive an incentive based on their contribution to the National Annual Volume (total annual sales for all Participating States/Participating Entities). The Basis Point rate is determined by the National Annual Volume (total annual sales for all Participating States/Participating Entities). The formula for calculating the National Annual Volume Incentive is:

Annual Volume x basis points = National Annual Volume Incentive.

Basis Points Offered:

National Annual Volume	Basis Points
\$500,000,000 – \$2,000,000,000	34.75
\$2,000,000,001– \$3,000,000,000	34.75
\$3,000,000,001– \$4,000,000,000	34.75
\$4,000,000,001– \$5,000,000,000	34.75
\$5,000,000,001+	34.75

FEES

Below is a list of fees allowed under this Master Agreement. If choosing to charge these fees throughout the agreement, indicate the amount and/or rates here.

Fee Type	Fee Amount
Foreign Transaction Fee	1.00 %
Overnight Delivery Fee	0.00%