

Card Linking Agreement

This Card Linking Agreement, ("Linking Agreement"), is made the 1st day of January, 2015, ("Effective Date"), by and between Towson University, a constituent institution of the University System of Maryland, having offices at 8000 York Road, Towson, Maryland 21252, (the "University"), and PNC Bank, National Association, a national banking association, with its principal office at One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222 (hereinafter "PNC Bank").

NOW, THEREFORE, in consideration of the covenants, promises and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions.

- a. "FERPA" shall mean the Family Educational Rights and Privacy Act, as amended from time to time, and its implementing regulations.
- b. "First Amendment" shall mean the First Amendment to Lease by and between University and PNC Bank dated September 9, 2013, which amended the Lease.
- c. "ISO Number" shall mean a number that has a valid six digit prefix that has been registered with the American National Standards Institute (ANSI) per the ISO/IEC numbering system standards. University's ISO Number is unique to University.
- d. "Lease" shall mean the lease entered into by and between University and PNC Bank dated August 15, 2011, for space in the University's University Union, as amended by the First Amendment.
- e. "Link" shall mean a link between a University student OneCard and a PNC Bank deposit account which allows the OneCard to be used as a Point of Sale (POS) debit card and as an ATM card where STAR, Interlink, and Plus, (hereinafter "Networks"), are accepted.
- f. "OneCard" shall mean the University identification card owned and issued by University to its students, or such other identification card issued by the University to its campus community, even if the designation "OneCard" is renamed at a later date.
- g. "Royalty" shall be the amount set forth in Section 6.
- h. "Transaction" shall mean a transaction initiated by a University student, faculty or staff member using his/her OneCard at an ATM or at a POS terminal.

2. ID Card Linking. University will allow PNC Bank to establish a Link to the OneCards of University students, faculty and/or staff members who select this option by initiating the Link, subject to all the terms of this Linking Agreement. PNC Bank will only use the Link for the purpose of providing debit card functionality to the OneCard for transactions initiated by the University students, faculty and staff who choose to Link.

3. Re-Carding. PNC Bank and University will work to create a new OneCard with capability for Linking. The new OneCard design must be approved by University and PNC Bank. The front of the new OneCard will display the issued OneCard number, but will not include any banking information or logos. The back of the new OneCard will include required logos for the Networks and PNC Bank. The back of the new OneCard shall include the statement "ATM requires a linked deposit account." University will encode track 2 of the magnetic stripe on the back of the new OneCard. University will continue to own and issue the OneCard.

4. Disclosures; PNC Bank Account Fees. Bank will (a) clearly disclose bank account fees to University students, faculty and staff, that inquire about or open PNC Bank accounts, in a manner that complies with applicable regulatory bank account opening procedures, whether or not such individuals are PNC Bank account holders; (b) in no way imply that students, faculty or staff, are obligated to link their OneCard cards to PNC Bank accounts; (c) agree that transaction fees charged to a student, faculty or staff member when using a linked OneCard (i) will be in accordance with the terms and conditions set forth in the account opening disclosures except as authorized by the account opening disclosures; (ii) will be no greater than the standard fees charged and disclosed during the account opening process; (iii) will be no greater than, or charged more often than, the fees charged to other PNC Bank customers for similar transactions using other cards;
5. ID Linking Privileges. During the term of this Linking Agreement PNC Bank shall be the only financial institution permitted to offer ID Card Linking Services. The University shall not allow any other financial institution, (which includes and is not limited to another bank, credit union or financial services provider), to offer OneCard connectivity to a checking, savings or any other form of deposit account. This applies only to the OneCard and excludes University providing a declining balance service through the OneCard.
6. Reimbursement and Royalties. A. PNC Bank will pay the lesser of (a) \$30,000 or (b) the cost of issuing OneCards with capability to Link to all students, faculty and staff within the first year of this Linking Agreement, payable within thirty (30) days of the OneCard issuance. B. PNC Bank will also pay a Royalty for each calendar year as follows:

<u>Year</u>	<u>Amount</u>
2015	\$24,999
2016	\$27,082
2017	\$29,165

Royalties will be paid within 60 days of the end of each calendar year. If the Agreement is cancelled for any reason pursuant to section 9. (a) of this Agreement other than default by University PNC will make a final partial payment to University equal to the a ratio the numerator of which is the number of full months elapsed before cancellation and the denominator being 12.

University may assign the proceeds due from PNC Bank to a bank, trust company, or other lending or financial institution of its choosing.

- 7 FERPA Compliance. Notwithstanding anything to the contrary in this Linking Agreement, the parties understand and agree that University shall take no action which will violate FERPA, as determined in the University's sole discretion. Further, PNC Bank warrants and represents to University that it will do nothing which will cause the University to violate its obligations under FERPA. PNC Bank hereby agrees to indemnify and hold University harmless for any breach of its obligations pursuant to this Section 7, except to the extent such breach results solely and exclusively from the negligence, gross negligence or willful misconduct of University.

8. Term. The term of this Agreement shall begin on January 1, 2015, and end on June 30, 2017. The parties may renew this Linking Agreement by mutual written agreement for up to four (4) additional terms of one (1) year each.
9. Termination.
- (a) Either party may terminate this Linking Agreement prior to the end of the Term by providing thirty (30) days prior written notice to the other:
- (i) if the party defaults in the performance of any of its obligations under this Linking Agreement. The written notice of the termination must specify the reasons for the default.
- (ii) if federal law or regulation enacted after the Effective Date of this Linking Agreement prohibits such an agreement or makes it impossible for either party in its reasonable judgment to perform its obligations pursuant to this Linking Agreement.
- (iii) if the Lease terminates or expires.
- (b) Within 30 days of receipt of written notification to terminate, PNC Bank will disable any and all OneCards from PNC Bank accounts. After the unlinking, PNC Bank will have no further access to the OneCards or to account information related to the OneCards. However, University will be able to use the OneCards for its own purposes to the same extent as before this Linking Agreement took effect.
10. Notices. All notices, requests, and demands given to or made upon the parties hereto shall, except as otherwise specified herein, be in writing and be delivered or mailed or transmitted by telecopier (facsimile) to any party at its address as shown below or as modified by notice pursuant to the terms of this section:

If to University:

Towson University
Vice President for Administration and Finance and Chief Fiscal Officer
8000 York Road
Towson, MD 21252

With a copy to:

Towson University
Office of University Counsel
8000 York Road
Towson, MD 21252

If to PNC Bank:

PNC Bank, National Association
One PNC Plaza
249 Fifth Avenue, 20th Floor
Pittsburgh, Pennsylvania 15222
ATTN: Manager, University Banking

With a copy to:

PNC Bank, National Association

One PNC Plaza
249 Fifth Avenue
P1-POPP-21-1
Pittsburgh, Pennsylvania 15222
ATTN: Chief Counsel, Consumer Bank

Any notice, if properly addressed, postage prepaid, shall be deemed dispatched on the date sent, and shall be deemed received within the second business day thereafter or when it is actually received, whichever is sooner.

11. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from occurrences beyond the control of such party. Such occurrences shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations imposed after the date of this Linking Agreement, fire, communication line failures, power line failures, earthquakes or other disasters. In the event of any such occurrences, the time for performance of the party affected thereby will be extended by the same number of days as the time of delay resulting from such occurrence.
12. Independent Contractor. Nothing contained in this Linking Agreement shall be construed to imply a joint venture, partnership, or principal-agent relationship between the parties hereto, and neither party shall, by virtue of this linking Agreement, have any right, power, or authority to act or create any obligation, expressed or implied, on behalf of the other party. Neither shall this Linking Agreement be construed to create rights or obligations, expressed or implied, on behalf of or for the use of any parties other than University and PNC Bank, and University and PNC Bank shall not be obligated, separately or jointly, to any third parties by virtue of this Linking Agreement.
13. Indemnity. PNC Bank shall indemnify, defend, and hold harmless University, its officers, directors, employees, and agents from and against all losses, claims and/or demands arising out of the following: (a) breach of any representation, warranty or obligation under this Linking Agreement by PNC Bank, or any of its officers, directors, employees, and/or agents; (b) violation by PNC Bank, its officers, directors, and/or employees of any applicable law, rule, regulation or administrative order or any statement, letter or guidelines issued by applicable bank regulatory authority in connection with its performance under this Linking Agreement; or (c) gross negligence or willful misconduct of PNC Bank and/or its officers, directors, employees, and/or agents operating in connection with PNC Bank's duties or obligations under the terms of this Linking Agreement, except to the extent such losses result solely and exclusively from the negligence, gross negligence or willful misconduct of University.
14. Limitations of Liability. In no event shall either party, or its subsidiaries, affiliates, officers, directors, agents and employees, or any of them, be liable (in contract or in tort, including negligence) for special, indirect, incidental, or consequential damages resulting from its performance, nonperformance or delay in performance of its obligations under this Linking Agreement, even if the party has been advised of the possibility of such damages. No action, regardless of form, arising out of the transactions contemplated by this Linking Agreement, may be brought more than one (1) year after the cause of action has accrued.

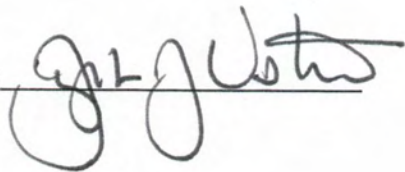
15. Severability. If any term of this Linking Agreement or any obligation thereunder shall be held to be invalid, illegal, or unenforceable, the remainder of this Linking Agreement and any other applications of such term shall not be affected thereby.
16. Assignment. Neither party shall assign or delegate this Linking Agreement without the prior written consent of the other, which consent will not be arbitrarily withheld. Notwithstanding the forgoing, PNC Bank may assign its interest in the Linking Agreement to a parent, subsidiary or affiliate entity or to a successor by merger, consolidation or sale of substantially all of PNC Bank's assets. For purposes of this paragraph, a successor by merger, consolidation or sale is defined as an entity which PNC Bank is merged into, consolidated with or which acquires at least fifty percent (50%) of PNC Bank's stock. For purposes of this paragraph, an affiliate entity is defined as an entity controlled by, controlling or under common control with PNC Bank. PNC Bank shall be responsible for all costs and expenses incurred by the University as a result of the assignment by PNC Bank of its interest in the Linking Agreement.
17. Disputes. Except as otherwise set forth herein, any dispute of any nature arising out of or under this Linking Agreement, including but not limited to interpretation of any provisions of this Linking Agreement, or relating to the rights, obligations, or performance of either party under the Linking Agreement, which is not disposed of by agreement of the parties, shall be resolved pursuant to the terms of this Section 17. Disputes will be addressed and, if possible, resolved by the respective University and PNC Bank employees responsible for project management. Pending the resolution of a dispute, excepting a dispute regarding termination of this Linking Agreement, neither party shall cease performance under this Linking Agreement, unless both parties agree thereto in writing.
18. Governing Law. This Linking Agreement shall be governed by and construed in accordance with the laws of the State of Maryland, without reference to conflicts of law principles.
19. Non-Waiver of Rights. The failure of either party to insist upon strict performance of any of the terms or conditions of this Linking Agreement, or to exercise any rights or remedies, shall not be construed as a waiver of its rights to assert any of the same or to rely on any such terms of conditions at any time thereafter.
20. Benefit; Entire Agreement. This Linking Agreement constitutes the entire agreement between the parties and supersedes all previous agreements and understandings relating to the subject matter hereof. This Linking Agreement may not be altered, amended, or modified except by a written instrument signed by the duly authorized representatives of both parties.

Signature Page to Follow

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to execute this Linking Agreement on its behalf, as of the Effective Date.

Towson University
("University")

PNC Bank, National Association
("PNC Bank")

By: 

By: 