

INTEGRATION AGREEMENT FOR SAFD-FLEET FUELING CARD SYSTEM

REQUEST FOR OFFER ("RFO") NO.: 6100007329

This Agreement is entered into by and between the City of San Antonio, Texas, a home-rule municipal corporation (City), by and through its Director of Finance or said Director's designee, and Valero Marketing and Supply Company (Valero), both of which may be referred to herein collectively as the "Parties".

The Parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described.

1.0 CONTRACT DOCUMENTS

The terms and conditions for performance and payment of compensation for this Agreement are set forth in the following contract documents, true and correct copies of which are attached hereto and fully incorporated herein for all purposes, and shall be interpreted in the order of priority as appears below:

- 1.1 This Integration Agreement;
- 1.2 The Valero Fleet Services Credit Card/Retail Installment Credit Agreement;
- 1.3 Valero's signed, edited response to City's RFO No.: 6100007329; and
- 1.4 City's RFO No.: 6100007329, including all attachments and addenda thereto.

2.0 MODIFICATIONS TO THE VALERO FLEET SERVICES CREDIT CARD/RETAIL INSTALLMENT CREDIT AGREEMENT

The Valero Fleet Services Credit Card/Retail Installment Credit Agreement is hereby amended as described below. Words that are struck through represent deletions to the original language. Words that are underlined represent additions to the original language.

2.1 Definition of "You" and "Your". The following sentence is hereby deleted from this definition:

At Our election, such other documentation may from time to time be combined with this Agreement, constituting the entire Agreement.

2.2 Definition of “Agreement”. The definition of “Agreement” is modified to read as follows:

This Agreement constitutes the entire agreement between the parties and supersedes all previous negotiations, commitments and writings. This Agreement is between You and Us and no other entity shall be deemed a party to this Agreement. You agree that this Agreement governs the Account and Card(s) and their use by You or any person. You agree that a Fleet Contact Person or other designee may make decisions or provide information on Your behalf that is binding to You, a Responsible Individual or Principal under this Agreement, to the extent required for Us to provide services hereunder. However, the Fleet Contact Person cannot modify the terms of this Agreement. This Agreement, including the Fee Schedule, the Account Application You filed with Us, any agreements which secure or guaranty Your obligations under this Agreement, any unique payment agreement, electronic payment agreement, enrollment forms and any amendments, modifications, substitutions or replacements of any of those documents, is a final expression of the credit agreement between You and Us and may not be contradicted by evidence of any alleged oral agreement. Except as expressly permitted in this Agreement, no modification of it is effective unless in writing and signed by both Parties. Any terms different from this Agreement or contradictory to this Agreement that are set forth in a Purchase Order or other communication are expressly rejected and shall under no circumstances modify the terms of this Agreement. You represent and warrant to Us that this Agreement is valid, binding and enforceable against You in accordance with its terms and, if You are a corporation or other entity, that this Agreement has been duly authorized by all necessary action of Your governing body. You agree to provide any evidence of corporate (or other organizational) existence and authorization that We may reasonably request.

2.3 Use of Card(s); Responsibility. The underlined sentence is hereby added after the sentence shown below:

All renewal Card(s) or any additional Card(s) You request will be subject to the terms of this Agreement as in effect at the time of that renewal or issuance. The phrase “as in effect at the time of” refers to this Agreement, as modified by written amendment signed by both Parties.

2.4 Use of Card(s); Responsibility. The following sentence is hereby deleted:

We may suspend or terminate any Account or Card at any time.

2.5 Account Administration and Reporting. The following sentence is modified as shown:

You further agree that additions, updates, and deletions of vehicles, drivers, and Fleet Contact Persons placed electronically, and accepted by Us, are binding on You.

2.6 Account Administration and Reporting. The following is hereby modified to read as follows:

You understand and agree that, regardless of any errors in this information, You remain responsible and liable for any and all charges, subject to the section entitled "What to do if you think you find an error on your statement". Should an audit of Your account reveal overcharges in invoices paid during the previous 12 month period, We shall credit your account for the overcharges.

2.7 Extension of Credit; Credit Line. The following sentence is hereby deleted.

We may require You to maintain funds under Our control as a condition of issuing credit on Your Account per the Valero Fleet Services Account Security Agreement.

2.8 Payment Terms. The following is hereby added at the end of this section.

The Payment Due Date shown on the statement shall be no earlier than 30 days from the date the Statement is issued.

2.9 Interest Charges. This section is revised to read as follows:

When Periodic Rate Interest Charges Begin to Accrue. Periodic rate Interest Charges will accrue daily on Purchases from the date the the payment becomes overdue until the date each Purchase is completely repaid according to the payment allocation method then in effect. However, if the New Balance shown on the Monthly Statement for the previous billing cycle was a credit balance of zero or was paid in full by its Payment Due Date, then (1) We will not charge periodic rate Interest Charges during the current billing cycle if You pay the New Balance, if any, shown on the Monthly Statement for the current billing cycle by its Payment Due Date, and (2) We will credit any payment You make by the Payment Due Date for the current billing cycle as of the first day of the billing cycle.

Rate of Interest Charges. The rate of Interest Charges is 10%. Applicable late fees are shown in the **Valero Fleet Services Interest Charge and Fee Schedule** ("Schedule"), which is at the end of this Agreement.

2.10 Change of Terms. The section entitled "Change of Terms" is hereby deleted in its entirety.

2.11 Our Right to Require Immediate Payment; Default; Collection Costs. Notwithstanding anything contained in this section to the contrary, We may not decline to extend further credit to You or require immediate payment of all amounts You owe Us, unless we first provide written notice to You with a 30 day opportunity to cure the default. In addition, the following sentence is hereby deleted from this section.

If You are in default, unless prohibited by applicable law, You also must pay Us or reimburse Us for all costs and disbursements, including reasonable attorney's fees, incurred by Us in legal proceedings (including bankruptcy proceedings) to collect or enforce the debt.

2.12 Assignment. The section entitled "Assignment" is hereby deleted in its entirety. The section entitled "Assignment" in Valero's signed, edited response to City's RFO No.: 6100007329 shall control.

2.13 Termination of Agreement. Notwithstanding anything to the contrary stated in this section, We shall be required to provide You with 180 days written notice prior to suspending or terminating Your Account and this Agreement, if the termination is not due to Your default.

2.14 BINDING ARBITRATION PROVISION. This provision is hereby deleted from the Agreement in its entirety.

3.0 MODIFICATIONS TO VALERO'S RESPONSE TO CITY'S RFO NO.: 6100007329

Valero's response to City's RFO No.: 6100007329 is hereby modified as shown below.

Section 006 – General Terms and Conditions, Records Retention – Paragraphs two and three, which were struck by Valero, are hereby replaced in their entirety with the following:

Offeror shall retain any and all Documents produced as a result of services provided hereunder for a period of four year or in accordance with Offeror's retention policy, whichever is longer, ("Retention Period") from the date of termination of the contract. If, at the end of the Retention Period, there is litigation or other questions arising from, involving or concerning these Documents or the services provided hereunder, Offeror shall retain the records until the resolution of such litigation or other such questions. Offeror acknowledges and agrees that City shall have reasonable access to any and all such Documents directly related to City, or redacted to reflect such scope, during normal business hours, as deemed necessary by City, during said Retention Period.

4.0 ENTIRE AGREEMENT

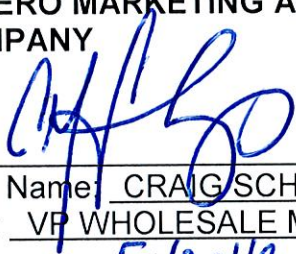
This Agreement, together with its attachments and exhibits, if any, constitutes the final and entire agreement between the parties hereto and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto, unless the same are in writing, dated subsequent to the date hereto, and duly executed by the parties.

EXECUTED and **AGREED** to as of the dates indicated below. This Agreement may be executed in multiple copies, each of which shall constitute an original.

CITY OF SAN ANTONIO

VALERO MARKETING AND SUPPLY COMPANY

Print Name: _____
Title: _____
Date: _____



Print Name: CRAIG SCHNUPP
Title: VP WHOLESALE MARKETING
Date: 5.6.10

Approved as to Form:

APPROVED
LEGAL


Assistant City Attorney