



## Travis County Commissioners Court Agenda Request

**Meeting Date:** August 28, 2012

**Prepared By/Phone Number:** Deborah Laudermilk/(512) 854-9779

**Elected/Appointed Official/Dept. Head:** Leslie Browder

**Commissioners Court Sponsor:** Judge Samuel T. Biscoe

A handwritten signature in blue ink, appearing to be "JB", located to the right of the text "Elected/Appointed Official/Dept. Head: Leslie Browder".

### **AGENDA LANGUAGE:**

Consider and take appropriate action on request to approve amendments to 2011 Depository Contract Schedule of Fees

### **BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS:**

Memorandum is attached.

### **STAFF RECOMMENDATIONS:**

Attached

### **ISSUES AND OPPORTUNITIES:**

None

### **FISCAL IMPACT AND SOURCE OF FUNDING:**

None

### **REQUIRED AUTHORIZATIONS:**

None

**AGENDA REQUEST DEADLINE:** All agenda requests and supporting materials must be submitted as a pdf to Cheryl Aker in the County Judge's office, [Cheryl.Aker@co.travis.tx.us](mailto:Cheryl.Aker@co.travis.tx.us) by Tuesdays at 5:00 p.m. for the next week's meeting.

**CASH/INVESTMENT MANAGEMENT DEPARTMENT**  
**TRAVIS COUNTY, TEXAS**



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Austin, Texas 78767

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**DATE:** August 16, 2012

**TO:** Samuel T. Biscoe, County Judge  
Ron Davis, Commissioner, Precinct 1  
Sarah Eckhardt, Commissioner, Precinct 2  
Karen Huber, Commissioner Precinct 3  
Margaret J. Gomez, Commissioner, Precinct 4

**FROM:** Reagan Grimes, Assistant Investment Manager  
Deborah A. Laudermilk, Investment Manager

A handwritten signature in cursive, likely belonging to Reagan Grimes or Deborah A. Laudermilk.

**RE:** Amendment of Depository Contract Schedule of Fees

**Proposed Motions:**

Consider and take appropriate action to approve amendments to 2011 Depository Contract Schedule of Fees

**Summary:**

Per Section 15.1 of the depository contract, JPMorgan Chase is required to negotiate an amendment for any services not listed in the agreed upon fee schedule at the beginning of the contract.

Since entering into the depository services contract with JPMorgan Chase, on July 1, 2011, eight new services have been made available by the bank. Several County departments would find these services useful and have requested to use them.

The final four items listed below are related to data transmission for the new SAP accounting system and were requested by the Auditor's office in preparation for when the new financial system went live.

Several of these services are necessary for the efficient operation of the new financial system and desirable to county departments, we request the court's approval of this amendment in order to add the following services to the JPMorgan Chase fee schedule for Travis County:

**7634 Cr Posted Elec - \$0.00/per item**

Charge for a deposit/credit of funds made electronically into a Demand Deposit Account.

**1006 Acct Maint–IB - \$3.50/per item**

Maintenance charge for interest bearing products. (Previously item #1005)

**0528 Image Gr. Tier 2 - @\$0.035/per item**

Per transaction Charge for Image Cash Letter deposited items cleared via the Bank's designated Tier 2 image clearing partners

**1320 Br. Dep – Non std bag - \$2.00/per item**

Charge for a deposit of cash incorrectly prepared or not enclosed in a dual pouch tamper evident bag made at a Banking Center.

**6085 DT/acct - \$75/per setup**

Setup charge per account for reporting via BAI/SWIFT/ISO Direct Transmission

**6093 DT/ck item - \$.10 per item**

Charge per item for Prior Day Check Transactions reported in BAI2 format on Direct Transmission

**6094 DT/prior detail - \$.10/per item**

Daily Transaction Addenda Detail reported in BAI2 format on Direct Transmission

**6095 DT prior trans - \$.15/per item**

Charge per item for Prior Day Transactions reported in BAI2 format on Direct Transmission.

**Issues:** None.

**Budgetary:**

The pricing changes requested will cause a slight increase in monthly banking services cost due to the additional services. It is the opinion of cash investment management that those costs can be offset by a combination of improved processes, increased efficiency and the ability to earn higher earnings credits through the use of various depository items.

**Recommendation:**

It is staff's recommendation that the Travis County Commissioners Court approve the amendments to the 2011 Depository Contract Schedule of Fees.

**Required Authorizations:**

**Attachments:**

- A. JPMorgan Chase Schedule of Fees
- B. 2011 Depository Contract

cc: Dolores Ortega-Carter, County Treasurer  
Cyd Grimes, Purchasing Agent  
Leslie Browder, County Executive, Planning & Budget  
Susan Spataro, County Auditor  
Leroy Nellis, Budget Director  
Tina Morton, Acting Tax Assessor Collector  
Dana DeBeauvoir, County Clerk  
Amalia Rodriguez-Mendoza, District Clerk  
Scott Doyal, Director, Domestic Relations  
Cindy Bohanan, County Clerk's office  
Michelle Brinkman, District Clerk's office  
Robert Chappell, District Clerk's office  
Greg Hamilton, Sheriff's office  
Paul Matthews, Sheriff's office  
Rhonda Ambrose, Treasurer's office  
Patricia Smith, Tax office  
Sandy Hendrix, Auditor's office  
Etta Jarmon, Domestic Relations  
Joe Alvarado, Constables and Justices of the Peace  
Cynthia McDonald, TNR  
Randy Lott, ITS  
Barbara Wilson, County Attorney  
Carol Joseph, TNR

**Attachment A**

Srvc Code	SERVICES	Service Used by Your Bank	Proposed Charges per unit
0002	NEGATIVE COLLECTED BALANCE FEE	PRIME	PRIME
0035	FDIC FEE (Currently @ 13 bps)	Currently @ 13 bps	Pass Thru
0105	DAILY OVERDRAFT OCCURRENCE FEE		10.000
1005	ACCOUNT MAINTENANCE		3.500
1006	ACCOUNT MAINTENANCE - Interest Bearing		3.500
1010	Statement Cycles		0.000
1014	Printed Statement		3.000
1015	Statement Cycles - Enhanced		0.000
1019	DDA Image Statements		0.000
1025	Statement Photocopy		0.000
1023	DDA CREDIT DOCUMENTS RETURNED	N/A	N/A
1026	ADDITIONAL DDA STATEMENT	N/A	N/A
1055	ZERO BALANCE MASTER ACCOUNT		0.000
1065	ZERO BALANCE SUB ACCOUNT		2.000
7633	Internet DDA Statement		0.000
7632	Basic Plus Internet Statement		0.000
1073	LARGE DOLLAR CHECK REVIEW		0.000
1076	AUDIT CONFIRMATIONS		0.000
1304	ARP PAID ITEM RETURN CREDIT		0.000
2316	OVERDRAFT NSF ITEM PAID		10.000
3499	POST NO CHECKS		0.000
5185	INTEREST EXPENSE		Varies
1033	ELECTRONIC ACCOUNT ANALYSIS MAINT	N/A	N/A
1034	ELECTRONIC ACCOUNT ANALYSIS PER ACCT	N/A	N/A
	ACCESS ONLINE ACCT ANALYSIS STATEMENT		0.000
<b>BANKING CENTER SERVICES</b>			
1306	BRANCH CREDITS POSTED		1.500
1314	BRANCH DEPOSIT IMMEDIATE VERIF		0.0026
1318	BRANCH ORDER COIN ROLL		0.030
1319	BRANCH ORDER CURRENCY STRAP		0.020
1320	BRANCH DEPOSIT IN NON STD BAG		2.000
1327	BRANCH DEPOSIT POST VERIF	Recommended	0.0015
1333	BRANCH ORDER PROCESSED		0.000
1332	BRANCH DEPOSIT ADJUSTMENT		4.000
1311	ATM CHECK DEPOSIT - IMAGE		1.000
1312	ATM CASH DEPOSIT - IMAGE		1.000
<b>VAULT SERVICES</b>			
1310	VAULT DEPOSIT		0.750
1535	Vault Envelope Deposit Verif		0.500
1459	VAULT DEPOSIT DOLLARS		0.000
1461	VAULT DEPOSIT RECEIPT MAILERS		0.000
1475	VAULT DEPOSIT ROLLED COIN		0.200
1476	VAULT ORDER COIN ROLLS		0.070
1477	VAULT ORDER COIN ROLLS-BOX		0.080
1482	VAULT DEPOSIT STD STRAP NOTES		0.004
1486	VAULT DEP NON STD STRAP NOTES		0.020
1495	VAULT STANDARD ORDERS		4.000
1497	VAULT ORDER CURRENCY STD STRAP		0.350
1499	VAULT ORDER NON STANDARD STRAP		0.020
1506	VAULT DEP PARTIAL OR MIXED BAG		4.000
1525	VAULT DEPOSIT STD COIN BAG		2.000
1573	VAULT ORDER SUPPLIES		0.000
1617	VAULT DEPOSIT ADJUSTMENT		4.000
1618	VAULT DEPOSIT ADJUSTMENT NOTIF		4.000
1620	SMART SAFE MAINTENANCE		25.000
1621	SMART SAFE ADVANCE CREDIT		3.000
<b>DEPOSITORY SERVICES</b>			
0501	DEP CHECKS ON US		0.050
0503	DEP CHECKS CLEARINGHOUSE	N/A	N/A
0504	DEP CHECKS LOCAL CITY	N/A	N/A
0506	DEP CHECKS LOCAL RCPC	N/A	N/A
0509	DEP CHECKS IN DISTRICT CITY	N/A	N/A
0510	DEP CHECKS IN DISTRICT RCPC	N/A	N/A
0513	DEP CHECKS NATIONAL FRB OTHER	N/A	N/A
513	CHECK DEPOSITED-TRANSIT		0.090
0515	DEP CHECKS HIGH DOLLAR GROUP	N/A	N/A

0516	DEP CHECKS BASIC	N/A	N/A
0541	CHECK IMAGE DEPOSIT (IDD ITEM via IRD)		0.045
0548	IDD MONTHLY MAINTENANCE FEE		20.000
1139	IDD SOFTWARE MAINTENANCE FEE		16.000
1140	IDD CHECK SCANNER	See Below	N/A
1385	PANINI IDD CHECK SCANNER 50/50		986.000
1387	EPSON CAPTURE ONE CHECK SCANNER		986.000
1382	IDD IMPLEMENTATION FEE	Each New Application	100.000
0701	DEP CHECKS MICR REJECT REPAIR		0.080
0702	DEP CHECKS ENCODING	N/A	N/A
0703	CKS MICR REJECT REPAIR >9%		0.000
0704	DEP CHECKS DEPOSIT CORRECTIONS		0.000
1305	CREDITS POSTED		0.100
7634	CREDITS POSTED - ELECTRONIC		0.600
1429	DEP RETURN-TRANSMISSION DATA/PER ACCT		100.000
1433	DATA KEYING RETURN ITEM		0.500
1435	DEP RETURN ITEMS RETURNED		1.000
1436	RCK ACH REDEPOSIT		2.500
1437	DEP RETURN-MULIPLE LOCATIONS		3.000
1438	DEP RETURN ALTERNATE ADDRESS		1.000
1439	DEP RETURN-EXPEDITED DELIVERY		3.000
1440	DEP RETURN-PHONE NOTIFICATION		5.000
1441	DEP RETURN-FAX NOTIFICATION		1.500
1444	DEP RETURN DUPLICATE CK COPY		2.000
1445	DEP RETURN DUPLICATE ADVICE		2.000
1446	DEP RETURN-TRANSMISSION PER ITEM		0.100
1448	DEP RETURN-DETAILED ITEM REPORTING	Return Image	0.000
1449	DEP RETURN-SINGLE ITEM ADVICE		3.000
1450	DEP RETURN REDEPOSIT RECLEAR		0.750
1452	RETURN - EMAIL NOTIFICAITON		1.000
1455	DEP RETURN-MAKER NAME		0.500
1457	DEP RETURN-REQUALIFICATION ITEM		1.500
4606	RETURN CHARGE ALTERNATE ACCT		0.000
7978	DEP RETURN-SPECIAL HANDLING	N/A	N/A
574	DOMESTIC COLLECTIONS		25.000
3948	INTERNATIONAL COLLECTIONS		0.000
<b>IMAGE CASH LETTER</b>			
519	Image Group One		0.040
520	On-Us Standard		0.020
521	IRD Period One		0.070
522	IRD Period Two		0.130
523	File Transmission Rec.-FTP	Recommended	150.000
524	File Transmission Rec.-VPN		150.000
526	Image Group Two		0.035
527	IRD Select		0.050
528	Image Group Two - Tier 2		0.035
1382	IDD Implementation Fee		100.000
746	On Us Premium		0.025
747	IRD Period Three		0.170
748	ICL Deposit - Late (Between 11:00PM & 2:00AM CT)		1.000
749	CQD Depository Credit		0.000
756	ICL DEPOSIT - STANDARD		0.200
757	Image Quality Suspect Items		0.250
758	Nonconforming Image		5.000
759	ICL Deposit - Early (Between 3:01AM & 5:59PM CT)		0.150
1387	IDD Epson Capture One Scanner		986.000
<b>DISBURSEMENT SERVICES</b>			
1030	CHECK PHOTOCOPY RETRIEVAL		10.000
1072	MULTIPLE SIGNATURE REVIEW		30.000
1321	COMMERCIAL CHECK CASHING	Non-Acct Holder	0.000
2205	CONT DISB MAINTENANCE		25.000
2210	CONT DISB CHECKS PAID		0.030
2285	CHECKS/DEBITS POSTED		0.050
2320	STOP PAYMENT (Bank Assisted)		16.000
2322	RANGE STOP PAYMENT-MANUAL		6.000
2321	RANGE STOP PAYMENT-ELECTRONIC		10.000
2325	OFFICIAL CHECKS		2.000
2326	TOC STOP PAYMENT	N/A	N/A
2334	STOP PAYMENT NOTICE		0.000
2336	ONE NET CK SVCS STOP PAYMENT	N/A	N/A
2338	STOP PAYMENT AUTOMATIC RENEWAL		1.000
2340	ONE NET CS STOP PHOTO MAINT	N/A	N/A
2525	ONE NET CS STOP PHOTO MAINT	N/A	N/A

2360	DELUXE 3RD PARTY PRINT SVCS		At Cost
3262	POSITIVE PAY WITHOUT RECON MAINT		10.000
3269	POSITIVE PAY WITHOUT RECON INPUT TRANSMISSION		0.000
3306	PAPER CHECK RETURN		0.050
3307	PAPER CHECK RETURN MAINTENANCE		1.000
3495	IMAGE RETENTION PER ITEM	(Storage)	0.015
3498	ONE NET CK SVCS IMAGE RETRIEVE	N/A	N/A
5234	CONT DISB FUNDING TRANSFER		0.000
6618	PWS CHECK SERVICES MAINTENANCE		5.000
6619	PWS DDA BANK Statements		0.000
6620	PWS RECON REPORTS/STATEMENTS		0.000
6621	PWS Imaging Maintenance		0.000
6625	PWS POS PAY EMAIL EXCEPT NOTIF		5.000
6639	PWS STOP PAYMENTS -Electronic		3.500
6641	Data Download		10.000
6645	Image Retrieval Per Retrieval < 90 Days		1.000
6636	PWS RPP Except Review Maint		20.000
6637	PWS Extended Report Retrieval		0.000
6646	Image Retrieval LT Per Retrieval > 91 Days		1.000
<b>RECONCILIATION SERVICES</b>			
3205	FULL RECON ITEMS		0.050
3207	FULL RECON MAINT		0.000
3207	FULL RECON MAINT	Duplicate Line Item	0.000
3209	PARTIAL RECON MAINTENANCE		0.000
3209	PARTIAL RECON MAINTENANCE		0.000
3210	PARTIAL RECON ITEMS		0.000
3226	FULL RECON WITH POS PAY ITEMS		0.030
3227	FULL RECON WITH POS PAY MAINT		0.000
3228	POS PAY PAYEE NAME REVIEW		0.020
3231	PARTIAL RECON WITH POS PAY		0.000
3232	PARTIAL WITH POS PAY MAINT		0.000
3262	POSITIVE PAY WITHOUT RECON MAINT	Duplicate See Below	5.000
3262	POSITIVE PAY MAINTENANCE		5.000
3263	ARP EXCEPTION ITEMS		1.000
3267	ARP FAX FEES		0.000
3268	POS PAY WITHOUT RECON MAINT		10.000
3269	ISSUE INPUT WITHOUT RECON		2.000
3270	POS PAY WITHOUT RECON ITEMS		0.010
3271	INCOMING TRANS WITH RECON	Issue Input File w/Recon	0.000
3272	CHECK EXCEPTION RETURN		0.000
3291	ARP OUTGOING TRANSMISSION	Output File	3.000
3293	EXCESSIVE ARP REJECTS		0.000
3294	ARP (BANK ASSISTED-MANUAL) (Reject) KEY ENTRY		1.000
3322	DEPOSIT RECON MAINTENANCE		0.000
3325	DEPOSIT RECON ITEMS		0.050
3348	ARP SHIPPING PREP FEE		3.000
3350	CHECK SERIAL SORT ITEMS	N/A	N/A
3351	CHECK SERIAL SORT MAINTENANCE	N/A	N/A
3384	CD ROM MEDIA		15.000
3385	CD ROM MAINTENANCE		0.000
3387	ADDITIONAL CD ROM PER DISK		25.000
3386	IMAGE CAPTURE PER ITEM		0.020
<b>FUNDS TRANSFER SERVICES</b>			
5822	ELECTRONIC BOOK DEBIT S/T		1.000
5823	ELECTRONIC BOOK DEBIT REPAIR		2.000
5824	ELECTRONIC FED DEBIT S/T		3.000
5825	ELECTRONIC FED DEBIT REPAIR		4.000
5826	ELECTRONIC CHIPS DEBIT S/T		3.000
5827	ELECTRONIC CHIPS DEBIT REPAIR		4.000
5847	PHONE OPERATOR BOOK DEBIT		15.000
5848	PHONE OPERATOR FED DEBIT		12.000
5849	PHONE OPERATOR CHIP DEBIT		0.000
5856	INT'L PHONE OP REPT DEBIT		0.000
5875	(RM) BANK ASSISTED DEBIT		30.000
5878	INT'L ELECTRONIC DEBIT		30.000
5879	INT'L PHONE OP NON-REPT DEBIT		0.000
5882	REPETITIVE LINESHEET STORAGE		1.000
5883	FED TRANSFER FEE		0.000
5884	CHIPS MESSAGE FEE		0.000
5886	ELECTRONIC BOOK CREDIT S/T		0.000
5887	ELECTRONIC FED CREDIT S/T		1.000
5888	ELECTRONIC FED CREDIT REPAIR		1.000
5889	ELECTRONIC CHIPS CREDIT S/T		1.000



5890	ELECTROPNIC CHIPS CREDIT REPAIR		1.000
5927	MAIL DEBIT ADVICE		1.000
5928	MAIL CREDIT ADVICE		1.000
5929	PHONE DEBIT ADVICE		7.000
5930	PHONE CREDIT ADVICE		7.000
5933	DIRECT DELIVERY WIRE NOTIFY1-2		0.500
5934	DIRECT DELIVERY WIRE NOTIFY3-4		0.500
5443	SOFTI (AUTOMATIC STANDING WIRE)		0.000
5974	ESERVE NOTIFICATION		0.000
5978	ESERVE INVESTIGATION		0.000
5979	ESERVE INQUIRY CONFIRMATIONS		0.000
6014	BANK INITIATED INT'L DEBIT		45.000
6016	DIRECT DELIVERY		0.000
6408	ADVICE - NOT CHARGED		0.000
<b>AUTOMATED CLEARING HOUSE</b>			
2695	ACH MAINTENANCE		5.000
2697	IRD CREATION		0.000
2700	ACH CREDITS ORIGINATED		0.020
2710	ACH DELETIONS		10.000
2716	ACH CREDIT RECEIVED		0.000
2717	ACH DEBIT RECEIVED		0.000
2720	ACH RETURN		0.500
2722	ACH NOTIFICATION OF CHANGE		0.000
2735	ACH REVERSALS		10.000
2740	ACH REDEPOSIT/RECLEARS		2.000
2742	ACH INTERNET-CREDIT ORIGINATED		0.020
2744	ACH INTERNET-DEBIT ORIGINATED		0.020
2746	ACH INTERNET - MAINTENANCE	ACCESS ACH MAINT	5.000
2765	ACH FILE PROCESSING		2.500
2776	ONE NET INTERNAL TRANSFER	N/A	N/A
2796	ACH ADDENDA RECORDS		0.000
2811	ACH MAIL NOC		5.000
2812	ACH FAX NOC		2.000
2820	ACH RETURN MAIL NOTIFICATION		5.000
2821	ACH RETURN FAX NOTIFICATION		2.000
2860	ACH ADA MAINTENANCE		2.000
2861	ACH ADA AUTHORIZED ID		0.250
1151	IDD NEW APPLICATION		100.000
1139	IDD SOFTWARE MAINT PER SCANNER	Duplicate See Above	20.000
3124	TOC CASH CON DEP ITEM	N/A	N/A
3127	TOC CASH CON LOCATIONS ON FILE	N/A	N/A
2605	ACH - Cashcon Maintenance		1.000
7614	ACH - Cash Con - Location Maint		2.000
7612	ACH Cash Con - Location Add		0.000
7619	ACH DAILY TRANSMISSION JOURNAL		8.000
1132	DARC ITEM ORIGINATED		0.090
1152	DPC MAINTENANCE		40.000
1155	DPC ACH RETURN		0.000
<b>ELECTRONIC DATA INTERCHANGE</b>			
2696	EDI TRANSMISSION		2.000
2663	EDI DETAIL REPORTING PER ITEM - VIA FAX		0.000
2631	R\$ EDI RPTG DETAILED REPORTING (JPM Access)		1.000
2661	R\$ EDI FAX REPORT		1.500
4211	R\$ FILE PROCESSING		6.000
4230	R\$ EDI RPTG SEGMENT - NACHA		0.100
<b>INFORMATION SERVICES</b>			
3122	TOC CASH CONCENTRATION MAINT	N/A	N/A
3504	TOC PREVIOUS DAY MAINTENANCE	N/A	N/A
3515	TOC PREVIOUS DAY ACCOUNT	N/A	N/A
3518	TOC PREVIOUS DAY ITEM	N/A	N/A
3531	TOC PREVIOUS DAY BAI MAINT	N/A	N/A
3533	TOC PREVIOUS DAY BAI ACCT	N/A	N/A
3536	TOC PREVIOUS DAY BAI ITEM	N/A	N/A
3542	TOC INTRADAY MAINTENANCE	N/A	N/A
3546	TOC INTRADAY ACCOUNT	N/A	N/A
3550	TOC INTRADAY ITEM	N/A	N/A
3551	TOC INTRADAY BAI MAINTENANCE	N/A	N/A
3553	TOC INTRADAY BAI ACCOUNT	N/A	N/A
3554	TOC INTRADAY BAI ITEM	N/A	N/A
3557	TOC SPECIAL REPORT MAINTENANCE	N/A	N/A

3560	TOC SPECIAL REPORT LINE	N/A	N/A
6074	ACCT MAINT FEE (10 DAY HIST)		1.000
6067	ACCT MAINT FEE (45 DAY HIST)		1.000
6068	ACCT MAINT FEE (90 DAY HIST)		5.000
6079	INFO SVCS TRANSACTIONS LOADED		0.020
6084	JPMORGAN ACCESS LICENSE FEE	N/A	N/A
6087	JPMORGAN ACCESS SUBSCRIP FEE		0.000
6099	JPMORGAN SPECIAL REPORT FEE		2.000
6069	CASH POSITION WORKSHEET		25.000
6065	ACCT MAINT FEE (365 DAY HIST)		20.000
<b>JPMORGAN ACCESS</b>			
6075	ACCESS ACCOUNT TRANSFER MAINT		0.000
6076	ACCESS ACCOUNT TRANSFER ITEM		0.020
7357	JPMORGAN ACCESS CLIENT MAINT		0.000
<b>BAI/SWIFT/ISO REPORTING</b>			
3645	BAI2 FILE IMPLEMENTATION FEE		1,000.000
3653	FILE TRANSMISSION-IRIS		0.000
6085	DT PER ACCOUNT CHARGE		75.000
6093	DT PER CHECK ITEM CHARGE		0.080
6094	DT PRIOR DAY EXTENDED DETAIL		0.080
6095	DT PRIOR DAY TRANSACTIONS		0.100
<b>INTERNATIONAL SERVICES</b>			
3941	FOREIGN CHECK DEPOSIT (CAD)		3.500
3947	FOREIGN CHECK RETURN (CAD)		3.000
3948	FOREIGN CHECK COLLECTION		35.000
5343	FOREIGN CHECK RETURN (CAD)		0.000
<b>ENTERPRISE CONTENT MANAGEMENT</b>			
1650	ECM - Document Scanning	Pricing Customized Per Job	N/A
1657	ECM - CD/DVD	Pricing Customized Per Job	N/A
<b>SECURITIES SERVICES (Before Migration)</b>			
8215	Dep/Wdr Bk Entry STP		60.000
8216	DEP/WDR BK ENTRY NONSTP		0.000
8217	RECEIPTS HELD BOOK ENTRY		111.500
8233	Dep/Wdr.Com Entry STP		0.000
8221	Maturity Processing DTC		25.000
<b>SECURITIES SERVICES (After Migration)</b>			
8230	Monthly Account Fee		200.000
	<i>Above Fee Waived - If Travis County Utilizes JPMorgan Securities Sales Desk</i>		0.000
<b>OTHER CHARGES AND CREDITS</b>			
1100	MISCELLANEOUS SERVICES - Texprint		At Cost
1100	MISCELLANEOUS SERVICES - Deluxe		At Cost
1100	MISCELLANEOUS SERVICES - Superior		At Cost
7731	Explicit Charge		At Cost
1650	ECM - DOCUMENT SCANNING	<i>Duplicate - See Above</i>	Customized
1657	ECM - CD DVD	<i>Duplicate - See Above</i>	Customized
8809	RESEARCH ADJUSTMENT CREDIT		0.000
8810	RESEARCH ADJUSTMENT DEBIT		0.000
<b>OTHER DEPOSITORY SERVICES</b>			
8233	DEP/WDR COMM PAPER STP	<i>Duplicate - See Above</i>	0.000
3948	Foreign Check Collection	<i>Duplicate - See Above</i>	35.000

*Banking services not detailed on this worksheet will be provided at no cost or at a mutually agreed upon charge.*



**Attachment B**

**CONTRACT FOR DEPOSITORY SERVICES  
BETWEEN TRAVIS COUNTY AND  
JPMORGAN CHASE BANK, N.A.**

This contract is entered into by the following parties: Travis County, a political subdivision of Texas ("County") and JPMorgan Chase Bank, N.A., a financial institution ("Bank").

**RECITALS**

Commissioners Court did not select a county depository at its May regular term immediately following the last general election for state and county officers.

Once each week for at least 20 days before the date of the Court receipt of application on April 19, 2011, County Judge Samuel T. Biscoe has placed a notice that the Commissioners Court intends to make a contract for a county depository and has posted a notice at the Courthouse door of County pursuant to TEX. LOC. GOV'T. CODE ANN., § 116.002.

Having received two applications accompanied by the appropriate certified checks, Commissioners Court has entered all applications filed with the County Judge into the minutes of the Court, considered all applications and selected Bank as the applicant that offered the most favorable terms and conditions for the handling of County funds in compliance with TEX. LOC. GOV'T. CODE ANN., § 116.024 and § 117.023.

Bank will provide services as the depository bank for both the public funds of Travis County and the registry funds held by its elected officials.

Southwestern Automated Clearing House Association has arranged for the Automated Clearing House which is provided by the Automated Clearing House Operator for the exchange of entries among Members and other automated clearing houses.

County has requested Bank as depository to allow County to initiate electronic paperless entries through Bank and other financial institutions by means of the Automated Clearing House.

**AGREEMENT**

NOW, THEREFORE, the parties agree to the terms and conditions stated in this contract.

**1.0 DEFINITIONS**

In this contract and its attachments,

1.1 ACH "ACH" means Automated Clearing House.

1.2 Auditor "Auditor" means the Travis County Auditor, and her designees.

1.3 Banking Day "Banking Day" means a day on which a bank is open to the public for carrying on substantially all of its banking functions and is usually all days except Saturday, Sunday and legally defined holidays.

1.4 Bank's Market Managed Rate "Bank's Market Managed Rate" means the interest rate that is set at the discretion of Bank for its customers and based on such factors as national market rates, the yield of Bank's assets, and the Bank's current need for and use of funds

1.5 CD "CD" means Certificate of Deposit.

1.6 Collateral "Collateral" means any bonds, pledges, or other securities pledged to County in compliance with TEX. LOC. GOV'T. CODE ANN., § 116.023, 116.051, 116.081, 116.087, 117.021, 117.024 and 117.057 and TEX. GOV'T. CODE ANN., ch. 2257, as amended and codified from time to time.

1.7 Commissioners Court "Commissioners Court" means Travis County Commissioners Court.

1.8 County Clerk "County Clerk" means Travis County Clerk and her designees.

1.9 CRA "CRA" means Community Reinvestment Act.

1.10 Deposit Bag "Deposit Bag" means a tamper-evident, disposable, pre-numbered plastic bag for making deposits in Bank.

1.11 District Clerk "District Clerk" means Travis County District Clerk and her designees.

1.12 Domestic Relations "Domestic Relations" means Travis County Department of Domestic Relations.

1.13 Doing business "Is doing business" and "has done business" mean:

1.13.1 Paying or receiving any money or other valuable thing which is more than \$250.00 per calendar year in the aggregate in exchange for personal services or for purchase or use of any property interest, either real or personal, either legal or equitable; or

1.13.2 Loaning or receiving a loan of money, services, or goods or otherwise creating or having in existence any legal obligation or debt which is more than \$250.00 per calendar year in the aggregate;

1.13.3 **but does not include**

1.13.3.1 any retail transaction for goods or services sold to a Key Contracting Person at a posted, published, or marked price available to the public,

1.13.3.2 any financial services product sold to a Key Contracting Person for personal, family or household purposes in accordance with pricing guidelines applicable to similarly situated individuals with similar risks as determined by Bank in the ordinary course of its business; and

1.13.3.3 a transaction for a financial service or insurance coverage made on behalf of Bank which is a national or multinational corporation by an agent, employee or other Bank representative who does not know and is not in a position that he or she should have known about this Contract.

1.14 Investment Manager "Investment Manager" means Investment Manager of County and her designees.

1.5 J. P. Morgan ACCESS "J. P. Morgan ACCESS" means Bank's online treasury management services which provides a web based cash management program. The program provides at least the following modules: the Portal, Security Administration, Cash Balances and Transaction Reporting, Funds Transfer Initiation System, Payable Web Services, ACH Initiation, Liquidity Solutions, eServe Online Inquiry and any additional modules developed during the term of this contract. These modules provide collected balance figures for the previous Banking Day, current balances, and month to date collected figures, account transfer, wire transfer, bank statements available by the second working day of each month, electronic access to daily interest accruals for County accounts, execution of ACH transmissions and ACH information reporting, Stop Payment, DDA bank statements, check inquiry, 7 year online storage of check images and deposit tickets, positive pay services and recon input/output and other related type programs. This program is a state of the art proprietary cash management information system that provides access through an "electronic window" into at least the banking services described in pages 25 through 29 inclusive of Attachment A. These services can be accessed on-line through a personal computer through the county Internet connection.

1.16 J. P. Morgan's Posted Collateralized Rates "J. P. Morgan's Posted Collateralized Rates" means the interest rate offered to governmental entities that must have their funds collateralized that is determined by the Bank based on based on such factors as national market rates, the yield of Bank's assets, and the Bank's current need for and use of funds and available through the Client Services Professional for that entity.

1.17 Key Contracting Person "Key Contracting Person" means any person or business listed in Exhibit A to Attachment E entitled Ethics Affidavit.

1.18 91-Day Treasury Bill Rate "91 Day Treasury Bill Rate" means the interest rate that is equivalent to the average of the previous four week 91-Day Treasury Bill auctions rounded down to the nearest five basis points as quoted in the "Wall Street Journal" each Tuesday under Money Rates under Treasury Bills or on the Internet under <http://www.publicdebt.treas.gov>. under Bills, Notes, Bonds & TIPS, Auction Info, Results.

1.19 Required Collateral "Required Collateral" means Collateral with a market value that

equals the following amount:

1.19.1 for public funds:

1.19.1.1 at least 105% of the par value of the Certificates of Deposit plus accrued interest that are in excess of the amount insured by the Federal Deposit Insurance Corporation, and

1.19.1.2 at least 105% of the ledger balances plus accrued interest that are deposited by any County official and that are in excess of the SMDIA – Standard Maximum Deposit Insurance Amount. as defined in the amendments to the Regulations for the Federal Deposit Insurance Corporation published in the Federal Register on October 17, 2008 , and

1.19.2 for registry funds:

1.19.2.1 at least 105% of the par value of the Certificates of Deposit plus accrued interest that are in excess of the amount insured by the Federal Deposit Insurance Corporation, and

1.19.2.2 at least 105% of the ledger balances plus accrued interest that are deposited by the District Clerk or the County Clerk that are in excess of the SMDIA – Standard Maximum Deposit Insurance Amount as defined in the amendments to the Regulations for the Federal Deposit Insurance Corporation published in the Federal Register on October 17, 2008.

1.20 Sheriff "Sheriff" means Travis County Sheriff and his designees.

1.21 SWACHA "SWACHA" means Southwestern Automated Clearing House Association.

1.22 Tax Assessor-Collector "Tax Assessor-Collector" means Travis County Tax Assessor-Collector and her designees.

1.23 One Year Treasury Constant Maturity Rate "One Year Treasury Constant Maturity Rate" means the One Year Treasury Constant Maturity Rate as quoted on the Federal Reserve statistical release for selected period on the Internet at <http://www.federalreserve.gov>, under Economic Research and Data, Statistics: Releases and Historical Data, Interest Rates, H15.

1.24 Treasurer "Treasurer" means the Travis County Treasurer and her designees.

1.254 Wire Representative "Wire Representatives" means the persons listed in attachments to the Resolutions Authorizing Execution of Transfer of Funds by Wire approved by Commissioners Court during this Contract.



## 2.0 CONTRACT PERIOD

2.1 Effective Duration This contract shall continue in full force for the contract period, unless earlier terminated by County or Bank in compliance with the terms of this contract.

2.2 Public Funds For public funds of County, the contract period commences on July 1, 2011, and terminates July 4, 2015, which is 60 calendar days after May 5, 2015 which is the date fixed by order of Commissioners Court for the next selection of a depository unless that Commissioners Court at that time is able to negotiate a two year renewal as allowed by TEX. LOC. GOV'T CODE, §116.021(a).

2.3 Registry Funds For registry funds held by elected officials of County, the contract period commences no later than the date on which it is designated as depository for registry funds and terminates when a successor depository is designated and qualified but no later than April 15, 2016.

2.4 Run Off Payment of County Checks Bank shall allow County to keep its checking accounts open for payment of all checks written by County and its elected officials and dated before the end of the contract period until the earlier of the date on which all these checks have been paid by Bank or three months after the termination of the contract period.

## 3.0 COLLATERALIZATION

3.1 Allowable Securities Mortgage backed securities are not allowed. Structured securities which have calls or changes in interest rates, such as step notes or notes with variable interest rates are not allowed. Unless the Commissioners Court specifically approves other securities, Collateral under this contract shall consist of one or more of the following:

- 3.1.1 United States Treasury Bills,
- 3.1.2 United States Treasury Notes,
- 3.1.3 United States Treasury Bonds,
- 3.1.4 Federal National Mortgage Association Agencies,
- 3.1.5 Federal Home Loan Mortgage Corporation,
- 3.1.6 Federal Home Loan Bank Agencies, and
- 3.1.7 Federal Farm Credit Bank (FFCB) Agencies.

3.2 Public Funds Qualification Bank shall qualify as county depository for County's public funds by providing Collateral in the forms and in the amounts required by County within 15 calendar days after the selection of Bank as the county depository by Commissioners Court.

3.3 Registry Funds Qualification Bank shall qualify as county depository for registry fund monies by providing Collateral in the forms and in the amounts required by County no later than July 1, 2011, or within 30 calendar days after the selection of Bank as the county depository by Commissioners Court, whichever occurs first.

3.4 Liquidated Damages Certified checks in the amounts of \$2,854,677.00 and \$184,635.00 given by Bank are expressly and specifically to ensure that Bank provides Collateral in the forms and amounts required by County. If Bank fails to provide the Collateral required by 3.2 and 3.3, the certified checks given by Bank to County with its application shall constitute liquidated damages for County.

3.5 Monitoring Collateral Bank shall monitor the market value of securities to the County's previous day's ending deposits on a daily basis. Bank shall notify County of any deficiencies in its Collateral caused by changes in the value of the Collateral on a daily basis and obtain additional Collateral to cover any deficiency. County shall inform Bank of a significant change in the amount or activity of the deposits of its public funds within a reasonable time before the change occurs.

3.6 Change in Collateral Requirements At all times during the term of this contract, Bank shall provide any additional or new bonds or Collateral that is required by the County as provided in TEX. LOC. GOV'T. CODE ANN., § 116.081, 116.087, and 117.057 and TEX. GOV'T. CODE ANN., ch. 2257, as amended and recodified from time to time.

3.7 Location of Collateral Bank shall deposit all Collateral pledged to secure County funds at the Federal Reserve Bank on behalf of County in an account in County's name that indicates that the securities are pledged to County.

3.8 Required Level of Collateral From the date for compliance with 3.2 and 3.3 of this contract until the end of the run-off period provided in 2.4, Bank shall maintain Collateral equal at least to Required Collateral except when an event cause in increase in Collateral of more than \$50 million to be needed after noon on any business day. When an event cause in increase in Collateral of more than \$50 million to be needed after noon, Bank shall maintain Collateral equal at least to the amount required by Texas Government Code, section 2257.022. Bank shall determine the value of securities deposited as Collateral daily based on the fair market value of the securities. Bank shall notify County of any deficiencies in the value of the securities pledged as Collateral on a daily basis and deposit additional securities as Collateral to cover the deficiency on the same business day. If the Federal Deposit Insurance Corporation is insuring deposits in any amount in non-interest bearing accounts and County receives unanticipated funds in excess of \$50 million after noon on any business day for which Bank is unable to provide Collateral, County shall deposit the excess of these funds in a non-interest bearing account until the next business day.

3.9 Withdrawal of Securities Bank may withdraw securities pledged as Collateral when the market value of pledged securities exceeds the Required Collateral, provided that additional securities are deposited as Collateral when or if the market value of the Collateral becomes less than the Required Collateral. If there is more Collateral than Required Collateral, County shall provide a written release within 2 business days of the notice of the excess. Collateral cannot be released without a written release from County.

3.10 Substitution of Securities Bank has the right to substitute different securities for the securities deposited as Collateral as long as the new securities comply with 3.1 and the resulting total value of the securities pledged as Collateral equals either the Required Collateral or the market

or face value of the Collateral before the substitution, whichever is greater. Bank shall provide documents that state the new securities being pledged at the time of any substitution. To permit release of existing collateral, executed documents authorizing the substitution may be transmitted by facsimile machine. If Bank requests a substitution of Collateral, County shall provide a written release within 2 business days of the request as long as the new securities comply with 3.1 and the resulting total value of the securities pledged as Collateral equals the Required Collateral or the market or face value of the Collateral before the substitution, whichever is greater. Collateral cannot be released without a written release from County.

3.11 Audit of Collateral All Collateral required under this contract shall be subject to audit upon reasonable notice during normal business hours by any one or more of the following: the Auditor, the Treasurer, the Investment Manager, and the external auditing firm with which County has entered into a contract, subject to applicable law and standard practice of the Custodian to the extent that these practices are consistent with the applicable law.

3.12 Right of Sale If there are any losses of County funds due to Bank's failure to comply with the conditions in section 3.13 and Bank does not cure these within 10 Banking Days after notice is given to Bank of these losses, Commissioners Court may sell, at public or private sale, with notice to Bank, the Collateral or any part of it at any time and apply the proceeds of sale to satisfy any actual losses, or reasonable expenses arising as a result of the non-compliance with the conditions in section 3.13 of this contract.

3.13 Surety Condition In compliance with TEX. LOC. GOV'T CODE ANN. § 116.057 (a), Bank must make Collateral available to County for any losses that result if Bank does not faithfully keep County funds and perform all obligations imposed by law on Bank as depository, pay all checks drawn on demand deposit accounts on presentation by Treasurer, pay all checks drawn on a time deposit account on presentation after the expiration of the required period of notice in compliance with federal regulations and this contract and account for County funds as required by law.

3.14 Release of Collateral If there is no loss of County funds due to non-compliance with any of the conditions stated in Section 3.13 of this contract and in Texas Local Government Code section 116.057(a), County shall release the Collateral to Bank at the end of this contract, including the run-off period provided in 2.4.

3.15 Collateral Liaison Bank shall provide County with a Collateral Liaison to assist in obtaining Collateral, releasing Collateral, and daily pricing of Collateral.

#### 4.0 BANK PERFORMANCE OF GENERAL SERVICES

4.1 Timely Compliance During the contract period, Bank shall faithfully perform all obligations accruing to it by law as the depository of County and all services specified in this contract, including the services described in the Attachments, in compliance with the terms and conditions of this contract and in compliance with the assurances, certifications, and all other statements made by Bank in its application for the services funded under this contract.

4.2 Authorized Representation Bank shall provide the services under this contract at the authorization or direction of the Travis County Judge or any of the following officials: the Treasurer, the Investment Manager, the Tax Assessor-Collector, the County Clerk, the District Clerk and the Auditor.

4.3 Liaison Services Bank shall provide a Client Services Professional through its Service One 2 One program. This Client Services Professional is the primary liaison for all day to day problems. This program is described by Bank in pages 29, 30 and 31 in Attachment A.

4.4 Account Executive Bank shall provide County with an Account Executive Service person who is located in Travis County, Texas, whose responsibility shall be to serve as primary liaison between Bank and County, and to whom Bank has granted the authority necessary to resolve the issues presented by County without further approval from outside Travis County. The Account Executive functions as a Relationship Manager and Banker and is the person currently with the title of Senior Vice President for Commercial Bank—Government, Not For Profit and Healthcare Division. (This sentence is to be interpreted to mean the person currently holding this title even if the title of this person changes during the term of the contract.) If this person is no longer employed by the Bank, the Bank shall provide a replacement who has comparable experience with providing banking services for governmental entities and comparable status in the Bank. The alternate is the Client Service Professional who serves as the day to advocate. If County is dissatisfied with the performance of the persons regularly assigned to work for County, these persons will be replaced by other team members acceptable to County.

4.5 ACH Liaison Bank shall provide County with an ACH person whose responsibility shall be to serve as the primary liaison between Bank and County's Information and Telecommunications Systems Department for the development and documentation of procedures for implementation, routine scheduled processing, problem resolution, and emergency tape transfer. The ACH Liaison is the Client Service Professional.

4.6 Safekeeping Liaison Bank shall provide County with access to Safekeeping person whose responsibilities shall be to serve as the liaison between Bank and County's Treasurer and Investment Manager so that County may verify transactions and obtain answers to questions daily. Bank shall provide a dedicated Account Manager for County for issue escalation.

4.7 Relationship Review Bank shall provide County with an annual review of the County's use of services under this contract and advise county representatives from Planning and Budget of new banking services and benefits available from Bank. Bank shall work cooperatively with County to address changes in County banking needs that arise out of the implementation of new county computer systems. If Bank provides the County Investment Manager notice of the date, time and place of any such meetings, Bank may also provide County Offices and Departments with an annual review of the Office or Department's use of services under this contract and advise their representatives of new banking services and benefits available from Bank.

4.8 Application of Depository Laws Bank shall be subject to all state laws related to

county depositories that exist now or during the contract period, including the provisions of TEX. LOC. GOV'T CODE ANN., Chapter 116 Depositories for County Public Funds and Chapter 117 Depositories For Trust Funds Held by County and District Clerks, as amended or recodified from time to time and TEX. GOV'T CODE ANN., ch. 2257, The Public Funds Collateral Act, as amended or recodified from time to time.

4.9 Compliance with Banking Laws Bank shall perform all services specified under this contract in compliance with all applicable banking statutes enacted by the Congress of the United States, all applicable federal banking rules or regulations promulgated by the Board of Governors of the Federal Reserve System and the Board of Directors of the Federal Deposit Insurance Corporation, and all applicable Texas banking statutes, including but not limited to all county depository statutes. Bank shall conform to all other laws, regulations and ordinances applicable to the performance of this contract.

4.10 Compliance with Civil Rights Act Bank shall provide all services and activities required under this contract in compliance with the Title VII of the United States Code and TEX. LABOR CODE ANN., ch. 21. Bank shall not discriminate against any of its employees, or applicants for employment, or customers based on race, religion, color, sex, national origin, age or handicapped condition.

4.11 HUB Support Bank acknowledges that it is the policy of County to provide certified historically underutilized business enterprises with the maximum opportunity to participate in the performance of county contracts and subcontracts. Bank shall take all necessary and reasonable steps to ensure historically underutilized business enterprises with maximum opportunity to participate in the performance of subcontracts, if any.

4.12 Manner of Service Bank shall perform all services and activities under this contract in a professional manner, at a standard acceptable for similar services in Travis County and in a prompt, efficient and timely manner.

4.13 Surrender of Funds At the termination of this contract, Bank shall turn over to its successor all funds, property, and other things of value coming into its possession as depository.

4.14 Errors of Bank Bank shall be responsible and liable to the County for any errors of commission or omission committed by Bank in its performance under this contract. Bank shall resolve errors in a reasonable length of time and is liable for investment revenue lost from the time of the error until the first day on which the lost funds can be invested after notification of resolution of the error is received by County. Bank shall pay County the lost investment revenue upon demand.

## 5.0 BANK PERFORMANCE OF BANKING SERVICES

5.1 Accounting for Funds Bank shall faithfully keep and account for all County funds which are deposited with Bank, including funds collected by the Tax Collector that are held in trust for the State of Texas and other taxing entities.

5.2 Establishment of Accounts Bank shall establish collection and disbursement accounts into which all revenues pertaining to that account are deposited and all disbursements are made for any authorized purpose, including investment transactions. County shall provide the account styling and appropriate taxpayer identification to Bank for each account. Bank shall include the words "Travis County" in the title of all accounts. Bank shall maintain as related accounts all County depository and registry accounts through the Bank's account analysis and central information system. Bank shall verify that all new accounts are coded accurately after the accounts have been processed by its service center.

5.3 Endorsement Stamps Bank shall provide as many endorsement stamps for County deposits as required.

5.4 Deposit Bags Bank shall provide Deposit Bags for each County office as requested by that office.

5.5 Mixed Deposits and Large Cash Deposits If County follows the procedures described on page 34 in Attachment A, Bank shall accept mixed deposits of small denomination bills, coins and checks from offices specified by County before 3:00 o'clock p. m. for credit on the day of receipt at any of Bank's branches in Travis County Texas, if the deposits are composed of rolled coin, strapped currency or checks and presented in Deposit Bags at Bank's branches that listed at the bank's website, Chase.com or at the branches listed in 5.5.1. Bank shall accept mixed deposits of small denomination bills, coins, and checks from offices specified by County before 3:00 o'clock p. m. for credit on the day of receipt if given to Bank's armored courier or if made at any of Bank's branches listed at the bank's website, Chase.com or at the branches listed in 5.5.1 through 5.5.6. Bank shall accept large deposits of small denomination bills and coin cash that result from Park operations of County each Monday during the months of March through September if presented over the counter at any Bank branches that are listed at the bank's website, Chase.com before 3:00 o'clock p. m. for credit on the day of receipt.

5.6 Same Day Credit on Deposits For the Tax Assessor Collector, Bank shall provide credit on the day of deposit for checks written for large amounts, for encoded and unencoded property tax checks and motor vehicle checks deposited in County accounts at Bank by 4:00 o'clock p.m. if separate deposits are made for encoded and unencoded checks. Bank shall accept unencoded checks, encoded checks, and cash in deposits for same day credit until 4:00 o'clock p.m. Central Standard Time at Bank's Branch located at at Bank's Branch located at 5407 North Interregional Highway, Austin, Texas, 78723 if the deposits are prepared separately.

5.7 Electronic Deposits Upon request by department or office and approval of the expenditure by the Investment Manager or other authorized representative of County's Planning and Budget Office, Bank shall provide to the Tax Office and any other department or office of the County, a scanner and any other equipment and software needed to allow that office to make electronic deposits of items for same day credit until 6:00 p.m. Central Standard Time.

5.8 Deposit Services If Bank enters into an arrangement that allows any other person or entity to verify the contents of a deposit on its behalf, Bank is solely responsible and liable for any loss incurred from the disappearance, theft or loss of any envelope, bag, or money that

occurs as a result of Bank entering into an arrangement that allows any other person or entity to verify the contents of a deposit on its behalf and becomes liable at the time that the other person or entity is given access to the envelope, bag or money. All deposits consigned to the delivery service for delivery to Bank shall be credited no later than 6:00 p.m. on the date of the deposit of consignment. Bank shall notify County of any discrepancies between the total stated on the receipt from the delivery service and the amount credited to the appropriate County account by Bank. Bank is liable for any loss, damage or other destruction of property based on the amount that appears on the receipt from the delivery service from the time the deposit is received by Bank (whether received by Bank itself or any other entity acting on behalf of Bank) and for investment revenue lost as a result of any delay in crediting the amount of the deposit to the appropriate County bank account from the date of deposit until the first day on which the deposit can be invested after the amount of the deposit is credited to the appropriate County bank account. Investment revenue is determined by the rate of return on investments purchased on the day the deposit was bailed to the delivery service, or if no investments are purchased on that day, then the rate of return on investments purchased on the next day that investments are purchased. Bank shall pay County the lost investment revenue upon demand. If Bank insures for such losses, Bank shall maintain that insurance at its own expense.

5.9 Speed of Presentment of Deposits Bank shall send County deposits for presentment in a manner that provides for collection at least as quickly as the representations made during the contract negotiations and the examples shown in Attachment B entitled CHASE – TEXAS Availability Schedule Policy including all examples provided with it.

5.10 NSF Checks Bank shall present insufficient funds checks made payable to Travis County, Travis County Domestic Relations, Travis County Treasurer, and Travis County Tax Assessor Collector and any other Travis County office that requests this service for payment twice and shall present insufficient funds checks for which the endorsement is guaranteed for payment twice. Bank is not required to present checks for a second time if the check was returned due to a closed account, a stop payment, or a "refer to maker" notation. Bank shall notify the Tax Assessor Collector by telephone and email to designated staff of all NSF or other items equal to or in excess of \$10,000 that are returned to accounts for which Tax Assessor Collector has requested this service.

5.11 Direct Draft Payments Bank shall provide direct draft payment capabilities to County so that County may allow any person who provides County and Bank the proper authorization to pay the appropriate county office fees and any other funds payable to County.

5.12 Coin Orders Bank shall provide the capacity for County to order rolled coins in quantity electronically by two methods. County may establish standing, repetitive orders for a predetermined amount delivered on a predetermined schedule. County may also order rolled coins online through electronic linkage to Bank and obtain delivery to the office ordering the coins by the armored transport service on its next visit to that office. Bank shall have coins that are ordered before 1:00 o'clock p.m. available for pick-up in the vaults by the armored car by 5:00 o'clock p.m. on the same business day or at the specified branch the following morning by 9:00 o'clock a. m.

5.13 Controlled Disbursement Account Bank shall provide a single controlled disbursing point within the State of Texas for processing its vendor checks. Bank shall make two presentments daily. The first presentment shall be available to County through electronic transmission by 7:30 A.M. Central Time each Banking Day. The second presentment shall be available to County through electronic transmission by 10:00 A.M. Central Time each Banking Day. County funds the controlled disbursement account through County initiated ACH transfers. Bank shall pay all checks drawn on the County's account upon presentation at any Bank branch. County is authorized to print this information on County checks.

5.14 Funding for Controlled Disbursement Account In the Controlled Disbursement Account, the first and second presentments are funded by 11:A.M. generally by the Operating Deposit Account.

5.15 Payment of Checks Upon over the counter presentations, including presentations at drive through locations, at any branch location of Bank in Travis County, Texas, during the normal banking hours for that service which include at least 9:00 o'clock a. m. to 5:00 o'clock p. m. on Mondays through Fridays and 9:00 o'clock a.m. to 1:00 o'clock p.m. on Saturdays for counter presentations, Bank shall pay all checks drawn on County demand deposit accounts in Bank by the Treasurer and other officials of County during the contract period and until the earlier of the date on which all checks written by County and County elected officials dated before the end of the contract period have cleared or three months after the termination of the contract period. Bank may require identification in the form described in Attachment A before paying checks to the individual named on the check. Bank shall not charge anyone a fee for paying any check drawn on County demand deposit accounts in Bank upon over the counter presentations at any branch location of Bank in Travis County, Texas, during the normal banking hours of Bank. Bank shall pay employment compensation checks even if a daylight overdraft results from the payment.

5.16 Positive Pay Bank shall provide a comprehensive Positive Pay program using web based file transfer as described on pages 40 and 41 in Attachment A for use as a fraud prevention tool for County's payroll and vender checks, jury checks, Community Supervision and Corrections Department checks, and checks on other accounts as requested by County departments. To use this service, County exports a file for Positive Pay to Bank electronically through J. P. Morgan ACCESS or through Funds Transfer Protocol. Bank shall verify the accuracy of the file for Positive Pay and provide a real-time written confirmation to County before user approval. Bank shall keep all files exported to Bank and their input history available online through J. P. Morgan ACCESS for 180 days. If this file is exported by direct transmission and if requested by County, Bank shall make file confirmation available to County through direct transmission within one hour after transmission. If County does not request direct transmission confirmation, Bank shall make file confirmation available to County through J. P. Morgan ACCESS within one hour after transmission at no charge. Bank shall notify County of disputed checks through email to a group designated by the office from which the disputed check originated and the reason for the dispute no later than 12:00 o'clock noon on the Banking Day following presentment of the disputed check. No later than 4:00 o'clock on the day that notice of a disputed check is received, County shall notify Bank whether Bank is to pay the disputed check. If Bank does not receive a timely notice to pay, Bank returns the disputed check. If



requested, Bank shall provide County the following fraud prevention tools as described on pages 41, 42 and 43 of Attachment A:

- 5.16.1 Payee Verification
- 5.16.2 Teller Line Positive Pay
- 5.16.3 Post No checks Block

5.17 Payroll and Other Cash Cards If requested by County's Investment Manager in connection with the appropriate elected or appointed official, Bank shall provide a debit card approach for payments related to the following County functions as described on pages 33, 37, 47, 48, and 49 of Attachment A:

- 5.17.1 Payroll,
- 5.17.2 Inmate Release and other incarceration related purposes,
- 5.17.3 Election worker compensation through payroll, and
- 5.17.4 Other single use purposes.

5.18 Automated Account Reconciliation Bank shall provide County the option of account reconciliation, full reconciliation and partial reconciliation as described on pages 44 and 45 of Attachment A. The option selected shall be provided daily by data transmission to the Treasurer for one account, to the Auditor for two accounts, and to the Community Supervision and Corrections Department for one account. The check transmission for the Auditor must include cleared checks for the previous day. One transmission is required for each account. The Domestic Relations office requires monthly reconciliation by data transmission of cleared checks and cleared cash deposits. Bank may transmit or make both the Reconciliation Data File and Recon Reports available for download through J. P. Morgan ACCESS.

5.19 Duplicate Statements Bank shall provide County with the ability to retrieve duplicate bank statements through J. P. Morgan ACCESS and print as either PDF or export as data to a Microsoft Excel spreadsheet.

5.20 Cash Bond and Jury Checks Bank shall provide jury checks on 8-1/2" by 11" laser checks unless County notifies Bank that County does not require this service from Bank. Bank shall provide cash bond checks on 8-1/2" by 3-1/2" laser checks with a carbon copy unless County notifies Bank that County does not require this service from Bank.

5.21 Check Stock and MICR Toner Bank shall provide check stock and MICR toner cartridges for accounts payable and payroll checks for the County Auditor's office as requested.

5.22 Printing Bank shall provide checks, money straps, and deposit slips printed in conformity with County specifications as supplied by each office. Bank shall provide deposit slips pre-numbered on the MICR line for each account if requested by the County office. Bank shall provide all Travis County checks with the following safety features: artificial watermarks, copy void paragraph, chemical voids, micro-printing, sequenced inventory control number, warning banner, laid lines, and controlled check stock. Bank shall provide checks with the notation "Void after 90 days" if requested by the County office.

5.23 Check Imaging Services. Bank shall make CD-Rom imaging services available for retention of check, deposit slip and bank statement images, if requested. Bank shall also make the options of paper checks, check retrieval and 7 year online image retention through J. P. Morgan ACCESS, if requested.

5.24 Withdrawal Procedures. Bank shall confirm account balances including interest due on withdrawal for the planned date of total withdrawals for District and County Clerks. Bank shall provide acknowledgement of withdrawals stating both name and cause number by facsimile transmission or electronic mail within one business day after withdrawal.

5.25 Stop Payments Bank shall provide County with the ability to initiate stop payment orders on checks by means of Payables Web services through J. P. Morgan ACCESS. Stop payments are effective for one year and automatically renew annually for six additional years. County must replace the stop payment if the stop payment must be maintained for more than seven years.

5.26 Registry Beneficiaries For County Clerk and District Clerk registry funds, Bank shall provide the capability for County to place these accounts in the name of the beneficiary and to record the interest payable and paid to these accounts as a credit to the social security number or employer identification number of the beneficiary if a separate account is maintained for each individual and a social security number and individual address is provided for each account by County by December 31. Bank shall send monthly or quarterly account activity statements to the appropriate Clerk for each account maintained. If a Form 1099 in the name of the beneficiary of the account is needed, County shall provide a Social Security Number or Employer Identification Number to allow Bank to generate a year end 1099 statement.

5.27 Reconciliation of Differences Bank shall reconcile any differences in account balances within a reasonable period of time based on the size and complexity of the differences after notification of the differences. Bank shall provide a timely response to all research requests.

5.28 Safekeeping Bank shall provide safekeeping services for County's investment securities. All County trades are executed delivery vs. payment (DVP). Bank shall ensure that securities are deposited before funds are released. Bank shall establish a Safekeeping Account and hold all securities in the name of "Travis County Treasurer". In its contract with the Custodian, Bank shall include the requirement that the Custodian provide a Custody Receipt that states the description and cusip number of the security, the par value, the amount paid, the receipt date, and the maturity date within two business days so that County has assurance that the security was properly received. Between 7:00 o'clock a.m. to 5:00 o'clock p. m. Central Time on Monday through Friday, Bank shall provide the Treasurer and the Investment Manager access to the safekeeping website, <https://investmentoperations.com>, and to the Client Services Group at 1-800-888-0241 to confirm whether a security has been received. Bank shall make safekeeping staff available to talk to County during the three hours before the final possible settlement time to facilitate settlement if problems occur. If there is more than a \$5.00 difference between the amount remitted by County and the amount requested by the Broker\Dealer, Bank shall make every effort to notify County immediately. If the amount communicated to Bank by County does

not match exactly to what was delivered, Bank will typically DK the security (decline acceptance of the security because it "Doesn't Know" the trade on the terms presented). If the Bank's Client Services Group cannot answer a question immediately, the Bank's Client Sales Representative shall enter a ticket into the Safekeeping tracking system and research the answer and respond within 48 hours if at all possible. Bank shall send monthly reports to the Travis County Treasurer within five (5) Banking Days after the end of each month confirming the Travis County securities held in safekeeping at the end of the previous month. For each security the report must state the description and cusip number of the security, the par or face value, the amount paid, and the current market value. County may retrieve custody statements the next business day online through Investment Operations Online.

5.29 Safe Deposit Box. Bank shall provide safe deposit boxes at 221 West 6<sup>th</sup> Street, Austin, Travis County, TX to County offices as requested.

5.30 Balance Reports Bank shall provide a balance reporting program that includes the ability to retrieve, through J. P. Morgan ACCESS via personal computer, the prior day bank activity for at least 12 accounts for the Tax Assessor Collector, 11 accounts for the County Clerk, 240 accounts for the Treasurer. The program is more specifically described on pages 25-29 of Attachment A.

5.31 Endorsement Stamps Bank shall provide as many endorsement stamps for County deposits as required.

5.32 Lock Bags Bank shall provide lock bags for each County office as requested by that office. Bank shall provide cloth lock bags for the Sheriff at no additional cost if the cloth bags are requested and picked up by County's armored car service at Bank's vault in Austin, Texas.

5.33 1099's for Registry Beneficiaries For County Clerk and District Clerk Registry funds, Bank shall provide the capability for County to place these accounts in the name of the beneficiary and to record the interest payable and paid to these accounts as a credit to the social security number or employer identification number of the beneficiary if a separate account is maintained for each individual and a social security number and individual address is provided by County by December 31. Bank shall send account statements at maturity and Internal Revenue Service Form 1099-INT to the appropriate Clerk for each account maintained.

## 6.0 BANK PROVISION OF ACH SERVICES

6.1 ACH Bank shall provide ACH services to County so that all County officials and officers may transfer funds from the bank accounts of County to the bank accounts of other entities daily. Bank shall provide ACH services to County so that the Tax Assessor Collector may transfer funds to the bank accounts of taxing jurisdictions daily and from the bank accounts of property taxpayers upon proper notification to the Tax Assessor Collector. Bank shall provide ACH services to County so that the Domestic Relations may transfer funds to the bank accounts of persons due child support payments daily and from the bank accounts of persons owing child support upon proper notification to Domestic Relations. Bank shall ensure that ACH services

are performed at the service levels and in the manner described in this section and in pages 35 through 37 of Attachment A.

6.2 Payroll Direct Deposit ACH Bank shall provide the capability to accept payroll direct deposit ACH information through J. P. Morgan ACCESS, through secure browser or through direct file transmission. Bank shall notify the Auditor of any reject or exception item in the payroll direct deposit ACH file upon receipt of information from the receiving financial institution. County may elect to receive either ACH Pre-Notification or ACH Return Notification online or by email

6.3 Domestic Relations Direct Deposit ACH Bank shall provide the capability for Domestic Relations to accept direct deposit ACH information through J. P. Morgan ACCESS for payments due to custodial parents and electronically download deposits from cleared checks of non-custodial parents to the DRO Child Support account once a month.

6.4 AR Truncation Bank shall provide Accounts Receivable Truncation to County through electronic transmission as described on page 42 of Attachment A so that County has one or more terminals, as needed, located in County facilities from which to deduct payments automatically from the bank accounts of persons making payments to County by scanning the checks presented by those persons.

6.5 Pre-notification for Electronic Deposits Bank shall provide pre-notification services each time an electronic deposit is requested to an account to which electronic deposits have not been made previously to verify that the recipient account information is valid and correct as described on page 37 of Attachment A.

6.6 Notification of Electronic Deposits Bank shall provide information on electronic payment and remittance details on the fee accounts on J. P. Morgan ACCESS, if requested by the elected official.

6.7 Employer Report in CCD+ Format. Bank shall provide Travis County Domestic Relations office with an electronic transmission of transaction data from ACH deposits submitted by employers in CCD+ format with the detailed information needed to post individual child support payments.

6.8 Incorporation Of SWACHA Rules Bank and County shall each comply with and be subject to the Operating Rules of SWACHA and the Operating Rules of the National Automated Clearing House Association, to the extent that they are applicable. These rules are expressly incorporated in this contract.

6.9 Written Authorization County shall obtain a written authorization from any legal entity that authorizes County to initiate ACH entries to the account of that legal entity at financial institutions which are members of an ACH Association. County shall maintain either these authorizations or a microfilm of them while the authorizations are effective and for seven (7) years after the termination the authorization. If a participating financial institution requests a copy of an authorization, County shall send a copy of it to that institution.

6.10 Processing Services for ACH Entries Bank shall initiate ACH entries in accordance with the schedule set out by County. Bank shall perform the ACH processing services for County based upon electronically transmitted ACH or direct transmission or modem as determined by each County office or department.

6.11 Due Care with ACH Entries Bank shall exercise due care in the performance of the ACH services provided. If the finished work contains errors caused by Bank's machines, operators, or programmers; at County's request, Bank shall reprocess the ACH file or otherwise correct the errors without charge to County.

6.12 Security for ACH Entries Bank shall provide reasonable security for County's data for ACH entries so that access to it is restricted to County; however, Bank shall not be liable for any unauthorized act of any County's officers, employees, former employees, or other persons affiliated with County. Bank shall provide ACH debit block services and other fraud prevention services as described in the three unnumbered pages at the end of Attachment A.

6.13 Liability for Bank Errors in ACH Services Bank is liable to County if Bank's finished work in ACH services contains any errors, including inaccuracy, inadequacy, or omission caused by Bank's machines, operators, or programmers. If County incurs any loss due to these errors, the liability of Bank to County shall, to the maximum extent permitted by law, be limited to the lesser of either (i) the amount of the loss resulting from liability for its own negligence or willful misconduct or (ii) the amount recovered by Bank from SWACHA or any other party pursuant to the Rules or any indemnity agreement.

6.14 Non-Liability for Errors of County Without further inquiry, Bank may accept all source material, information, and instruction furnished by County to Bank under this contract, and Bank shall have no liability to County or to any other third party for any inaccuracy, or omission in these materials or for any consequences resulting from it.

## 7.0 WIRE TRANSFER SECURITY PROCEDURES

7.1 Security Codes Security Codes consist of unique personal identification numbers that are strictly confidential and designed to help protect County from the initiation of unauthorized terminal initiated wire transfers.

7.2 Codes for Terminal Wire Transfers For terminal wire transfers, Bank shall issue Security Codes to County for each Wire Representative. County is solely responsible for the disclosure of the Security Codes to Wire Representatives.

7.3 County Bound County is bound by any terminal initiated payment order, whether or not authorized, issued in its name and accepted by Bank in compliance with the Security Code security procedures.

7.4 Call Back Call Back consists of the Bank's reading the wire transfer information to a Wire Representative other than the one who initiated the wire transfer request and receiving

confirmation of the accuracy and validity of the request.

**7.5 Voice Wire Transfers** For voice initiated wire transfers, Bank shall perform a Call Back to County to authenticate wire transfers of an undisclosed amount. County, at its discretion, may establish Call Back limits below that undisclosed amount by giving Bank written notice of the lower limit at least 1 Banking Day before it is effective.

**7.6 Reasonable Efforts to Confirm** Bank will use reasonable efforts to secure Call Back confirmation. Bank must not execute the wire transfer if Bank is unable to complete the Call Back procedure and receive confirmation. Bank's inability to execute the wire transfer instruction shall not subject Bank to any liability.

**7.7 Wire Transfer Account for Out of Treasury Transfers** Bank shall establish, maintain and report on an account opened and used solely for controlling electronic funds transfers that are being made to recipients outside of the County Treasury. Bank must receive authorization to transfer the funds from both the Treasurer and the Auditor for all transfers to the controlled disbursement account and to recipients outside of the County Treasury. In this section, "County Treasury" means any location or circumstance where the County's funds are still under the custody and control of the Commissioners Court and are directly subject to the orders and drafts of the Commissioners Court for payment of county obligations and includes the county depository, investments and other similar intangible property.

**7.8 Purpose of Procedures** These security procedures are provided to validate the authenticity of wire transfers. These security procedures are commercially reasonable for County pursuant to Article 4A of the Uniform Commercial Code or Appendix B to Subpart B of Regulation J of the Board of Governors of the Federal Reserve.

**7.9 County Bound** County is bound by any voice initiated payment order, whether or not authorized, issued in its name and accepted by Bank in compliance with the Call Back security procedures. County shall be bound by any transactions that are submitted and verified using these Bank security procedures.

## **8.0 WIRE TRANSFER SERVICES**

**8.1 Provision of Services** In compliance with the security procedures stated in 7.0, Bank shall transfer funds on both voice initiated and terminal initiated requests from time to time from accounts at Bank to other accounts at Bank or to other banks for credit to persons or accounts designated by County or from one County account to another County account on the standing instructions stated in the Resolutions Authorizing Execution of Transfer of Funds by Wire approved by Commissioners Court during this Contract. Other available services related to wire transfers are described in pages 38 and 39 of Attachment A.

**8.2 Voice Initiated Wire Transfers** Bank shall establish the capability for Wire Representatives to be authorized to request that Bank perform voice initiated wire transfers of funds for a maximum single occasion dollar limit for specified accounts.

8.3 Repetitive and Non-Repetitive Terminal Transfers County has the capability to have Security Administrators with the right to approve new users, product entitlements, and assign security identification tokens and to initiate money transfers through the J. P. Morgan ACCESS.

8.4 Dollar Limited Wire Transfers Bank shall establish the capability for Wire Representatives to be authorized to transfer funds from specified accounts into other specified accounts by repetitive funds transfer for maximum single occasion dollar limits.

8.5 Withdrawal of Authorization The authorizations approved by the Resolutions Authorizing Execution of Transfer of Funds by Wire approved by Commissioners Court during the implementation of this Contract may be withdrawn at any time by a written request executed by the Elected Official responsible for the account from which the transfers are to be made without further action of the Commissioners Court or the County. This withdrawal of authority shall be effective within 3 business days after receipt of the request.

## 9. CAPTURE AND ARCHIVE SERVICES

9.1 In section 9, the following definitions apply:

9.1.1 Capture Services "Capture Services" means preparing, scanning, loading, storing, and indexing the physical documents sent to Bank at the JPMORGAN CHASE BANK, N.A., Archive Operations, 601 Travis Street, Houston, TX 77002 to create Images and Data that are stored by Bank in the County Archive for retrieval by County.

9.1.2 County Archive "County Archive" means the archive customized by Bank to meet County requirements for storage and retrieval of its Images and Data.

9.1.3 Images and Data "Images and Data" means both the electronic information created by Bank's Capture Services from physical documents provided by County and electronic information provided by County. All Images and Data are and remain the property of County.

9.1.4 Service Requirements "Service Requirements" means the technical requirements and specifications for software and hardware and procedures that County must use in connection with the Capture Services, including the instructions for County's delivery of the physical documents for Capture Services.

9.2 Capture and Archive Service. Bank shall provide Capture Services which enable County to store and retrieve Images and Data in the County Archive. Bank provides County access to Images and Data. County may have separate County Archives for each office and department. All County Archives are logically separate and County offices and departments have access only to their own departmental County Archive.

9.3 Service Material. Bank shall set forth the Service Requirements in a detailed user manual and provide a copy to County. Service requirements shall not be unreasonable. County

shall follow the Service Requirements.

9.4 Security Procedures. County shall designate at least one individual and one alternate as Security Administrators within 10 days of execution of this contract and notify Bank in writing at the address for notice in 26. Security Administrators shall have authority to add, change, and deactivate authorized users of the County Archive and reset passwords as required to support the population of authorized users. The Security Administrators are responsible for the following:

9.4.1 designating the individuals who are authorized users of Capture Services and County Archives

9.4.2 identifying the functions of the Capture Services and County Archives that each authorized user may access and/or

9.4.3 receiving, exchanging and distributing materials, notices, documents and correspondence relating to the Capture Services and County Archives.

9.5 Changes in Administrator County shall notify Bank of any change in Security Administrators in writing at the address for notice in 26. Any such changes are effective within three days after Bank has received notice.

9.6 Performance Standards Bank shall use commercially reasonable efforts to provide the following performance parameters for Capture Services and County Archive services:

9.6.1 Hours of Operation. Capture and County Archive Services are available for County use 24 hours per day and 7 days per week, with the exception of regularly scheduled maintenance as specified in 9.6.3.

9.6.2. Manned County Service. Manned County Service means that dedicated banking personnel will be on hand to resolve any problems and is available from 8:00 AM Eastern Time to 8:00 PM Eastern Time on each Banking Day.

9.6.3. Scheduled Maintenance. Notwithstanding Bank's responsibilities in 9.6.1 and 9.6.2, regularly scheduled maintenance occurs between the hours of 12:a.m. midnight Central Standard Time, Sunday to 6:00 p.m. Central Standard Time, Sunday. If an extended maintenance is necessary, Bank shall notify County at least two (2) weeks before the extended maintenance is to scheduled to occur.

9.7 Committed Turnaround. Images and Data shall be available for online viewing within forty-eight (48) hours after physical receipt of the physical documents at the Bank location in 9.1.1.

9.8 Storage Period. Bank shall store County physical documents and Images and Data for 99 years.

9.9 Confidentiality of Images and Data Bank shall keep all County Images and Data



secure and confidential and shall not disclose County Images and Data except:

9.9.1 to provide County the Capture and Archive Services in accordance with the Service Requirements,

9.9.2 unless and only to the extent the Bank is required to disclose Images and Data by law, regulatory, and/or administrative process, or

9.9.3 in compliance with County's express authorization.

If Bank discloses Images and Data pursuant to any subpoena, civil investigative demand or similar demand or request of any court, regulatory authority, arbitrator, or tribunal, Bank shall notify County of the Images and Data to be disclosed to the extent that such notice is permissible and practicable under the circumstances, and shall seek to obtain confidential treatment of that information by the persons to whom it is disclosed.

9.10. Audits of Invoice Records. If County has a question about pricing for the Capture and Archive Services, Bank shall provide County reasonable review of invoices and backup materials at a location in Austin, Texas, during mutually convenient business hours.

9.11 Compliance with Laws and Regulations. Bank represents and warrants that it is in full compliance with all applicable laws and regulations relating to banking, data protection and privacy, with respect to the handling and storage of Images and Data. In connection with its use of Capture and Archive Services, County represents and warrants to Bank that it is in full compliance with all applicable laws and regulations relating to banking, data protection and privacy and has executed or procured appropriate consents, pursuant to any applicable data protection or privacy laws of the United States or of any jurisdictions from which County has transmitted or accessed the Images and Data. If Bank informs County of any other current or future laws and regulations that are applicable to the Capture and Archive Services to which Bank or County are subject, County shall work with Bank to promptly comply with such laws and regulations.

9.12 Termination of Capture and Archive Services. Either party may terminate the Capture and Archive Services, effective sixty (60) days after sending written notice to the other party. In addition, either party may terminate the Capture and Archive Services effective fourteen (14) days after written notice to the other party if (a) there is a material breach of the Capture and Archive Services by the non-terminating party which has not been cured within fifteen (15) days of the terminating party's notice of that breach. Any termination notice must comply with section 26. Any termination notice to County is not effective until actually received by County, and, then, not until County has a reasonable time to act on it.

9.13 Disposition of Data and Images on Termination If the Capture and Archive Services are terminated by either party, County and Bank must agree on one of the following three dispositions of County Images and Data then stored in the County Archive:

9.13.1 Bank continues to store County Images and Data and provide access to

them until completion of the remaining storage period originally agreed on with County and the Archive Services remains in effect until the storage period for all items is completed.

9.13.2 Upon written authorization by County, Bank deletes all County Images and Data and provides written confirmation of completion of this action to County.

9.13.3 Upon written authorization by County, Bank unloads County Images and Data from the County Archive and returns them to County in the format originally given to Bank on an agreed upon medium at an additional cost to County to be negotiated between Bank and County at termination, but not to exceed \$85 per man-hour for required programming and execution.

9.14 Bank Denial of Warranties Bank makes no warranties and disclaims any and all liability to County related to the performance of or capability of any third party software or hardware used by County in connection with the Capture and Archive Services.

9.15 Liability Limitations. Bank shall use reasonable care in providing the Capture and Archive Services, but Bank's liability to County arising out of or resulting from the Capture and Archive Services shall not exceed the total of the prior 12 months fees paid to Bank. Bank makes no other warranties with respect to the Capture and Archive Services and disclaims any and all warranties with respect to them, both express and implied, including but not limited to any warranties of merchantability or fitness for a particular purpose. To the maximum extent permitted by law, Bank is not liable for: i) any loss, destruction or mutilation of County Images and Data except for the cost of restoration of these Images and Data, where possible, from County files; ii) any event or circumstance beyond the reasonable control of Bank; or iii) indirect, special, consequential or punitive damages, even if Bank is advised of the possibility of such damages, and regardless of the form of action.

9.16 Use of Name & Logo. Neither party may use the other party's name or logo without the other party's prior written consent.

## 10.0 BANK PAYMENT OF INTEREST DURING FIRST TWO YEARS

10.1 Interest Earning Checking Accounts Bank shall pay interest on interest earning checking accounts for the current month at the interest rate that is equivalent to the then current Bank Market Managed Rate on or before the date on which the rate is applied. Interest is expensed as a line item on analysis.

10.2 Calculation Method on Interest Earning Checking Accounts For interest earning checking accounts, Bank shall calculate interest earned as follows:

10.2.1 the average daily collected balance, or the average daily balance of all deposits in the account on which the Bank has received credit for the deposited funds determined by the availability schedule in Attachment B, is multiplied by an interest rate that is equivalent to the then current Bank Market Managed Rate at the beginning of the

day on or before the date on which the rate is applied, and

10.2.2 interest is compounded monthly and credited monthly at the end of each monthly statement period.

10.3 CD's At the time of investment, County may select one of two methods for determining interest on CD's: the fixed rate method or the variable rate method:

10.3.1 If County selects the fixed rate method, Bank shall pay interest on CD's at the rates for public funds based on J. P. Morgan's Posted Collateralized Rates at Bank upon request for the applicable duration and the applicable amount except that rates stated to be applicable to amounts over \$100,000 shall also apply to amounts between \$50,000 and \$100,000 inclusive.

10.3.2 If County selects the variable rate method, Bank shall pay interest on CD's for the duration in the first column at the rates shown in the second column in the following chart:

<u>Duration in Calendar Days</u>	<u>Rate of Interest</u>
7-29	One Year Treasury Constant Maturity Rate minus 35 basis points
30-59	One Year Treasury Constant Maturity Rate minus 35 basis points
60-89	One Year Treasury Constant Maturity Rate minus 35 basis points
90-270	One Year Treasury Constant Maturity Rate minus 35 basis points
271-365	One Year Treasury Constant Maturity Rate minus 35 basis points

The discount rate or interest rate, rounded to two decimal places, is used to determine the rate of interest.

10.4 Calculation Method on CD's For CD's, Bank shall calculate interest earned on the following basis:

10.4.1 compute simple interest on a 365/366 day basis and on the actual days elapsed,

10.4.2 pay interest at maturity, and

10.4.3 be subject to penalty for early withdrawal unless the account is an account referred to in 10.5.

10.5 Penalty Waiver On CD Account Bank shall waive the early withdrawal penalty for County Clerk and District Clerk registry accounts if the CD registry account is closed because of a court order to disburse the funds, or any portion of them, prior to maturity of the CD and the registry account is closed more than 7 days after it was opened. Bank shall waive the early withdrawal penalty for CDs purchased for bail bonds and performance bonds if the CD is redeemed prior to maturity and the CD is closed more than 7 days after it was opened. Bank is

not required to waive the early withdrawal penalty for County Clerk and District Clerk registry accounts if a CD is redeemed early to provide funds Internal Revenue Service withholding if the beneficiary's social security number has not been provided before December 31<sup>st</sup> of the year to which the withholding applies, unless there is an order of the court requiring such a withdrawal.

10.6 Payee Accounts for Interest Bank shall credit interest earned on County Clerk accounts to the County accounts to which the County Clerk directs payment. Bank shall credit interest earned on District Clerk accounts to the County accounts to which the District Clerk directs payment. Bank shall credit interest earned on Tax Assessor Collector accounts to the County accounts to which the Tax Assessor Collector directs payment. Bank shall credit interest earned on Treasurer accounts to the County accounts to which the Treasurer directs payment. Bank shall credit interest earned on accounts of other County departments to other County accounts as directed by the signatory authority for those offices or departments and provide paper notification of the transfer to the Treasurer's office of the account from which the transfer originated.

10.7 Notice of CD Maturity. Bank shall provide notice to the County office that opened the CD of the date of maturity of CDs at least 15 calendar days before maturity.

#### 11.0 BANK PAYMENT OF INTEREST DURING SECOND TWO YEARS

11.1 Rate of Interest At least 60 days before the second anniversary of this contract, Bank must propose new fixed and variable rates of interest for interest earning checking accounts and CDs. During the second two years of this contract, County has the option to choose to use any of the following:

11.1.1 the variable interest rate stated in this contract,

11.1.2 the new variable interest rate proposed by Bank as required under this section, or

11.1.3 the new fixed rate of interest proposed by Bank as required under this section.

11.2 Amendment of Contract If County chooses to use either the variable interest rate proposed by Bank as required under this section, or the fixed rate of interest proposed by Bank as required under this section, this contract shall be amended to state the new rates and the calculation methods applicable for interest earning checking accounts and CDs.

11.3 Penalty Waiver On CD Accounts Bank shall waive the early withdrawal penalty for County Clerk and District Clerk registry accounts if the registry account is closed by court order before maturity of the CD and the registry account, or any part of it, is closed more than 7 days after it was opened. Bank shall waive the early withdrawal penalty for CDs purchased for bail bonds and performance bonds if the CD is redeemed prior to maturity and the CD is closed more than 7 days after it was opened. Bank is not required to waive the early withdrawal penalty for County Clerk and District Clerk registry accounts if a CD is redeemed early to provide funds

Internal Revenue Service withholding if the beneficiary's social security number has not been provided before December 31<sup>st</sup> of the year to which the withholding applies, unless there is an order of the court requiring such a withdrawal.

11.4 Payee Accounts for Interest Bank shall credit interest earned on County Clerk accounts to the County accounts to which the County Clerk directs payment. Bank shall credit interest earned on District Clerk accounts to the County accounts to which the District Clerk directs payment. Bank shall credit interest earned on Tax Assessor Collector accounts to the County accounts to which the Tax Assessor Collector directs payment. Bank shall credit interest earned on Treasurer accounts to the County accounts to which the Treasurer directs payment. Bank shall credit interest earned on accounts of other County department to the other County accounts as directed by the signatory authority for those accounts.

11.5 Notice of CD Maturity. Bank shall provide notice to the County office that opened the CD of the date of maturity of CDs at least 15 calendar days before maturity.

## 12.0 INTEREST PAYMENT IF TWO YEAR EXTENSION AT TERM END NEGOTIATED

12.1 Rate of Interest At least 60 days before the fourth anniversary of this contract, County and Bank may negotiate new fixed and variable rates of interest for interest earning checking accounts and CDs.

12.2 Amendment of Contract If County and Bank successfully negotiate an extension of this contract under this section, this contract shall be amended to state the new rates and the calculation methods applicable for interest earning checking accounts and CDs.

12.3 Penalty Waiver On CD Accounts During any negotiated extension of this contract, Bank shall waive the early withdrawal penalty for County Clerk and District Clerk registry accounts if the registry account is closed by court order before maturity of the CD and the registry account, or any part of it, is closed more than 7 days after it was opened. Bank shall waive the early withdrawal penalty for CDs purchased for bail bonds and performance bonds if the CD is redeemed prior to maturity and the CD is closed more than 7 days after it was opened. Bank is not required to waive the early withdrawal penalty for County Clerk and District Clerk registry accounts if a CD is redeemed early to provide funds Internal Revenue Service withholding if the beneficiary's social security number has not been provided before December 31<sup>st</sup> of the year to which the withholding applies, unless there is an order of the court requiring such a withdrawal.

12.4 Payee Accounts for Interest During any negotiated extension of this contract, Bank shall credit interest earned on County Clerk accounts to the County accounts to which the County Clerk directs payment. Bank shall credit interest earned on District Clerk accounts to the County accounts to which the District Clerk directs payment. Bank shall credit interest earned on Tax Assessor Collector accounts to the County accounts to which the Tax Assessor Collector directs payment. Bank shall credit interest earned on Treasurer accounts to the County accounts to which the Treasurer directs payment. During any negotiated extension of this contract, Bank shall credit interest earned on accounts of

other County department to the other County accounts as directed by the signatory authority for those accounts.

**12.5 Notice of CD Maturity** During any negotiate extension of this contract, Bank shall provide notice to the County office that opened the CD of the date of maturity of the CDs at least 15 calendar days before maturity.

### **13.0 REPORTING**

**13.1 Statement to Commissioners Court** Bank shall make a detailed monthly statement to the Commissioners Court at each regular term of that court showing the daily balances credited to each of the funds on deposit in compliance with TEX. LOC. GOV'T. CODE ANN., § 116.117.

**13.2 Equal Employment Opportunity Provisions** Bank shall maintain an equal employment opportunity policy that is substantially the same as that stated in Attachment D. Bank shall provide annual reports of the Equal Employment Opportunity profile of its work force, specifically identifying the number of African American, Hispanic and women employees of Bank in each employment category within the work force and providing the percentage these categories represent within the overall work force to the Commissioners Court.

**13.3 Community Reinvestment Act Provisions** Bank shall make reports to the Commissioners Court after each CRA examination that indicate whether Bank is in compliance with CRA requirements, the date and results of the last CRA examination, any problems encountered in achieving compliance with CRA, any changes in the areas of Travis County which constitute your "Local Community" as defined by the CRA since the last report and enclose a copy of the most current CRA Statement.

**13.4 Conference Availability** Bank shall be available to the Commissioners Court, the Travis County Judge and Commissioners, or any representative of them at any time for questions about Bank services being performed pursuant to this contract.

**13.5 Account Analysis** Bank shall make all levels of account analysis available electronically. Bank shall provide three levels of detailed, individual monthly account analyses of all accounts covered by this contract: (i) an overall, county wide group summary; and (ii) summaries of interest bearing accounts by office for at least the County Clerk, the Tax Assessor Collector, the District Clerk, the Treasurer, the Sheriff and Domestic Relations and (iii) summaries of non-interest bearing accounts by office for at least the County Clerk, the Tax Assessor Collector, the District Clerk, the Treasurer, the Sheriff and Domestic Relations. The statements provide the following information to the Investment Manager:

13.5.1 overall county wide group summary, and

13.5.2 copies of the summaries of accounts for the County Clerk, the Tax Assessor Collector, the District Clerk, the Treasurer, the Sheriff and Domestic Relations.

The J. P. Morgan ACCESS statements are available through the Electronic Statements module to print on the sixth business day of the month Account analysis is further described on page 43 of Attachment A.

13.6 Balance Reporting Program Bank shall furnish the Treasurer, the Investment Manager, the Tax Assessor-Collector, the Auditor, the District Clerk, the County Clerk and any other office which may be designated by County with J. P. Morgan ACCESS to obtain information about all accounts designated by County to provide collected balance figures for the previous Banking Day, current balances, month-to-date collected figures, account transfer, wire transfer, bank statements available by the second working day of each month, and electronic access to daily interest accruals, as well as other related type programs. J. P. Morgan ACCESS shall include "on line" capabilities with Bank and daily access for the Treasurer and the Investment Manager. Bank shall provide comprehensive cash management programs. Bank shall insure that J. P. Morgan ACCESS Balance Reporting Program performs at the service levels and in the manner described on pages 45 and 46 in Attachment A.

13.7 Statements of Balances. County and County offices and departments receive DDA statements electronically on the second business day for the month through J. P. Morgan ACCESS as described on pages 43 and 44 of Attachment A. If any County office or department requests paper statements, Bank shall mail the statement within five Banking Days after the end of each month for the fee stated in Attachment C. If County elects, the Bank shall mail the Treasurer, the Tax Assessor-Collector, and the Auditor statements of balances on each of the accounts designated by these officials as requiring statements. Statements shall include all deposits, transfers and corrections. These statements shall include the total checks in numeric order, the total warrants held against each account in numeric order, the interest earned for the total month's activity. Bank must not change any account to dormant status without written notification from the appropriate County office or department. Bank shall provide an automated account reconciliation report by electronic data transmission, online through J. P. Morgan ACCESS or in hard copy that includes outstanding checks on a cumulative basis. County has the option to use any one or more of the account reconciliation services described in Attachment A. County may obtain images of all deposit slips submitted by and any elected official through Payables Web Services on J. P. Morgan ACCESS. Bank shall store images online for seven years unless requested to store them for ten years. With each statement, Bank shall return the original or "substitute" of all paid checks. Statements of balances for the Auditor must include a report of outstanding checks on a cumulative basis. In each year of the contract, for the month ended September 30, Bank shall provide statements of balances to all County offices and departments no later than the second business day in October for year-end closing.

13.8 Status of Collateral Bank shall make a regular monthly report of the market value of Collateral as of the close of trading on the last day of the previous month to the Treasurer no later than the third business day of each month. Bank shall make additional reports of the market value of Collateral as of the close of trading on a specified day when requested by the Treasurer, Auditor or Investment Manager no later than the second Banking Day after the request. The status of collateral reporting is further described on page 46 of Attachment A.

#### 14.0 INVESTMENT OF PUBLIC FUNDS

14.1 County Right to Invest Funds County reserves the right for the Tax Assessor Collector to invest funds collected by her office and the Investment Manager under the direction of the Commissioners Court to invest any public funds of County that are deposited in Bank that are not required immediately to pay obligations of County in any manner suitable to County.

#### 15.0 FEES AND PAYMENT

15.1 Fees for Services Schedule During the first two years of this contract, County shall pay for the services provided under this contract at the fee rate per unit for each service set out on pages of Attachment C. If there are no fees listed in Attachment C or this document for a particular service, Bank shall not charge County a fee for that service. During the second two years of this contract, County shall pay for the services provided under this contract at the fee rate per unit for each service set out in an amendment to this contract. If there are no fees listed in the amendment or this contract for a particular service, Bank shall not charge County a fee for that service. Bank represents that the individual prices on the fee schedule do not exceed Bank's retail prices. If Commissioners Court negotiates a renewal of this contract for an additional two years at the end of the four year term, during the third two years of this contract, County shall pay for the services provided under this contract at the fee rate per unit for each service set out in an amendment to this contract. If there are no fees listed in the amendment or this contract for a particular service, Bank shall not charge County a fee for that service. Bank represents that the individual prices on the fee schedule do not exceed Bank's retail prices. If County requests additional services that are not addressed in this contract or the fee schedule in Attachment C, Bank must negotiate an amendment to this contract that describes the services and details the fees payable for the additional service before any fees are payable for additional services.

15.2 Fees for Supplies Provided by Bank Bank's dedicated Client Service Professional assists County with the purchase of the supplies listed in this paragraph. Supplies must be invoiced in the Bank's name and the invoice sent to the Client Service Professional. During the first two years of this contract, County shall pay for the supplies of endorsement stamps, Deposit Bags, MICR toner cartridges, checks, check stock, and deposit slips provided by Bank under this contract through account analysis at the cost invoiced to Bank by the vendor providing the supplies. Bank must provide copies of the invoices to County with copies of the account analysis on which the supplies are listed. Bank shall not charge County a fee for any supplies that are not listed in this paragraph. During the second two years of this contract, County shall pay for the supplies of endorsement stamps, Deposit Bags, MICR toner cartridges, checks, check stock, and deposit slips provided by Bank under this contract through account analysis at the cost invoiced to Bank by the vendor providing the supplies. Bank must provide copies of the invoices to county with copies of the account analysis on which the supplies are listed. Bank shall not charge County a fee for any supplies that are not listed in this paragraph. If Commissioners Court negotiates a renewal of this contract for an additional two years at the end of the four year term, during the third two years of this contract, County shall pay for the supplies of endorsement stamps, Deposit Bags, MICR toner cartridges, checks, check stock, and deposit slips provided by Bank under this contract through account analysis at the cost invoiced to Bank by the vendor



providing the supplies. Bank must provide copies of the invoices to county with copies of the account analysis on which the supplies are listed. Bank shall not charge County a fee for any supplies that are not listed in this paragraph.

**15.3 Fees for Software, Services, and Equipment** During the first two years of this contract, County shall pay for the equipment needed to implement new services that are provided by Bank under this contract through account analysis at the cost invoiced to Bank by the vendor providing the equipment. If County acquires services requiring software during the first two years of this contract, County shall pay for all costs associated with the software for the new services used under this contract through account analysis at the cost invoiced to Bank by the vendor providing this software for these services. Bank must provide copies of the invoices to county with copies of the account analysis on which the software, or equipment is listed. Bank shall not charge County a fee for any software or equipment that is not listed in this paragraph. During the second two years of this contract, County shall pay for the equipment needed to implement new services that are provided by Bank under this contract through account analysis at the cost invoiced to Bank by the vendor providing the equipment. If County has acquired software for new services during the first two years of this contract or acquires them during the second two years of this contract, County shall pay for all costs associated with the software for these services used under this contract through account analysis at the cost invoiced to Bank by the vendor providing the reporting services. If Commissioners Court negotiates a renewal of this contract for an additional two years at the end of the four year term, during the third two years of this contract, County shall pay for the equipment needed to implement new services that are provided by Bank under this contract through account analysis at the cost invoiced to Bank by the vendor providing the equipment. If County has acquired software for new services during the first four years of this contract or acquires them during the third two years of this contract, County shall pay for all costs associated with the software for these new services used under this contract through account analysis at the cost invoiced to Bank by the vendor providing the reporting services. Bank must provide copies of the invoices to county with copies of the account analysis on which the software, reporting services, or the equipment is listed. Bank shall not charge County a fee for any software or equipment that is not listed in this paragraph.

**15.4 Fees for Excess Collateral** If County retains excess Collateral due to failure or refusal to release Collateral within 10 business days after a written request from Bank during the first two years of this contract, County shall pay a fee equal to 25 basis points per annum, calculated daily, multiplied by the amount that the average market value of the Collateral exceeds 110% of the average ledger balance for each month and then divided by 12. If County retains excess Collateral due to failure or refusal to release Collateral within 10 business days after a written request from Bank during the second two years of this contract, County shall pay the fee negotiated for that period for the amount that the average market value of the Collateral exceeds 110% of the average ledger balance. If Commissioners Court negotiates a renewal of this contract for an additional two years at the end of the four year term, and if County retains excess Collateral due to failure or refusal to release Collateral within 10 business days after a written request from Bank during the third two years of this contract, County shall pay the fee pay the fee negotiated for that period for the amount that the average market value of the Collateral exceeds 110% of the average ledger balance.

15.5 Waiver of Fees and Carry-forward of Credits Bank hereby waives all fees payable under sections 15.1 through 15.4 for expenses incurred during July, August and September, 2011. In addition, Bank shall allow the earning credits earned by County during the contract term from July 1, 2005 through June 30, 2011 that are in excess of the fees payable during that contract term to be credited to this contract effective July 1, 2011 and used by County to compensate Bank for fees payable during the term of this contract.

15.6 Retention of Registry Funds County shall maintain the collected balances of County and District Clerk Registry Funds in accounts at Bank for the contract period unless removal of the funds is ordered by a County or District Court.

15.7 Methods of Calculating Earnings Credit Rate During the first four years of this contract, Bank offers County the option to one of the following as the basis for calculating the Earnings Credit Rate:

15.7.1 60 basis points or Bank's Market Managed Rate, whichever is greater, or

15.7.2 60 basis points or 91 Day Treasury Bill Rate plus 15 basis points, whichever is greater.

15.8 Selection of Earnings Credit Rate On the commencement of this contract, the Earnings Credit Rate shall be the rate in 15.7.1. During the first two years of this contract, County may change the Earnings Credit Rate once. If the Commissioners Court decides to change the rate selection made in this contract, the Investment Manager shall send notice of this change to Bank in compliance with 27.0 at least two weeks before the change is to become effective. At the beginning of the second two years when the rates and fees are renegotiated, County may select either rate in 15.7 or negotiate another rate as the Earnings Credit Rate for the second two years. If the Commissioners Court decides to change the rate selection effective at that time, it shall be included in the amendment to this contract that addresses the changes in fees and rates. During the second two years of this contract, County may change the Earnings Credit Rate for the remainder of the second two years once. If the Commissioners Court decides to change the rate selection effective at that time, the Investment Manager shall send notice of this change to Bank in compliance with 27.0 at least two weeks before the change becomes effective. If Commissioners Court negotiates a renewal of this contract for an additional two years at the end of the four year term, at the beginning of the third two years when the extension is renegotiated, County may select either rate in 15.7 or negotiate a new rate as the Earnings Credit Rate for the third two years. If the Commissioners Court decides to change the rate selection effective at that time, it shall be included in the amendment to this contract that addresses the extension. During the third two years of this contract, County may change the Earnings Credit Rate for the remainder of the third two years once. If the Commissioners Court decides to change the rate selection effective at that time, the Investment Manager shall send notice of this change to Bank in compliance with 27.0 at least two weeks before the change becomes effective.

15.9 Calculation of Credits Earned Bank shall calculate the earnings credits after the reserve requirement is assessed to collected balances. The credits earned by County for maintaining balances in all County accounts for each month shall be the greater of 60 basis points (0.60%) or the result of the following method for calculation:

15.9.1 the following formula is applied to an account grouping that includes all county demand accounts:

$$\frac{\text{Average Collected Balance} \times \text{Earnings Credit Rate} \times \text{Days in Cycle}}{\text{Days in the Year}}$$

15.9.2 the interest earned by the interest bearing accounts is deducted from the result of applying the formula in 15.9.1 and the remainder is the earnings credit earned in that month.

15.10 Compensating Balances Bank shall allow the earning credits earned by a County account that are in excess of the fees payable on that account to compensate Bank for fees payable on other County accounts for which the fees payable exceed the credits earned by those other County accounts. Bank shall allow credits earned that are not required to offset fees payable to accrue for the contract period. Any excess earnings credits that have not been required to offset fees payable will continue to accrue from the first two years to the second two year and, if an additional two year extension is negotiated to that two year period as well.

15.11 Settlement of Account Analysis During the term of this contract, County shall review the amount shown as payable on the overall county wide account analysis for correctness and reduce the corrected amount payable by the earnings credits which have been earned both during the term of the contract in effect between July 1, 2005 and June 30, 2011 and during this contract and not previously been applied to reduce fees payable under either that contract or this contract. If an amount remains outstanding after this calculation, County shall pay the outstanding amount monthly based on its calculation of the difference between the accrued Earnings Credits and the fees payable through a County initiated ACH.

15.12 Alternative Methods of Payment If credits earned on all County accounts are not sufficient to cover the fees payable for all banking services provided to County, County may, at its option, restructure the banking services so that all fees can be paid by the credits earned or increase balances in County accounts or pay for the services with United States Currency.

15.13 Cost Limited to Contract Period and Run Off County shall not be liable for costs incurred or performances rendered by Bank before or after the contract period except for the cost of paying checks written by County and dated before the end of the contract that are paid by Bank within three months after the termination of the contract period.

15.14 Early Termination If this contract is terminated prior to completion of the contract period, compensation for the services performed before the termination and uncompensated at the date of termination will be based on the rates shown in Attachment C or 15.2 or 15.3.

15.15 Refund of Overpayment Bank shall refund to County any money which has been paid to Bank by County that is not in compliance with this contract. This refund shall be made by Bank to County within 30 calendar days after the refund is requested by County.

15.16 Condition of Satisfaction County's obligation to pay Bank for fees pursuant to this contract is expressly conditioned upon Bank's carrying out its obligations under this contract in accordance with the terms and conditions stated in it or incorporated by reference in it.

## 16.0 EXPRESS ACKNOWLEDGMENTS AND WARRANTIES

16.1 Independent Contractor The parties expressly acknowledge and agree that Bank is an independent contractor and assumes all of the rights, obligations and liabilities applicable to it as an independent contractor. Employees of Bank shall not be considered employees of County or gain any rights against County pursuant to County's personnel policies. Employees of County shall not be considered employees of Bank or gain any rights against Bank pursuant to Bank's personnel policies.

16.2 Bank Representation Bank expressly acknowledges that, in entering this contract, County has relied on the representations of Bank about its financial responsibility that are presented in Bank's application.

16.3 Information Correct Bank warrants that all of the information provided in its application and in particular the information regarding its financial condition, which was included in its application which is filed with the County Clerk is true and correct.

16.4 Ethics Bank warrants that, to the best of its knowledge, Bank is not doing business with and has not done business with a Key Contracting Person between April 30, 2010 and April 30, 2011 unless disclosed.

16.5 Capable Entity Bank warrants that Bank is a duly qualified, capable business entity, that Bank is not in receivership and does not contemplate it, and has not filed for Bankruptcy protection and does not contemplate it.

16.6 Current on Taxes Bank warrants that that Bank is not currently delinquent to County for payment of property taxes for property that Bank owns in fee simple.

16.7 Copyright Compliance Bank warrants that all applicable copyrights and licenses which may exist on materials used in this contract have been adhered to and further warrants that County shall not be liable for any infringement of those rights and any rights granted to County shall apply for the duration of the contract.

16.8 Commission Prohibited Bank warrants that no persons have been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees maintained by the Bank for the purpose of securing business. For breach or violation of this warranty, County shall have the right to terminate this contract without liability, or in its discretion to deduct from the contract price for consideration, or otherwise, recover, the full amount of any commission, percentage, brokerage, or contingent fee.

16.9 **Bank Fee Certification** Bank warrants that the fees in this contract have been arrived at independently without consultation, communication, or agreement with any other firm or with any competitor for the purpose of restricting competition.

## 17.0 RETENTION AND ACCESSIBILITY OF RECORDS

17.1 **Retention of Records** Bank shall maintain and make available all books, documents, and other evidence pertinent to this contract for inspection, audit or reproduction by any authorized representative of County to the extent this detail will properly reflect these costs. All required records shall be maintained until an audit is completed and all requested questions arising from them are resolved, or 3 years after completion of the contract term, whichever occurs first; however, Bank shall retain the records beyond the third year if an audit is in progress or the findings of a completed audit have not been resolved satisfactorily.

17.2 **Applicability to Subcontractors** Bank shall include provisions set forth in 15.1 of this contract in all subcontracts.

17.3 **Contract as Official Bank Record** Bank shall maintain an executed copy of this contract as an official Bank record continuously from its execution until all funds are withdrawn from accounts established at Bank as a result of this contract.

## 18.0 SUBCONTRACTS

18.1 Bank shall not enter into any subcontracts for any service or activity required as performance for this contract without the prior written approval or the prior written waiver of this right of approval from County. It is acknowledged by Bank that no officer, agent, employee or representative of County has the authority to grant such approval or waiver unless expressly granted that authority by the Commissioners Court.

## 19.0 BANK LIABILITY, INDEMNIFICATION AND CLAIMS NOTIFICATION

19.1 **Indemnification** Bank shall indemnify and hold the County, its officers, agents, and employees, harmless from any and all claims, including attorney's fees, arising in whole or in part out of or resulting in whole or in part from any intentional or negligent act(s) or omission(s) by Bank, its officials, agents, or employees with respect to the Bank's performance under this contract and all attachments incorporated by reference into it. Bank shall be liable for actual losses or damages incurred by County. Despite anything to the contrary in this contract, Bank is not liable for consequential, incidental, indirect or special losses or damages.

19.2 **Registry Fund Indemnification** If as a result of a default or breach by Bank, any part of the registry funds in the hands of the County and District Clerks in accounts on deposit in Bank pursuant to TEX. LOC. GOV'T. CODE ANN. § 117.052 are lost, Bank shall save and hold harmless the District and County Clerk and County from any and all actual damages, including attorney's fees, from all owners of registry funds deposited by County in Bank.

19.3 Copyright Indemnification If Bank breaches its warranty in 16.7, Bank shall indemnify County, its officers, agents and employees from all claims, losses, damages, causes of action and liability of every kind including expenses of litigation, and court costs and attorney fees for damages to any person or property arising in connection with any alleged or actual infringement of existing licenses or copyrights applicable to materials used in this contract.

19.4 Notification of Claim If any claim, or other action, including proceedings before an administrative agency, is filed or brought by any person, firm, corporation, or other entity against Bank, or Bank and County that relate to performance under this contract; Bank shall give written notice to County of the existence of a claim, or other action within 5 Banking Days after being notified of it; and of the following information to the extent known: the name and address of the person, firm, corporation or other entity that made a claim, or that instituted any type of action or proceeding; the basis of the claim, action or proceeding; the court or administrative tribunal, if any, where the claim, action or proceeding was instituted; and the name or names of any person against whom this claim is being made. This written notice shall be given in the manner provided in 27.0 of this contract. Bank shall furnish to County copies of all pertinent papers received by Bank with respect to these claims or actions.

## 20.0 SUSPENSION

20.1 If Bank fails to comply with any material term of this contract, County may, upon written notification to Bank, suspend this contract in whole or in part and withhold further payments to Bank, until Bank is in compliance with the terms of this contract or contract is terminated in compliance with 21.0.

## 21.0 TERMINATION

21.1 Defaults and Breaches by Bank County shall have the right to terminate this contract, in whole or in part, at any time before the dates of termination specified in 2.2 and 2.3 of this contract for the following defaults and breaches under this contract:

21.1.1 Bank has failed to comply with any term or condition of this contract or any of its attachments;

21.1.2 Bank has failed to provide the Collateral in the form or amounts required by the County at any time during the contract;

21.1.3 Bank has failed to comply with any applicable federal statutes and regulations or any applicable Texas statutes including County depository statutes in performing any term or condition of this contract or any of its attachments;

21.1.4 Commissioners Court fails to provide funding during the budget planning and adoption process for this contract for the County fiscal year following the beginning of the contract period as long as County does not obtain the same or similar services from another source during the fiscal years between termination under this authority and the

end of the contract term;

21.1.5 County finds that Bank is in a financial condition that endangers Bank's ability to perform this contract or Bank is delinquent in the payment of taxes, or Bank is in a technical state of bankruptcy as defined by the Federal Bankruptcy Act and is subject to the appointment of a trustee, receiver or liquidator for all, or a substantial part, of Bank's property or of the institution of bankruptcy, reorganization, rearrangement or liquidation proceedings by or against Bank, or Bank has become insolvent or taken any steps towards bankruptcy; or

21.1.6 Bank is unable to conform to changes required by federal, state and local laws or regulations.

21.2 Breaches of Collateral by Bank If Bank fails to provide the Collateral required by County, County may immediately terminate this contract and select another Bank in accordance with the applicable county depository statutes.

21.3 Notification of Default to Bank If Bank does any of the defaults and breaches listed in 21.1 other than 21.1.2, County shall notify Bank in compliance with 27.0 that Bank has failed to comply with any term or condition of this contract and allow Bank at least 10 Banking Days to correct the failure. The written notice shall state the effective date of termination if the failure is not corrected; the reasons for termination and, in the case of partial termination, the portion of the contract to be terminated.

21.4 Compensation after Default by Bank If County terminates this contract, compensation for services rendered before termination will be based on the fees in Attachment C or 15.2 or 15.3 for services performed, supplies provided or excess Collateral provided and not previously paid for.

21.5 Effect on Subcontractors of Bank Upon termination or receipt of notice to terminate, whichever occurs first, Bank shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts related solely to the performance of this contract, or the part of this contract to be terminated, and shall cease to incur costs under them. County shall not be liable to Bank or to Bank's creditors for costs incurred after termination of this contract.

21.6 Survival of Damages Despite any exercise by County of its right of suspension under 20.0 of this contract or of early termination pursuant to this 21.0, Bank shall not be relieved of any liability to County for damages due to County by virtue of any breach of this contract by Bank. County may withhold payments to Bank until the exact amount of damages due to County from Bank is agreed upon or is otherwise determined.

21.7 Defaults by County Bank shall have the right to terminate this contract, in whole or in part, at any time before the dates of termination specified in 2.2 and 2.3 of this contract for the following defaults under this contract:

21.7.1 County has failed to comply with any payment term or condition of this

contract or any of its attachments;

21.7.2 County has failed to comply with any applicable federal statutes and regulations or any applicable Texas statutes including County depository statutes in performing any term or condition of this contract or any of its attachments;

21.8 Notification of Default to County If County does any of the defaults and breaches listed in 20.7, Bank shall notify County in compliance with 26.0 that County has failed to comply with any term or condition of this contract and allow County at least 20 Banking Days to correct the failure. The written notice shall state the effective date of termination if the failure is not corrected; the reasons for termination and, in the case of partial termination, the portion of the contract to be terminated.

21.9 Without Cause Termination Either County or Bank may terminate the parts of this contract related to ACH, without cause, by giving the other party at least 30 calendar days prior written notice in compliance with 27.0. Any cause of action related to matters arising prior to termination shall survive the termination of this part of the contract. If the party to whom a termination notice is given agrees in writing, the notice period may be less than 30 calendar days.

## 22.0 NON-WAIVER OF DEFAULT

22.1 Non-Waiver No payment, act or omission by County may constitute or be construed as a waiver of any breach or default of Bank which then exists or may subsequently exist. No waiver by County of any default by Bank may not constitute a continuing waiver of that default or any subsequent default of the same kind or of a different character.

22.2 Contract Rights Reserved All rights of County under this contract are specifically reserved and any payment, act or omission shall not impair or prejudice any remedy or right of County under it. Any right or remedy in this contract shall not preclude the exercise of any other right or remedy under this contract or under any law, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other rights or remedies.

22.3 Legal Right Reserved In addition to the liquidated damages provided in 3.4 and the right of sale provided in 3.12, County shall be entitled to all other rights and remedies provided by this contract or allowed under applicable federal, state and local law, including all statutes, cases, regulations, and ordinances for any breach or default of Bank under this contract. The provision of these rights shall not be construed to limit in any way the rights and remedies to which County is entitled if Bank fails to provide Collateral or is in default or breach under this contract.

## 23.0 FORFEITURE OF CONTRACT

23.1 Bank shall forfeit all benefits of the contract and County shall retain all performance by Bank and recover all consideration or the value of all consideration, paid to Bank pursuant to this contract if:



23.1.1 Bank was doing business at the time of submitting its application or had done business during the 365 day period immediately prior to the date of which its application was due with one or more Key Contracting Persons if Bank has not disclosed the name of any such Key Contracting Person in its application which is expressly incorporated in this contract; or

23.1.2 Bank does business with a Key Contracting Person after the date on which the application that resulted in this contract and prior to full performance of the contract and fails to disclose the name of any such Key Contracting Person in writing to each member of the Commissioners Court and to the County Clerk within 10 business days after commencing business with that Key Contracting Person.

## 24.0 AMENDMENTS

24.1 Written Documentation Required Unless specifically provided otherwise in this contract, any change to the terms or conditions of this contract after its execution or any attachments to it shall not be effective unless it is made in writing and signed by both parties. Bank acknowledges that no officer, agent, employee or representative of County has any authority to change the terms or conditions of this contract or any attachments to it unless expressly granted that authority by the Commissioners Court.

24.2 Method for Amendments Bank shall submit all requests for alterations, additions or deletions of the terms or conditions of this contract or any attachment to it to the Investment Manager. The Investment Manager shall present Bank's requests to Commissioners Court for consideration.

## 25.0 ASSIGNABILITY

25.1 Prohibition Neither party may assign any of the rights or duties created by this contract to any person, corporation, association, or institution without the prior written approval of the other party. It is acknowledged by Bank that no officer, agent, employee or representative of County has any authority to assign any part of this contract unless expressly granted that authority by the Commissioners Court.

25.2 Succession Subject to the prohibition of assignment in 23.1, the terms and conditions of this contract are binding upon Bank, its officials, agents, representatives, and their successors and assigns, and County, its officials, agents, representatives, and their successors and assigns.

## 26.0 ENTIRE AGREEMENT

26.1 Reduction to Writing All oral and written agreements between the parties to this contract relating to the subject matter of this contract that were made prior to the execution of this contract have been reduced to writing and are contained in this contract.

26.2 Supersession of Prior Understandings This contract constitutes the entire

agreement between Bank and County and it supersedes any prior understandings or written or oral agreements that County may have had with Bank with respect to the subject matter of this contract and attachments.

26.3 Incorporation of Attachments The attachments enumerated and denominated below are hereby made a part of this contract, and constitute promised performances by Bank and County in accordance with this contract:

26.3.1 Attachment A, Portions of Response to Request for Applications from Bank, including pages 3, 22, 24 through 52 inclusive, and descriptions of ACH Debit Block and Check Fraud Prevention Service,

26.3.3 Attachment B, Availability Schedule and other supporting information,

26.3.4 Attachment C, Schedule of Fees for Travis County,

26.3.5 Attachment D, Reaffirmation of Equal Employment Opportunity Policy,  
and

26.3.6 Attachment E, Ethics Affidavit.

26.4 This document and the Attachments incorporated in it are the only terms and conditions that apply to the relationship between County and Bank and no Bank Rules and Regulations, documents that purport to be contracts for services provided by Bank or any other document is enforceable against County in relation to the banking services and relationship contemplated under this contract. Bank shall not require any County elected official, representative or employee to sign any additional forms or documents that impose obligations or restrictions on County in relation to any banking services. Bank acknowledges that only the Commissioners Court has the authority to amend this contract. If any county elected official, representative or employee, others than Commissioners Court, signs any document that purports to establish obligations on County, Bank acknowledges that such document is void and has no force or effect.

## 27.0 NOTICES

27.1 Method of Notice Any notice required or permitted to be given under this contract by one party to the other shall be in writing and shall be given and deemed to have been given immediately if delivered in person to the address set forth in this section for the party to whom the notice is given, or on the third day following mailing if placed in the United States Mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the party at the address hereinafter specified.

27.2 Street Address for County For notices delivered in person, the address of County for all purposes under this contract shall be:

Honorable Samuel T. Biscoe (or his successor in office)  
County Judge  
314 West 11th Street, Fifth Floor  
Austin, Texas 78701

With copies to (registered or certified mail with return receipt is not required):

Honorable David Escamilla (or his successor in office)  
Travis County Attorney  
314 West 11th Street, Third Floor  
Austin, Texas 78701  
File: 143.76.2

27.3 Postal Address for County For notices placed in the United States Mail, the address of County for all purposes under this contract shall be:

Honorable Samuel T. Biscoe (or his successor in office)  
County Judge  
P.O. Box 1748  
Austin, Texas 78767-1748

With copies to (registered or certified mail with return receipt is not required):

Honorable David Escamilla (or his successor in office)  
Travis County Attorney  
P.O. Box 1748  
Austin, Texas 78767-1748  
File: 143.76.2

27.4 Street Address for Bank For notices delivered in person, the address of the Bank for all purposes under this contract shall be:

Larnell Camus, (or her successor in office)  
Senior Vice President for Commercial Bank—Government,  
Not For Profit and Healthcare Division  
JPMorgan Chase Bank N.A.  
221 West 6th Street, 2<sup>nd</sup> Floor, Mail Code TX3-8211  
Austin, Texas 78701

27.5 Postal Address for Bank For notices placed in the United States Mail, the address of the Bank for all purposes under this contract shall be:

Larnell Camus, (or her successor in office)  
Senior Vice President for Commercial Bank—Government,  
Not For Profit and Healthcare Division  
JPMorgan Chase Bank N.A.  
P. O. Box 550 Mail Code TX3-8211  
Austin, Texas 78767

27.6 Change of Address Each party may change the address for notice to it by giving notice of the change in compliance with 26.0.

## 28.0 LEGAL AUTHORITY

28.1 Authority of Bank Bank guarantees that Bank possesses the legal authority to enter into this contract, receive funds authorized by this contract, and to perform the services Bank has obligated itself to perform under this contract and that the board of directors or the loan committee of Bank has approved this contract in writing. Bank must provide County with a copy of the resolution of the board of directors or the loan committee approving this contract no later than August 1, 2011.

28.2 Authority of Bank Signor The person or persons signing this contract on behalf of Bank, or representing themselves as signing this contract on behalf of Bank, do hereby warrant and guarantee that he, she or they have been duly authorized by Bank to sign this contract on behalf of Bank and to bind Bank validly and legally to all terms, performances, and provisions in this contract.

28.3 Authority of County County guarantees that County possesses the legal authority to enter into this contract, receive funds authorized by this contract, and to perform the services County has obligated itself to perform under this contract.

28.4 Authority of County Signor The person or persons signing this contract on behalf of County or representing themselves as signing this contract on behalf of County do hereby warrant and guarantee that he, she or they have been duly authorized by County to sign this contract on behalf of County and to bind County validly and legally to all terms, performances, and provisions in this contract.

28.5 Suspension of Contract County shall have the right to suspend or terminate this contract in accordance with the provisions of 28.1 if there is a dispute as to the legal authority of either Bank or the person signing this contract to enter into this contract or to render performances under it. Bank and any person signing this contract are liable to County for any money disbursed by County for performance of the provisions of this contract, if County has suspended or terminated this contract for breach of 28.1 or 28.2.

**29.0 SPECIAL CONDITIONS**

**29.1 Assignment for Taxes** Despite anything to the contrary in this contract, if Bank is delinquent in the payment of property taxes at any time of invoicing for payment, Bank hereby assigns any payment to be made for services and activities provided under this contract to the Travis County Tax Assessor-Collector for payment of delinquent taxes.

**29.2 Force Majeure** Neither party is liable for failure to perform or delay in performance that is caused by Acts of God, riots, war, insurrection and other similar events that are not within the control of the failing or delayed party.

**29.3 Time** Time is of the essence in this contract.

**29.4 Survival of Conditions** The provisions of 13.8 in relation to maintenance of and access to records, 16.0 Express Acknowledgements and Warranties, 17.0 Retention and Accessibility of Records, 19.0 Bank Liability, Indemnification and Claims Notification and 23.0 Forfeiture of Contract shall survive beyond the end of the contract period until all aspects of these provisions have been complied with.

**30.0 CONSTRUCTION OF CONTRACT**

**30.1 Law and Venue** This contract, including all attachments incorporated into it despite anything to the contrary in them, is governed by the laws of the United States of America and the State of Texas and all obligations under this contract shall be performable in Travis County, Texas and venue for any dispute arising out of this contract will lie in the appropriate court of Travis County, Texas or in Travis County, Texas.

**30.2 Severability** If any portion or portions of this contract are ruled invalid, illegal, or unenforceable in any respect, by a court of competent jurisdiction, the remainder of it shall remain valid and binding.

**30.3 Headings** Headings and titles at the beginning of the various provisions of this contract have been included only to make it easier to locate the subject matter covered by that section or subsection and are not to be used in construing this contract.

**30.4 Computation of Time** When any period of time is stated in this contract, the time shall be computed to exclude the first day and include the last day of the period. If the last day of any period falls on a Saturday, Sunday, or a day that Travis County has declared a holiday for its employees, these days shall be omitted from the computation. All hours stated in this contract are stated in Central Standard Time.

**30.5 Gender and Number** Words of any gender in this contract shall be construed to include any other gender and words in either number shall be construed to include the other unless the context in the contract clearly requires otherwise.

**BANK:**

**COUNTY:**

JPMORGAN CHASE BANK, N.A

Travis County, Texas

By: Larnell Camus

Larnell Camus

Senior. Vice President for Commercial—

Government, Not For Profit and Healthcare Division

By: Samuel T. Biscoe

Samuel T. Biscoe

Travis County Judge

Date: 6-23-11

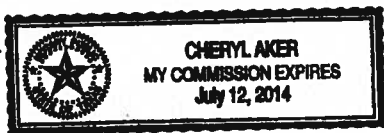
Date: 6-28-11

COUNTY ACKNOWLEDGMENT

STATE OF TEXAS §  
COUNTY OF TRAVIS §

Before me, the undersigned authority, on this day personally appeared Samuel T. Biscoe, Travis County Judge, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed it as the act and deed of Travis County, Texas, for the purposes and consideration expressed in it and in the capacity stated in it.

Given under my hand and seal of office on June 28, 2011.



Cheryl Aker  
Notary Public in and for  
the State of Texas

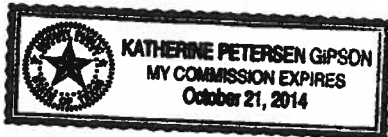
\_\_\_\_\_  
Stamped or printed name of Notary Public  
My commission expires: \_\_\_\_\_

BANK ACKNOWLEDGMENT

STATE OF TEXAS §  
COUNTY OF TRAVIS §

Before me, the undersigned authority, on this day personally appeared Larnell Camus, Senior Vice President for Commercial Bank—Government, Not For Profit and Healthcare Division, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same as the act and deed of JPMORGAN CHASE BANK, N.A as the case may be, for the purposes and consideration expressed in it and in the capacity stated in it.

Given under my hand and seal of office on June 23, 2011.



Katherine Gipson  
Notary Public in and for  
the State of Texas

Katherine Gipson  
Stamped or printed name of Notary Public  
My commission expires: 10/21/11

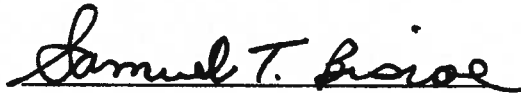
**ORDER DESIGNATING  
JPMORGAN CHASE BANK, N.A.  
AS COUNTY DEPOSITORY**

Recital


On June 28, 2011, the Commissioners Court of Travis County, Texas selected JPMorgan Chase Bank, N.A. ("Bank") as the depository bank for both the public funds of Travis County and the trust funds held by its elected officials.


Order

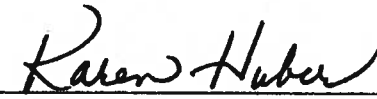
By this document, the Commissioners Court of Travis County, Texas, finds that the above recital is true and correct and orders that JPMorgan Chase Bank, N.A. is officially selected and designated as the depository bank for both the public funds of Travis County, Texas effective July 1, 2011 and the trust funds held by its elected officials effective July 1, 2011.

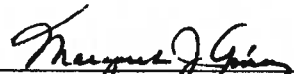


Samuel T. Biscoe  
Travis County Judge

  
\_\_\_\_\_  
Ron Davis  
Commissioner, Precinct 1

  
\_\_\_\_\_  
Sarah Eckhardt  
Commissioner, Precinct 2

  
\_\_\_\_\_  
Karen Huber  
Commissioner, Precinct 3

  
\_\_\_\_\_  
Margaret J. Gómez  
Commissioner, Precinct 4