

COPPERAS COVE ECONOMIC DEVELOPMENT CORPORATION

REQUEST FOR PROPOSALS

FOR

DEPOSITORY SERVICES

RFP NO. 2018-09-70

***Sealed proposals will be received until 10:00 a.m. on
September 7, 2018***

***Deadline for Questions until 10:00am on August 24,
2018***

Return RFP to: Velia Key
Director of Financial Services
City of Copperas Cove
914 S. Main Street Suite B
P.O. Drawer 1449
Copperas Cove, TX 76522

1.0 GENERAL INFORMATION

1.1 PURPOSE

The purpose of this Request for Proposal (RFP) is to solicit sealed proposals from qualified banking institutions to establish a contract for Banking Services through competitive negotiations to the Copperas Cove Economic Development Corporation (EDC). The contract period will begin October 1, 2018 and extend through September 30, 2023. Through this contract the EDC intends to minimize banking costs, improve operational efficiency, and maximize investment capabilities.

1.2 INSTRUCTIONS TO OFFERORS

1. The envelope or package containing the completed Request for Proposal should be marked legibly on the outside with the submitter's name and address along with "Request for Proposal for Depository Services; RFP No. 2018-09-70."

2. The offeror shall sign and date the submittal where provided within the RFP. The person signing the proposal must have the authority to bind the firm in a contract. Proposals which are not signed and dated in this manner may be rejected.

3. All documents shall be received at the City of Copperas Cove, Finance Department, located at, 914 S. Main Street Suite B, Copperas Cove, Texas 76522, or sent to P.O. Drawer 1449, Copperas Cove, TX 76522 by the deadline shown on the cover sheet of this Request for proposals.

4. **Facsimile transmittals and electronic transmittals *will not* be acceptable.**

5. The EDC, reserves the right to reject any or all Request for Proposals (RFP) as it shall deem to be in the best interests of the EDC.

6. Any interpretations, corrections or changes to this RFP and specifications will be made by addenda. Sole issuing authority of addenda shall be vested in the City of Copperas Cove Finance Department. Addenda will be loaded on the City's website at www.copperascovetx.gov. Offerors shall acknowledge receipt of all addenda on the sealed envelope or package containing their proposal.

The Economic Development Corporation is aware of the time and effort you expend in preparing and submitting proposals. Please let us know of any proposal requirements causing you difficulty in responding to our Request for Proposals. We want to facilitate your participation so that all responsible vendors can compete for the EDC's business.

If you have any questions concerning this Request for Proposal, it should be submitted in writing to: Velia Key- Dir. of Financial Services at vkey@copperascovetx.gov

1.3 INFORMATION REQUESTED FROM OFFERORS

Each RFP shall contain all the items listed below. Incomplete statements may be rejected in technical review by the Evaluation Committee.

A. Provide a completed Vendor Information Sheet and W9 for accounts payable purposes on Appendix E.

B. Provide a summary of the Bank's history including information on parent company, if applicable.

C. Provide a listing of present office locations and state the location of the office(s) which will provide services to the EDC.

1.4 MINIMUM QUALIFICATIONS

The proposal must demonstrate that the Offeror has the resources and capabilities to provide the requested banking services on an "as needed" basis as prescribed in the RFP. Offerors shall submit documentation with their proposal demonstrating compliance with the minimum qualifications.

The following criteria shall be met in order to be considered under this RFP:

- The Offeror shall be a "Qualified Public Depository in the State of Texas".
- The Offeror shall have at least five (5) years of similar governmental banking experience.
- The Offeror must have a local branch within the City limits.

1.5 SUBMISSION INFORMATION

The EDC will receive Proposals prior to September 7, 2018 @ 10:00AM. Deadline for questions or request for clarification must be submitted to Velia Key in writing prior to August 24, 2018 @ 10:00AM via email at vkey@copperascovetx.gov . All responses to the question will be posted in addendum form and posted to the City's website.

One (1) original copy and (3) copies of the RFP shall be submitted in an envelope or box bearing the name and address of respondent and also be identified in the lower left corner with "Request for Proposal for Bank Depository Services, RFP No. 2018-09-70" and be addressed as follows:

**City of Copperas Cove
Director of Financial Services
PO Box 1449
914 S. Main Street, Suite B
Copperas Cove, Texas 76522**

1.6 EVALUATION PROCESS

Evaluation factors outlined below shall be applied to all eligible, responsive Banks, in comparing proposals and selecting the successful Bank. Award of a contract may be made without discussion with the Banks after the proposals are received. Therefore, proposals should be submitted on the most favorable terms.

Evaluation criteria on which each Bank will be evaluated are as follows:

- Time deposit interest rate 25%
- Cost of Service 25%
- Service availability 25%
- Safety and creditworthiness of bank 25%

All responses to this RFP will be reviewed by the Committee. Selection of the Depository shall be based on the institution offering the most favorable terms and conditions for handling the EDC's funds and the services available. The final selection will be made by the EDC Board of Directors during a public Board Meeting.

1.7 CONTRACT TERM

The term of the contract will be for a five (5) year period from October 1, 2018 through September 30, 2023. Cost of services shall not be increased during the term of the contract. Comparable services as a result of system upgrades or bank mergers shall not cause an increase in pricing.

1.8 NEGOTIATIONS

The EDC reserves the right to negotiate any and all elements which comprise the Bank's proposal to ensure the best possible consideration be afforded to parties concerned.

In addition, the EDC's Board of Directors reserves the right to reject any and all proposals and to re-advertise for proposals in such event.

1.9 CONTRACTUAL ARRANGEMENTS

The Contract shall be prepared under the direction of the EDC's attorney and shall incorporate all applicable provisions. A price per item fee is desired, with monthly payments as agreed for services rendered.

The Bank should be aware the contents of the successful proposal will become a part of any subsequent contractual document which may result

from this RFP. Failure of the Bank to accept this obligation may result in the cancellation of the award.

The Contract shall be for the provision of services as requested herein, at the fees submitted in the proposal for the term of the contract. The EDC shall agree to make monthly payments as agreed for services rendered.

1.10 RELEASE OF INFORMATION

Information submitted by the Bank shall not be released by the EDC during the proposal evaluation period or prior to contract award.

1.11 RIGHTS AND REMEDIES

The rights and remedies of the EDC provided herein shall not be exclusive and are in addition to any other rights and remedies provided by law or under any subsequent contract.

2.0 PROPOSAL FORMAT

Proposals must be submitted containing the following sections in the order indicated:

2.1 COVER LETTER

This section should contain the name and address of the proposing Bank, the contact individuals authorized to answer technical, price, and/or contract questions together with their telephone numbers and mailing addresses. The statement of validity shall be included. The cover letter must be signed by a person authorized to bind the Bank.

- **Please include a statement of validity for a minimum of ninety (90) days subsequent to September 7, 2018.**

2.2 REFERENCES

Indicate the Bank's background in providing banking services to public organizations. List any banking services contracts currently in place. Provide a list of client references including client name, contact persons, and phone numbers (minimum of five).

2.3 COST AND SCHEDULE PROPOSAL

The EDC desires a price per item fee proposal with monthly payments for services rendered. The contract will be for a period of 60-months.

The compensation proposal should be documented by completing the Cost and Schedule Proposal Form (**Appendix A**, attached hereto) and submitting it with the RFP. It is intended that the Cost and Schedule Proposal Form include all of the unit prices for services requested. All volumes indicated are

estimates. The contract will not necessarily be awarded to the Bank that provides the lowest cost proposal but rather to the Bank that submits the most responsive proposal meeting the EDC's requirements.

If a service requirement cannot be met by the Bank, then "No Proposal" should be entered on the Form for that specific requirement. An alternate proposal may be made by the Bank.

2.4 BANK PERFORMANCE ANALYSIS

The Bank should complete the attached Bank Performance Analysis Form **(Appendix B)**, attached hereto and submit it with the RFP. Financial strength and capacity should be based upon the information contained in annual financial reports and call reports.

2.5 ADDITIONAL DATA AND INFORMATION

Give any additional information considered essential to the proposal. Alternative proposals which you feel may benefit the parties may also be submitted. If there is no additional information to present, so state.

3.0 DESCRIPTION OF THE OPERATING SYSTEM

The EDC presently requires (1) demand accounts. The EDC also reserves the right to alter the structure and number of accounts during the life of the Contract. However, the Banks RFP response should be based on the account structure presented in the RFP. Should the EDC and the Bank mutually agree to a structure that differs from the RFP, it is agreed that adjusted pricing will be commensurate with the volume of services used. The Bank must agree that the source of unit pricing for new services not specifically requested in the RFP will be the Bank's most recently published price list for cash management services.

4.0 NATURE OF SERVICES REQUIRED

The banking services required by the Corporation are discussed below. **Appendix A** includes the Cost and Schedule Proposal Form and the desired scheduling requirements for the required services.

4.1 INTERNET BASED ON-LINE REPORTING SYSTEM

The Corporation requires an internet based on-line reporting system that provides the daily ending ledger and collected balances from the prior day for all accounts, a detail of the prior day's debit and credit transactions, and current day debit and credit transactions. Reporting should allow balance, detail, and summary reporting by a defined date period. Balance reporting for the previous day should be available by 8:00 a.m. Samples of the reports are to be included in the proposal.

4.2 INTERNET BASED ON-LINE TRANSACTION INITIATION

The internet banking system must allow for the initiation and verification of Fed wire transfers, ACH and NACHA transactions, intra-bank transfers, positive pay, and stop payments. Wire and ACH transfers will include repetitive and non-repetitive transactions. The system must include user defined security requirements. The option to initiate Fed wire transfers, ACH transactions, intra-bank transfers, and stop payments via telephone (including the security of secondary telephone verification) is required in the event of emergency operations.

4.3 CHECK CLEARING AND AVAILABILITY

A major portion of the EDC's revenue is collected through checks received from customers. Therefore, the EDC considers it essential that availability on these items is maximized through aggressive check clearing efforts.

4.4 RETURNS AND CHARGEBACKS

Unless directed otherwise, the Bank will automatically redeposit return items a second time. Items returned a second time will be charged to the EDC's Operating Cash Account and returned promptly to the Financial Point of Contact (POC) of the EDC.

4.5 DISBURSEMENT SERVICES

The Bank shall possess the ability to process all disbursement checks, both manual and electronic checks, for accounts payable and payroll application through the operating account.

4.6 POSITIVE PAY

The EDC requires the Bank to provide positive pay services in an effort to prevent check fraud. The Corporation will provide a list of checks to the bank upon disbursement of checks that the bank will use to confirm payee, amounts, check numbers, dates and account numbers when the check is presented to the bank for payment. This verification process should be conducted electronically. In instances where the check presented does not agree to the list provided by the EDC, the bank will not pay the check until it has conferred with the Executive Director or Point of Contact at the City's Finance Department and obtain authorization to pay said check.

4.7 STOP PAYMENTS

The EDC will require stop payment issuance and confirmation upon receipt of written request. All stop payments should be permanent and not require renewals.

4.8 DIRECT DEPOSIT

The Bank shall possess the ability to perform wire transfers and direct deposit in a timely manner.

4.9 WIRE TRANSFER SERVICES

A standard wire transfer agreement will be executed with the bank. This proposal should include a copy of your standard transfer procedures and wire transfer agreement. The EDC requires adequate security provisions and procedures. Wire transfer requests must be available online and full information should be submitted detailing the use thereof.

4.10 AUTOMATED CLEARING HOUSE (ACH) ORIGINATIONS

The EDC requires the Bank to provide services that will move funds electronically between financial institutions in the Federal Reserve System in the United States. The Bank should make every effort to process ACHs in accordance with the National Automated Clearing House Association and the Federal Reserve System in the United States. The Bank should submit its guidelines and agreement with this request for proposals.

4.11 BANK STATEMENTS

The EDC requires a bank statement for each account within five business days after the close of the calendar month. The bank shall furnish imaged copies of checks in numerical order. Statements must be available to the EDC via secure internet access.

4.12 ACCOUNT ANALYSIS

The EDC requires a monthly account analysis in summary form and by individual account. Since the Corporation will consider the analysis an invoice, it must provide a comprehensive, detailed recap of services performed.

4.13 CERTIFICATES OF DEPOSIT

As stated in Section 1.1, investment activities are considered separate and apart from this RFP. However, the Corporation is interested in Certificates of Deposit. In Part C of the Cost and Schedule Proposal Form, the Bank should present a floating rate bid for Certificates of Deposit.

4.14 ACCOUNT EXECUTIVE

An account executive must be assigned to the account to coordinate the account services and expedite the solution of any problem. A trained and competent backup for the account executive, familiar with the account,

should be assigned in the proposal. Stipulate the name and a brief biography of the account executive to be assigned to the EDC's account.

4.15 ADDITIONAL SERVICES

If new services become available and are provided during the period of this contract, they will be charged at the banks then published rate.

5.0 COLLATERAL REQUIREMENTS

The EDC's Investment Policy and State law requires all deposits and investments of the Corporation funds with commercial banks be secured by pledged collateral with a market value equal to no less than 102% of the deposits and investments. The Bank is required to pledge the collateral within five (5) days after notification of selection as the Depository.

The Corporation shall accept only the following securities as collateral:

- U.S. Treasury securities maturing in less than two (2) years.
- Short-term obligation of U.S. Government Agencies which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Federal Deposit Insurance (FDIC) coverage of principal invested.
- Direct or unconditionally guaranteed obligations of the State of Texas except the Corporation will not accept Industrial Revenue Bonds or Private Activity Bonds as pledged securities.
- Any other acceptable security as defined in the Texas Local Government Code, Section 105.051 and subject to the approval of the Board of Directors.
- All collateral shall be subject to inspection and audit by the EDC's independent auditors.

5.1 COMPENSATION

The EDC desires to compensate the Bank for services performed on a fee basis. Therefore, the monthly account analysis will be considered an invoice and monitored accordingly. If the EDC discovers it has been overcharged after payment has been rendered, the EDC shall be reimbursed.

It is the EDC's intent that the Cost and Schedule Proposal Form reflect all services and prices for which the Bank will expect payment. It is understood that volumes indicated thereon are estimates and actual volumes will vary from month to month. If the EDC requests a service(s) not presently included on the Form, the Bank must agree the unit price will be no more

than the price appearing on its most recently published price for cash management services.

The EDC desires interest be paid on demand balances maintained with the Bank. In Part D of the Cost and Schedule Proposal Form, the Bank should present its proposed method for compensating the Corporation.

APPENDIX A – COST AND SCHEDULE PROPOSAL FORM

In your completion of Appendix A all monthly volumes presented below are only estimates to be used in the preparation of Appendix A. The Corporation will not be penalized in any way for increases or decreases of monthly volume.

Part A - Service Charges

TYPE OF SERVICE CHARGE	ESTIMATED MONTHLY VOLUME	UNIT PRICE	MONTHLY PRICE
Account Maintenance	1 account		
Internet Banking and Reporting			
Items Deposited	3/monthly		
On-Us			
Local			
Texas Fed Cities			
Other 11th Dist. Fed Cities			
Non-11th Dist. Fed Items			
Encoding Charge for Deposited Items	3		
Deposits Posted / Merchant Capture	0		
Deposits			
Same Day Credit	3		
Next Day Credit	3		
Checks Paid	480/year		
Chargeback Items - Reclear	0		
Stop Payments - Manual	5/year		
Stop Payments - Automated	0		
Numeric Sort of Monthly Paid Items	< 40		
ACH Item Processing	800/year		
Wire Transfers			
Outgoing	10		
Incoming	10		
Collateral Cost			
Optional Valuation Listing			
Credit for Average balances	400,000		
Non-recurring Charge Rates			
Deposit Slips (3-Part)			
Check Forms (3-Part)			
Mechanized			
Manual			
Locking Depository Bag (1)			
(Approximately 10" x 12")			
Other Charges			
Positive Pay			
FDIC Insurance			
Ledger Overdraft			
Return Item Telephone Notification			

Part A – Service Charges (Continued)

TYPE OF SERVICE CHARGE	ESTIMATED MONTHLY VOLUME	UNIT PRICE	MONTHLY PRICE
Wire Transfer Devices			
Telephone			
Internet			
Intrabank Transfer of Funds			
Strap of Currency			
Roll of Coin			
Deposit Processing			
Coin Verification			
Minimum Change Order			
Domestic Collection Item			

Part B - Scheduling Requirements

In the "Bank Response" column, there are three possible responses. "Yes" to concur and "better" or "worse" if the Bank's service schedule is other than what is desired. If "better" or "worse" is indicated, please provide an explanation.

<u>Service</u>	<u>Schedule</u>	<u>Response</u>
Account statements	Mail by the 5th of the following month	_____
Account analysis	Mail by the 5th of the following month	_____
Incoming wire notification - over \$10,000	Notify the Executive Director by phone or e-mail one (1) hour after receipt	_____
Incoming wire confirmation	Emailed confirmation available by next business day	_____
Out-going wire transfer release	Release according to instructions	_____
EDC employee payroll checks	Employees are paid 26 times in a fiscal year	_____

Part C - Certificates of Deposit

The bank should present a floating rate bid consisting of basis points, over or under the yield quote published in the Wall Street Journal on the day of deposit, for the U.S. Treasury bill maturing on, or immediately prior to, the maturing date of the Certificate of Deposit.

Floating Rate on \$100,000 or more (Plus or Minus)

<u>Maturity</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Interest Rate</u>
7 - 29 days	_____	180 - 209 days	_____
30 - 59 days	_____	210 - 239 days	_____
60 - 89 days	_____	240 - 269 days	_____
90 - 119 days	_____	270 - 299 days	_____
120 - 149 days	_____	300 - 359 days	_____
150 - 179 days	_____	360 days and over	_____

Part D - Other

Provide a copy of the most recent audited financial statements and the two most recent quarterly FDIC Call Reports.

Give any additional information considered essential to the proposal.

Part E - Bid Certification

As an authorized representative of the Bank, the undersigned hereby certifies the Bank is willing to comply with all provisions specified herein, at the prices and rates quoted.

Bank _____

Signature _____ Date _____

Print Name _____

Title _____

Address _____

City/State/Zip _____

Telephone _____ Fax _____

Email Address: _____

APPENDIX B – BANK PERFORMANCE ANALYSIS FORM

	As of <u>12/31/2017</u>	As of <u>12/31/2016</u>
<u>Liquidity Ratios</u>		
Loans to deposits	_____	_____
Gross loans to total assets	_____	_____
Liquid assets to total assets	_____	_____
Problem loans to primary capital	_____	_____
<u>Asset Quality Ratios</u>		
Loan loss reserves to total loans	_____	_____
Non-performing loans to total loans	_____	_____
<u>Profitability Indicators</u>		
Return on earning assets	_____	_____
Return on equity	_____	_____
Net interest margin	_____	_____
<u>Capital Adequacy Indicators</u>		
Capital to loans	_____	_____
Capital to total assets	_____	_____
<u>Management Indicators</u>		
Net charge-off to gross loans	_____	_____
Jumbo deposit ratio (total deposits of amounts in excess of \$100,000 to total deposits)	_____	_____

APPENDIX C – CONFLICT OF INTEREST QUESTIONNAIRE

CONFLICT OF INTEREST QUESTIONNAIRE		FORM CIQ
For vendor or other person doing business with local governmental entity		
<p>This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity.</p> <p>By law this questionnaire must be filed with the records administrator of the local government not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.</p> <p>A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.</p>		OFFICE USE ONLY
1 Name of person doing business with local governmental entity.		Date Received
2		
<input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire.		
(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)		
3 Describe each affiliation or business relationship with an employee or contractor of the local governmental entity who makes recommendations to a local government officer of the local governmental entity with respect to expenditure of money.		
4 Describe each affiliation or business relationship with a person who is a local government officer and who appoints or employs a local government officer of the local governmental entity that is the subject of this questionnaire.		

Adopted 01/13/2006

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor or other person doing business with local governmental entity

FORM CIQ

Page 2

5 Name of local government officer with whom filer has affiliation or business relationship. (Complete this section only if the answer to A, B, or C is YES.)

This section, item 5 including subparts A, B, C & D, must be completed for each officer with whom the filer has affiliation or business relationship. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income from the filer of the questionnaire?

☐

Yes

☐

No

B. Is the filer of the questionnaire receiving or likely to receive taxable income from or at the direction of the local government officer named in this section AND the taxable income is not from the local governmental entity?

☐

Yes

☐

No

C. Is the filer of this questionnaire affiliated with a corporation or other business entity that the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐

Yes

☐

No

D. Describe each affiliation or business relationship.

6 Describe any other affiliation or business relationship that might cause a conflict of interest.

7

Signature of person doing business with the governmental entity

Date

Adopted 01/13/2008



APPENDIX D

INVESTMENT POLICY

*COPPERAS COVE ECONOMIC
DEVELOPMENT CORPORATION*

INVESTMENT POLICY

**Revised
March 16, 2017**

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I. INVESTMENT AUTHORITY AND SCOPE OF POLICY

The investment policy applies to the investment activities of the Copperas Cove Economic Development Corporation ("CCEDC"). It is the policy of the CCEDC to invest public funds in a manner, which will provide the highest investment return with the maximum security. This policy serves to satisfy the statutory requirements of Local Government Code 116.112 and Government Code Chapter 2256 to define and adopt a formal investment policy. This policy will be reviewed and adopted by resolution at least annually according to Section 2256.005(e).

Effective cash management is recognized as essential to good fiscal management. A comprehensive and effective cash management system will be pursued to optimized investment interest as viable and material revenue to all operating and capital funds. The CCEDC's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with local, state, and federal law.

Funds Excluded. This policy according to Section 2256.004 shall not govern funds which are managed under separate investment programs. Such funds include the following:

- Deferred Employee Compensation Plans
- Texas Municipal Retirement System
- Defeased bonds held in trust escrow accounts

II. INVESTMENT OBJECTIVES

The primary objectives, in priority order, of the CCEDC's investment activities shall be according to section 2256.006:

Safety: Safety of principal is the foremost objective of the CCEDC. Investments of the CCEDC shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Liquidity: The CCEDC's investment portfolio will remain sufficiently liquid to enable the CCEDC to meet all operating requirements, which might be reasonably anticipated. Portfolio maturities will be structured to meet the obligations of the CCEDC first, and then to achieve the highest return of interest consistent with the objectives of this policy.

Yield: It will be the objective of the CCEDC to earn the maximum rate of return allowed on its investments within the policies imposed by its safety, liquidity objectives, and state and federal law governing investment of public funds.

III. INVESTMENT COMMITTEE

Members: The CCEDC Investment Committee will consist of the same members of the investment committee that serves in the City of Copperas Cove and oversees all investments of the City. The Investment Committee shall receive quarterly reports, as outlined in this policy, and monitor the results and performance of the investment portfolio. The Investment Committee shall ratify all investments made by the Director of Financial Services.

Scope: The Investment Committee shall include in its deliberations such topics: investment strategy, return on investments, market risk, economic outlook, portfolio diversification, maturity structure, potential risk to the CCEDC and authorized broker dealers.

IV. RESPONSIBILITY AND CONTROL

Delegation. Authority to manage the CCEDC's investment program is derived from the CCEDC's Bylaws, Corporate Bylaws Article I section 1.03. All books and records of the Corporation shall be maintained by the City's Finance Department in accordance with Section 501.073 of the Texas Local Government Code. The Director of Financial Services may designate deputies to assist with the management of the investment portfolio. The Investment Committee shall be responsible for all transactions and compliance with the internal control, insure the safekeeping, custodial, and collateral duties, consistent with this investment policy.

Management and Internal Controls. GC Section 2256.005 the Director of Financial Services shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the independent auditor during the annual financial audit. The controls shall be designed to reasonably prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by members of the Investment Committee.

Transaction Authority. Certain signatory responsibilities are required to transact investments. Positions authorized as depository signatories shall be the City Manager and the Director of Financial Services. The persons holding these positions are also designated as authorized to transact wire transfers, buy/sell, and trade investments in accordance with the goals and objectives of the CCEDC's investment strategy. Bonding of all those individuals authorized to place, purchase, or sell investment instruments shall be required.

Prudence. In accordance with Government Code 2256.006, investments shall be made with the exercise of due care, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their own capital as well as the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority: preservation and safety of principal; liquidity; and yield. This investment principle shall be applied in the context of managing the overall investment portfolio.

Training, Quality and Capability of Investment Management. It is the CCEDC's policy to provide training as required by the Public Funds Act, Sec. 2256.008 and periodic training in investments for the City Manager, Director of Financial Services, EDC Accounting Technician and designated investment officers. Authorized officers will be required to complete 10 hours of training within 12 months of assuming duties. Training shall be provided through courses and seminars offered by independent sources to ensure the quality, capability and competency of the Director of Financial Services and Investment Officers in making investment decisions. At a minimum, the Director of Financial Services and Investment Officers must attend a training session once every two years and receive 8 hours of training.

Monitoring of Investments. Market value of all securities in the portfolio will be determined on a quarterly basis. These values will be obtained from a reputable and independent source and disclosed to the governing body in a written report.

V. ETHICS

Conflicts of Interest. Officers and employees directly involved in the investment process, and those authorized as depository signatories, shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Disclosure. Such employees shall disclose to the City Manager any material financial interests they have in financial institutions that conduct business with the City of Copperas Cove, and shall further disclose any large personal financial or investment positions that could be related to the performance of the CCEDC's portfolio. Such employees shall subordinate their personal investment transactions to those of the City, particularly with regard to the timing of purchases and sales. If the Director of Financial Services has a personal business relationship with an entity or is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the CCEDC, the Director of Financial Services must file a statement disclosing that personal business interest or relationship with the Texas Ethics Commission in accordance with Government Code 2256.005 (i).

VI. REPORTING INVESTMENT EARNING EVALUATION

Quarterly Reports. In accordance with Government Code 2256.023, not less than quarterly, the investment officer shall prepare and submit to the CCEDC's Board of Directors a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must:

- (1) describe in detail the investment position of the CCEDC on the date of the report;
- (2) be prepared jointly by all investment officer(s);
- (3) be signed by each investment officer of the entity;
- (4) contain a summary statement of each pooled fund group that states the:
 - A. beginning market value for the reporting period;
 - B. additions and changes to the market value during the period; and
 - C. ending market value for the period;
- (5) the quarterly investment reports shall be reviewed by the CCEDC's independent auditors, as part of the CCEDC's annual audit and the result of this review shall be reported to the CCEDC Board.

VII. INVESTMENT TYPES

Eligible Investments. Financial assets of the CCEDC may be invested in:

- A. Obligations of the United States or its agencies and instrumentalities, which have a stated maturity on the date of purchase of two years or less.
- B. Direct obligations of the State of Texas or its agencies and instrumentalities;
- C. Certificates of deposit if issued by a state or national bank domiciled in the State of Texas or a savings and loan association domiciled in the State of Texas and:
 - (1) is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor;

- (2) secured by obligations that are described by Section 2256.009(a) Public Funds Investment Act, but excluding those mortgage backed securities of the nature described by Section 2256.009(b) of the Public Funds Investment Act; or
- D. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, which have a stated maturity on the date of purchase of two years or less.
- E. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm of not less than A or its equivalent, which have a stated maturity on the date of purchase of two years or less.
- F. Eligible investment pools (as discussed in the Public Funds Investment Act, Sec.2256.016-2256.019) if the CCEDC Board by resolution authorizes investment in the particular pool. An investment pool shall invest the funds it receives from the CCEDC in authorized investments permitted by the Public Funds Investment Act.

Length of Investments. The CCEDC shall invest in instruments with scheduled maturity or duration not to exceed two (2) years at the time of purchase. In the event a coupon security maturity exceeds the specified limit with a calculated duration of two (2) years, the instrument will satisfy this policy requirement.

Diversification. It shall be the policy of the CCEDC to diversify the investment Portfolio. Diversification strategies shall be determined and revised periodically by the Investment Committee. In establishing specific diversification strategies, the following general constraints shall apply:

- A. Portfolio maturities shall be staggered to avoid concentration of assets in a specific maturity sector.
- B. Portfolio investment instruments shall be diversified by type.
- C. Competitive bidding of all investments must accompany diversification among security dealers.

Prohibited Investments. As outlined under GC Section 2256.009 the Director of Financial Services has no authority to use any of the following investment instruments, which are strictly prohibited:

- (1) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- (2) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- (3) Collateralized Mortgage Obligations;

- (4) Any investment instrument which has a scheduled maturity or duration in excess of 2 years at the time of purchase;
- (5) The CCEDC investment portfolio will not invest in derivatives. For the purposes of this Investment Policy, the definition of derivatives include instruments which have embedded features that alter their character or income stream or allow holders to hedge or speculate on a market or spreads between markets that are external to the issuer, or are not correlated on a one-to-one basis to the associated index or market.

Prohibited derivatives include the following:

- (1) Arrangements in which an investor has swapped the natural cash flows or some portion of the natural cash flows of an instrument for a different set of cash flows. (I.e. Interest Rate Swaps).
- (2) Over-the-Counter/Exchange traded options or futures. (I.e. Option Contracts, Futures Contracts).
- (3) Instruments explicitly specified as follows: Collateralized Mortgage Obligations, Inverse Floating Rate Notes, Range Index Notes, Non-Money Market Index based Notes, Dual Index Notes, Index Amortizing Notes, Inverse Multi-index Bonds, Stepped Inverse Index Bonds, Inverse Index Bonds.

Allowable instruments which are not considered derivatives by the preceding definition are authorized investments listed as follows:

Treasury Bills, Treasury Notes, Treasury Bonds, Treasury Strips, Repurchase Agreements, Reverse Repurchase Agreements, Agency Notes with a defined maturity and fixed upon rate, Money Market Index variable rate Notes (i.e. floating rate notes tied to money market indices defined as Treasury Bills, London Interbank Offering Rate (LIBOR), Fed Funds, and Cost of Funds Index), Step-up notes, and Certificates of Deposit.

VIII. SELECTION OF BANKS AND DEALERS

Bidding Process. Depositories shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP) issued every five (5) years in accordance with Local Government Code Chapter 105 section 105.017. In selecting depositories, the credit worthiness of institutions shall be considered, and the Investment Committee shall conduct a comprehensive review of prospective depository's credit characteristics and financial history.

Insurability. Banks seeking to establish eligibility for the CCEDC's depository contract shall submit financial statements, evidence of Federal insurance and other information as required by the RFP.

Primary Dealers and Approved List. In accordance with 2256.005(k), a written copy of this investment policy shall be presented to any person seeking to sell to the CCEDC an authorized investment. The registered principal of the business organization seeking to sell an authorized investment shall execute a written instrument substantially to the effect that the registered principal has:

- (1) Received and thoroughly reviewed the investment policy of the CCEDC; and
- (2) Acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the CCEDC and the organization. The Director of Financial Services may not buy any securities from a person who has not delivered to the CCEDC an instrument in substantially the form provided above according to Section 2256.005(1).

All dealers and brokers who desire to become qualified bidders for investment transactions with the CCEDC, must be recommended by the Director of Financial Services and approved by the City Manager. Applications will be reviewed on a periodic basis and submitted for approval. The Director of Financial Services will maintain a list of primary dealers and brokers authorized to provide investment services to the CCEDC. The authorized list of primary dealers and brokers will be reviewed on an annual basis, and any broker/dealers who fail to meet the standards of this policy shall be removed from the list. All dealers and brokers who desire to become qualified bidders for investment transactions must supply the following:

- (1) Completed broker dealer questionnaire.
- (2) Proof of registration with the Texas State Securities Board.
- (3) Proof of National Association of Securities Dealers (NASD) certification.
- (4) Audited financial statements.
- (5) Written acknowledgment that the entity has read the CCEDC Investment Policy and has reasonable procedures and controls to preclude imprudent investment activities arising out of investment transactions conducted between the entity and the CCEDC (Securities Broker Dealer Acknowledgment Form - Section XV).

Competitive Bidding of Investments. It is the policy of the Corporation to require competitive bidding for all individual security purchases and sales except for transactions with local government investment pools.

IX. SAFEKEEPING AND COLLATERAL

Insurance or Collateral. All deposits and investments of CCEDC funds with commercial banks shall be secured by pledged collateral with a market value equal to no less than 100% of the deposits or investments. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits or investments less an amount insured by FDIC. The City Manager or Director of Financial Services are responsible for entering into collateralization agreements with third party custodians in compliance with this policy. The agreement should specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities (safekeeping receipt) must be supplied to the City's Finance Department for proper accountability and should be retained for audit purposes.

Collateral Defined. The CCEDC shall accept only the following securities as collateral:

- A. U.S. Treasury securities maturing in less than two (2) years;
- B. Short-term obligations of U.S.-Government Agencies which are guaranteed by the full faith and credit of the United States of America as to principal and interest;
- C. Federal Deposit Insurance (FDIC) coverage of principal invested;
- D. Direct or unconditionally guaranteed obligations of the State of Texas except that the city will not accept Industrial Revenue Bonds or Private Activity Bonds as pledged securities.
- E. Bonds of States, government agencies, counties, cities, or political subdivisions nationally rated "A" or above.

Subject to Audit. All collateral shall be subject to inspection and audit by the Director of Financial Services or the City's independent auditors.

Delivery vs. Payments. Section 2256.005(b) (4) (e) Treasury Bills, Notes, and Bonds and Government Agencies or other securities shall be purchased using the delivery vs. payment basis method. That is, funds shall not be wired or paid until verification has been made that the collateral was received by the CCEDC's Agent or the Trustee. The collateral shall be held in the name of the CCEDC. The Trustee's or Agent's records shall assure the notation of the CCEDC's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City' Finance Department for proper accountability.

X. INTERNAL CONTROLS

Internal Controls. The Director of Financial Services is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse according to section 2256.005(m). The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Accordingly, the Director of Financial Services shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- (1) Control of collusion -Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- (2) Separation of transaction authority from accounting and record keeping -By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- (3) Custodial safekeeping -Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.
- (4) Written confirmation or telephone transactions for investments and wire transfers -Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.
- (5) Development of a wire transfer agreement with the lead bank or third party custodian -This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.
- (6) Documentation of transactions and strategies -By recording this necessary information, certification of investment procedures processing is accomplished.
- (7) Any security requiring a credit rating by the Act and this policy will not be authorized during the time that the security does not hold that rating. The Investment Officer will monitor, on at least a monthly basis the credit rating and should the rating fall below accepted levels, the Investment Committee should be notified in writing of the change in the portfolio.

XI. INVESTMENT STRATEGIES

Investment Strategies. In accordance with the Public Funds Investment Act, Section 2256.005(d), a separate written investment strategy will be developed for each of the funds under the CCEDC's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities of importance:

- (1) Understanding of the suitability of the investment to the financial requirements of the entity;
- (2) Preservation and safety of principal;
- (3) Liquidity;
- (4) Marketability of the investment if the need arises to liquidate the investment before maturity;
- (5) Diversification of the investment portfolio;
- (6) Yield; and
- (7) Maturity restrictions.

The investment strategies to be employed by the CCEDC are:

- (1) Investment strategies for operating fund, the primary objective is to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles.
- (2) Investment strategy for special projects or special purpose fund portfolios will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The stated final maturity dates of securities held should not exceed the estimated project completion date.

XII. POLICY

Exemption. Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

Amendment. This policy shall be reviewed on an annual basis. Any changes must be approved by the City Manager and presented to the Board of Directors in a public meeting.

XIII. GLOSSARY

Agencies: Federal agency securities.

Asked: The price at which securities are offered.

Bankers Acceptance (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the

issuer.

Bid: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See offer.

Broker: A broker brings buyers and sellers together for a commission.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced- by a certificate. Large-denomination CD's are typically negotiable.

Collateral: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Comprehensive Annual Financial Report (CAFR): The official annual report for the City of Copperas Cove. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

Coupon: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Debenture: A bond secured only with the general credit of the issuer. **Delivery Versus Payment:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Discount: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

Discount Securities: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Federal Credit Agencies: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals. e.g. S&L's, small business

firms, students, farmers, farm cooperatives, and exporters.

Federal Deposit Insurance Corporation (FDIC): A deferral agency that insures bank deposits, currently up to \$100,000 per deposit.

Federal Funds Rate: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

Federal Home Loan Banks (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

Federal National Mortgage Association (FNMA): FNMA like GNMA was chartered under the Federal National mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mac, as the corporation is called, is the private stockholder- owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans. In addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

Federal Reserve System: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

Government National Mortgage Association (GNMA OR Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FMHM mortgages. The term "pass through" is often used to describe Ginnie Maes.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

Local Government Investment Pool (LCIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement: A written contract covering all future transactions between the parties to repurchase--reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Money Market: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

Offer: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

Open Market Operations: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary Dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

Prudent Person Rule: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities by the custody state-the-so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person in discretion and intelligence who is seeking a reasonable income and preservation of capital.

Qualified Public Depositories: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its the Public Deposit Protection Commission to hold public deposits.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

Repurchase Agreement (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: when the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities & Exchange Commission: Agency created by Congress to protect investors in securities and sale of outstanding issues following the initial distribution. SEC RULE 15C3-1: See Uniform Net Capital Rule.

Treasury Bills: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Treasury Bonds: Long-term U.S. Treasury securities having initial maturities of more than 10 years.

Treasury Notes: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

Uniform Net Capital Rule: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitment to purchases securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes Cash and assets easily converted into cash.

Yield: The rate of annual income return of an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD TO MATURITY is current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

XIV.

**COPPERAS COVE ECONOMIC DEVELOPMENT
CORPORATION
SECURITIES BROKER/DEALER ACKNOWLEDGEMENT**

In compliance with the Texas Government Code (Public Funds Investment Act) Section 2256.005 (k)-(1), acknowledges that the registered principal and all sales personnel conducting investment transactions with Copperas Cove Economic Development Corporation have received and have thoroughly reviewed the Investment Policy of the Corporation. Broker acknowledges that Broker has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of the investment transactions conducted between the Corporation and Broker. Transactions between this firm and the Corporation will be directed toward protecting the Corporation from credit and market risk. This firm pledges due diligence in informing the Corporation of foreseeable risks with the financial transactions connected with this firm.

Primary Representative, Date



APPENDIX E

W-9 VENDOR INFORMATION

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
6 City, state, and ZIP code	
7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number									
				-					
or									
Employer identification number									
				-					

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign
Here

Signature of
U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.



“The City Built for Family Living”

Finance Department

VENDOR INFORMATION SHEET

COMPANY NAME_____ **TAX ID#**_____

PRIMARY POC_____ **DATE**_____
(PLEASE PRINT)

SIGNATURE_____ **PHONE NUMBER**_____

EMAIL ADDRESS_____

SECONDARY POC_____ **DATE**_____
(PLEASE PRINT)

SIGNATURE_____ **PHONE NUMBER**_____

EMAIL ADDRESS_____