REQUEST FOR PROPOSALS

FOR

DEPOSITORY SERVICES

RFP NO. 2021-04-31

Sealed proposals will be received until 2:00 p.m. on
May 27, 2021
Deadline for Questions May 21, 2021
City Council award of contract June 15, 2021
Anticipated Contract Commencement July 1, 2021

Return RFP to:
Stephanie Potvin
Staff Accountant III
City of Copperas Cove
914 S. Main Street Suite H
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 city of Copperas Cove. The contract period will begin July 1, 2021 and extend through June 30, 2026. Through this contract the City 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. 2021-04-31.”

2. The offeror shall sign and date the submittal as indicated 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 H, 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. The City is only accepting the RFP on CD or USB formats. Facsimile transmittals and electronic transmittals will not be acceptable.

5. The City of Copperas Cove, Texas, reserves the right to reject any or all Request for Proposals as it shall deem to be in the best interests of the City of Copperas Cove.

6. Any interpretations, corrections or changes to this Request for Proposals 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.

7. Proposals resulting from submitted Request for Proposals must comply with all applicable federal, state, county and local laws concerning these types of services.

8. A prospective Offeror must meet the following requirements:
   - Be able to comply with the required needed services and required workload;
   - Have a satisfactory record of performance;
   - Have a satisfactory record of integrity and ethics; and
   - Be otherwise qualified and eligible to receive an award.

9. Section 176.006 of the Texas Local Government Code requires a bidder/vendor to
file a conflict-of-interest questionnaire if the vendor has a business relationship with the City and has:
(a) an employment or other business relationship with an officer or an officer’s family member that results in that person receiving taxable income that is more than $2,500 in the preceding twelve months; or
(b) has given an officer or an officer’s family member one or more gifts totaling more than $250 in the preceding twelve months.

A vendor/bidder is required to file a questionnaire not later than the seventh business day after the later of the following:
(a) the date the vendor begins discussions or negotiations to enter into a contract with the City or submits an application or response to a bid proposal; or
(b) the date the vendor becomes aware of a relationship or gives a gift to an officer or officer’s family member.

State law requires that a vendor file an updated questionnaire with the City Secretary’s office annually, before September 1st, and or not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate. The Conflict-of-Interest Questionnaire is attached in Compliance with this law is the responsibility of each bidder/vendor.

The City of Copperas Cove is aware of the time and effort you expend in preparing and submitting proposals to the City. 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 City’s business.

If you have any questions concerning this Request for Proposal, it should be submitted in writing to: Stephanie Potvin, Staff Accountant III at financedept@copperascovetx.gov by May 21, 2021 at noon.

1.3 INFORMATION REQUESTED FROM OFFERORS

Each Request for Proposal 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 firm’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 City.
1.4 MINIMUM QUALIFICATIONS

The proposal must demonstrate that the Offeror has the resources and capabilities to provide the requested banking services on as “as needed” basis as prescribed in the Request for Proposal. 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 presence within the City.

1.5 SUBMISSION INFORMATION

The City of Copperas Cove will receive Proposals prior to May 27, 2021 @ 2:00PM. Deadline for questions or request for clarification must be submitted to Stephanie Potvin in writing prior to May 21, 2021 @ Noon via email at financedept@@copperascovetx.gov. All responses to the question will be posted to the City’s website.

Two (2) electronic submissions on either CD or USB drive in a PDF format of the Request for Proposals 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. 2021-04-31” and be addressed as follows:

City of Copperas Cove  
Director of Financial Services  
PO Box 1449  
914 S. Main Street, Suite H  
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 Investment Committee of the City of Copperas Cove. Selection of the Depository shall be based on the institution offering the most favorable terms and conditions for handling the City's funds and the services available to the City. The final selection will be made by the Copperas Cove City Council during a City Council meeting.

1.7 CONTRACT TERM

The term of the contract will be for the five (5) year period from July 1, 2021 through June 30, 2026. 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 City reserves the right to negotiate any and all elements which comprise the Bank's proposal to ensure the best possible consideration be afforded all concerned.

In addition, the City 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 City 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 City 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 City during the proposal evaluation period or prior to contract award.

1.11 RIGHTS AND REMEDIES

The rights and remedies of the City 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 (see Section 1.5) 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 May 27, 2021.

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 City 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 to the City 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 City'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 to the City 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 City of Copperas Cove presently requires eight (8) demand accounts and five (5) savings accounts. The City 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 City 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. The demand accounts are described as follows:

3.1 CONSOLIDATED CASH ACCOUNT

This account is the City's general operating account. Operating revenues and disbursements are transacted through this account, except as otherwise noted. Few payments or checks are prepared against this account. The average ledger balance of this account is estimated at $12,000,000. Checks on this account must bear the facsimile or actual signatures of the City Manager and Director of Financial Services.

3.2 ACCOUNTS PAYABLE ACCOUNT

This account is used to disburse funds to the City's vendors. Approximately 100 electronic fund transfer payments and 100 checks per month are prepared and issued on a biweekly basis (alternating Fridays). Checks on this account must bear the facsimile or actual signatures of the City Manager and Director of Financial Services.

3.3 PAYROLL ACCOUNT

All City employees are paid on this account. The City currently has 300 employees of which all are required to participate in Direct Deposit. Employees terminated will be issued a payroll check as well as those newly hired until direct deposit is established. Approximately, 10 checks per month are prepared and issued on a biweekly basis (alternating Fridays). Checks on this account must bear the facsimile or actual signatures of the City Manager and Director of Financial Services.

3.4 OTHER ACCOUNTS

- Rental Rehabilitation
- Law Enforcement Forfeitures
- Non-Interest Grant Account
4.0 NATURE OF SERVICES REQUIRED

The banking services required by the City 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 City 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 DEPOSIT SERVICES

The Bank shall possess the capability to provide to the City three (3) smart safe to process the deposit of currency and receive bank credit for cash deposit before the actual currency leaves the Finance Department. Provide safe transportation pick up at least once a week via armored vehicle.

4.4 REMOTE DEPOSIT CAPTURE

Ten (10) check scanners, the City desires service that will offer the latest in check technology that will convert paper checks to electronic transactions at the point-of-sale to improve cash flow, minimize reconciliation efforts, reduce
bank fees, and reduce returned checks. Bank capability to meet the following requirements must be detailed in the proposal.

- Must have late deposit cut-off times and allow for the same day credit to City's Consolidated Cash Account.
- Deposit batches must appear as a single credit to the bank statement for reconciliation purposes.
- Must be able to scan standard-size checks.
- Must have the flexibility to include discretionary data fields for the input of customized information.
- Images of deposits and checks must be accessible for online viewing up to 180 days.
- Allow for same day modification to add new users, change authorization levels, and delete users.

4.5 CHECK CLEARING AND AVAILABILITY

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

The City expects availability granted on deposits to be equal or greater than the Bank’s standard availability schedule. If the Bank wishes, it may bid a guaranteed availability it will grant on all or a part of the City's deposits.

4.6 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 City's Consolidated Cash Account and returned promptly to the City through the Finance Department.

4.7 DISBURSEMENT SERVICES

The Bank shall possess the ability to process a monthly average of 500 disbursement checks, both manual and mechanized, for accounts payable and payroll application through several bank accounts.

4.8 POSITIVE PAY

The City requires the Bank to provide positive pay services in an effort to prevent check fraud. The City 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 City, the bank will not pay the check until it has conferred with the Director of Financial Services or Point of Contact at the City’s
Finance Department and obtain authorization to pay said check. Of the City’s seven accounts we will require Positive Pay services on approximately three.

4.9 STOP PAYMENTS

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

4.10 CITY EMPLOYEE PAYROLL CHECKS

City employees will be permitted to cash payroll checks at the Bank’s offices without charge including those who do not maintain an account. Additionally, the bank must provide a service such as a Bank Draft Card to employees who do not qualify for an account.

4.11 DIRECT DEPOSIT

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

4.12 WIRE TRANSFER SERVICES

The City currently generates approximately 10 incoming and 10 outgoing wires each month. 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 City requires adequate security provisions and procedures. Wire transfer requests must be available online and full information should be submitted detailing the use thereof.

4.13 AUTOMATED CLEARING HOUSE (ACH) ORIGINATIONS

The City 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.

4.14 BANK STATEMENTS

The City 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 City via secure internet access.
4.15 ACCOUNT ANALYSIS

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

4.16 ZERO BALANCE ACCOUNTS

The City is interested in establishing the demand accounts as zero balance accounts (ZBA). If this service is available, please provide the cost in the Cost and Schedule Proposal Form. The City also requires online banking services for the demand accounts as detailed in 4.1 and 4.2.

4.17 DAYLIGHT OVERDRAFT PROVISION

Every effort will be made to eliminate daylight overdraft situations on the account. However, in case this situation does arise, the proposal should include any and all bank policies regarding daylight overdraft charges or handling procedures.

4.18 CERTIFICATES OF DEPOSIT

As stated in Section 1.1, investment activities are considered separate and apart from this RFP. However, the City 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.

4.19 BORROWINGS

The City may borrow funds for various terms during the duration of the Contract. In Part D of the "Cost and Schedule Proposal," the Bank should provide an interest rate on bank loans.

4.20 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 City’s account.

4.21 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 STIPULATIONS

5.1 COLLATERAL REQUIREMENTS

The City's Investment Policy and State law requires all deposits and investments of City funds with commercial banks be secured by pledged collateral with a market value equal to no less than 100% 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 City 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 City 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 City Council.
- All collateral shall be subject to inspection and audit by the Director of Financial Services or the City's independent auditors.

5.2 COMPENSATION

The City 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 City discovers it has been overcharged after payment has been rendered, the City shall be reimbursed.

It is the City'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 City 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 City 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 City.
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 City will not be penalized in any way for increases or decreases of monthly volume.

Part A - Service Charges

<table>
<thead>
<tr>
<th>TYPE OF SERVICE CHARGE</th>
<th>ESTIMATED MONTHLY VOLUME</th>
<th>UNIT PRICE</th>
<th>MONTHLY PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Maintenance</td>
<td>13 accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet Banking and Reporting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items Deposited</td>
<td>2,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Encoding Charge for Deposited Items</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits Posted / Merchant Capture</td>
<td>700</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Same Day Credit</td>
<td>2,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Next Day Credit</td>
<td>2,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Checks Paid</td>
<td>800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chargeback Items - Reclear</td>
<td>25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stop Payments - Manual</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stop Payments - Automated</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACH Item Processing batches</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACH Item Processing per batch</td>
<td>900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wire Transfers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outgoing</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incoming</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collateral Cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optional Valuation Listing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit for Average balances</td>
<td>12,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Charges</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Pay</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FDIC Insurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ledger Overdraft</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return Item Telephone Notification</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Part A – Service Charges (Continued)

<table>
<thead>
<tr>
<th>TYPE OF SERVICE CHARGE</th>
<th>ESTIMATED MONTHLY VOLUME</th>
<th>UNIT PRICE</th>
<th>MONTHLY PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wire Transfer Devices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intrabank Transfer of Funds</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strap of Currency</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roll of Coin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposit Processing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coin Verification</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum Change Order</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Collection Item</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Service</th>
<th>Schedule</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account statements</td>
<td>Mail by the 5th of the following month</td>
<td></td>
</tr>
<tr>
<td>Account analysis</td>
<td>Mail by the 5th of the following month</td>
<td></td>
</tr>
<tr>
<td>Incoming wire notification - over $10,000</td>
<td>Notify the Director of Finance by phone or e-mail one (1) hour after receipt</td>
<td></td>
</tr>
<tr>
<td>Incoming wire confirmation</td>
<td>Emailed confirmation available by next business day</td>
<td></td>
</tr>
<tr>
<td>Out-going wire transfer release</td>
<td>Release according to instructions</td>
<td></td>
</tr>
<tr>
<td>City employee payroll checks</td>
<td>Per Section 4.10</td>
<td></td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Interest Rate</th>
<th>Maturity</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 - 29 days</td>
<td></td>
<td>180 - 209 days</td>
<td></td>
</tr>
<tr>
<td>30 - 59 days</td>
<td></td>
<td>210 - 239 days</td>
<td></td>
</tr>
<tr>
<td>60 - 89 days</td>
<td></td>
<td>240 - 269 days</td>
<td></td>
</tr>
<tr>
<td>90 - 119 days</td>
<td></td>
<td>270 - 299 days</td>
<td></td>
</tr>
<tr>
<td>120 - 149 days</td>
<td></td>
<td>300 - 359 days</td>
<td></td>
</tr>
<tr>
<td>150 - 179 days</td>
<td></td>
<td>360 days and over</td>
<td></td>
</tr>
</tbody>
</table>
Part D - Other

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

Provide an interest rate for loans to the City per Section 4.19.

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: ____________________________
### Liquidity Ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th>As of 12/31/2019</th>
<th>As of 12/31/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans to deposits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross loans to total assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liquid assets to total assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Problem loans to primary capital</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Asset Quality Ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th>As of 12/31/2019</th>
<th>As of 12/31/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan loss reserves to total loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-performing loans to total loans</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Profitability Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>As of 12/31/2019</th>
<th>As of 12/31/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on earning assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest margin</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Capital Adequacy Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>As of 12/31/2019</th>
<th>As of 12/31/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital to loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital to total assets</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Management Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>As of 12/31/2019</th>
<th>As of 12/31/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net charge-off to gross loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jumbo deposit ratio</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(total deposits of amounts in excess of $100,000 to total deposits)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CONFLICT OF INTEREST QUESTIONNAIRE
For vendor or other person doing business with local governmental entity

FORM CIQ

This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity.

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.

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.

1. Name of person doing business with local governmental entity.

☐ 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.)

2. 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.

3. 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.
CONFLICT OF INTEREST QUESTIONNAIRE
For vendor or other person doing business with local governmental entity

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.


____________________________   __________________________
Signature of person doing business with the governmental entity   Date

Adopted 5/1/2018
# Table of Contents

I. Investment Authority and Scope of Policy .................................................................................................................. 4
   1. Funds Included .................................................................................................................................................. 4
   2. Funds Excluded .............................................................................................................................................. 4

II. Investment Objectives ............................................................................................................................................... 4
   1. Safety ........................................................................................................................................................... 4
   2. Liquidity ......................................................................................................................................................... 4
   3. Yield ............................................................................................................................................................ 5

III. Investment Committee .......................................................................................................................................... 5
   1. Members ...................................................................................................................................................... 5
   2. Scope .......................................................................................................................................................... 5
   3. Procedures ................................................................................................................................................ 5

IV. Responsibility and Control ..................................................................................................................................... 5
   1. Delegation .................................................................................................................................................. 5
   2. Management and Internal Controls ............................................................................................................. 6
   3. Transaction Authority ................................................................................................................................ 6
   4. Prudence .................................................................................................................................................... 6
   5. Training, Quality and Capability of Investment Management ................................................................. 6
   6. Monitoring of Investments .......................................................................................................................... 7

V. Ethics ................................................................................................................................................................... 7
   1. Conflicts of Interest .................................................................................................................................... 7
   2. Disclosure ................................................................................................................................................... 7

VI. Reporting Investment Earning Evaluation ........................................................................................................ 7
   1. Quarterly Reports ....................................................................................................................................... 7
   2. Annual Report .......................................................................................................................................... 8
   3. Notification of Investment Changes .......................................................................................................... 8

VII. Investment Types ................................................................................................................................................. 8
   1. Active Portfolio Management .................................................................................................................... 8
   2. Eligible Investments ................................................................................................................................ 8
   3. Length of Investments ............................................................................................................................... 10
   4. Diversification ....................................................................................................................................... 10
   5. Prohibited Investments ............................................................................................................................ 10

VIII. Selection of Banks and Dealers ..................................................................................................................... 11
   1. Bidding Process ...................................................................................................................................... 11
   2. Insurability .............................................................................................................................................. 11
   3. Primary Dealers and Approved List ......................................................................................................... 11
   4. Competitive Bidding of Investments ....................................................................................................... 12
IX. Safekeeping and Custody ............................................................................................................................ 12
  1. Insurance or Collateral ............................................................................................................................. 12
  2. Pledged Collateral Safekeeping Agreement ............................................................................................. 13
  3. Collateral Defined ...................................................................................................................................... 13
  4. Subject to Audit ........................................................................................................................................ 13
  2. Delivery vs. Payment Basis ...................................................................................................................... 13
  3. Standards of Operation ............................................................................................................................. 13

X. Internal Controls ....................................................................................................................................... 14
  1. Internal Controls ....................................................................................................................................... 14

XI. Investment Strategies ................................................................................................................................... 15

XII. Investment Strategy by Pooled Fund Group ................................................................................................. 16

XIII. Policy ............................................................................................................................................................ 17
  1. Exemption ................................................................................................................................................ 17
  2. Amendment ............................................................................................................................................... 17
  3. Glossary .................................................................................................................................................... 17

XIV. City of Copperas Cove Investment Strategy ............................................................................................. 18

XV. Glossary ..................................................................................................................................................... 19

XVI. Securities Broker/Dealer Acknowledgment ................................................................................................... 24
I. INVESTMENT AUTHORITY AND SCOPE OF POLICY

The investment policy applies to the investment activities of the Government of the City of Copperas Cove. It is the policy of the City of Copperas Cove 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).

**Funds Included.** All financial assets of all funds, of the City of Copperas Cove, including the General Fund, Water and Sewer Fund, Solid Waste Fund, the Capital Projects Funds, the Special Revenue Funds, the Debt Service Funds, and all other funds that may be created from time to time, and any funds held in custody by the Director of Financial Services, unless expressly prohibited by law or unless it is in contravention of any depository contract between the City of Copperas Cove and any depository bank.

**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:
- Funds established by the City for deferred employee compensation plans
- City’s participation in the Texas Municipal Retirement System
- Defeased bonds held in trust escrow accounts

II. INVESTMENT OBJECTIVES

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

**Safety.** Safety of principal is the foremost objective of the City of Copperas Cove. Investments of the City of Copperas Cove 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 City of Copperas Cove's investment portfolio will remain sufficiently liquid to enable the City of Copperas Cove to meet all operating requirements, which might be reasonably anticipated. Portfolio maturities will be structured to meet the obligations of the City first, and then to achieve the highest return of interest consistent with the objectives of this policy. When the City has funds that will not be needed to meet current-year obligations, maturity restraints will be imposed based upon the investment strategy for each fund. The City of Copperas Cove shall invest in instruments with scheduled maturity or duration not to exceed two (2) years at the time of purchase. In the event coupon security maturity exceeds the specified limit with a calculated duration of two (2) years, the
Yield. It will be the objective of the City to earn the maximum rate of return allowed on its investments within the policies imposed by its safety and liquidity objectives, investment strategies for each fund, and state and federal law governing investment of public funds.

III. INVESTMENT COMMITTEE

Members. The City of Copperas Cove Investment Committee will consist of the City Manager, Budget Director, Director of Financial Services, and Staff Accountant III. 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. The Investment Committee shall select qualified independent accountants to perform an annual compliance audit of management controls on investments and adherence to the City’s established investment policies in accordance with Gov. Code 2256.005(m). The results of such audit shall be presented to the Investment Committee in conjunction with the City’s annual audit.

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 City’s fund, and authorized broker dealers.

IV. RESPONSIBILITY AND CONTROL

Delegation. Authority to manage the City of Copperas Cove’s investment program is derived from the City of Copperas Cove's Code of Ordinances, City Charter, and Article VIII. Finance Administration, Sec. 8.01 (c) (7). Management responsibility for the investment program is hereby delegated to the Director of Financial Services. This person is responsible for all investment decisions and activities and shall be the City’s investment officer. The Director of Financial Services may designate deputies to assist with the management of the investment portfolio. The Director of Financial Services 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. 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 employees and officers of the City of Copperas Cove. Dual control of all investment activities will consistently be maintained by the Director of Financial Services.

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 accord with the goals and objectives of the City'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.

The Director of Financial Services when acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price dangers, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. In determining whether the Director of Financial Services has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration: (1) the investment of all funds, or funds under the control of the City, over which the Director of Financial Services had responsibility rather than a consideration as to the prudence of a single investment; and (2) whether the investment decision was consistent with the written investment policy of the City.

Training, Quality and Capability of Investment Management. It is the City’s policy to provide training as required by the Public Funds Act, Sec. 2256.008 and periodic training in investments for the Director of Financial Services 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. The City of Copperas Cove's investment strategy is active. Given this strategy, the basis used by the Director of Financial Services to determine whether market yields are being achieved shall be the six-month U.S. Treasury Bill and the Average Fed Funds Rate. These rates may be obtained from the Wall Street Journal or other similar investment periodicals or journals.

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 City'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 City, 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 City Council 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 City 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;
   D. fully accrued interest for the period
(5) state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested; market value shall be determined by reference to published prices in the Wall Street Journal or by reference to other commonly recognized source of market information.

(6) state the maturity date of each separately invested asset that has a maturity date;

(7) state the account or fund or pooled group fund in the city for which each individual investment was acquired; and

(8) state the compliance of the investment portfolio of the City as it relates to:
   A. the investment strategy expressed in the city's investment policy; and relevant provisions of the Public Funds Investment Act.
   B. state the maturity date of each separately invested asset that has a maturity date;
   C. state the account or fund or pooled group fund in the city for which each individual investment was acquired; and
   D. state the compliance of the investment portfolio of the City as it relates to:

(9) state the total rate of return on the investment portfolio.

(10) the quarterly investment reports shall be reviewed by the City's independent auditors, as part of the City’s annual audit and the result of this review shall be reported to the City Council.

Annual Report. Within 120 days of the end of the fiscal year, the Director of Financial Services shall present an annual report on the investment program activity. The annual report shall include 12-month performance information, and shall suggest improvements that might be made in the investment program.

Notification of Investment Changes. It shall be the duty of the Director of Financial Services to notify the City Council of any significant changes in current investment methods and procedures prior to their implementation, regardless of whether they are authorized by this policy or not.

VII. INVESTMENT TYPES

Active Portfolio Management. The City intends to pursue an active vs. a passive portfolio management philosophy. That are securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade.

Eligible Investments. Financial assets of the government of the City of Copperas Cove 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 mortgages backed securities of the nature described by Section 2256.009(b) of the Public Funds Investment Act; or
   (3) secured in any other manner and amount provided by law for deposits of the City.
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. A fully collateralized repurchase agreement, as defined in the Public Funds Investment Act, if it:
   (1) has a defined termination date;
   (2) is secured by obligations described by Section 2256.009 (a) (1) of the Public Funds Investment Act; and
   (3) requires the securities being purchased by the City to be pledged to the City, held in the City’s name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City; and,
   (4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this State. Notwithstanding any law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received by the City under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

G. Eligible investment pools (as discussed in the Public Funds Investment Act, Sec. 2256.016-2256.019) if the City Council by resolution authorizes investment in the particular pool. An investment pool shall invest the funds it receives from the City in authorized investments permitted by the Public Funds Investment Act.

H. Any other securities which may be added by the State of Texas as permissible investments for municipal governments which are following the Public Funds Investment Act. Section 2256.019 Investment pools must be continuously rate triple-AAA or AAA-m by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized service with weighted average maturity not greater than 90 days. Market mutual funds must be registered with and regulated by the Securities Exchange Commission and must provide the City with a prospectus and other information required by federal law. All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

**Length of Investments.** The City of Copperas Cove 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 City of Copperas Cove to diversify the investment portfolio. Diversification strategies shall determine and revised periodically by the Director of Financial Services. 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 City of Copperas Cove investment portfolio will not invest in derivatives. For the purposes of this Investment Policy, the definition of derivatives includes 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 Director of Financial Services shall conduct a comprehensive review of prospective depository’s credit characteristics and financial history.

Insurability. Banks seeking to establish eligibility for the City’s depository contract shall submit financial statements, evidence of Federal insurance and other information as required by the Director of Financial Services.

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 City 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 City; 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 City and the organization. The Director of Financial Services may not buy any securities from a person who has not delivered to the City 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 City of Copperas Cove, 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 City. 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 City of Copperas Cove Investment Policy and has reasonable procedures and controls to preclude imprudent investment activities arising out if investment transactions conducted between the entity and the City of Copperas Cove (Securities Broker Dealer Acknowledgment Form - Section XV).

Brokers and dealers who desire to transact business with the City of Copperas Cove must be approved, in advance of any business transactions, by the City Manager. For brokers and dealers of government securities, the City Manager shall select only those dealers reporting to the Market Reports Division of New York, also known as the "primary government securities dealers," unless a broker/dealer comprehensive questionnaire and certification reveals that other firms are adequately financed to conduct public business. The Director of Financial Services will annually review the financial condition and registration of qualified dealers and brokers. The Director of Financial Services shall not conduct business with any firm, which has been removed from the approved list by the City Manager.

**Competitive Bidding of Investments.** All trades, purchases and sales done for the City of Copperas Cove will be done through a documented competitive bidding process. Competitive quotes must be taken from at least three qualifying institutions for any investment transaction. The broker/dealers used for the City of Copperas Cove will be those approved by and in compliance with the rules of this investment policy.

*Broker/dealers are neither required nor encouraged to contact the City on current securities that the broker/dealers believe are items that require City attention.*

**IX. SAFEKEEPING AND CUSTODY**

**Insurance or Collateral.** All deposits and investments of City 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. If the maturity date of the pledged collateral exceeds two years, 102% of market value shall be maintained by the Director of Financial Services or a third-party financial institution. Repurchase agreements shall be documented by a specific agreement noting the collateral pledged in each agreement. Collateral shall be reviewed monthly to assure the market value of the securities pledged equals or exceeds the related bank balances.

**Pledged Collateral Safekeeping Agreement.** All safekeeping arrangements shall be in accordance with a Safekeeping Agreement approved by the Director of Financial Services which clearly defines the procedural steps for gaining access to the collateral should the City of Copperas Cove determine that the City’s funds are in jeopardy. The safekeeping institution, or Trustee, shall be the Federal Reserve Bank or an institution not a branch of the firm pledging the collateral. The safekeeping agreement shall include the signatures of the City of Copperas Cove, the firm pledging the collateral, and the Trustees.
Collateral Defined. The City of Copperas Cove 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. GC 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 City Agent or the Trustee. The collateral shall be held in the name of the City. The Trustee's or Agent's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City.

Standards of Operation. The Director of Financial Services shall develop and maintain written administrative procedures for the operation of the investment-program, consistent with this investment policy.

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) Avoidance of physical delivery securities - Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.

(5) Clear delegation of authority to subordinate staff members - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

(6) 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.

(7) 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.

(8) Documentation of transactions and strategies - By recording this necessary information, certification of investment procedures processing is accomplished.

(9) 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 Officer will immediately advise the City Manager of the loss of rating, the possible loss of principal. The City Manager and Investment Officer will decide on the prudent liquidation of the security.

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 City’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 City of Copperas Cove are:
(1) The Roll-Over Approach. This strategy shall be referred to as Strategy A. This approach means that, despite the excess funds available early in the tax collection season and the requirements of the remaining months, you choose to place the excess funds outside a theoretical short-term period. Instead the excess funds are held in daily liquidity fund such as a bank money market account, a short-term liquidity interlocal pool, or in an eligible SEC registered mutual money market fund (90-day maximum maturity) $1.00 stable net asset value. The funds continue to roll-over or remain accessible on a daily basis for the entire cycle and the funds are disbursed as liabilities occur.

(2) The Matching Approach. This strategy shall be referred to as Strategy B. This approach uses excess funds to fill future shortfalls or to match maturing investments with liabilities, matching relies on accurate forecasting of liabilities matched with maturity investments. The Matching Approach generally requires holding investments to maturity.

(3) The Extension Approach. This strategy shall be referred to as Strategy C. This is an aggressive approach because it is a one-sided bet on the market and disregards liability requirements. The expectation is that long-term investments can be liquidated at cost or a profit to cover short-term needs. The Extension Method is risky and makes an aggressive statement about the direction of interest rates. Use of this method can reduce liquidity and create losses. Section XIV includes investment strategies for all funds. In accordance with the Public Funds Investment Act, Section 2256.005(e), investment strategies will be reviewed and adopted by resolution at least annually.

XII. INVESTMENT STRATEGY BY POOLED FUND GROUP

Operating Pooled Fund Group: The objective of the Operating Pooled Fund Group is to maximize earnings on short term idle cash (needed to meet obligations in less than one year) while preserving the safety of the principal invested. Liquidity must be maintained to ensure adequate access to meet operating requirements. Investments of this Pooled Fund Group shall not exceed a maturity of greater than one (1) year and must maintain a weighted average maturity of not more than 90 days. This Group shall invest in the types of investments authorized under this Investment Policy to maximize earnings with emphasis on safety of Principal and liquidity. Any City fund may participate in the Short-Term Pooled Fund Group.

Non-Operating Pooled Fund Group: The objective of the Non-Operating Pooled Fund Group is to maximize earnings on idle cash not needed for operating activities within one year while maintaining the safety of the principal invested. The maturity of any investment by the Non-
Operating Pooled Fund Group may not exceed five (5) years. Investment transactions will be conducted in a manner to create a laddering of maturities to prevent maturity bubbles and reduce the risks of changing markets. This Group shall invest in the types of investments authorized under this Investment Policy to maximize earnings with emphasis on safety of principal. Only City funds with idle cash not required to meet obligations within one year may participate in this fund group.

Capital Project Fund Group: The objective of the Capital Project Fund Group is to maximize earnings on idle cash that is not needed in the short term to meet obligations to fund capital project fund activities while maintaining the safety of the principal. The maturity of any investment by the Capital Project Fund Group may not exceed three years, but any investment over one year must be scrutinized to ensure liquidity of funds to meet all obligations for payments of capital projects. This Group shall invest in the types of investments authorized under this Investment Policy to maximize earnings with emphasis on safety of principal and timing of liquidity. Only capital project funds which are primarily funded with debt proceeds may participate in this fund group.

XIII. 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.

Glossary. The Glossary is provided in section XV of this policy.
## XIV. CITY OF COPPERAS COVE INVESTMENT STRATEGY

<table>
<thead>
<tr>
<th>OPERATING FUNDS</th>
<th>INVESTMENT STRATEGY</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENERAL FUND</td>
<td>A, B</td>
</tr>
<tr>
<td>WATER AND SEWER FUND</td>
<td>A, B</td>
</tr>
<tr>
<td>SOLID WASTE FUND</td>
<td>A, B</td>
</tr>
<tr>
<td>GOLF COURSE FUND</td>
<td>A, B</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEBT SERVICE FUNDS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>TAX I&amp;S FUND</td>
<td>A, B</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SPECIAL REVENUE FUNDS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>DRAINAGE UTILITY FUND</td>
<td>A, B</td>
</tr>
<tr>
<td>MUNICIPAL COURT EFFICIENCY FUND</td>
<td>A, B</td>
</tr>
<tr>
<td>MUNICIPAL COURT TECHNOLOGY FUND</td>
<td>A, B</td>
</tr>
<tr>
<td>MUNICIPAL COURT SECURITY FUND</td>
<td>A, B</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CAPITAL PROJECTS FUNDS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2012 GENERAL OBLIGATION BONDS</td>
<td>A, B</td>
</tr>
<tr>
<td>2014 CERTIFICATE OF OBLIGATION</td>
<td>A, B</td>
</tr>
<tr>
<td>2015 CERTIFICATE OF OBLIGATION</td>
<td>A, B</td>
</tr>
<tr>
<td>2016 CERTIFICATE OF OBLIGATION</td>
<td>A, B</td>
</tr>
<tr>
<td>2017 CERTIFICATE OF OBLIGATION</td>
<td>A, B</td>
</tr>
<tr>
<td>2018 CERTIFICATE OF OBLIGATION</td>
<td>A, B</td>
</tr>
<tr>
<td>2019 CERTIFICATE OF OBLIGATION</td>
<td>A, B</td>
</tr>
<tr>
<td>2020 CERTIFICATE OF OBLIGATION</td>
<td>A, B</td>
</tr>
</tbody>
</table>
XV. GLOSSARY

AGENCIES: Federal agency securities.

ASKED: The price at which securities are offered.

BANKER’S ACCEPTANCE (BA): A draft or bill or 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.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): 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 $250,000 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 GMNA 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 returns 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.
XVI.

CITY OF COPPERAS COVE, TEXAS
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 the City of Copperas Cove have received and have thoroughly reviewed the Investment Policy of the City of Copperas Cove. Broker acknowledges that Broker has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and Broker. Transactions between this firm and the City of Copperas Cove will be directed toward protecting the City of Copperas Cove from credit and market risk. This firm pledge due diligence in informing the City of Copperas Cove of foreseeable risks with financial transactions connected with this firm.

Primary Representative, Title Date
APPENDIX E

W-9
VENDOR INFORMATION
Certification instructions. You must cross out item you, or other amount reportable on an information return. Examples of information
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), or employer identification number (EIN) to report an income 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)

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), or employer identification number (EIN) to report an income 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)

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