

**DENTON COUNTY, TEXAS
REQUEST FOR PROPOSAL**

BANK DEPOSITORY

RFP #01-11-2071

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I. INSTRUCTIONS

- A. **Bank applications for County Depository, Bid #03-07-1822, must be delivered before 10:00 a.m., Tuesday, May 3, 2011, to the office of the County Judge at the Courthouse on the Square, 110 W. Hickory, Denton, Texas.**

Denton County is always very conscious and extremely appreciative of the time and effort you must expend to submit an offer. We would appreciate your indicating on any "NO OFFER" response and requirements of this RFP which may have influenced your decision to "NO OFFER".

- B. IT IS UNDERSTOOD THAT Denton County, reserves the right to accept or reject any and/or all proposals as it shall deem to be in the best interest of Denton County. Receipt of any proposal shall under no circumstances obligate Denton County to accept the lowest proposal. The award of the contract shall be made to the responsible offerer whose proposal is determined to be the lowest and best evaluated offer resulting from negotiation, taking into consideration the relative importance of price and other evaluation factors set forth in the request for proposal.
- C. PROPOSALS SHALL include all required documents. Each original proposal and all required copies shall be placed in a sealed envelope, manually signed in ink by a person having the authority to bind the firm in a contract and marked clearly on the outside. Facsimile transmittals shall not be accepted.
- D. LATE PROPOSALS: Proposals received in County Purchasing Office after submission deadline shall be returned unopened and will be considered void and unacceptable. Denton County is not responsible for lateness of mail, carrier, etc., and time/date stamp clock in Purchasing Office shall be the official time of receipt.
- E. ALTERING PROPOSALS: Any interlineation, alteration, or erasure made before receiving time must be initialed by the signer of the proposal, guaranteeing authenticity.
- F. WITHDRAWAL OF PROPOSAL: A proposal may not be withdrawn or cancelled by the offerer for a period of ninety (90) days following the date designated for the receipt of proposal, and offerer so agrees upon submittal of their proposal.
- G. PROPOSALS WILL BE received and publicly acknowledged at the location, date, and time stated above. Offerers, their representatives and interested persons may be present. Proposals shall be received and acknowledged only so as to avoid disclosure of the contents to competing offerers and kept secret during the negotiation/evaluation process.

However, all proposals shall be open for public inspection after the contract is awarded, except for trade secrets and confidential information contained in the proposal so identified by offerer as such.

- H. DISCLOSURE OF CERTAIN RELATIONSHIPS: Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of Denton County no later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed as defined in 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. A copy of the law is available at:

<http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. The forms for reporting are available at: http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm

By submitting a response to this request, the vendor represents that it is in compliance with the requirements of Chapter 176 of the Texas Local Government Code. If required, send completed forms to the Denton County Clerk's Office located at 1450 E. McKinney, Suite 1103, Denton, TX 76209-4524.

II. SCOPE OF WORK

- A. PURPOSE: Denton County's intent of this Request for Proposal and resulting contract is to obtain proposals for bank depository services.
- B. INFORMATION/QUESTIONS: All questions shall be posted to Denton County's on-line bidding services, www.BidSync.com, by the stated deadline. Bidders are responsible for insuring all answers to questions are reviewed prior to bid submittal.
- C. EVALUATION CRITERIA AND FACTORS: The award of the contract shall be made to the responsible offerer whose proposal is determined to be the lowest evaluated offer resulting from negotiations, taking into consideration the relative importance of price and other factors set forth in the Request for Proposals in accordance with the Texas Local Government Code, Chapter 262. The evaluation criteria will be grouped into percentage factors as follows:

40% Cost of Services

20% Bank's past and prospective financial condition

20% Net rate of return on County funds

20% Ability to meet service requirements

Discussions may be conducted with responsible offerers who submit proposals determined to be reasonably susceptible of being selected for award. All offerers will be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals. Revisions to proposals may be permitted after submission and before award for the purpose of obtaining best and final offers as determined to be in the best interest of Denton County.

- D. SUBMITTAL: Submittals shall take the form of a bound 8 ½ inch by 11 inch proposal with a Table of Contents and all pages numbered. Each section shall be clearly identified and tabbed. For proper comparison and evaluation, Denton County requests that proposals follow the format outlined below.
 - 1. Cover Letter - A brief introductory letter of representation including contact information and a statement that all products and services quoted in proposal are in full accord with the specifications or a brief listing of all those specification sections to which the offerer takes exception. This statement is required even if no exceptions are noted.
 - 2. Proposal Pricing/Delivery - Pricing shall be itemized for all items requested in this proposal on the forms provided. Brief notes referencing specific line items may be included, if necessary, for explanation. **Denton County also requests an electronic**

copy of the Bid Worksheet be submitted.

3. **Applications must include a statement of the paid up capital stock and the permanent surplus of the applicant bank. Also, a statement of the financial condition of the bank must be included along with the good faith check required herein.**
 4. Each application must be accompanied by a cashier's check or a certified check for not less than one-half of one percent of the County's revenues for the fiscal year ended September 30, 2010, as a guarantee of good faith on the part of the applicant. Good faith checks should be in the amount of \$910,225.
 5. References - Offerer shall submit with this proposal a list of at least three (3) references where like services or similar projects have been performed by their firm. Include name of firm, address, telephone number and name of representative.
 6. Vendor Acknowledgement Form as required herein.
- E. **BIDDER RESPONSIBILITY:** It is the responsibility of each vendor before submitting a proposal:
1. To examine thoroughly the contract documents and other related data identified in the proposal documents, to visit the site to become familiar with and satisfy vendor as to the general, local, and site conditions that may affect cost, progress, performance, etc.
 2. To consider federal, state, and local laws and regulations that may affect costs, progress, performance or furnishing of the work.
 3. To study and carefully correlate vendor's knowledge and observations with the contract documents and such other related data.
 4. To promptly notify the County Director of Purchasing of all conflicts, errors, ambiguities, or discrepancies which vendor has discovered in or between the contract documents and such other related documents.

III. MINIMUM REQUIREMENTS

- A. TERM: The Bank contract will be effective for a period of four (4) years ending sixty (60) days from the time fixed by law for the next selection of a depository. If a timed deposit maturity extends beyond the expiration date of the depository contract, the Bank will pledge sufficient securities required by law for public funds to Denton County to provide for the maturity of the time deposit. The contract shall allow the bank to negotiate new terms of the contract for the final two (2) years of the four (4) year contract as established in §116.021 (b). On expiration of the contract, the contract may be renewed for two years under terms negotiated by the Commissioners Court.
- B. A pre-bid meeting is scheduled at 10:00 a.m., Thursday, April 7, 2011 in the Purchasing Conference Room, 401 W. Hickory, Suite 324, Denton, TX.
- C. It is the intent of Denton County to execute a contract with a bank desiring to be designated as the County Depository Bank for County funds and for Trust funds of the County and District Clerk. By returning the Bid Worksheet, Bank acknowledges that it understands the Local Government Code of the State of Texas, Chapter 116.000 through 116.155 that pertains to the managing and safekeeping of County funds and that it will comply with that statute.
- D. After selecting one or more county depositories, the Commissioners Court shall immediately return the certified checks of the rejected applicants. The Commissioners Court shall return the check of the successful applicant when the applicant executes and files a depository bond that is approved by the Commissioners Court.

If a bank is selected as a depository and does not provide the bond, the county shall retain the amount of the check as liquidated damages, and the County Judge shall re-advertise for applications, if necessary, to obtain a depository for the County.

- E. The County recognizes the special FDIC coverage conditions currently in place until 12/31/12. It anticipates that only funds targeted for compensating balances will be held as non-interest bearing. Remaining funds will be collateralized.

The County requires a bank that is fiscally strong and able to provide the services described on an uninterrupted basis. As public funds the County falls under provisions of the Public Funds Collateral Act (Texas Government Code Chapter 2257, <http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2257.htm>) with additional restrictive County requirements. If funds are, for any reason, not swept all un-invested time and demand funds above FDIC insurance coverage must be collateralized to 103% with securities authorized by the County. Authorized collateral may include:

- Obligations of the US Government, its agencies and instrumentalities, including mortgage backed securities, which pass the bank test.

- Obligations of any US state, their agencies and instrumentalities, and municipalities rated A or better by two nationally recognized rating agencies.

All securities pledged to the County will be held by a County approved independent third party institution outside the bank's holding company or at the Federal Reserve Bank. The bank will be responsible for the pricing of securities and daily monitoring and maintenance of margin levels. (Preferably the custodian would provide market values on the securities.) The custodian is required to provide a monthly report directly to the County on the collateral pledged.

The collateral agreement (or depository agreement detailing collateral requirements) shall be executed under the terms of FIRREA by the bank and the County and approved by resolution of the bank's Board or Loan Committee. If the Federal Reserve is used as custodian the Circular 7 Pledge Agreement will be executed and appended to the agreement.

Currently, pooled collateral is not allowed by counties. However, if legislation is approved during the contract period, the County reserves its voluntary right to choose or not to choose this pledging mechanism. A full evaluation of the pooled collateral program offered will be made by County staff and presented to the County Commissioners' Court based on risk and cost considerations before final decisions are made. The County intends to minimize collateral costs through use of the sweep mechanism.

The following conditions must be met:

- Collateral must be held in an independent third party bank or at the Federal Reserve Bank.
- Initial collateral will be provided for the County within 15 days after a bank is selected as a County depository.
- All deposits will be collateralized, above FDIC insurance, at 103% of principal plus accrued interest at all times.
- The bank is responsible for the daily monitoring and maintaining of collateral margin requirements.
- Pledged collateral will be evidenced by original safekeeping receipts/report sent directly to the County by the custodian and the Custodian will prepare a report of collateral pledged including description, par, and CUSIP monthly directly to the County (market value is not required). The monthly report will not come from the Bank.
- Substitution rights will be granted if the bank/custodian obtains the County's prior approval and if substituting securities are received before previously pledged securities are removed from safekeeping. Collateral value will be maintained during substitution at 103% or above.
- The bank shall execute a tri-party safekeeping agreement with the County and the custodian for custody of pledged securities in full compliance with FIRREA. If the Federal Reserve is used as custodian a Pledge Agreement will be executed and

appended. Approval of the agreement will be made by resolution of the bank's Board or Bank Loan Committee.

- F Interest to be paid on County funds must be specified on the bid worksheet for the following types of deposits:
- a. Demand Accounts - The County depository will pay interest upon all funds deposited as demand deposits according to the terms of any existing NOW, Super Now, or Money Market accounts now available or according to any special terms that would serve the best interests of the County and of the bank.
 - b. Interest Rates - Floating interest rate bids and a fixed interest rate bids on accounts and certificates of deposit will be quoted by the Bank. Denton County reserves the right to select the rate most favorable to the County at anytime during the term of the contract, within the guidelines of Section 116.021 (b) of the Code.
- G. Banks will specify on the bid worksheet their charges for services in connection with the maintenance of the County's demand checking accounts. Charges not detailed on the worksheet will be provided at no cost to the County. Charges for services are to be calculated net of allowable earnings credits on bank account balances. The County currently maintains approximately 66 checking accounts at its depository bank. Total monthly volume of transactions processed is approximately 6,000 to 6,500 checks written and 5,000 total deposits. Worksheets are posted on www.bidsync.com as Excel files. Sample copies of the contracts that will be executed are included as an attachment.
- H. Denton County reserves the right to invest a portion of its funds in government securities and financial instruments of other financial institutions as allowed by State law covering the investment of County funds. Currently, approximately \$225 million is invested outside the County depository. All other County funds are deposited in the County depository. All other things remaining equal, this investment mix is not projected to change dramatically during the term of the depository contract. The County has approximately \$330 million in authorized but unissued bonds at this time. There is no definite timetable for issuance of these bonds. Proceeds of future bond issues may be invested either in or outside of the County depository.
- I. Applicant banks not located within the city limits of the County seat must include in their bids a guarantee of daily pickup and delivery service to all County offices in the city of Denton at no cost to the County. For applicant banks within the city limits, the County Treasurer Depository Officer will make deliveries throughout the day. A typical day would have approximately 36 separate deposits taken directly to branch bank indoor teller, 19 of those by 1:00pm and a second drop of 17 by 3:00pm, with an additional 8 individual deposits taken and dropped in a commercial lane by 5:30pm.

- J. The County does not currently require lockbox services for tax collections. If this service is required during the contract period, any fees for lockbox services will be negotiated separately from the depository contract. Applicant banks should provide detailed information about their lockbox services on the Pricing Worksheet.
- K. Applicant banks must offer processing of Automated Clearing House (ACH) transfers for direct deposit of County employees' payroll to other domestically located banks. Currently, approximately 1,550 of the County's 1,585 employees use direct deposit for their biweekly payroll. The county requires that all applicant banks cash free of charge all "on-us checks" for county employees regardless of the individual's account status with the bank.
- L. Denton County is currently serving as collector of property taxes for approximately 90 governmental entities within the county. Collections for other entities are transferred daily by ACH or intrabank transfer to the entities' accounts. Collections of tax funds must be collateralized per the requirements of state law until they have cleared the County's account. Daily tax collections are not material except in the months of November through February. The collection in January, 2010, totaled \$670,000.000. The total of tax collections billed for 2009 was approximately \$1.1 billion. Of that total, deposits will be received in the following percentages: 5% November; 15% - December; 50% - January; 20% February. The remaining 10% is evenly spread out during the rest of the year. During November – February, the daily collections are transferred to the other entities daily via ACH transfers. The balances are in are account until the daily ACH's clear.
- M. Applicant banks must provide either online front/back imaging of checks paid each month or if hard copies of paid checks are included in the monthly statement, they must be sequentially numbered.
- N. Applicant banks must offer on-line cash management services. The County requires a secure web-based, online cash management services with Intraday and Previous day access to balance information and transactions. The County requires a high degree of automation within all services areas. All banking transactions must be downloadable to a variety of file types such as .xlsx, .pdf, .csv, .txt. Automated services shall include daily balance reporting including detail on all transactions, online bank statements, online analysis statements, online ACH reporting, online wire transfers, online image retrieval of canceled checks with image retention, online stop payments, online desktop depositing. The applicant bank shall provide the County with security protocol for online services such as: How is authentication and authorization provided? How and by whom is the administration of the security module established and maintained? How frequently does the bank update and improve the banking online module with new versions of supporting firmware?

- O. Applicant banks must offer overnight investment of idle funds via a sweep account to a master repurchase agreement.
- P. The Bank will provide a means for the County to upload disbursed check information that will be compared to checks that are presented to the bank for clearing. Any discrepancies shall be cleared by the Treasurer before checks are paid by the bank. Any applicable cost should be quoted.
- Q. A Client Analysis Statement for January 2011 is included in Attachment A of these specifications and posted on www.bidsync.com as an Excel file.
- R. The peak daily ACH was approximately \$70 million in late January 2011.
- S. The District Clerk's office has three non-interest bearing accounts:
 Daily Account, with an average balance of \$285,000;
 Registry Account, with an average balance of \$2,850,000; and
 Bond Account, with an average balance of \$85,000
- T. Earnings Credit on Account Balances

Charges for services should be at least partially offset by an earnings credit on monthly account balances. Please specify the calculation of earnings credit allowed by the Bank. An example is as follows:

EXAMPLE

Collected Bank Balance	\$1,000,000
(Less Reserve Requirement @ 10%)	<u>100,000</u>
	900,000
Times Earnings Allowance (Assume 91 day T-Bill Rate)	<u>x 5.0%</u>
Annual Earnings Credit	45,000
Divided by	<u>÷ 12</u>
Total Monthly Earnings Credit	\$ 3,750

Please specify Bank's Calculation in your bid.

Collected Bank Balance	\$1,000,000
(Less Reserve Requirement @ 10%)	(100,000)
	\$ 900,000

AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS OF THE COUNTY

TABLE 14

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Amount</u> <u>Authorized</u>	<u>Issued</u> <u>To Date</u>	<u>This</u> <u>Issue</u> ^(a)	<u>Unissued</u>
1/16/1999	Road	\$ 85,320,000.00	\$ 77,629,375.15	\$ -	\$ 7,690,624.85
5/15/2004	Road	186,970,000.00	131,465,000.00	45,145,527.41	10,359,472.59
5/15/2004	Equipment	2,000,000.00	-	-	2,000,000.00
11/4/2008	Road	310,000,000.00	41,820,000.00	60,341,780.63	207,838,219.37
11/4/2008	County Offices	185,000,000.00	47,455,000.00	34,719,443.60	102,825,556.40
	Total	\$ 769,290,000.00	\$ 298,369,375.15	\$ 140,206,751.64	\$ 330,713,873.21

^(a) Includes principal of the Bonds and premium on the 2010A Bonds applied against voted authorization.

Source: Denton County and Texas Municipal Report published by the Municipal Advisory Council of Texas

**GENERAL FUND COMBINED STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

TABLE 15

	<u>Fiscal Year Ended September 30,</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues:					
Taxes	\$ 84,281,295	\$ 78,517,934	\$ 75,756,324	\$ 70,682,533	\$ 70,610,958
Licenses and Permits	1,292,543	1,105,725	691,013	304,543	-
Interest Revenue	369,202	8,290,243	2,541,633	1,974,902	837,732
Fines & forfeitures	4,055,003	11,570,348	4,248,548	3,972,218	3,990,834
Intergovernmental	9,604,543	4,146,764	7,756,411	10,813,444	4,433,186
Fees of Office	11,613,903	1,797,701	11,757,170	11,300,731	8,711,757
Miscellaneous	2,398,170	1,813,101	1,846,827	1,829,933	2,308,826
Total Revenues	\$ 113,614,658	\$ 107,241,816	\$ 104,597,926	\$ 100,878,304	\$ 90,893,293
Current:					
General Government	\$ 19,645,917	\$ 16,970,621	\$ 15,476,979	\$ 16,606,445	\$ 13,776,931
Public Safety	47,388,122	44,854,914	41,940,870	40,837,242	36,179,192
Financial Administration	5,621,764	5,410,292	5,120,550	4,779,115	4,589,744
Public Facilities	7,966,051	7,645,966	6,568,295	6,663,211	6,064,423
Legal	10,879,178	10,301,634	9,816,756	9,317,792	9,140,333
Health	246,891	245,384	200,559	213,123	157,399
Judicial	15,432,620	14,872,221	13,525,756	13,249,764	12,755,349
Conservation	383,833	389,404	388,181	370,952	331,543
Contract Services	2,919,721	2,889,226	2,732,336	2,613,005	1,940,935
Total Expenditures	\$ 110,484,096	\$ 103,579,662	\$ 95,770,282	\$ 94,650,649	\$ 84,935,849
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 3,130,562	\$ 3,662,154	\$ 8,827,644	\$ 6,227,655	\$ 5,957,444
Other Financing Sources (Uses)					
Capital Lease Financing			\$ -		
Operating Transfers In	\$ 369,261	\$ 104,764	218,025	39,409	40,316
Operating Transfers Out	(3,465,000)	(4,230,621)	(409,747)	(528,039)	(1,023,125)
Total Other Financing Sources (Uses)	\$ (3,095,739)	\$ (4,125,857)	\$ (191,722)	\$ (488,630)	\$ (982,809)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$ 34,823	\$ (463,704)	\$ 8,635,922	\$ 5,739,025	\$ 4,794,636
Fund Balances at Beginning of Year	28,034,695	28,498,398	19,862,476	14,123,451	9,148,815
Fund Balances at End of Year	\$ 28,069,518	\$ 28,034,695	\$ 28,498,398	\$ 19,862,476	\$ 14,123,451

Source: The Issuer's Comprehensive Annual Financial Reports and other financial data from the Issuer.

Bid Worksheet for Bank Depository RFP #01-11-2071

Worksheet 1 of 3 Required

Interest Bearing Checking Accounts		
	Variable Interest Margin	Fixed Interest Rate
Interest Bearing Checking Accounts		

Variable Rate = (91 Day US T-Bill Auction Discount Rate published in the Wall Street Journal on the day following the auction) + Margin (based on basis points). Example: If 91 day US T-Bill Auction Discount Rate is 3.3% and basis points are 1.0, then the variable rate is 4.3%.

Interest Rates on Bank Certificates of Deposit		
	Less than \$100,000	More than \$100,000
Maturity 7-29 Days	+ basis points	+ basis points
Maturity 30-59 Days	+ basis points	+ basis points
Maturity 60-89 Days	+ basis points	+ basis points
Maturity 90-179 Days	+ basis points	+ basis points
Maturity 180 Days - less than 1 Year	+ basis points	+ basis points
Maturity 1 Year or more	+ basis points	+ basis points

91 Day US T-Bill Auction Discount Rate (as determined by latest T-Bill Auction)
Quote as "+ ____basis points

Certificates of Deposit - Fixed Interest Rate		
	Less than \$100,000	More than \$100,000
Maturity 7-29 Days	%	%
Maturity 30-59 Days	%	%
Maturity 60-89 Days	%	%
Maturity 90-179 Days	%	%
Maturity 180 Days - less than 1 Year	%	%
Maturity 1 Year or more	%	%

Use the date of April 16, 2011 for calculation purposes.

Bid Worksheet for Bank Depository RFP #01-11-2071
Worksheet 2 of 3 Required
Pricing Worksheet

Service	Unit Basis	Proposed Item Fee	Information/Notes (as applicable)
Account Services			
Average Ledger Balance			
Account Maintenance Fee	Per account		
Subsidiary Account Maintenance	Per account		
Money Market Account Maintenance Fee	Per account		
Interest Bearing Accounts Maintenance Fee	Per account		
Investment Sweep Maintenance	Per account/Per Mo		
Dr/Cr Sweep Transaction Fee	Per item		
ZBA Account - Subsidiary	Per account		
Credits Posted	Per item		
Debits Posted	Per item		
Credits Posted	Per item		
Negative Collected Balance Fee	Per item		
Overdraft Item Returned	Per item		
Overdraft NSF Item Paid	Per item		
Statement Cycles			
DDA Statement with Images	Per month		
Printed Statement	Per account		
Printed Statement with serial sorted items	Per account		
Imaged E-Statement	Per item		
Overdraft NSF Item Paid	Per item		
Automated Services - Balance & Detail			
Account Maintenance Fee (with history)	Per account/mo		
Online Reporting Client Maintenance Fee-Basic Banking	Per relationship		
Online Reporting Maintenance -Additional Accounts	Per account		
User Module Fee	Per month		
Online Access Maintenance Fee	Per account/overall		
Online Access Subscription Fee	Per month		
Online Viewing < 90 days	Per month		
Online Viewing > 90 days	Per month		
Previous day Reporting	Per account		
Previous Day Dr/Cr Items	Per item		
Intraday Subscription Mo Base	Per item		
Current Day Reporting	Per item		
Current Day Items	Per item		
Transactions Loaded	Per item		
Automated Check Services - Maintenance	Per item		
Search Capability	Per account		
Event or Alert Messaging Service - E-mail	Per account		
Online Image View Maintenance	Per account		
Image Capture per Image	Per item		
Image Retrieval per Retrieve	Per item		
Image Retrieval - per image	Per item		
Image Retention Per Item	Per item		
Special Report Fee	Per item		
CD ROM Media	Per item		
CD ROM Items	Per item		
CD Paid Check Image	Per item/mo		
CD ROM Maintenance	Per item		
Branch Deposits			
Commercial Account Maintenance	Per account		
Branch Credits Posted	Per event		
Branch Immediate Verification	Per item		
Branch Deposit Post Verification	Per item		
Branch Deposit - Currency	Per \$\$		
Items Deposited - Credits Posted	Per deposit		
Credits Posted	Per item		
On-us Items	Per item		
Off-us Items	Per item		
Transit	Per item		
Encoding Charge	Per item		
Foreign Check Deposit	Per item		
Paper Check Return Maintenance	Per month		
Paper Check Return	Per item		

Service	Unit Basis	Proposed Item Fee	Information/Notes (as applicable)
Branch Deposit Correction	Per item		
Branch Order Currency Strap	Per item		
Branch Order Processed	Per item		
Branch Coin Roll Furnished	Per item		
Return Item - Chargeback	Per item		
Return Item Special Instructions	Per item		
Return Items-Special Inst. Monthly Base	Per item		
Deposit Return Redeposit Reclear	Per item		
Return Item with maker name	Per item		
Return Item Redeposited	Per item		
Return Fax Copy	Per item		
Return Image	Per item/mo		
Check Exception Return	Per item		
Check Photocopy Retrieval	Per item		
Remote Deposit Services			
Remote Deposit Maintenance	Per account/mo.		
Item Capture - Local Clearing	Per item		
Item Capture - On us	Per item		
Item Capture - Regional	Per item		
Item Capture - Transit	Per item		
Item Capture - Canadian	Per item		
Credit Posted	Per item		
On Bank Deposit Item	Per item		
Non Bank Deposit Item	Per item		
Remote Capture Items Deposited	Per item		
Reporting Services	Per item		
Deposit Report per item	Per item		
Image Retrieval Service	Per item		
Transmission	Per transmission		
Transmission Detail	Per item		
Back Office Paper-To-Electronic Check Conversion (not currently using this feature, but may during contract period)			
Smart Decision ACH transit	Per item		
Smart Decision EFATM Ach Transit	Per item		
Smart Decision Vault ACH Transit	Per item		
Smart Decision Exp Ntwk Vlt ACH Trans	Per item		
Smart Decision Electronic Check ACH On-us	Per item		
Smart Decision Electronic Check ACH Transit	Per item		
ARC/BOX Chargeback No IRD	Per item		
Return Item Converted Check Chargeback IRD	Per item		
Return Item Converted Check Redeposit 2nd	Per item		
Return Item Converted Check Redeposited	Per item		
Vault Services			
Vault Deposit - Base Fee Processing	Per item		
Vault Deposit Non-standard Bag	Per item		
Vault Deposit - Fed Ready (Full Order Strapped)	Per item		
Vault Currency/Coin Deposited	Per \$\$		
Vault Deposit Partial or Mixed Bag	Per item		
Vault Deposited Checks - On-Us	Per item		
Vault Deposited Checks - Local Clearing	Per item		
Vault Deposited Checks - Regional	Per item		
Vault Deposited Checks - Transit	Per item		
Vault Deposit - Change Order	Per item		
Vault Deposit Adjustment	Per item		
Disbursement Services			
DDA Checks Paid	Per item		
Commercial Check Cashing	Per item		
ACH Processing			
ACH Account Maintenance	Per month		
ACH Online Maintenance	Per month		
ACH Debits Originated	Per item		
ACH Credits Originated	Per item		
Internet ACH One Day Item	Per item		
Internet ACH Two Day Item	Per item		
ACH Received Item	Per item		
ACH Debits Received	Per item		
ACH Credits Received Electronic Credits Posted)	Per item		
ACH Addenda Records (originated/received)	Per item		
ACH Notification of Change	Per item		

Service	Unit Basis	Proposed Item Fee	Information/Notes (as applicable)
ACH Return Fax Notification	Per item		
ACH CR Originated Night Cycle	Per item		
ACH Return	Per item		
ACH Return Items DR/CR	Per item		
ACH Fax NOC	Per item		
ACH E-mail Notification	Per item		
Internet Batch Release ACH	Per item		
ACH File Transmission	Per item		
ACH File Processing	Per Item		
ACH Exception Process - Duplicate File	Per item		
ACH File Delete/Reversals	Per item		
ACH Fax Service	Per item		
Fraud Filter/Block Maintenance	Per account		
Fraud Filter Online Filter Mo Base	Per account		
Filter/Block Authorized ID (filter on DR block)	Per item		
Filer/Block Filter Review Item	Per item		
Filter/Block Report	Per month		
Filter/Block Notification of Change	per item		
Filter/Block Fax NOC	per item		
Positive Pay			
Positive Pay Monthly Maintenance with Partial Recon	Per account/month		
Positive Pay Monthly Maintenance without Recon	Per account/month		
Positive Pay Items without Recon	per item		
Positive Pay Exception - Image	Per item		
Image Capture	Per item		
Payee Name Image Reviewed Item	Per item		
Positive Pay Exceptions - Checks Returned	Per item		
Positive Pay Exceptions Online	Per item		
Issue Match (Payee)	Per item		
ARP Register Input online	Per item		
ARP Partial Positive Pay Issue	Per item		
Issue Input with Reconciliation	Per item		
ARP Exceptions	Per item		
ARP Manual Key Entry	Per item		
ARP Online Statement statement mo base	Per item		
ARP Outgoing File	Per item		
ARP Fax Fees	Per item		
ARP Statement Monthly - Automated	Per month		
ARP Aged Issue Records On File	Per item		
Partial Recon Maintenance	Per account/month		
Partial Recon Detail	Per item		
Excessive ARP Rejects	Per item		
Recon Output File Transmission	Per item		
Recon Output Detail Transmission	Per item		
Stop Pays			
Stop Pay - Automated	Per item		
Stop Pay - Electronic	Per item		
Stop Pay - Automatic Renewal	Per item		
Wires and Transfers			
Service Monthly Maintenance for Wire Services	Per month		
Incoming - Domestic	Per item		
Outgoing - Domestic	Per item		
Book Transfer	Per item		
Template Storage	Per item		
Safekeeping			
Service Monthly Maintenance Custody	Per item		
Clearing Fees	Per item		
FRB	Per item		
DTC	Per item		
Safekeeping Fees	Per item		
FRB	Per item		
DTC	Per item		
Custody per CUSIP/Holding	Per item		
Income Collection to DDA	Per item		
Income Collection - Coupons	Per item		
Income Collection - Maturities	Per item		
Income Collection - Calls	Per item		

Service	Unit Basis	Proposed Item Fee	Information/Notes (as applicable)
Pay Cards (not currently using this feature, but may during contract period)			
Monthly Maintenance	Per card		
Initial Card - Generic	Per card		
Enrollment Fee	Per card		
Inactivity (Dormancy) Fee	Per card/month		
<i>Service Costs to Card-carrier</i>			
ATM Cash Withdrawal	Per item		
Cash advance OTC	Per item		
ATM Balance inquiry	Per item		
PIN Purchase	Per item		
Non-PIN Purchase	Per item		
Scannable (Image) Lockbox (not currently using this feature, but may during contract period)			
SNLB Maintenance	Per item		
SNLB Wholesale Item	Per item		
SNLB Item Non-Scannable	Per item		
SNLB Paper Delivery Preparation	Per item		
SNLB No Check Item	Per item		
SNLB Document Image Capture	Per item		
SNLB Sort Manual	Per item		
SNLB Groups/Sort Complex	Per item		
SNLB Check Check Micr Capture	Per item		
SNLB Data Capture	Per item		
SNLB Cash Processing	Per item		
SNLB Deposit Preparation	Per item		
SNLB Additional Reports	Per item		
SNLB Data Transmission Maintenance	Per item		
SNLB Data Transmission Item	Per item		
SNLB Package Preparation	Per item		
SNLB Postage	Per item		
SNLB Document Image Presentment	Per item		
SNLB Extended Storage	Per item		
SNLB Unprocessable Item	Per item		
SNLB Long Term Storage Checks	Per item		
SNLB Long term Storage B&W Document	Per item		
SNLB Incoming Courier Package	Per item		
SNLB Return Item Maintenance	Per item		
SNLB Check Clearing	Per item		

Bid Worksheet for Bank Depository RFP #01-11-2071
Worksheet 3 of 3 Required

Consolidated Account and Sweep Structure		Response
a. Describe the bank's ability to provide a ZBA-master sweep structure and indicate whether the individual accounts would be swept first to a master account or be swept directly from individual accounts (for interest application). Indicate your most cost beneficial structure especially considering the large number of accounts. Include classifications of accounts (ZBA or other) to be used in the structure.		
b. Describe alternatives to the sweep during this low interest rate environment before sweeps again provide a viable alternative. Is the bank offering any internal account or a rate floor on liquid funds? Describe the account structure proposed including the type of accounts (interest bearing, money market, ZBA, etc.) along with the overall account structure. If rate indexed, what is the index basis?		
c. Will sweep activity, when used, be reported on a daily detail basis (each debit and credit) or summarized on a monthly basis? Preference would be to not provide daily detail for reconciliation purposes.		
d. Will interest from the sweeps be applied at the master or individual account level?		
e. Provide the prospectus for any sweep fund alternatives. An AAA-rated, SEC registered government fund must be utilized for the sweep.		
f. Is the sweep processed as the last transaction of the day? If it is a next day sweep, describe how funds are collateralized for funds held overnight.		
g. The County may be required or may desire to open additional accounts or close/change accounts during the contract period. Any new accounts shall be charged at the same contracted amount. Confirm agreement to this condition.		
h. Will the bank assess a direct FDIC charge on the account analysis? At what rate and frequency currently?		
Online Cash Management System		
a. Fully describe the bank's on-line service capabilities and systems, with examples. List system's online capabilities (i.e. balance reporting, wires, positive pay, stop pay, etc.) and describe any differentiation on transaction and summary account types.		
b. Describe fully the ability to search on historical transactions and reports as well as the ability to retrieve and download historical images.		
c. Can customized reports draw across reporting modules and activities? Are reports downloadable to Excel, HTML, pdf, txt, csv?		
d. Detail the availability of prior day and intra-day detail and summary reporting. When is prior day information available? Is intra-day information real-time or delayed? Specify.		
e. Detail the level of information available on both prior and intra-day reporting.		
f. Define the history retention/archiving features available.		
g. Describe provisions for off-site backup and continuation of services in local or regional disaster situations.		
h. Describe the security protocol for online services. How is authentication and authorization provided? How and by whom is the administration of the security module established and maintained?		
i. What are the hours of available technical support? Where is the technical support located? How is support provided?		
Standard Collection and Deposit Services		
a. What is the bank's daily cut-off time to assure same day ledger and, pending availability, collected credit at (a) banking center, (b) branch, and (c) vault?		
b. What deposits must be made to a vault? Where is the closest vault located? Describe the process if the vault is not located in County limits.		
c. Does the bank <u>require</u> deposit to the vault for any reason? Are any courier transfers necessary?		
d. What is the cost of deposit slips and plastic tamper proof deposit bags through the bank?		

Consolidated Account and Sweep Structure		Response
e. Does the bank require or prefer strapping and rolling? What are the cost options/benefits/requirements for separating cash and checks?		
f. Is there any limit to the number of deposits in one bag? Are these handled as separate advices?		
g. How does the bank handle discrepancies in deposit amounts? What dollar limits are used for decisioning? What settlement process is followed?		
h. How and when does notification of return items take place? Provide an example.		
i. What type deposit bags are used or required?		
j. If provisional credit is given on deposit before verification, when does verification occur?		
k. How much advance notice is required on coin and currency orders? Can orders be placed on line? What is the turn-around time on orders?		
l. Describe any program available for immediate credit on coin/currency.		
m. Include a list of all the bank's deposit locations within the County's limits (banking center, branch, and vault).		
n. Does the online service require any additional software such as java or any other utility? If so, what utility and what version?		
Remote Electronic Check Acceptance and Conversion		
a. Describe the bank's process and capabilities for remote capture. Describe equipment needs, capabilities, and limitations. A web-based system is required.		
b. Discuss and define any additional virtual collection services offered for the capture of both the check and remittance document.		
c. What is the final deposit cut-off time with remote?		
d. Are there any limitations on batch size or number of transmissions per day?		
e. If a check is accepted and subsequently returned by the bank NSF, define the process. What obligations/liabilities does the County have? The bank? How will collection be made?		
f. What options does the County have in scanners for use with the process in various volume locations? Is this equipment available through the contract: purchase or lease? List the equipment required along with its approximate cost(s).		
Positive Pay		
a. Describe data transmission file and timing requirements for check registers. Are transmission charged by file and by detail item?		
b. Is positive pay input for manual checks available on-line? Describe fully.		
c. Is exception reporting and handling managed totally online? Describe.		
d. At what specific time is positive pay exception information reported to the County? Is e-mail notification available or must the County check for exceptions?		
e. At what specific time is the response required for County exception elections?		
f. Describe your payee verification process. What check elements are being verified by the process during clearing?		
g. Does the bank review exceptions errors for possible repair before creating a County exception item?		
h. Are all checks, including those received over-the-counter by the tellers, verified against the positive pay file before processing? How often is teller information updated? If not verified, what are the process, liability, and security on OTC transactions?		
Wires and Internal Transfer Services		
a. Can all wire transactions be initiated online? Monitored online?		
b. Can repetitive templates be created and stored? Is there a fee for wire and transfer template storage?		
c. What level of authorization/release do repetitive or non-repetitive wires require? Is authorization for repetitive and non-repetitive the same?		
d. Is future dating of wires and transfers available? How far in advance?		
e. State wire access, posting, and cut-off times.		

Consolidated Account and Sweep Structure		Response
f. State the bank's policy on the use of ledger balances for outgoing wires in anticipation of scheduled activity or incoming wires.		
g. Can internal account transfers be processed totally on-line? Book debits/credits? Is there a fee for County internal transfers?		
Imaging		
a. Describe the bank's optical imaging process and what items are captured (checks, statements, deposit slips, deposited items, etc.)		
b. What images are available on-line? When? How long are images available on line?		
c. Are all images downloadable? .		
d. Is a monthly CD provided? When?		
ACH Services		
a. Is online ACH service available for individual transactions as well as by transmission for batched files?		
b. What is the policy and process for handling of ACH returned items?		
c. Can ACH items and files be future dated?		
d. What specific filters and blocks are available on the accounts?		
e. What policy and process is used for file and item reversals and deletions?		
f. Are ACH addenda shown in their entirety on-line and on detail reporting, reports and statements? Does access to this information require access to additional, specific EDI modules?		
g. Will the County incur a transmission and/or file processing fees for on-line individual ACH transactions?		
Safekeeping Services		
a. Does the bank provide safekeeping services? Are there any plans to cancel this service in the next four years?		
b. Is online information available for securities? Describe.		
c. Describe bank safekeeping arrangements proposed. Identify any correspondent bank used for custody. If a correspondent is to be used, define the process and confirm same-day crediting/debiting on all transactions. Describe any additional County actions required.		
d. Are services bundled under safekeeping by cusip or Par amount or are charges made for individual clearing, safekeeping and income distribution?		
e. How are safekeeping fees charged? Hard charge or on the account analysis?		
f. Are notifications sent on all transactions (purchase, sale, calls, and maturities)? When and how?		
g. What time are delivery instructions required? Is there a fee charged for late instructions.		
Lockbox		
a. Where is the lockbox facility located? What/which post office options are available for use? Who performs the fine sort, the bank or the post office?		
b. What address (city location) would, or could, be used for remittance on each?		
c. Describe the flow and processing at the facilities.		
d. Describe the different methods by which deposit and balance information is made available.		
e. By lockbox facility, detail whether the mail is picked up or delivered directly to the facility? How many times daily? How many hours of operation each day?		
f. Describe the major components of the overall process focusing on funds availability and quality control. How many deposits are made daily?		
g. Is image processing currently included? Are there additional imaging costs for each item (check and remittance document)? Is there a separate fee assigned for the transmission of images?		
h. How are the fees set for lockboxes? Describe each fee type.		
i. Will mail be processed on all shifts including weekends?		

Consolidated Account and Sweep Structure		Response
j. Can the bank combine multiple deposits to a single ledger credit for statement purposes? Can you provide the multiple deposit information?		
k. What are the bank's ledger cut-off times?		
l. Does the bank process wholesale and retail lockbox on the same equipment? If so, how are payments prioritized?		
m. Is there a formal procedure for responding to and correcting errors and problems? If yes, please describe including average response time.		
n. Provide the names, contact names and telephone numbers of at least two comparable lockbox clients for the lockbox facility.		
o. In the case of system failure, what are the back-up arrangements for processing? What delays would be expected in such a situation?		
p. Describe any future plans for enhancements to the service and the dates these should be available.		
q. Describe how availability will be computed.		
r. Who retains liability for the deposit?		
s. Describe the data transmission protocol process (BAI, 823, 820, or other) and provide sample reports to be received, if any. Is their full MICR capture?		
t. What is the earliest transmission time that information is available on the daily deposit(s)? Intra-day? Is this information available online?		
u. On any given day, at what time can the bank report the total amount to be credited to the designated account? Does this include same-day; one-day and two-day float information?		
v. How long before the notification deadline do you stop accepting/processing incoming mail?		

IV. NERAL CONTRACT TERMS AND CONDITIONS

- A. **CONTRACT:** This request for proposal, submitted documents, and any negotiations, when properly accepted by Denton County, shall constitute a contract equally binding between the successful offerer and Denton County. No different or additional terms will become a part of this contract with the exception of a Change Order.
- B. **CONFLICT OF INTEREST:** No public official shall have any interest in this contract, except as permitted by and subject to the disclosure requirements of Vernon's Texas Codes Annotated, Local Government Code, Title 5, Subtitled C, Chapter 171.
- C. **CONFIDENTIALITY:** All information disclosed by Denton County to successful offerer for the purpose of the work to be done or information that comes to the attention of the successful offerer during the course of performing such work is to be kept strictly confidential.
- D. **ADDENDA:** Any addenda issued during the time allowed for the preparation of bids shall be covered in the proposal and, in executing the contract, they shall become a part thereof. Failure of a Bidder to receive any addendum shall not release the Bidder from any obligations under his bid, provided said addendum was posted and distributed by BidSync. Bidders are responsible for insuring all addendums are reviewed prior to bid submittal. All addenda can be reviewed at www.BidSync.com.
- E. **CHANGE ORDERS:** No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders to the contract will be made in writing by Denton County Director of Purchasing.
- F. **ASSIGNMENT:** The successful offerer shall not sell, assign, transfer or convey any contract resulting from this RFP, in whole or in part, without the prior written consent of Denton County Commissioners.
- G. **VENUE:** This agreement will be governed and construed according to the laws of the State of Texas. This agreement is performable in Denton County, Texas.
- H. **SUBMITTAL OF CONFIDENTIAL MATERIAL:** Any material that is to be considered as confidential in nature must be clearly marked as such by the offerer and will be treated as confidential by Denton County.
- I. **MINIMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE OFFERERS:** Offerer shall submit information on its organization, experience and staff assigned to the project; provide headquarters, nearest office and managing office for the projects state herein; and show level of organizational responsibility of key projects staff members by submitting resumes of such. A prospective offerer must affirmatively demonstrate its responsibility by providing evidence of the following requirements:

1. have adequate financial resources, or the ability to obtain such resources as required;
2. be able to comply with the required or proposed delivery schedule;
3. have a satisfactory record of performance;
4. have a satisfactory record of integrity and ethics;
5. be otherwise qualified and eligible to receive an award.

Denton County may request representation and other information sufficient to determine offerer's ability to meet these minimum standards listed above.

- J. **SUCCESSFUL OFFERER SHALL:** Successful offerer shall defend, indemnify and save harmless Denton County and all its officers, agents and employees from all suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful offerer, or of any agent, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from proposal award. Successful offerer shall pay any judgment with cost which may be obtained against Denton County growing out of such injury or damages.
- K. **SALES TAX:** Denton County is by statute exempt from the State Sales Tax and Federal Excise Tax; therefore, the proposal price shall not include taxes.
- L. **DELINQUENT PROPERTY TAXES:** Denton County reserves the right to reject any bid submitted by a Vendor owning delinquent property taxes to Denton County.
- M. **DESIGN, STANDARDS AND PRACTICES:** Design, strength, quality of materials and workmanship must conform to the highest standards of engineering practices and/or professional services.
- N. **PROPOSALS/OFFERERS MUST COMPLY WITH:** All federal, state, county and local laws governing or covering this type of service.
- O. **PATENTS/COPYRIGHTS:** The successful offerer agrees to protect Denton County from claims involving infringements of patents and/or copyrights.
- P. **TERMINATION OF CONTRACT:** This contract shall remain in effect until contract expires, completion and acceptance of services or default. Denton County reserves the right to terminate the contract immediately in the event the successful offerer fails to:
 1. meet delivery or completion schedules, or
 2. otherwise perform in accordance with the accepted proposal.

Breach of contract or default authorizes the County to award to another offerer,

purchase elsewhere and charge the full increase cost to the defaulting offerer.

Either party may terminate this contract with a thirty (30) days' written notice prior to the either party stating cancellation. The successful offerer must state therein the reasons for such cancellation. Prior written notice must be delivered in person or sent by registered or certified mail, return receipt requested, proper postage paid, and properly addressed to the other party at the address on the affidavit for the contractor or to the County Judge, 110 West Hickory, Denton, Texas.

- Q. PERFORMANCE OF CONTRACT: Denton County reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the County in the event of breach or default or resulting contract award.
- R. PURCHASE ORDER: A purchase order(s) shall be generated by Denton County to the successful offerer.
- S. INVOICES: Invoices shall be mailed directly to:

Denton County Auditor's Office
P.O. Box 2055
Denton, Texas 76202

The invoices shall show:

- 1. Name and address of successful offerer;
- 2. Detailed breakdown of all charges for the services or products delivered stating any applicable period of time;
- 3. Denton County Purchase Order Number.

Invoices shall be based upon actual services rendered and actual hours of performance and/or products delivered.

- T. PAYMENT: Payment will be made upon receipt and acceptance by the County of completed services and/or products ordered and receipt of a valid invoice, in accordance with the Texas Government Code, Chapter 2251. Successful offerer is required to pay subcontractors within ten (10) days.
- U. OWNERSHIP: All plans, prints, designs, concepts, etc., shall become the property of Denton County.
- V. INSURANCE: Before commencing work, the successful offerer shall be required, at his own expense, to furnish the Denton County Director of Purchasing within ten (10) days of notification of award with evidence showing the following insurance coverage to be in force throughout the term of the contract:

1. Worker's Compensation in accordance with State Territorial Worker's Compensation Laws; and Employer's Liability Insurance:
2. Public Liability and property damage insurance coverage including, but not limited to, the liability assumed in the indemnification provisions (as specified in this RFP) fully insuring contractor's and/or subcontractor's liability for injury to, or death of, County employees and third parties, extended to include personal injury liability coverage, and for damage to property of third parties, with a minimum combined coverage for each occurrence of \$500,000.00
3. Comprehensive automobile and truck liability insurance to include coverage of owned, hired, and non-owned vehicles with minimum limits of \$300,000.00 each occurrence for bodily injury and \$100,000.00 each occurrence for property damage. Such insurance is to include coverage for loading and unloading hazards.

Each insurance policy to be furnished by successful offerer shall include, by endorsement to the policy, a statement that a policy, a statement that a notice shall be given to Denton County by certified mail thirty (30) days prior to cancellation or upon any material change in coverage.

- W. FUNDING: Funds for payment have been provided through the Denton County budget approved by the Commissioners Court for this fiscal year only. State of Texas statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Therefore, anticipated orders or other obligations that may arise past the end of the current Denton County fiscal year shall be subject to budget approval.

X. HISTORICALLY UNDERUTILIZED BUSINESS (HUB) CONTRACTING:

1. The goal of Denton County is to ensure all HUBs, as described in the Texas Government Code, Title 10 Subtitle D, Chapter 2161, have maximum opportunities to participate in the County's procurement in awarding of contracts and subcontracts.
2. Denton County will make a good faith effort to increase contract awards for the purchase of goods or services from the HUBs. HUB vendors are encouraged to participate in the county's purchasing and bidding process. While the County is oriented to adhere to good faith efforts, nothing in this effort shall be construed to establish set-asides or mandatory quotas.
3. The County and all prime contractors (if subcontracts are to be let) will take the affirmative steps listed below:
 - a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists.

- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business.
- d. Establishing delivery schedules, where the requirements permit, which encourage participation by small and minority business, and women's business enterprises.
- e. Using the services and assistance of the Small Business Administration, the Minority Business Development Agency of the Department of Commerce and the Texas Procurement and Support Services (TPASS) Centralized Master Bidders List HUB Directory.

VENDOR REFERENCES

List three (3) references of current customers who can verify the quality of service your company provides. The County prefers customers of similar size and scope of work to this proposal. ***THIS FORM MUST BE RETURNED WITH YOUR PROPOSAL.***

REFERENCE ONE

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work _____

REFERENCE TWO

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work _____

REFERENCE THREE

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work _____

VENDOR ACKNOWLEDGEMENT

The undersigned hereby certifies that he/she understands the specifications and any addendums, has read the document in its entirety and the prices submitted in this bid/proposal have been carefully reviewed and are submitted as correct and final. If Bid/Proposal is accepted, vendor further certifies and agrees to furnish any or all products/services upon which prices are extended at the price offered, and upon conditions in the specifications of the Invitation for Bid/Proposal.

The undersigned hereby certifies the foregoing proposal submitted by the company listed below hereinafter called "Bidder" is the duly authorized agent of said company and the person signing said proposal has been duly authorized to execute the same. Bidder affirms that they are duly authorized to execute this contract; this company, corporation, firm, partnership or individual has not prepared this bid in collusion with any other Bidder; and that the contents of this bid as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this bid.

Company Name					
Address of Principal Place of Business					
Street					
City, State, Zip					
Phone of Principal Place of Business					
Fax of Principal Place of Business					
E-mail Address of Representative					
Federal ID					
Date					
Acknowledgement of Addenda	#1	#2	#3	#4	#5
Authorized Representative Name					
Authorized Representative Title					
Authorized Signature					

STATE OF TEXAS §
 §
COUNTY OF DENTON §

DATE: _____

DEPOSITORY CONTRACT

WHEREAS, the Commissioners Court of Denton County, Texas ("Denton County") has published notices asking that sealed bids be submitted to it, preparatory to the selection by the Commissioners Court of a County Depository, as is required by law, said notice stating, among other things, that the depository thus to be selected by the Commissioners Court should be the depository for County money, money collected and held by the Tax Assessor-Collector pending distribution, money deposited in the several "county funds," as required by State of Texas statutes, and trust funds in possession of the County and District Clerks of Denton County, Texas, as required by Chapter 116, V.T.C.A. Local Government Code, and other County trust and agency funds; and

WHEREAS, **(NAME OF BANK DEPOSITORY)**, a state banking association domiciled in the City of _____, Denton County, Texas, submitted its written bid in response to said notice, which was received by said Commissioners Court and entered upon its Minutes; and said Commissioners Court, by its motion entered to that effect on _____, 2011, accepted the bid and application of **(NAME OF BANK DEPOSITORY)**, and on _____, 2011, designated **(NAME OF BANK DEPOSITORY)** as County Depository and as the depository for the funds hereinabove mentioned; and

WHEREAS, said **(NAME OF BANK DEPOSITORY)**, hereinafter sometimes referred to as "Bank" and sometimes as "Depository", hereby accepts said designation as the Depository for the public funds hereinabove mentioned, to serve as such for the period of four years commencing on June 1, 2011, ending sixty (60) days from the time fixed by law for the next selection of a depository, and desires to qualify as such Depository by pledging with the Commissioners Court such securities as may be permitted by law in lieu of its furnishing a personal bond or surety bonds, the securities thus pledged by said bank to the Commissioners Court to be deposited and held for safekeeping in the manner hereafter provided:

NOW, THEREFORE, in consideration of the premises and for the purposes and upon the conditions herein stated, **(NAME OF BANK DEPOSITORY)**, and the County of Denton, State of Texas, agree as follows:

1. Bank hereby acknowledges itself duly and firmly bound for the faithful performance of all duties and obligations devolving by law upon it as such Depository; that all funds accepted by it for deposit as such Depository shall be faithfully kept by it as such Depository and accounted for according to law; that, with respect to the funds belonging to the County or under its jurisdiction and control, it will pay, on presentation, all checks and drafts drawn upon it as such Depository, by the County Auditor and County Treasurer or by competent authority when collected funds are on deposit therefore; and that, with respect to other funds, it will pay such warrants as may be drawn thereon by competent authority, when collected funds are on deposit therefore. Bank shall use due diligence to collect all checks, drafts and demands for money accepted by it for deposit. All deposits accepted by Bank pursuant hereto shall be entitled to same day credit if made by Bank's deadline. The pledge of securities herein mentioned is for the purpose of securing the faithful performance by Bank of its duties as Depository as herein set forth and in accordance with Chapter 116, V.T.C.A. Local Government Code.

2. It is agreed that all suits arising on or under this Depository Contract shall be filed and tried in Denton County, Texas, in any Court therein having jurisdiction of the subject matter thereof, and this Contract is performable wholly in Denton County, Texas.

3. Bank's Application for Depository Contract attached hereto as Exhibit "A" is incorporated herein for all purposes; however, to the extent that any provision therein conflicts with any provision herein, the Depository Contract will control.

4. In keeping with the bid or application filed by the Bank with the Commissioners Court, the Bank agrees to pay interest to the County on collected funds accepted for deposit pursuant hereto, as follows:

- (a) on all interest bearing "demand deposits", (as that term is defined in V.T.C.A. Local Government Code, section 116.001) the rate of interest shall be at the prevailing rates of the Bank's existing N.O.W., Super N.O.W. or Money Market accounts, in compliance with F.D.I.C. regulations; and
- (b) on all "time deposits", (as that term is defined in V.T.C.A. Local Government Code, section 116.001) rate of interest shall be the coupon equivalent yield of the nearest comparable maturity for United States Treasury Bills.

5. The Bank agrees to provide and shall furnish to Denton County all banking services to Denton County at the stated fees set forth in the bid application and any services not delineated are provided without charge.

6. Bank agrees to offset monthly service fees against its customary earnings credit for balances in Depositor's transaction accounts; provided, however that if there is insufficient earnings credit against which such fees may be offset, Depositor will be charged for such services, monthly. Bank's application and Bid for Depository Services, including all exhibits and addenda thereto, is incorporated herein by reference.

7. All funds on deposit with Bank to the credit of the Depositor shall be secured by collateral to ensure Bank's compliance with the Public Fund Collateral Act (V.A.C.S. Art. 2529d).

8. Bank shall execute and deliver to the Commissioners Court, for the purpose of securing the funds accepted for deposit pursuant hereto, a County Depository Pledge Contract in the form of Exhibit "B" attached hereto and made a part hereof, covering such securities as are permitted by law to be pledged for such purpose.

9. When the amount of securities pledged pursuant hereto shall be in excess of the amount required under the provisions of Chapter 116 V.T.C.A. Local Government Code, and other pertinent statutes, the Commissioners Court or, another proper authorized official, shall permit the release of such excess and such excess shall thereupon be surrendered to the Bank. When the funds on deposit with said Bank, pursuant to this agreement shall, for any reason, increase beyond the amount of securities pledged, the Bank shall immediately pledge additional securities as provided herein with the Commissioners Court to the end that securities pledged shall at no time be less than the total amount of such funds on deposit in the Bank and covered by this Depository Contract. In determining the amount of securities pledged and to be pledged pursuant hereto, such securities shall be valued at their market value and not at their face value. After reasonable notice to the Commissioners Court, the Bank shall have the right of substituting other securities for those pledged pursuant hereto, or any part thereof, provided the securities substituted meet the requirements of the law and are approved by the Commissioners Court.

10. Denton County reserves the right to invest or deposit a portion of its funds in government securities and financial instruments of other financial institutions as allowed by state law covering the investment of County funds.

11. The Bank acknowledges that a qualified representative of the Bank has received and reviewed the County's investment policy and the Bank has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization is

dependent on an analysis of the makeup of the entity's entire portfolio or requires and interpretation of subjective investment standards.

12. At all times, the Bank, not being in default hereunder, may collect all maturing interest and may clip and collect all coupons representing maturing interest on the securities that may from time to time be pledged pursuant hereto; and upon the Bank's request, the Commissioners Court shall surrender such interest coupons or other evidence of interest, when due, upon all securities deposited hereunder so long as such surrender does not leave the total amount pledged pursuant hereto at less than the total amount of funds on deposit in the Bank and covered by this Depository Contract.

13.

- a. With respect to the custody and safekeeping of the securities pledged pursuant hereto, it is agreed that all securities now or hereafter so pledged shall be kept in one or more collateral depository accounts with County's name for safekeeping at an independent third party financial institution(s) (hereafter "Trustee(s)"), which is subject to change upon mutual consent of the Commissioners Court of Denton County and the Bank.
- b. Bank has heretofore or will immediately hereafter deliver to the Trustee(s) collateral of the kind and character above mentioned of sufficient amount and market value to provide adequate collateral for the funds of Depositor deposited with Bank. Said collateral or substitute collateral, as hereinafter provided for, will be kept and retained by Trustee(s) in trust so long as the depository relationship between Depositor and Bank shall exist hereunder, and thereafter so long as deposits made by Depositor with Bank hereunder, or any portion thereof, shall have not been properly paid out by Bank to Depositor or on its order.
- c. Income on deposit securities is to be credited as collected to the demand account of Bank with the Trustee(s) which shall present for collection any deposits as they mature or are called for redemption and hold all proceeds representing principal subject to the instructions of the Denton County Commissioners Court or its designated representative. The sole duty of the Trustee(s) is to hold the securities and any cash from maturity principal amount subject to such instructions of the Denton County Commissioners Court or its designated representative and subject to the County Depository Pledge Contract executed pursuant hereto. All such arrangements for custody and safekeeping of securities shall be without cost to Denton County; but, any loss, misplacement, theft, injury, or other misappropriation in any manner occurring to such securities or any of them while in safekeeping, as herein provided, shall, as between Denton County and the Bank, be borne by the Bank and not by Denton County. In the event any part of the securities pledged pursuant hereto shall be lost, misplaced, stolen, or otherwise misappropriated without the written and authorized consent of the Treasurer and Auditor, the Bank shall forthwith restore the same or its equivalent with other securities of the kind and character authorized by law to be pledged pursuant hereto.

14. It is the intention and desire of the parties to this agreement that the Trustee(s) will promptly forward to Depositor copies of safekeeping or trust receipts covering all such collateral held as

collateral for Depositor's funds and/or public funds including substitute collateral as provided for herein.

15. If the Bank shall faithfully do and perform all the duties and obligations devolving on it by law as the County Depository of Denton County and shall, upon presentation, pay checks drawn on it against collected funds by both the County Auditor and County Treasurer of Denton County, Texas, or another proper authorized official in the case of trust or agency accounts, on "demand deposit," and shall faithfully keep said County funds and account for same according to law, and shall faithfully keep and account for all funds belonging to Denton County which are accepted by it for deposit under the requirements of Chapter 116 V.T.C.A. Local Government Code, and shall include State funds and all funds of governmental agencies authorized by law to be collected by the Tax Assessor-Collector, and shall pay the interest at the time and at the rate hereinabove stipulated on "time deposits" and "demand deposits," and shall turn over to its successor all the funds, property, and other things of value coming into its hands as Depository, then, in that event, this Contract as to pledge of securities shall, to that extent, become null and void and the securities so pledged shall be returned to the Bank; otherwise to remain in full force and effect, hereby specially authorizing the Denton County Commissioners Court, in the event of Bank's default in the performance of such duties and obligations, to sell at public or private sale, with or without notice, the securities, or any part thereof, and apply the proceeds of the sale to the satisfaction of any indebtedness or other claim arising by virtue of the violation of any or all of the conditions of this Contract. The above provision is given in addition to any remedy the pledgee may have in any suit brought on this Contract in any court in this State.

16. If the bank closes and reopens under another name, this contract will be assigned to that successive bank for all purposes.

17. The pledge of the securities pursuant hereto shall extend to, cover, and secure all funds accepted for deposit pursuant hereto.

18. Furthermore, the pledge of the securities pursuant hereto shall extend to, cover, and secure all funds of governmental agencies authorized by law to be collected by the County Tax Assessor-Collector, which he may collect and deposit as authorized by law with the Bank as County Depository.

19. The Bank certifies that no officer or director thereof is a member of the Commissioners Court of Denton County, Texas.

20. This contract is subject to, and incorporates, the current laws governing the relationships between counties, depositories and custodians/trustees and related entities as established by the Texas

Local Government Code and the Vernon's Annotated Texas Civil Statutes and any amendments or revisions thereto. Bank warrants and represents that it shall comply with all applicable laws, rules and regulations which govern or apply to this contract.

21. All notices, demands, or other writings may be delivered by any party hereto to the other, by United States Mail or other reliable courier at the following address:

To Depositor: Denton County, Texas
Attention: County Judge
110 West Hickory
Denton, Texas 76201

To Bank:

To Trustee(s):

The address to which any notice, demand, or other writing may be delivered to any party as above provided may be changed by written notice given by such party as above provided.

22. BANK represents that the collateral pledged to DEPOSITOR is not otherwise assigned, pledged or encumbered and that no lien, or security interests exist other than the security interest held by the DEPOSITOR pursuant to this agreement. Possession of the collateral by the TRUSTEE is intended as perfection of DEPOSITOR'S security interest therein. BANK warrants that the collateral (in the form and amount required by law) is held by TRUSTEE(S) for the benefit of DEPOSITOR and as security for DEPOSITOR'S funds.

23. The parties agree to comply with all the requirements set forth in the Financial Institution Reform Recovery and Enforcement Act (FIRREA) of 1989, Federal P.L. 101-73.

24. This agreement shall be approved in writing at a meeting of the Bank's Board of Directors or loan committee and documented in the minutes of the meeting.

IN TESTIMONY WHEREOF, witness the signatures this ____ day of _____, 2011, of the Bank's Board of Directors; and of the County of Denton, State of Texas, acting by the

through its County Judge and Commissioners Court, and pursuant to the Minute Records of Denton County, Texas, dated _____ day of _____, 2011.

DENTON COUNTY, TEXAS

By: _____

Mary Horn
Denton County Judge

APPROVED AS TO FORM:

Assistant District Attorney

APPROVED AS TO CONTENT:

Denton County Auditor

Denton County Treasurer

SAMPLE

By: Board of Directors
Acting on behalf of, and by
the authority of Resolution No. _____

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

SAMPLE

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared Mary Horn, County Judge of Denton County, State of Texas, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed same as the act and deed of the County of Denton, State of Texas, for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of County of Denton, State of Texas.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this ____ day of _____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

SAMPLE

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this ____ day of
_____ 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

SAMPLE

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day
of _____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

SAMPLE

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this ____ day _____
of 2011.

Notary Public in and for the
State of Texas

My Commission Expires: _____

SAMPLE

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____ of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said state banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this ____ day of _____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

SAMPLE

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
, 2011.

Notary Public in and for the
State of Texas

My Commission Expires: _____

SAMPLE

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this ____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

SAMPLE

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this ____ day of _____,
2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed of
(NAME OF BANK DEPOSITORY), a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____ 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

STATE OF TEXAS §
 §
COUNTY OF DENTON §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY DEPOSITORY PLEDGE CONTRACT

THIS AGREEMENT, made and entered by and between **(NAME OF BANK DEPOSITORY)** hereinafter called "Bank", and Denton County, a body corporate and politic under the laws of the State of Texas, hereinafter called "County".

WITNESSETH:

WHEREAS, the Bank has submitted its application for bank depository for funds of the County; and

WHEREAS, the Bank was on the ____ day of _____, 2011, duly and legally chosen by the Commissioners Court of Denton County, Texas, as County Depository for said County for the period of four years commencing on _____, 2011, ending sixty days from the time fixed by law for the next selection for depository, upon its bidding and agreeing to pay the County of Denton interest on "time deposits" and "demand deposits", as more fully set forth in that certain Depository Contract dated _____ executed by and between the Bank and Denton County, reference to same being herein made for the terms and provisions thereof;

WHEREAS, the Bank desires to qualify as the depository for funds of the County;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: that in consideration of the mutual covenants, agreements and benefits to both parties, it is agreed as follows:

That **(NAME OF BANK DEPOSITORY)**, Denton County, Texas, hereby pledges, assigns, transfers, delivers, and deposits the securities set forth on Exhibit "A" attached hereto, and incorporated by reference in this Contract as though fully and correctly set forth herein, with the Commissioners Court of Denton County, Texas, upon the terms and conditions and for the purposes hereinafter set forth.

For the purpose of safekeeping, the pledged securities listed in Exhibit "A" have been deposited in the _____ (hereinafter Trustee), under the control of the County, subject to the terms and conditions hereof. All rights, title and interest that the Bank may have in and to the securities pledged hereunder, by substitution or otherwise, that the Bank

may have under or pursuant to an agreement with the Trustee or any other bank are hereby assigned and transferred to the County. Furthermore, in the event of any conflict between the provisions of this contract and any agreement between the County, the Bank and Trustee, whether made prior to or subsequent to this contract, relating to said securities or the safekeeping thereof by Trustee or any other bank, the provisions of this contract shall control. It is understood, however, that the provisions of this contract are not intended to contradict or conflict with any state or federal regulation which the Bank may be subject to, and in the event of any such conflict, said regulations will prevail. In addition to or in lieu of the securities hereby pledged, the Bank may furnish to the County one or more surety bonds to secure the funds of the County. All surety bonds, now and hereafter furnished by the Bank to the County, and all securities, now and hereafter pledged, assigned and transferred by the Bank to County under or pursuant to this contract, shall be security for funds which County may have on deposit with the Bank and secure all other duties and obligations of the Bank to County regardless of whether such deposits were made under the hereinabove-mentioned application and bidding process or were made pursuant to this depository pledge contract, any other depository pledge contract between County and Bank or otherwise, with the same force and effect as if all such deposits had been made under and pursuant to the above-mentioned application and bidding process and this contract.

This Agreement shall remain in full force and effect so long as the Bank shall faithfully do and perform all the duties and obligations devolving by law upon such depository and shall pay against collected funds upon presentation, all checks drawn upon any "demand deposit" account in such depository by both the County Auditor and County Treasurer of Denton County, or another proper authorized official in the case of trust or agency accounts, and pay over, at maturity, all collected funds held on "time deposit," and that said County funds accepted by it for deposit shall be faithfully kept by said depository and accounted for according to law, and shall include State funds and all funds of governmental agencies authorized by law to be collected by the Tax Assessor-Collector, and shall pay the interest at the time and at the rates specified in the Depository Contract for "time deposits" and "demand deposits", and shall, at the expiration of the term for which it has been chosen, turn over to its successor all the funds, property, and other things of value coming into

its hand as depository, then, and in that event, this Contract shall be null and void and the securities pledged pursuant thereto shall be returned to the Bank. It is expressly understood and agreed that if the Bank fails to faithfully do or perform any of the duties or obligations devolving on its by law as depository of the County, or fails on presentation to pay any check drawn on collected funds by the duly authorized officers of the County, or fails to faithfully keep or account for all funds deposited with it under the provisions of Chapter 116, Texas Local Government Code, and amendments thereto, or fails to pay interest at the time or at the rates hereinbefore stipulated, or shall otherwise fail to comply with any of the requirements of the depository law governing county depositories in Texas, or fails at the expiration of the term for which it was chosen to turn over to its successor, or successors, all funds, property and things of value coming into its hands as depository, or otherwise defaults in the performance of this contract, then in that event, the Commissioners Court of Denton County shall be authorized and have the power to sell at public or private sale all of the securities pledged hereunder, by substitution or otherwise, or any part thereof and to apply the proceeds of sale to the satisfaction of any indebtedness arising by virtue of the violations of any or all of the conditions of this contract. Without limiting the above right and power of the County to sell at public or private sale the securities pledged hereunder, by substitution or otherwise, but to facilitate such sale, the Bank hereby appoints and designates Denton County as its agent and attorney-in-fact to sign, endorse, execute, acknowledge and deliver such securities, all checks and other documents evidencing the payment of interest on such securities and other instruments in writing of whatever kind and nature as may be necessary or proper in the exercise of the rights and powers herein granted, to do any and all things reasonably necessary or desirable to expedite or facilitate a transfer or any such security and to obtain the transfer thereof on the books of the registrar of any such security of the County. It is the intention of the Bank to hereby assign, transfer and deliver the securities pledged hereunder, by substitution or otherwise, and to authorize and empower the County to sell at public or private sale the said securities, with or without notice without any further authority or act of any kind whatsoever on the part of the Bank. However, should the County determine that some act on the part of the Bank would in any manner expedite or facilitate the transfer of such securities, then and in that event, the Bank will do each and every act that the County may request of

the Bank to expedite or facilitate such transfer. It is expressly understood that all the rights, powers and authority herein conferred upon the County are cumulative with, and not in lieu of, any and all remedies provided by law. It is further expressly understood that the County may exercise any of the rights and remedies hereunder as to each and every security, and that the exercise of any right or remedy in regard to any one security shall not be deemed an election of rights or remedies as to any other security. Said securities shall stand as security for funds deposited in the Bank under the preceding depository pledge contract, if any, until said funds are accounted for by the Bank.

The Bank shall have the right to substitute eligible securities or any other form of security authorized by law for all or any part of the securities pledged hereunder. When an exchange is desired by the Bank, it shall make application to the Commissioners Court of Denton County and submit a list of the securities proposed to be exchanged and the securities which it desires to withdraw. If the securities so proposed and tendered for substitution are of the kind, character, amount and value required by law, the Commissioners Court shall enter its order granting such application and permitting such substitution. If such permission is granted and securities are substituted, the substituted securities shall thereafter be subject to all of the terms and conditions of this contract as fully as if originally pledged hereunder.

In the interest of efficiency and expeditious treatment of such substitution requests, Commissioners Court will designate the Denton County Auditor and Treasurer to act upon the behalf of the Court in approving such requests for substitutions by the Bank. It is further understood by the County that some or all of the securities pledged under this agreement may pay certain sums of principal sequentially prior to final maturity ("paydowns"). Such paydowns should not be construed as maturities under the terms of this agreement, and the proceeds will be credited to the account of the Bank as received by the Trustee. It is the express responsibility of the Bank, however, to anticipate the effect of such payments upon total amounts pledged and assure that an adequate amount of securities are pledged at all times.

The Bank shall discharge all of the duties required by law in the care, safekeeping and custody of the sinking fund securities, as required by Article 836, Vernon's Texas Civil Statutes. When any securities owned by the County (other than those provided for in the preceding sentence)

are placed in the Bank, it shall provide for the care, safekeeping and custody of such other securities. The Bank will permit access to said sinking fund securities and all other securities deposited with the Bank by the County only upon order of Commissioners Court and in the presence of an authorized representative of the Bank, the County Auditor and the County Treasurer.

Any suit arising out of or in any way connected with this Contract shall be tried in the County of Denton and State of Texas in any court therein having jurisdiction of the subject matter thereof and his Contract is performable in Denton County, Texas.

The parties agree to comply with all the requirements set forth in the Financial Institution Reform Recovery and Enforcement Act (FIRREA) of 1989, Federal P.L. 101-73.

This agreement shall be approved in writing at a meeting of the Bank's Board of Directors or loan committee and documented in the minutes of the meeting.

IN WITNESS WHEREOF, we have hereunto set our hands and the said **(NAME OF BANK DEPOSITORY)** has caused these presents to be signed with its name and by its authorized officers and attested to and sealed with its corporate seal on this _____ day of _____, 2011.

(NAME OF BANK DEPOSITORY)
By: Board of Directors
Acting on behalf of, and by
the authority of Resolution
No.

_____	_____
_____	_____
_____	_____
_____	_____

THE WITHIN CONTRACT is hereby approved this _____ day of _____, 2011, by Denton County Commissioners Court granting the County Judge or presiding officer the authority to execute the agreement.

DENTON COUNTY, TEXAS

By: _____
Denton County Judge

APPROVED AS TO FORM:

Assistant District Attorney

APPROVED AS TO CONTENT:

Denton County Auditor

Denton County Treasurer

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared Mary Horn, County Judge, Denton County, State of Texas, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed same as the act and deed of the County of Denton, State of Texas, for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of the County of Denton, State of Texas.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of _____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, on this day personally appeared _____
of **(NAME OF BANK DEPOSITORY)**, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledged to me that he (she) executed same as the act and deed
of **(NAME OF BANK DEPOSITORY)**, a state banking association, for the purposes and
consideration therein expressed, in the capacity therein stated, and as the act and deed of said state
banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:

ACKNOWLEDGMENT

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BEFORE ME, on this day personally appeared _____
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banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of
_____, 2011.

Notary Public in and for the
State of Texas

My Commission Expires:
