



**Van Nuys Neighborhood Council**  
**Legislative Information Committee**  
**PO Box 3118, Van Nuys, California 91407**

[www.VNNC.org](http://www.VNNC.org)

**Regular Meeting:** Los Angeles Police Department, 6240 Sylmar Avenue, California 91401

**Community Room/Main Lobby Date:** Friday, November 04, 2016 - Time: 06:00PM to 08:00PM

**1. CALL TO ORDER AND ROLL CALL**

**2. PLEDGE OF ALLEGIANCE TO THE UNITED STATES OF AMERICA**

**3. COMMITTEE ANNOUNCEMENTS AND REPORTING BY COMMITTEE MEMBERS**

Brief announcements by committee members and brief reports regarding activities.

**4. ORAL COMMUNICATION**

Legislative Advisory Committee (LIC) to provide and forward findings, not conclusions, within the Van Nuys Neighborhood Council's interest on legislation and legislative intent that is not on the agenda. Any person may address the Committee on any matter concerning the Committee's business.

**5. COMMITTEE RESPONSE TO PUBLIC COMMENTS**

The committee members cannot act on items raised during public comment, but may briefly respond to statement made or questions posed, request clarification, or refer the item to staff.

**6. NEW ITEMS OF BUSINESS**

a. Rules on supporting, opposing, or commenting on a ballot measure.

b. Department of Neighborhood Empower's responses or lack thereof on the procedures and qualifications for VNNC's<sup>1</sup> Purchasing Card (P-Card) spending cap to increase from \$500.00 to \$2,500.00 for a single transaction; possible hiring outside council to file writ of mandate.

c. Operating procedures on submittal requirements of written material by the way of electronic format and number of paper copies provided before an agendized item.

d. Status of the VNNC Government Affairs and Bylaws Committee future meetings.

e. VNNC to offer Minimum Continuing Legal Education (MCLE) classes. California attorneys are required to complete a total of 25 hours of approved credit every three years. Credit refers to the approved continuing legal education required of California attorneys.

**7. INTRODUCTION OF AGENDA TIMES FOR FUTURE MEETINGS**

**8. ADJOURNMENT**

Under California Government Code, § 54957.5, non-exempt writings that are distributed to a majority or all of the board in advance of a meeting, may be requested by emailing [info@vnnnc.org](mailto:info@vnnnc.org) and [Mail@MrHopp.com](mailto:Mail@MrHopp.com) or calling Richard Hopp (818) 902-0532. Members of the public who wish to address the committee are to complete a speaker card and submit to any committee member prior to final consideration of the matter. Cards are available from any committee members. Speakers on an agenda item has two (2) minutes and may be waived by the chairperson of the meeting (California Government Code, § 54954.3(b)). It is requested that individuals who require the services of a translator contact the Department of Neighborhood Empowerment 24 hours prior to the meeting. Whenever possible, a translator will be provided. SI REQUIERE SERVICOS DE TRADUCCION, FAVOR DE NOTIFICAR LA OFICINA CON 24 HORAS POR ANTICIPADO. As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities. Sign language interpreters, assistive listen device, or other auxiliary aids and/or services may be provided upon request. To ensure availability of services, please make you request at least 3 business days (72 hours) prior to the meeting you wish to attend by contacting the Los Angeles Department of Neighborhood Empowerment at (213) 978-1551, [www.EmpowerLA.org](http://www.EmpowerLA.org).

<sup>1</sup> Van Nuys Neighborhood Council

# Neighborhood Council Funding Program Training and Orientation



NEIGHBORHOOD COUNCILS  
**EMPOWER LA**  
Department of  
NEIGHBORHOOD EMPOWERMENT



Office  
of the **City Clerk**

Revised 08/10/16

## Neighborhood Council Funding Purpose and Introduction

The purpose of the Citywide System of Neighborhood Councils is to “***promote more citizen participation in government and make government more responsive to local needs.***”



## Getting Started as a Treasurer or Second Signer

### Treasurer, Second Signatory are required to:

- ▶ Complete the Department's Funding Program Training, Ethics Training and Code of Conduct
- ▶ Review and Sign:
  - ▶ Letter of Acknowledgment
  - ▶ Bank Card Holder Agreement of Responsibilities
  - ▶ Bank Documents
    - ▶ Requires ID and personal information (ORIGINAL documents are to be signed at the Department's Downtown Office)
- ▶ Provide a Board Vote Count Form confirming the appointment as Treasurer, 2nd Signatory and Card Holder.
- ▶ Treasurer and Signer share the responsibilities of administering the checking account to insure internal checks and balances.

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## Designated Responsibilities for Treasurer

- ▶ Completes the following:
  - ▶ Funding Request Form
  - ▶ Monthly Expenditure Report
  - ▶ Supplemental Cash Request Form
  - ▶ Presents all forms and reports to the Board for approval
- ▶ Original MER and supporting document Custodian
- ▶ Board can decide how responsibilities are delegated.

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## Designated Responsibilities for 2<sup>nd</sup> Signer:

- ▶ Issue online check payments to vendors
- ▶ Assume sole custody of bank card to expend NC funds
- ▶ Collect and safeguard all original invoices, receipts and payment documentation
- ▶ Submits all original invoices, receipts and payment documentation to the Treasurer for the monthly reconciliation process
- ▶ Board can decide how responsibilities are delegated

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## Your Board Has Responsibilities Too !

- ▶ Each Neighborhood Council Board (inclusive of all Board Members that vote on funding matters) is charged with the responsibility of ensuring that the checking account activity of their respective Board complies with the established policies and procedures prescribed by the Department.
- ▶ Each Board Member voting on funding items must complete the Funding Training and understand the funding process.
- ▶ Each Board Member must also understand the Conflict of Interest laws covered in the Ethics Training, and must consult with the Department or Office of the City Attorney prior to engaging in discussion or voting on any matters that may pose a potential conflict of interest.
- ▶ Each Board Member must sign the Code of Conduct.

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## Your Board Has Responsibilities Too !

When there is a change in Treasurer, 2nd Signer and/or Bank Card Holder:

- ▶ Contact the Department Funding Division
  - ▶ via email [EmpowerLA.Funding@lacity.org](mailto:EmpowerLA.Funding@lacity.org)
  - ▶ or phone at (213) 978-1551
  - ▶ Provide name and contact information of new funding officer (Treasurer, 2<sup>nd</sup> Signer or Cardholder)
- ▶ Submit a Board Vote Form confirming New Appointment
- ▶ Update Neighborhood Council Checking Account
  - ▶ Sign Union Bank Checking Account Documents
  - ▶ Letter of Acknowledgement
    - ▶ Completed by Treasurer, 2nd Signatory

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## Your Board Has Responsibilities Too !

When there is a change in Treasurer, 2nd Signer and/or Bank Card Holder:

- ▶ Submit a Revised Board Roster to:  
[Rosters@EmpowerLA.org](mailto:Rosters@EmpowerLA.org)

\*Important - NC Profiles are sent monthly to emails The Department has on file. Please submit an updated Roster to ensure that emails are sent to the appropriate email address.

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▶ Please submit an REVISED Board Roster to [Rosters@EmpowerLA.org](mailto:Rosters@EmpowerLA.org)

This is what your Annual Budget will look like ->



## Setting an Annual Budget

- ▶ The Neighborhood Council's budget is its strategic financial road map to assist and conduct activities and achieve its goals.
- ▶ Annual budgets can only be submitted using the standard format and categories:
  - ▶ 100 Operations
  - ▶ 200 Outreach
  - ▶ 300 Community Improvement Projects
  - ▶ 400 Neighborhood Purpose Grants
  - ▶ 500 Elections

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## Setting an Annual Budget

- ▶ Neighborhood Councils are **required** to submit a Board approved budget on July 1<sup>st</sup>.
- ▶ Other required documents submitted with budget:
  - ▶ Strategic Plan – How will you spend your NC funds? What are your major objectives?
  - ▶ Outreach Survey – How are you doing with your outreach goals?
  - ▶ Self-Assessment – A look back at the prior year's goals?
  - ▶ A completed and signed Board Vote Form reflecting the NC's adoption of the budget.
- ▶ Only online submission accepted.
- ▶ If no budget is received, the Neighborhood Council's checking account may be subject to being frozen.
- ▶ Budget template is found at:  
<http://empowerla.org/self-serve/>

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## Neighborhood Council Checking Accounts

- ▶ Checking accounts were established July 1, 2014
- ▶ Checks issued using Union Bank Online Bill Pay.
  - ▶ No physical / paper checkbooks
- ▶ Checks are generated on Union Bank Account website.
- ▶ 5-7 days delivery to vendors (includes mailing)
- ▶ EFT available for many vendors already in the bank's database.
- ▶ Signers can also arrange for the check to be mailed to their address for hand-delivery to vendors.

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## Neighborhood Council Checking Accounts

- ▶ Neighborhood Council is issued a Bank Card
  - ▶ not a Debit Card - **No Pin.**
- ▶ The cardholder is responsible for its security and the only authorized user of the bankcard.
- ▶ Maximum daily amount for incidentals is \$2,500.00.
  - ▶ Any requests for increases above the daily amount must be authorized by the Department.
  - ▶ Request is made through a Funding Request Form.
- ▶ Union Bank requires checking accounts maintain \$1,000.00 minimum balance to avoid service fee.
- ▶ Union Bank updated their online bill pay system. You must check your balance & pending payments prior to issuing additional payments.
  - ▶ You may overdraft your account and incur NSF Fees.
  - ▶ Checks cannot be made to "cash"

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## Neighborhood Council Checking Accounts

- ▶ Signer/Cardholder is responsible for collecting and submitting all original receipts to the Treasurer for reporting on the Monthly Expenditure Report (MER).
- ▶ The following uses of the bank card are **strictly forbidden** under any circumstances:
  - ▶ ATM cash withdrawals
  - ▶ Cash-back requests
  - ▶ Unacceptable Purchases as listed.

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## Unacceptable Purchases

*Below are transaction guidelines for the use of Neighborhood Council funds. Please contact the Neighborhood Council Funding Helpline at (213) 978-1551 or email [empowerla.funding@lacity.org](mailto:empowerla.funding@lacity.org) in the event you are unsure of the proper transaction method for any expenditure.*

### The following are prohibited:

- ▶ Any purchases made without the approval of the Neighborhood Council governing body, and any purchases that are not identified in the NC approved budget.
- ▶ Payment for services over an extended period of time that may require a personal services agreement executed by the Department. Treasurers should consult with the Department prior to using the Bank card for this purpose.
- ▶ Split charges - using multiple transactions for a single charge to circumvent the maximum single transaction amount allowed on the bankcard.
- ▶ Donations of money or goods to individuals or groups. State law prohibits public funds from being given as a gift.

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## Unacceptable Purchases

- ▶ Items or services from an entity that did not participate in a fair and open selection process.
- ▶ Third party reimbursement. Payments should be in the form of a Funding Request for a particular vendor, not to a third party who will then pay the vendor.
  - ▶ *If they are not on the NC Board they will not get reimbursed.*
- ▶ Any purchases and/or community improvement projects that increase the value of private property or do not benefit the general public.
- ▶ Events or projects that do not have the required insurance and permits. Liability is always an important consideration with any project. Please contact the Department for further information.
- ▶ Purchases of gift cards, money orders/cashiers check, alcohol, tobacco, firearms, or adult entertainment products.

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## Unacceptable Purchases

- ▶ Purchases that violate the constitutional separation of church and state (City funds cannot be used to endorse religion and/or interfere with free religious exercise)
- ▶ Purchases that violate City and/or State conflict of interest laws
- ▶ Supporting or opposing ballot measures or candidates, and political forums or debates unless following City Attorney guidelines
- ▶ Lawsuits against the City or City agencies, and appeals against any discretionary decisions made by any City agency
- ▶ NCs are not allowed to use PayPal to pay for purchases
- ▶ The Department will immediately revoke the Signer's bank card if any of the above uses are identified

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## Cash Request - CRF

- ▶ The Department will replenish checking account balance with \$9,250.00 at the beginning of each quarter. (Available funds)
- ▶ If needed, the Treasurer and 2<sup>nd</sup> Signer completes and submits to The Department at any time during the quarter for additional funds.
- ▶ Does not require formal board action.
- ▶ Department receives the completed form and when approved, transfer process is 3-5 business days .

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## Cash Request Form - CRF SUPPLEMENTAL CASH REQUEST FORM

Department of Neighborhood Empowerment  
Budget Fiscal Year 2016 - 2017



NC Name: Select NC Name

Cash Request Date: \_\_\_\_\_

Annual Budget: \$ 37,000.00

Request Number	Request	Cash Received to Date	Cash Request	Balance of Balance
1	1st Qtr Replenish			-
2	2nd Qtr Replenish			-
3	3rd Qtr Replenish			-
4	4th Qtr Replenish			-
5				-
6				-
7				-
TOTALS \$ - \$ - \$ -				
Cash Requested \$ -				

This is what the Cash Request Form Looks Like->

**NEIGHBORHOOD COUNCIL CERTIFICATION**

We hereby certify under penalty of perjury under the laws of the State of California that this Cash Request, and its supporting financial records, are true and correct. We also understand that alteration of such request is subject to fine and/or imprisonment by the Department of Neighborhood Empowerment.

Treasurer Signature _____	Signer's Signature _____
Print Name _____	Print Name _____
Date (mm/dd/yyyy) _____	Date (mm/dd/yyyy) _____
*email and phone number _____	*email and phone number _____
Comments _____	

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## SUPPLEMENTAL CASH REQUEST FORM

Department of Neighborhood Empowerment  
Budget Fiscal Year 2016 - 2017



NC Name: Arleta

Cash Request Date: 08/12/16

Annual Budget: \$ 37,000.00

Request Number	Request	Cash Received to date	Cash Request	YTD Cash Received
1	1st Qtr Replenish	\$9,250.00		\$9,250.00
2	2nd Qtr Replenish			
3	3rd Qtr Replenish			
4	4th Qtr Replenish			
5	National Night Out		\$2,500.00	\$2,500.00
6				
7				
<b>TOTALS</b>		\$9,250.00	\$2,500.00	\$11,750.00
<b>Cash Requested</b>				

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### NEIGHBORHOOD COUNCIL CERTIFICATION

We hereby certify under penalty of perjury under the laws of the State of California that this Cash Request, and its supporting financial records, are true in all respects. We also understand that allowability of cash requested is subject to final acceptance by the Department of Neighborhood Empowerment.

Treasurer Signature  
Debra Copeland  
Print Name  
08/12/16  
Date (mm/dd/yy)  
[dcopeland@nc.org](mailto:dcopeland@nc.org) (213) 955-1551  
\*e-mail and phone number

Signer's Signature  
Joe Tang  
Print Name  
08/12/16  
Date (mm/dd/yy)  
[jtang@nc.org](mailto:jtang@nc.org) (213) 955-1551  
\*e-mail and phone number

#### Comments

Funds needed for Board approved operational, outreach, and board member reimbursement expenses.

### DEPARTMENT USE ONLY

1st Level Approval - Date  
  
2nd Level Approval - Date

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

Denied: \_\_\_\_\_

#### Comments

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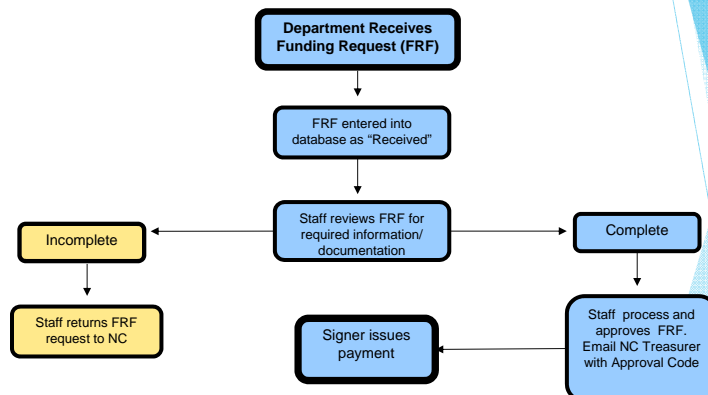
## Filling out the Cash Request Form

- ▶ Enter Your NC Name
- ▶ Request Date
- ▶ Enter your cash received To Date
- ▶ Enter Description and Amount Requested
- ▶ Calculates totals

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## Funding Request Process

### The Funding Request Process Flowchart



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# Funding Request Form

This is the Funding Request Form->

Use *whenever* the Neighborhood Council is approving an expenditure. There should be A Funding Request Form in relation to every expense.

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## Funding Request Form

- ▶ Any party, including NC board members requesting funds from the NC must complete a Funding Request Form using the Department's standardized Funding Request Form.
- ▶ All expenditures require Board approval prior to payment and identifiable under one of the approved budget categories.
- ▶ Recurring/monthly operational expenses may be approved only once, indicating the amount and timeframe.
- ▶ The following must be Board approved per request and submitted to the Department for review and authorization:
  - ▶ Neighborhood Purpose Grant - NPG
  - ▶ Community Improvement Project - CIP
  - ▶ Contracts/Leases
    - ▶ 3-6 months for development, approval and execution by The Department and City Attorney.
  - ▶ NC-Sponsored / Co-Sponsored Events
    - ▶ Submitted at least 30 days prior to event
  - ▶ Expenditures over \$2,500.00
- ▶ DO NOT commit funds without Board Approval.

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**Department of Neighborhood Empowerment  
Funding Request Form**



NC NAME: NC Name

Budget Fiscal Year: 2016-17

Request Date: 07/05/16

Meeting Date: 07/05/16

Agenda Item: 7a

Requestor: Jan Moore

Vendor: ABC Foundation

Address: 201 N Grant St

City: Los Angeles State: CA

Zip Code: 90056 Phone: (310) 556-1245

Amount: \$1,000.00

☐ Operations ☐ Outreach ☐ NC Sponsored Event ☒ Neighborhood Response Grant  
☐ Contract / Lease ☐ Board Member Reimbursement ☐ Community Improvement Project  
☐ Out of State ☐ 1099 Expense ☐ One Time Expense ☐ Monthly ☐ Multiple # of payments: \_\_\_\_\_

**If a bank card exemption of the daily \$2,500 limit is required for this request, please provide the date(s) and amount needed for the daily limit to be lifted:**

**Public Benefit  
Description**

Support the ABC Foundation's to help cover the cost of summer camp program for our community youth who will be able to continue learning while have in an enjoyable and safe environment.

**Vote Count** (continued on page 2 if more than 20 Board Members)

\*Recused-Boardmember must leave the room prior to any discussion and may not return to the room until after the vote is completed.

Board Member Name	Board Position	Yes	No	Abstain	*Recused	Absent	Ineligible
Erick Nader	President	X					
Joe Tang	Vice President			X			
Jan Moore	Secretary	X					
Kim Wilson	Treasurer				X		
Claudia Greif	Board Member	X					
Mark Brewer	Youth Member						X
Pamela Allison	Resident Rep		X				
Debra Copeland	Member at Large	X					
NC Quorum:	5	Grand Total (including page 2):	4	1	1	1	1

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We, the Treasurer and Signer of the above indicated Council, declare that the information presented on this form is accurate and complete, and that a public meeting was held in accordance with the Brown Act, where with a quorum of Board Members present, the Council approved the above action.

Once the Department approves a Funding Request submitted, the Department will transfer the requested amount into the Neighborhood Council's checking account automatically, i.e. no additional Cash Request Form is required.

Treasurer's Signature:		Signer's Signature:	
Print/Type name:	Debra Copeland	Print/Type name:	Joe Tang
Date (mm/dd/yy):	07/10/16	Date (mm/dd/yy):	07/10/16
Department Use Only	<input type="checkbox"/> Contract <input type="checkbox"/> CIP <input type="checkbox"/> Advanced Payment <input type="checkbox"/> Approved <input type="checkbox"/> >\$2,500 <input type="checkbox"/> NPG <input type="checkbox"/> Sponsored Event <input type="checkbox"/> Denied	Staff Initials:	1st Level: _____ 2nd Level: _____ Authorization Code: _____

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## Filling out the Funding Request Form

- ▶ Every Expenditure must have a Funding Request
- ▶ Request Date
- ▶ Meeting Information
- ▶ Agenda Item Number
- ▶ Requestor Name
- ▶ Vendor information
- ▶ Budget Category
- ▶ Fill out Benefit Statement
  - ▶ How does this benefit your community?

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## Filling out the Funding Request Form

- Board Vote Count - Section
- Enter all Board Member Names & NC Quorum
  - Save a Copy for future use
- Fill in Votes - Yes, No, Abstain, Recused, Absent, and Ineligible
  - Calculates Totals
- Sign Certification Section
- If prior approval is needed,
  - Email to [EmpowerLA.Funding@lacity.org](mailto:EmpowerLA.Funding@lacity.org)
- If requested by the Neighborhood Council, the Department will deposit additional funds into NC Account to replenish requested amount.

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## Pre-Approval Check List

*Any party requesting funds from the NC INCLUDING any board member must complete a Funding Request Form, which should be approved by the Board. Prior to issuing payment for Board Approved expenditures, the following categories of requests must be submitted to the Department for review and an authorization code: Neighborhood Purpose Grants (NPGs), Community Improvement Projects(CIPs), Contracts, Leases, Neighborhood Council sponsored or co-sponsored events, and any expenditures over \$2,500.00, regardless of their category.*

- **ANY VENDOR (over \$2500):**
  - Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from NC
- **NPG for 501c3 NON-PROFIT:**
  - Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from both Applicant and NC
  - NPG Application – completely filled out by Applicant and signed by Executive Director and Secretary (Required) and project budget
  - IRS Determination Letter

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## Pre-Approval Check List

- **NPG for PUBLIC SCHOOL:**
  - Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from both Applicant and NC
  - NPG Application – completed filled out by Applicant and signed by Principal and Assistant Principal.
  - Letter requesting grant, amount and purpose on Official School Letterhead signed by Principal.
- **COMMUNITY IMPROVEMENT PROJECTS (CIPs):**
  - Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from NC
- **BOARD MEMBER REIMBURSEMENT (over \$2500 only):**
  - Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from NC
  - Copies of Receipts
  - Proof of payments (i.e. cancelled checks or bank statement)
- **NC SPONSORED/CO-SPONSORED EVENTS:**
  - Neighborhood Council Event Approval Form
  - Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from NC
  - Itemized Detailed Event Budget for the NC. How will the NC use their funds?

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# Neighborhood Purpose Grant - NPG

This is what an NPG looks like ->

You can only issue grants to 501(c)3 non-profits and LAUSD Public Schools

Neighborhood Council Funding Program  
APPLICATION for Neighborhood Purposes Grant (NPG)

This form is to be completed by the applicant seeking the Neighborhood Purposes Grant and submitted to the Neighborhood Council from whom the grant is being sought. All applications for grants must be reviewed and approved in a public meeting. The Neighborhood Council (NC), upon approval of the application, shall submit the approved application along with all required documentation to the Department of Neighborhood Empowerment.

Name of NC from which you are seeking this grant: \_\_\_\_\_

**SECTION I - APPLICANT INFORMATION**

1a) Organization Name \_\_\_\_\_ Federal ID # (EIN) \_\_\_\_\_ State of Incorporation \_\_\_\_\_ Date of 501(c)(3) Status (if applicable) \_\_\_\_\_

1b) Organization Mailing Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

1c) Business Address (if different) \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

1d) PRIMARY CONTACT INFORMATION:

Name \_\_\_\_\_ Phone \_\_\_\_\_ Email \_\_\_\_\_

2) Type of Organization-Please select one:  
☐ Public School (not to include private schools) or ☐ 501(c)(3) Non-Profit (other than religious institutions)  
 Attach Grant Request on School Letterhead Attach IRS Determination Letter

3) Name / Address of Affiliated Organization \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ (if applicable)

**SECTION II - PROJECT DESCRIPTION**

4) Please describe the purpose and intent of the grant.

5) How will this grant be used to primarily support or serve a public purpose and benefit the public at-large. (Grants cannot be used as rewards or prizes for individuals)

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## Neighborhood Purpose Grants (NPG)


- ▶ Allows Neighborhood Councils to issue grants to 501(C)(3) nonprofits and public schools from their annual NC allocation of funds in the form of a check.
- ▶ Over \$5,000 requires a City Contract.
- ▶ Over \$20,000 requires a City Contract and approval of the Board of Neighborhood Commissioners (BONC).
- ▶ NCs must evaluate and approve grant requests in public meetings, and make a finding of public benefit (Community Benefit Statement).
- ▶ NC must be in good fiscal standing: must have current fiscal budget and board vote count form on file, Monthly Expenditure Reports are current, and the NC inventory reports up to date.
- ▶ Conflict of Interest Laws Apply: Any Board Member who has a relationship with the requesting School or Organization **must** consult the Office of The City Attorney before the item is heard and voted by the Board.

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Neighborhood Council Funding Program  
APPLICATION for Neighborhood Purposes Grant (NPG)

This form is to be completed by the applicant seeking the Neighborhood Purposes Grant and submitted to the Neighborhood Council from whom the grant is being sought. All applications for grants must be reviewed and approved in a public meeting. The Neighborhood Council (NC), upon approval of the application, shall submit the approved application along with all required documentation to the Department of Neighborhood Empowerment.



Name of NC from which you are seeking this grant: Your Neighborhood Council Name

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**SECTION I - APPLICANT INFORMATION**

1a) ABC Foundation 95-0000000 CA   
Organization Name Federal ID # (EIN) State of Incorporation Date of 501(c)(3) Status (if applicable)

1b) 201 N Grant St Los Angeles CA 90056  
Organization Mailing Address City State Zip Code

1c) Same     
Business Address (if different) City State Zip Code

1d) PRIMARY CONTACT INFORMATION:  
Diane Sulka (323) 789-1122 DWS@ABCFound.org  
Name Phone Email

2) Type of Organization- Please select one:  
☐ Public School (not to include private schools) or ☒ 501(c)(3) Non-Profit (other than religious institutions)  
Attach Grant Request on School Letterhead Attach IRS Determination Letter

3)      
Name / Address of Affiliated Organization City State Zip Code (if applicable)

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**SECTION II - PROJECT DESCRIPTION**

4) Please describe the purpose and intent of the grant.

Our summer camp program for boys and girls ages 6-17. All are welcomed to unwind, stay active, keep cool in a enjoyable and safe environment.

5) How will this grant be used to primarily support or serve a public purpose and benefit the public at-large.  
(Grants cannot be used as rewards or prizes for individuals)

The grant will help families subsidize the cost of camp. Anyone in the community can apply for funding. We will review their application and will help subsidize the cost of camp to families who demonstrate financial need.

Revised 012615 - Page 1 of 2

City of Los Angeles, Department of Neighborhood Empowerment  
NPG APPLICATION Page 2

**SECTION III - PROJECT BUDGET OUTLINE**

6a) Personnel Related Expenses	Requested of NC	Total Projected Cost

6b) Non-Personnel Related Expenses	Requested of NC	Total Projected Cost
Funding solely for assistance	\$1,000.00	4,000.00

7) Have you (applicant) applied to any other Neighborhood Councils requesting funds for this project?  
☒ No ☐ Yes, please list names of NCs: \_\_\_\_\_

8) Is the implementation of this specific program or purpose described in box 4 above contingent on any other factors or sources or funding? (Including NPG applications to other NCs) ☐ No ☐ Yes, please describe:

Source of Funding	Amount	Total Projected Cost
ABC Foundation	3,000.00	4,000.00

9) What is the TOTAL amount of the grant funding requested with this application: \$1,000.00

10a) Start date: 06/15/16 10b) Date Funds Required: 06/30/16

10c) Expected completion date: 07/31/16 (After completion of the project, the applicant must submit a follow-up form to the Neighborhood Council and the Department of Neighborhood Empowerment)

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**SECTION IV - POTENTIAL CONFLICTS OF INTEREST**

11a) Do you (applicant) have a former or existing relationship with a Board Member of the NC?  
☐ No ☒ Yes - Please describe below:

Name of NC Board Member	Relationship to Applicant
Kim Wilson	Sister to ABC Board Member

11b) If yes, did you request that the board member consult the Office of the City Attorney before filing this application? ☒ Yes ☐ No (Please note that if a Board Member of the NC has a conflict of interest and completes this form, or participates in the discussion and voting of this NPG, the Department will deny the payment of this grant in its entirety.)

#### SECTION V - DECLARATION AND SIGNATURE

I hereby affirm that, to the best of my knowledge, the information provided herein and communicated otherwise is truly and accurately stated. I further affirm that I have read Appendix A, "What is a Public Benefit," and Appendix B "Conflicts of Interest" of this application and affirm that the proposed project(s) and/or program(s) fall within the criteria of a public benefit project/program and that no conflict of interest exist that would prevent the awarding of the Neighborhood Purposes Grant. I affirm that I am not a current Board Member of the Neighborhood Council to whom I am submitting this application. I further affirm that if the grant received is not used in accordance with the terms of the application stated here, said funds shall be returned immediately to the Neighborhood Council.

**12a) Executive Director of Non-Profit Corporation or School Principal - REQUIRED\***

Diane Weston-Sulka	Executive Director	DIGITAL SIGNATURE ACCEPTED	
<i>PRINT Name</i>	<i>Title</i>	<i>Signature</i>	<i>Date</i>

**12b) Secretary of Non-profit Corporation or Assistant School Principal - REQUIRED\***

Tom Frybird	Secretary	DIGITAL SIGNATURE ACCEPTED	
<i>PRINT Name</i>	<i>Title</i>	<i>Signature</i>	<i>Date</i>

\* If a current Board Member holds the position of Executive Director or Secretary, please contact the Department at (213) 978-1551 for instructions on completing this form

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If you have a conflict of interest, do not sign the NPG. Do not present the NPG and recuse yourself entirely by leaving the room for the discussion and vote of the item!

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## Board Member Reimbursement

- Prior to money being spent- the actual expenditure needs to be board approved.
- Funding Request Form
  - ▶ Completely filled out and signed by Treasurer and 2nd Signer
    - ▶ Community Benefit Statement or Explanation for expenditure
  - ▶ Copies of Receipts
  - ▶ Proof of payments
    - ▶ Cancelled checks or bank statement
- The reimbursement must take place in the current fiscal year.
- Board member reimbursements >\$2,500.00 require Department approval.

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## Community Improvement Projects (CIP)

- ▶ All Neighborhood Improvement Projects must be submitted to the Department for review and approval PRIOR to project commencing and issuance of payment from the NC Checking Account.

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## Sponsored/Co-Sponsored Events

- ▶ Requesting 30 Days Notice submission to The Department.
- ▶ Neighborhood Council Event Approval Form
- ▶ Funding Request Form
  - ▶ Filled out with event information
- ▶ Detailed NC Event Budget
  - ▶ Include Vendor, item description and line item amount
- ▶ Cash Request Form and Bank Card Exemption incorporated into Event Approval Form.
- ▶ Provide Completed Neighborhood Council Event Approval Packet to the Department for review.
- ▶ Submit to:

[EmpowerLA.Funding@lacity.org](mailto:EmpowerLA.Funding@lacity.org)

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# Neighborhood Council Event Approval Form

EMPOWER.LA

200 N. Spring Street, 20th FL, Los Angeles, CA 90012 • (213) 979-1551 or Toll-Free 3-1-1  
Email: [Empower.LA.Funding@cityofla.org](mailto:Empower.LA.Funding@cityofla.org) [www.Empower.LA.org](http://www.Empower.LA.org)



## NEIGHBORHOOD COUNCIL EVENT APPROVAL FORM

Events are great opportunities for Neighborhood Councils to interact with their stakeholders. There are, however, liability and permitting issues that must be handled prior to the event, and the Department of Neighborhood Empowerment must approve a Neighborhood Council sponsored event before any funding payments can be executed. Please complete and sign this form and submit to the Department at least 30 days before the day of the event. The Department will typically take 3-5 days to review and approve the event. Once approved, the Neighborhood Council can begin spending.

Neighborhood Council: \_\_\_\_\_

The Neighborhood Council is the: ☐ Main Sponsor or ☐ Co-Sponsor for the event.

Main sponsor: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Co-Sponsor (if applicable): \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

### Event Information

Type of Event (festival, movie night, etc.): \_\_\_\_\_

Date: \_\_\_\_\_ Time Frame: \_\_\_\_\_ Est. number of attendees: \_\_\_\_\_ Event Amount: \_\_\_\_\_

Venue Name: \_\_\_\_\_

Venue Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Please note: If the location for the event is at City facility, e.g. park, the location approval may be easier and at little or no cost. If the location for event is not at City facility, a separate contract may be needed and can take 30 days to complete.

Documents scanned and emailed to [Empower.LA.Funding@cityofla.org](mailto:Empower.LA.Funding@cityofla.org) for Department approval PRIOR to event:

☐ Neighborhood Council Event Approval Form - Completed and signed by Treasurer or Second Signatory

☐ Funding Request Form - Completed and signed by Treasurer and Second Signatory

☐ Itemized Detailed Event Budget - Total budget with funding categories (food, entertainment, flyers, permits, etc.) and with specific vendors if available. Once approved, the Department will transfer the amount of the event budget into the Neighborhood Council account automatically, i.e. no additional Cash Request Form will be required.

☐ If a bank card exemption of the daily \$2,500 limit is required for this event, please provide the date(s) and amount needed for the daily limit to be lifted.

Please note: Missing or incomplete required documents will delay Department approval.

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# Neighborhood Council Event Approval Form

The City of Los Angeles provides Neighborhood Councils with event liability coverage in the amount of \$5 million. Depending on the type of event, there may be additional permits and liability issues that must be addressed prior to the event, or the Neighborhood Council will be liable for any penalties or injuries incurred at the event. There may be fees attached to obtaining permits and additional liability so please budget accordingly. It may be easier to partner with the City family or a community based organization or even hire a producer (will require a contract prepared by the Department) so that they can obtain the necessary permits and liability issues instead. Please contact the Department Funding Team if you are unsure what your Neighborhood Council event may need. The following must be obtained PRIOR TO THE EVENT if they are applicable to your event:

If FOOD is being purchased, provided, distributed or served at your event, you may be required to obtain the following documents:

- ☐ LA County Public Health Department Permit - If the food is free, no permit is required. If there are tickets being sold for vendor food booths (e.g. "Taste of" type of event, which needs to have a sponsor besides the Neighborhood Council to accept the funds), a paid permit is required, but the fee will be waived if held at a City park.
- ☐ LA Fire Department - contact for a permit for use of barbecues or to determine whether a first aid station is necessary

You may need ADDITIONAL INSURANCE for your event from Vendors if they are providing the following services:

- ☐ Games (e.g. dunk tank, other carnival style games) - City Risk Management will need to review
- ☐ Food (purchased, provided, distributed and/or served) - City Risk Management may need to review

If RENTING a vehicle or truck to transport event materials:

- ☐ Renting of vehicle/truck must be by a board member
- ☐ Additional insurance offered by the rental company must be purchased in full

ADDITIONAL PERMITS may be required if the event has:

- ☐ Over 500 attendees, which may require LAPD presence - LAPD Special Events
- ☐ Street closures for block parties - Bureau of Street Services or LADOT for larger street closures, such as a parade
- ☐ Tents/canopies larger than 450 square feet or stages/platforms more than 30 inches above grade - Building and Safety

CONTACT INFORMATION for possible permits:

- Street Maintenance - (213) 847-2999
- Building and Safety - (213) 485-0357
- LADOT (Traffic Officers) - (323) 613-4652
- LADOT (Signs) - (213) 485-2425
- LADOT (Special Operations) - (323) 224-2124
- Risk Management - (213) 979-7475
- LAPD - (213) 486-0410
- LAPD - (213) 979-3650
- Sanitation - (213) 485-3612
- Street Services - <http://pagepermits.lacity.org/permits/>
- LA County Public Health Dept. - <http://publichealth.lacounty.gov>

Original documents to submit with your Monthly Expenditure Report for the event:

- ☐ Neighborhood Council Event Approval Form - Completed and signed by Treasurer or Second Signatory
- ☐ Funding Request Form - Completed and signed by Treasurer and Second Signatory
- ☐ Board Vote Count Form - Completed and signed by Treasurer and Second Signatory
- ☐ Itemized Detailed Event Budget - Final total budget with funding categories and specific vendors. If final budget changed from original, please submit adjusted budget with new Board Vote Count Form.
- ☐ Original Invoices and Receipts
- ☐ Proof of Sponsorships (e.g. event flyers, webpage copy, etc.)
- ☐ Copies of Additional Permits (if applicable)
- ☐ Copies of Additional Insurance (if applicable)
- ☐ VI-9 (for 1099 Individual Services if applicable)

I have read and understand the requirements set forth in this document and agree to comply with the required paperwork necessary for Neighborhood Council events.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

Department Use Only: Approval Code: \_\_\_\_\_ Staff: \_\_\_\_\_

Cash Request Process Date: \_\_\_\_\_ Bank Card Exemption Process Date: \_\_\_\_\_ Rev 01/06/15

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- ▶ Neighborhood Councils / Board Members do not have legal authority to enter into or execute a contract.
- ▶ Must be submitted to the Department
  - ▶ 3-6 months for development, approval and execution by The Department and City Attorney.
- ▶ NPG Over \$5,000 requires a City contract.
- ▶ NPG Over \$20,000 requires Board of Neighborhood Commissioners (BONC) approval and a City contract.
- ▶ Payments for services over an extended period of time. (Regardless of \$\$ amount.)

# Board Vote Form - BVF

Board Vote Count Forms are used for non-expenditure items only; such as MERS, Appointments of Treasurers and Second Signers, and Budgets.

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## Board Vote Form

- ▶ Used to approve MER, Approve/Amend Budget, Appoint Funding Officers, or to track other non-funding items.
- ▶ Board Vote Count Form records the Board's voting results for each funding item (yes, no, abstain, absent, recuse, ineligible).
  - ▶ *If recusing, board member must leave the meeting prior to agenda item discussion. Additionally, indicate in the minutes, name of board member who recused themselves and they left the room.*
- ▶ The Treasurer is responsible for submitting the completed Board Vote Form with the MER (Monthly Expenditure Report).
- ▶ Additional space for >20 board members included on the back page.
- ▶ This form replaces meeting minutes or resolutions previously required.
- ▶ Minutes may be requested by the Department.

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**Department of Neighborhood Empowerment**


**Board Vote Form**

NC NAME: NC Name

Budget Fiscal Year: 2015-16

Meeting Date: 07/15/16

Agenda Item: 7a



**USE THIS FORM FOR THE FOLLOWING FUNDING ITEMS:**

☒ APPROVAL OF MONTHLY EXPENDITURE REPORT

☐ BUDGET PACKAGE APPROVAL / AMENDMENT

☐ APPOINTMENT OF FUNDING OFFICER / CARDHOLDER

☐ OTHER: NON-FUNDING ACTION ITEM

**Description:** Motion to approve June 2016 MER

**Vote Count**

\*Recused-Boardmember must leave the room prior to any discussion and may not return to the room until after the vote is completed.

Board Member Name	Board Position	Yes	No	Abstain	*Recused	Absent	Ineligible
Erick Nader	President	X					
Joe Tang	Vice President			X			
Jan Moore	Secretary	X					
Kim Wilson	Treasurer				X		
Claudia Greif	Board Member	X					
Mark Brewer	Youth Member						X
Pamela Allison	Resident Rep		X				
Debra Copeland	Member at Large	X					
NC Quorum:	5	<b>Totals:</b>	4	1	1	1	1

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## Filling out the Board Vote Form

- Request Date
- Meeting Information
- Agenda Item Number
- Funding Type
  - ☐ Monthly Expenditure Report
  - ☐ Fiscal Budget
  - ☐ Treasurer / 2<sup>nd</sup> Signer Appointment
  - ☐ Other Non-Funding Items
- Enter all Board Member Names
  - ☐ Save a Copy for future use
- Fill in Votes - Yes, No, Abstain, Recused, Absent, and Ineligible
  - ☐ Calculates Totals
- Certification Section

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## Neighborhood Council Inventory

### INSTRUCTIONS

- ▶ Without an office or an independent secured storage, Neighborhood Councils cannot own inventory/equipment.
- ▶ Report items that are currently in possession and items recently purchased which meet the following criteria:
  - ▶ Any item with an acquisition or assigned value of at least \$1,000.00 and an estimated useful life of at least three years.
  - ▶ Any computer hardware, including desktop or laptop computer(s), regardless of cost.
  - ▶ Any digital cameras, regardless of cost.
  - ▶ Any electric or electronic office and communications equipment, such as printers and copying machines, regardless of cost.
- ▶ It is therefore very important that your Board Treasurer or Board Designee identify the existence and location of various inventory items.

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## Neighborhood Council Inventory

### INSTRUCTIONS

- ▶ After each items have been entered, please click the "Save" button (top right corner).
  - ▶ Confirmation e-mail that will be sent to the Neighborhood Council Representatives and the Department verifying that entries have been made and a Inventory Number will be assigned.
- ▶ A list of inventoried Items will be placed on the Monthly Profile for verification and updates by the Neighborhood Council.
- ▶ If an item needs to be Salvaged, visit [EmpowerLA.org/self-serve/](http://EmpowerLA.org/self-serve/) for Instructions and Forms.
  - ▶ Neighborhood Councils cannot discard or donate any unused equipment.
- ▶ For any questions, please contact Jeffrey S. Brill at (213) 978-1482 or [NCinventory@empowerla.org](mailto:NCinventory@empowerla.org)

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## Neighborhood Council Inventory App

<http://empowerla.org/self-serve/>

The screenshot displays the 'Add Item' form within the Neighborhood Council Inventory App. The interface includes a navigation bar with 'My Apps' and 'Home' links. The main form is divided into several sections:

- Neighborhood Council Information:** A dropdown menu labeled 'Make a Selection...'.
- Inventory:** This section contains multiple input fields:
  - Product Type:** A dropdown menu.
  - Brand:** A text input field.
  - Model:** A text input field.
  - Serial Number:** A text input field.
  - Useful Life:** A text input field.
  - Picture:** A file upload button labeled 'Choose File' with the text 'no file chosen'.
  - Date of Purchase:** A date picker set to 'mm-dd-yy'.
  - Purchase Price:** A text input field.
  - Receipt of purchase:** A file upload button labeled 'Choose File' with the text 'no file chosen'.
  - Current Status:** A dropdown menu.
  - Location of Item:** A search bar labeled 'Search for an address' followed by input fields for 'Street 1', 'Street 2', 'City', 'Select a State/Region...', and 'Postal Code'.
- Contact:** This section includes input fields for 'Primary Contact', 'Board Position', and 'Email Address', as well as fields for 'Secondary Contact', 'Board Position', and 'Email Address'.

At the bottom of the form, a note states: 'To submit, please click "SAVE" on the top right corner.'

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## Monthly Expenditure Report-MER

Department of Neighborhood Empowerment				MONTHLY EXPENDITURE REPORT				EMPOWER L.A.	
Reporting Month:				Submitted:				8/11/2016 14:25:48	
N/C Name:									
Budget Fiscal Year:				2016-2017					
<small>FILL IN ALL THE UNSHADED (WHITE) FIELDS (Must be submitted to the Department within 90 days of Board Approval along with documentation and hard copy). EXPENDITURES BY LINE ITEM (for more than 12 expenditures, you may continue entering on page 3 of this worksheet - see below)</small>									
A	VENDOR	INVOICE NUMBER	APPROVAL CODE	DATE / DESCRIPTION	BUDGET CATEGORY	OUT OF STATE VENDOR	1099 Reportable	TOTAL	
1						<input type="checkbox"/>	<input type="checkbox"/>		
2						<input type="checkbox"/>	<input type="checkbox"/>		
3						<input type="checkbox"/>	<input type="checkbox"/>		
4						<input type="checkbox"/>	<input type="checkbox"/>		
5						<input type="checkbox"/>	<input type="checkbox"/>		
6						<input type="checkbox"/>	<input type="checkbox"/>		
7						<input type="checkbox"/>	<input type="checkbox"/>		
8						<input type="checkbox"/>	<input type="checkbox"/>		
9						<input type="checkbox"/>	<input type="checkbox"/>		
10						<input type="checkbox"/>	<input type="checkbox"/>		
11						<input type="checkbox"/>	<input type="checkbox"/>		
12						<input type="checkbox"/>	<input type="checkbox"/>		
SUBTOTAL: Expenditures by Line Item (May include totals on page 3, if entered)								\$0.00	
B CUMULATIVE EXPENDITURES FROM PRIOR MONTHS (CURRENT FISCAL YR)								\$0.00	
C OUTSTANDING COMMITMENTS (OBLIGATION R)									
1						<input type="checkbox"/>	<input type="checkbox"/>		
2						<input type="checkbox"/>	<input type="checkbox"/>		
3						<input type="checkbox"/>	<input type="checkbox"/>		
4						<input type="checkbox"/>	<input type="checkbox"/>		
5						<input type="checkbox"/>	<input type="checkbox"/>		
6						<input type="checkbox"/>	<input type="checkbox"/>		
7						<input type="checkbox"/>	<input type="checkbox"/>		
8						<input type="checkbox"/>	<input type="checkbox"/>		
9						<input type="checkbox"/>	<input type="checkbox"/>		
10						<input type="checkbox"/>	<input type="checkbox"/>		
SUBTOTAL: Outstanding Commitments (Includes total on page 3)								\$0.00	
D Total Expenditures & Commitments								\$0.00	
E Total Adjustments (such as use taxes assessed, prior fiscal years items, etc.) (use '-' for credits, '+' for deductions)								\$0.00	
F Approved Budget 2016-2017								\$0.00	
G Balance of Budget 2016-2017								\$0.00	

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## WHO COMPLETES THE MONTHLY EXPENDITURE REPORT (MER)?

- ▶ The **Treasurer** and **Second Signatory** are responsible for completing and signing the MER as well as gathering supporting documents such as receipts, flyers, artwork etc. to assist in the completion of the MER.
- ▶ The *entire* **Board** is responsible for reviewing and approving the MER, with bank statement.
- ▶ The **Treasurer** is responsible for submitting the *completed* documents within ten(10) days after approval.
- ▶ Scan and email Approved MER with all supporting documents to:

[EmpowerLA.Funding@LACity.org](mailto:EmpowerLA.Funding@LACity.org)

- ▶ Treasurer or 2<sup>nd</sup> Signer are original document custodian.


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Department of Neighborhood Empowerment

Reporting Month: July MONTHLY EXPENDITURE REPORT

NC Name: Arieta Submitted: 8/11/2016 14:44:34

Budget Fiscal Year: 2016-2017



Department of  
NEIGHBORHOOD EMPOWERMENT

**FILL IN ALL THE UNSHADED (WHITE) FIELDS (Must be submitted to the Department within 10 days of Board Approval along with documentation and hard copy)**

**EXPENDITURES BY LINE ITEM (for more than 12 expenditures, you may continue entering on page 3 of this worksheet - see below)**

A	VENDOR	INVOICE NUMBER	APPROVAL CODE	DATE / DESCRIPTION	BUDGET CATEGORY	OUT OF STATE VENDOR	1099 Reportable	TOTAL
1	AAA Flag & Banner	1215A	N/A	06/09/16 Street Banners	Outreach	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	\$1,250.00
2	ABC Foundation	N/A	ANC14506	06/17/16 Grant	Prior Year NPG	<input type="checkbox"/>	<input type="checkbox"/>	\$800.00
3	Premium Offices	0716Rt	N/A	07/01/16 Office Rent	Operations	<input type="checkbox"/>	<input type="checkbox"/>	\$750.00
4						<input type="checkbox"/>	<input type="checkbox"/>	
5						<input type="checkbox"/>	<input type="checkbox"/>	
6						<input type="checkbox"/>	<input type="checkbox"/>	
7						<input type="checkbox"/>	<input type="checkbox"/>	
8						<input type="checkbox"/>	<input type="checkbox"/>	
9						<input type="checkbox"/>	<input type="checkbox"/>	
10						<input type="checkbox"/>	<input type="checkbox"/>	
11						<input type="checkbox"/>	<input type="checkbox"/>	
12						<input type="checkbox"/>	<input type="checkbox"/>	
<b>SUBTOTAL: Expenditures by Line Item (May include totals on page 3, if entered)</b>								<b>\$2,800.00</b>
<b>B CUMULATIVE EXPENDITURES FROM PRIOR MONTHS (CURRENT FISCAL YR)</b>								<b>\$0.00</b>
<b>C OUTSTANDING COMMITMENTS (OBLIGATIONS)</b>								
1	BMR Phil Garcia	N/A	N/A	Community BBQ Supplies	Prior Year Outreach	<input type="checkbox"/>	<input type="checkbox"/>	\$500.00
2						<input type="checkbox"/>	<input type="checkbox"/>	
3						<input type="checkbox"/>	<input type="checkbox"/>	
4						<input type="checkbox"/>	<input type="checkbox"/>	
5						<input type="checkbox"/>	<input type="checkbox"/>	
6						<input type="checkbox"/>	<input type="checkbox"/>	
7						<input type="checkbox"/>	<input type="checkbox"/>	
8						<input type="checkbox"/>	<input type="checkbox"/>	
9						<input type="checkbox"/>	<input type="checkbox"/>	
10						<input type="checkbox"/>	<input type="checkbox"/>	
<b>SUBTOTAL: Outstanding Commitments (includes total on page 3)</b>								<b>\$500.00</b>
<b>D Total Expenditures &amp; Commitments</b>								<b>\$3,300.00</b>
<b>E Total Adjustments (such as use taxes assessed, prior fiscal years items, etc) (use '-' for credits, '*' for deductions)</b>								<b>(\$1,300.00)</b>
<b>F Approved Budget 2016-2017</b>								<b>\$37,000.00</b>
<b>G Balance of Budget 2016-2017</b>								<b>\$35,000.00</b>

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Reporting Month: JULY

NC Name: Arieta

MONTHLY CASH RECONCILIATION				
Beginning Balance (A)	Funds Deposited (B)	Total Available (C) = (A+B)	Cash Spent this Month (D)	Remaining Balance (E) = C - D
\$1,300.00	\$9,250.00	\$10,550.00	\$2,800.00	\$7,750.00

MONTHLY CASH FLOW ANALYSIS						
Category Identifier	Budget Category	Adopted Budget (A)	Total Spent this Month (B)	FY 2015-16 Expenses Cleared in FY 2016-17 (C)	Total Spent in Prior Months (D)	Unspent Budget Balance (E) = A - B - D
100	Operations	\$10,000.00	\$750.00	\$0.00		\$9,250.00
200	Outreach	\$12,000.00	\$1,250.00	\$0.00		\$10,750.00
300	Community Improvement	\$7,000.00	\$0.00	\$0.00		\$7,000.00
400	NPG	\$8,000.00	\$0.00	\$800.00		\$8,000.00
500	Elections		\$0.00	\$0.00		\$0.00
	<b>TOTAL</b>	<b>\$37,000.00</b>	<b>\$2,000.00</b>	<b>\$800.00</b>	<b>\$0.00</b>	<b>\$35,000.00</b>

**NEIGHBORHOOD COUNCIL DECLARATION**

We, the Treasurer and Signer of the above indicated Council, declare that the information presented on this form is accurate and complete, and will furnish additional documentation to the Department of Neighborhood Empowerment upon request.

Treasurer Signature	Signer's Signature
Print Name	Print Name
Date	Date

NC Additional Comments

Revision Date 08/09/16

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Page 3

Reporting Month: JULY	
NC Name: Arleta	

ADDITIONAL EXPENDITURES BY LINE ITEM (Optional, do not print page 3 unless you use it)								
A	VENDOR	INVOICE NUMBER	APPROVAL CODE	DATE / DESCRIPTION	BUDGET CATEGORY	OUT OF STATE VENDOR	1099 Reportable	TOTAL
13						<input type="checkbox"/>	<input type="checkbox"/>	
14						<input type="checkbox"/>	<input type="checkbox"/>	
15						<input type="checkbox"/>	<input type="checkbox"/>	
16						<input type="checkbox"/>	<input type="checkbox"/>	
17						<input type="checkbox"/>	<input type="checkbox"/>	
18						<input type="checkbox"/>	<input type="checkbox"/>	
19						<input type="checkbox"/>	<input type="checkbox"/>	
20						<input type="checkbox"/>	<input type="checkbox"/>	
21						<input type="checkbox"/>	<input type="checkbox"/>	
22						<input type="checkbox"/>	<input type="checkbox"/>	
23						<input type="checkbox"/>	<input type="checkbox"/>	
24						<input type="checkbox"/>	<input type="checkbox"/>	
25						<input type="checkbox"/>	<input type="checkbox"/>	
26						<input type="checkbox"/>	<input type="checkbox"/>	
27						<input type="checkbox"/>	<input type="checkbox"/>	
28						<input type="checkbox"/>	<input type="checkbox"/>	
29						<input type="checkbox"/>	<input type="checkbox"/>	
30						<input type="checkbox"/>	<input type="checkbox"/>	
31						<input type="checkbox"/>	<input type="checkbox"/>	
32						<input type="checkbox"/>	<input type="checkbox"/>	
33						<input type="checkbox"/>	<input type="checkbox"/>	
34						<input type="checkbox"/>	<input type="checkbox"/>	
35						<input type="checkbox"/>	<input type="checkbox"/>	
36						<input type="checkbox"/>	<input type="checkbox"/>	
SUBTOTAL: Expenditures by Line Item								\$0.00

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Page 3 (Cont)

Reporting Month: JULY	
NC Name: Arleta	

ADDITIONAL OUTSTANDING COMMITMENTS BY LINE ITEM (Optional, do not print page 3 unless you use it)								
A	VENDOR	INVOICE NUMBER	APPROVAL CODE	DATE / DESCRIPTION	BUDGET CATEGORY	OUT OF STATE VENDOR	1099 Reportable	TOTAL
11						<input type="checkbox"/>	<input type="checkbox"/>	
12						<input type="checkbox"/>	<input type="checkbox"/>	
13						<input type="checkbox"/>	<input type="checkbox"/>	
14						<input type="checkbox"/>	<input type="checkbox"/>	
15						<input type="checkbox"/>	<input type="checkbox"/>	
16						<input type="checkbox"/>	<input type="checkbox"/>	
17						<input type="checkbox"/>	<input type="checkbox"/>	
18						<input type="checkbox"/>	<input type="checkbox"/>	
19						<input type="checkbox"/>	<input type="checkbox"/>	
20						<input type="checkbox"/>	<input type="checkbox"/>	
21						<input type="checkbox"/>	<input type="checkbox"/>	
22						<input type="checkbox"/>	<input type="checkbox"/>	
23						<input type="checkbox"/>	<input type="checkbox"/>	
24						<input type="checkbox"/>	<input type="checkbox"/>	
25						<input type="checkbox"/>	<input type="checkbox"/>	
26						<input type="checkbox"/>	<input type="checkbox"/>	
27						<input type="checkbox"/>	<input type="checkbox"/>	
28						<input type="checkbox"/>	<input type="checkbox"/>	
29						<input type="checkbox"/>	<input type="checkbox"/>	
30						<input type="checkbox"/>	<input type="checkbox"/>	
31						<input type="checkbox"/>	<input type="checkbox"/>	
32						<input type="checkbox"/>	<input type="checkbox"/>	
33						<input type="checkbox"/>	<input type="checkbox"/>	
34						<input type="checkbox"/>	<input type="checkbox"/>	
SUBTOTAL: Expenditures by Line Item								\$0.00

Revision Date 00/09/16

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## Conflicts of Interest

- ▶ Political Reform Act states that no public official shall make, participate in making or in any way use his or her official position to influence a governmental decision in which the official has a material financial interest.
- ▶ If an official has a conflict of interests, the official will be disqualified from acting (presenting, discussing, voting) on the matter.
- ▶ You must recuse yourself entirely from the funding decision, including any discussion leading up to a vote.
- ▶ When in doubt . . . contact the Department or Office of the City Attorney.

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## WHAT STEPS DOES THE DEPARTMENT TAKE IF THERE ARE CONCERNS?

For *questionable purchase*, the Department may take the following progressive steps:

- ▶ Contact the Treasurer regarding questions
- ▶ Request **approved** NC minutes or supporting documentation
- ▶ Issue a STOP payment on an unauthorized expense
- ▶ Send a Formal Letter to the Board
- ▶ Freeze Funds until questions have been sufficiently addressed
- ▶ In extreme cases, revoke the Treasurer or 2<sup>nd</sup> Signer's access to the checking account.
- ▶ Refer the matter to the City Attorney for legal enforcement

***WARNING: If the Department identifies a suspected misuse of funds, funds may be frozen preemptively to avoid further misuse of public funds.***

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## NC Frozen Funds

- ▶ The Department has the authority to freeze NC funds.
- ▶ NC Funds may be frozen when there is no Treasurer or 2<sup>nd</sup> Singer in place.
- ▶ Three or more missing MERs
- ▶ Department will only pay operational expenditures on behalf of the NC.
  - ▶ Treasurer / President are responsible to submit monthly invoices to:

[EmpowerLA.Funding@lacity.org](mailto:EmpowerLA.Funding@lacity.org)

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## Why so much paperwork?

- ▶ Neighborhood Council funds are Public Funds and need to be reconciled in their entirety.
- ▶ All expenditures and documents are subject to audit. Not only by The Department, but the City of Los Angeles Controller.
- ▶ The Monthly Expenditure Report offers transparency to stakeholders and the public.
- ▶ Assists the Neighborhood Council in tracking how much has been spent and how much of their budget is left to spend.

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## Where Do You Submit Your Documents?

- ▶ **Email:** [EmpowerLA.Funding@lacity.org](mailto:EmpowerLA.Funding@lacity.org)
- ▶ **Hand deliver:**
  - Department of Neighborhood Empowerment,  
200 N. Spring Street, Room 2005  
Los Angeles, CA 90012  
Monday thru Friday 9:00 a.m. to 5:00 p.m.
- ▶ **Mail or fax:**
  - Department of Neighborhood Empowerment,  
200 N. Spring Street, Room 2005  
Los Angeles, CA 90012  
Fax: (213) 978-1751  
Attention: Funding Unit

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*Responsibility and accountability are key to maintaining the integrity and effectiveness of the NC system, so thank you!*

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## Still have questions?

If the Treasurer or 2<sup>nd</sup> Signer still has questions regarding how to complete forms or what documents are required, contact the

Department Funding Division at:

(213) 978-1551

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## CITY CLERK FUNDING DIVISION

Holly L Wolcott – City Clerk

[holly.wolcott@lacity.org](mailto:holly.wolcott@lacity.org)

John Chavez – Division Chief

[john.chavez@lacity.org](mailto:john.chavez@lacity.org)

Ruben Viramontes – Management Analyst II

[ruben.viramontes@lacity.org](mailto:ruben.viramontes@lacity.org)

Mario Hernandez – NC Funding Supervisor

[mario.hernandez@lacity.org](mailto:mario.hernandez@lacity.org)

Janet Hernandez

[janet.a.hernandez@lacity.org](mailto:janet.a.hernandez@lacity.org)

Angela Pipkin

[angela.pipkin@lacity.org](mailto:angela.pipkin@lacity.org)

Atzi Camarena

[atziri.camarena@lacity.org](mailto:atziri.camarena@lacity.org)

Andrew Choi – MER Supervisor

[andrew.choi@lacity.org](mailto:andrew.choi@lacity.org)

Claude Gonzales

[claudio.gonzales@lacity.org](mailto:claudio.gonzales@lacity.org)

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*Notes*

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# CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,  
COUNCIL/PUBLIC SERVICES DIVISION  
ROOM 395, CITY HALL

DATE: June 9, 2014

FROM (DEPARTMENT): Neighborhood Empowerment

CONTACT PERSON: Jeffrey S. Brill PHONE: (818) 374-9894

CONTRACT NO.: C-124034 COUNCIL FILE NO.: 14-0544

ADOPTED BY COUNCIL: 06/03/14  
DATE

APPROVED BY BPW: \_\_\_\_\_  
DATE

- ☒ NEW CONTRACT
- ☐ AMENDMENT NO. \_\_\_\_\_
- ☐ ADDENDUM NO. \_\_\_\_\_
- ☐ SUPPLEMENTAL NO. \_\_\_\_\_
- ☐ CHANGE ORDER NO. \_\_\_\_\_

CONTRACTOR NAME: Union Bank

TERM OF CONTRACT: April 1, 2014 THROUGH: March 31, 2018

TOTAL AMOUNT: \$40,000

## PURPOSE OF CONTRACT:

Executed proposed agreement between the City, through the Department of Neighborhood Empowerment and the Office of Finance and Union Bank for Neighborhood Council Checking Accounts for a term of one (1) year with three (3) one-year options to renew.

PROFESSIONAL SERVICES CONTRACT

Contractor: UNION BANK, NATIONAL ASSOCIATION

Title: Neighborhood Council Checking Accounts

Said Agreement is Number C-124034 of City Contracts

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Exhibit A	HACLA-Union Bank, National Association Contract HA-2013-7568-B
Exhibit B	Department of Neighborhood Empowerment – List of 95 Certified Neighborhood Councils(Current)
Exhibit C	Union Bank - Business Deposit Fee Schedule – January 1, 2014
Exhibit D	Standard Provisions For City Contracts



CONTRACT NUMBER \_\_\_\_\_ OF CITY CONTRACTS  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
UNION BANK, NATIONAL ASSOCIATION

THIS CONTRACT is made and entered into by and between the City of Los Angeles, a municipal corporation, hereinafter referred to as the City, acting by and through its Department of Neighborhood Empowerment, (hereinafter referred to as the "Department"), Office of Finance (hereinafter referred to as the "Finance" or as authorized by the Office of Finance), and UNION BANK, NATIONAL ASSOCIATION located at 1901 Avenue of the Stars, Los Angeles, CA 90067, (hereinafter referred to as the "Contractor").

W I T N E S S E T H

WHEREAS, the Department has been mandated by the City Charter and other enabling documents to implement and oversee various City ordinances, procedures and regulations related to the Citywide System of Neighborhood Councils, including the provision of operational support to the Neighborhood Councils; and

WHEREAS, the goals and objectives of the Neighborhood Council system are to: promote public participation in City governance and decision-making processes so that government is more responsive to local needs and requests and so that more opportunities are created to build partnerships with government to address local needs and requests; promote and facilitate communication, interaction, and opportunities for collaboration among all neighborhood councils regarding their common and disparate concerns; facilitate the delivery of City services and City government responses to neighborhood councils' problems and requests for assistance by helping neighborhood councils to both identify and prioritize their needs and to effectively communicate those needs; ensure equal opportunity to form neighborhood councils and participate in the government decision-making and problem solving process; create an environment in which all people can organize and propose their own neighborhood councils so that they develop from the grassroots of the community; foster a sense of community for all people to express ideas and opinions about their neighborhoods and their government; and

WHEREAS, the Mayor and City Council appointed the Neighborhood Council Review Commission (NCRC) to evaluate and make recommendations to the Citywide System of Neighborhood Councils and recommendation number 69 of the NCRC's final report dated September 25, 2007, entitled "The Neighborhood Council System: Past, Present, & Future" pertains to the Department preparing a menu of frequently needed services and to identify vendors who can provide these services to neighborhood councils; and

WHEREAS, pursuant to Los Angeles City Charter Section 1022, the City Council or designee has determined that the work can be performed more economically or feasibly by independent contractors than by City employees; and

WHEREAS, on December 12, 2012, a request for Proposal ("RFP") No. 7658 was issued by the Housing Authority of the City of Los Angeles (hereinafter referred to as the "Authority") to competitively solicit proposals; and

WHEREAS, from among the proposals received, the Authority has determined that the Contractor's offer is the most advantageous to the Authority, and

WHEREAS, the Contractor has represented that it has the requisite personnel. Experience and resources to provide the Services required by the Authority, and the Contractor desires to provide the Services; and

WHEREAS, the Board of Housing Authority Commissioners, by Resolution Number 9031 adopted on February 28, 2013, authorized the Authority to contract for the Services with said Contractor; and

WHEREAS, the Contract was signed and executed by the Authority and Contractor on March 27, 2013 and referenced as Exhibit A; and

WHEREAS, the Department and the Contractor have negotiated in good faith for the Department to enter into this agreement pursuant to Los Angeles Administrative Code Section 10.15 (a)(8) since a similar contract already exists with this Authority; and

WHEREAS, the Department requires banking services ("Services") for the current 95 Certified Neighborhood Council, as listed in Exhibit B, and future certified Neighborhood Councils, that otherwise cannot be provided by regular employees of the City and the Department; and

WHEREAS, the Department and the Contractor have also agreed to items listed in Section 203 - Scope of Work of this Agreement; and

WHEREAS, the Department and the Contractor have also agreed to items listed in Exhibit C titled "Union Bank – Business Deposit Fee Schedule – January 1, 2014"; and

WHEREAS, the Department also determined that Los Angeles Administrative Code Section 10.15 (a)(2) also applies as no other bank is able to offer the services listed in Section 203 – Scope of Work of this Agreement and in Exhibit A; and

WHEREAS, the City and the Contractor are desirous of executing this Contract as authorized by the City Council and the Mayor which authorizes the General

Manager of the Department of Neighborhood Empowerment to prepare and execute the Contract.

NOW, THEREFORE, the City and the Contractor agree as follows:

I.

INTRODUCTION

§101. Parties to the Contract

The parties to this Contract:

- A. The Department of Neighborhood Empowerment of the City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, 20<sup>th</sup> Floor, Suite 2005, Los Angeles, California 90012.
- B. The Contractor, known as Union Bank, National Association having its principal office at 1901 Avenue of the Stars, Los Angeles, CA 90067.

§102. Representatives of the Parties and Service of Notice

- A. The representatives of the respective parties who are authorized to administer this Contract and to whom formal notices, demands and communications shall be given are as follows:

- 1. The representative of the City shall be, unless otherwise stated in the Agreement:

Grayce Liu, General Manager  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

With copy to:

Armando Ruiz, Funding Director  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

2. The representative of the Contractor shall be:

Ermito Arellano, Vice President  
Union Bank (or Union Bank, National Association)  
1901 Avenue of the Stars  
Los Angeles, CA 90067

- B. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.
- C. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be given, in accord with this section, within five (5) working days of said change.

§103. Independent Contractor

- A. The Contractor is acting hereunder as an independent contractor and not as an agent or employee of the City. No employee of the Contractor has been, is, or shall be an employee of the City by virtue of this Contract, and the Contractor shall so inform each employee organization and each employee who is hired or retained under this Contract. Contractor shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

II.

TERM AND SERVICES TO BE PROVIDED

§201. Time of Performance

The initial term of this Contract shall commence on date of City Clerk attestation and ending March 31, 2015 unless terminated as provided elsewhere in this Contract or extended by written amendment to this Contract.

The Department, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2016 ("1<sup>st</sup> Option Term") by giving notice to the Contractor prior to March 31, 2015.

The Department, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2017 ("2<sup>nd</sup> Option Term") by giving notice to the Contractor prior to March 31, 2016.

The Department, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2018 ("3<sup>rd</sup> Option Term") by giving notice to the Contractor prior March 31, 2017.

The Maximum Term of this Contract, including the period for performance of Optional Work authorized by the Department, shall be the period beginning on the Date of City Clerk Attestation and extending through the end of the 3<sup>rd</sup> Option Term.

§202. Purpose of the Contract

- A. The purpose of this Contract is to retain the services of a reputable Banking Institution capable of providing Bank Checking Accounts for the Certified Neighborhood Councils on a permanent and continuous basis.
- B. In addition, the banking services provided to the Neighborhood Councils should provide on-line bank services, which would include on-line bill payment, debit card transactions and transfers, with appropriate oversight and management provided by the City.
- C. "Each of the current 95 certified Neighborhood Councils, identified on Exhibit B incorporated herein, as well as any future certified Neighborhood Councils, will be individually registered by the Contractor and given separate Federal Tax ID Numbers. Each of the current 95 certified Neighborhood Council deposit accounts, and the accounts of any future certified Neighborhood Councils, will be considered as a separate entity and not in the aggregate, for purposes of FDIC insurance coverage, up to the maximum amount of \$250,000. "In the event the amount of the individual deposit accounts exceed the FDIC limitations, Contractor agrees to comply with the Collateralization of Public Unit Deposit requirements.

§203. Scope of Services

The Contractor shall, in a manner satisfactory to the Department, completely perform the services set forth in Exhibit A of this Contract, attached to and, by this reference, incorporated in and made part of this Contract. Any conflicts between the requirements of Exhibit A and the "Scope of Work" presented here, shall be referred to the Department , whose decision in such matters shall be final and binding both parties.

In addition to Exhibit A, the Contractor shall provide the following services:

1. Assist the Department staff to ensure that each Neighborhood Council establishes its own Bank Account by assisting the Department in reviewing all applications for completeness, and supporting documentation (board resolution, etc.)



2. Assist the Department staff to ensure that the Neighborhood Councils sign Contractor agreements to grant the Department authority to monitor, freeze and terminate their Neighborhood Council Bank Account at any time, or if the Board does not have a designated member, to access the account and issue payments on its behalf.
3. Ensure that the individual Neighborhood Council Bank Accounts will include designated or appointed Neighborhood Council Board Member access to on-line bill payment as well as a debit card.
4. Assist the Neighborhood Council Board Members to create User access accounts for designated/appointed Neighborhood Council Board Members, i.e. the Treasurer and Second Signatory, and View-Only access accounts for other Board Members upon request.
5. Ensure and verify that the transfer of City funds via Automatic Clearing House (ACH) transfer from the Office of the City Controller (Controller) into each individual Neighborhood Council Bank Account has been completed and that the Department has the authority to transfer City funds into, and out of any Neighborhood Council Bank Account.
6. Ensure that the Department has access and authority to monitor all Neighborhood Council Bank Accounts, including viewing transactions, administrative activities, and any other service requests made by Neighborhood Council Board Members or designated Department staff.
7. Ensure that designated Neighborhood Council Board Members with access to the Bank Account are restricted from depositing funds into said accounts. The transfer and deposit of funds shall be done solely through the Department.
8. Ensure, assist and verify that the individual Neighborhood Councils will be allowed to pay their monthly expenses and bills for services via the checking account or debit card.
9. Ensure that the online banking system generates and mails checks to vendors within 3-5 business days.
10. Ensure that the designated or appointed Neighborhood Council Board Members have online access to their individual Bank

Accounts to check balances, print statements, and monitor expenditures.

11. Ensure that online bill payment feature is available.
12. Ensure that ACH transfer to the individual Bank Accounts can occur.
13. Ensure that the Department, upon review and approval and with the assistance of Contractor, will have access online to freeze, unfreeze and terminate an individual Bank Account.
14. Ensure that Department will list and remove authorized signatories or persons with Reviewer, User or Administrative access from the Neighborhood Council Bank Accounts.
15. Ensure that the individual debit cards should have controls which restrict the following types of transactions: ATM cash withdrawals and requests for cash-back. Additionally and if possible, restrict the purchases at liquor stores or casinos, and other restricted vendor categories as determined by the Department. Also, if Contractor has any additional restrictions not mentioned by the Department but recommended by the Contractor that can be used by the Department, then those restrictions can be approved by the Department to be used by the Contractor.
16. Assist the Department by providing downloadable versions of the Neighborhood Council Bank Account monthly statements for the Department's review and posting on the website.
17. Assist the Department by providing a timely (24 hours or less) turnaround time for stop-payment requests, notifications of potential fraud, misuse of funds, suspension and termination requests made by the Department.
18. Assist the Department in setting up alert notifications to monitor and identify activity from Bank Accounts that could violate Department policy and that would assist the Department in blocking efforts to circumvent maximum daily purchase amounts in excess of \$500.
19. Assist the Department and Neighborhood Council designated Board Members with access to the Bank Account with training information and support on the use of the online bill payment system and any helpful tools and information to ensure best practices in the use of the Bank Account.

20. Ensure that as Neighborhood Councils are not non-profit (501(c)3) organizations, they are volunteer members of a non-revenue generating branch of the City that supports their local communities via outreach, community beautification, as well as neighborhood improvement projects, the Contractor provides these checking accounts at no cost as long as the balance is over \$1,000 per account. Otherwise, Contractor will charge \$3.00 per month to any account that has a balance less than \$1,000.

Any additional work performed by the Contractor, beyond the authorized in accordance with the abovementioned items, must be approved in advance by the Department, and such approved work shall be considered "Additional Work" under this Contract. Any such approval of Additional Work by the Department, as well as any other material change in the terms and conditions of this Contract, shall only be binding upon either party if confirmed in a written amendment to this Contract executed by both parties.

### III.

#### PAYMENT

##### §301. Compensation and Method of Payment

The maximum amount for this contract is not to exceed Three Hundred Twenty Five Thousand Dollars (\$325,000) for the term of the contract, including the three (3) Option Years. Compensation shall be based on the pricing schedule of services, listed in both Exhibit A and Exhibit C titled "Union Bank – Business Deposit Fee Schedule – Effective January 1, 2013, which are attached to this Contract and incorporated herein.

Payment to the Contractor, when services are requested by and supplied to a Neighborhood Council, shall be electronically paid to Contractor from those funds allocated to the requesting Neighborhood Council, in accordance with the policies and procedures developed by the Department pursuant to the Neighborhood Council Funding Program, as authorized by the City Council (Council File 02-0699). The maximum amount approved for each Neighborhood Council through the Funding Program is currently \$37,000 per fiscal year. The Neighborhood Council funds may be used to pay for operational and program expenses.

##### §302. Payment Processing

The Contractor shall submit monthly invoices, in triplicate, to the Neighborhood Council that work was performed for, and to the Department for payment in arrears of work that has been performed. The Contractor's invoices shall be accompanied by a statement detailing the work completed for that month. Each

monthly invoice shall specify the following: a) be submitted on the Contractor's letterhead; b) name of the Neighborhood Council that work was performed for; c) description of work performed; d) dates of work performed; e) total amount due and payable; f) Contract Number; and, g) signature of Contractor's authorized representative attesting that invoice submitted is true and accurate.

Funds shall not be released electronically to Contractor from the Neighborhood Council account that work was performed for until the City has approved the work received and is satisfied with the documentation included in the invoice. Invoices and supporting document shall be prepared at the sole expense and responsibility of the Contractor. Invoices shall be paid in accordance with standard City payment processing methods.

Invoices and any supporting documentation shall be submitted to:

Armando Ruiz, Funding Director  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

#### IV.

#### OWNERSHIP

##### §401. Ownership

A. Contractor acknowledges and agrees that all documents, reports, analyses, studies, drawings, information or data (hereinafter collectively referred to as "Materials"), originated and prepared by Contractor pursuant to the terms of this contract, are "Work Made For Hire" and shall become the property of the City for its use in any manner it deems appropriate. Contractor assigns any and all of its respective interests and rights in such property to the City for its use in any manner it deems appropriate.

B. All documents and records (hereinafter collectively referred to as "Documents"), provided by City to Contractor shall remain the property of the City and shall be returned to the City upon termination of this Contract or at the request of the City.

D. The provisions of Article IV survive termination of this Contract.

#### V.

#### CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE

§501. Confidentiality

A. All Documents and information provided to the Contractor by the City are confidential. All Materials are to be considered confidential. Contractor agrees not to provide Documents and Materials, nor disclose their content or any information contained in them, either orally or in writing, to any other person or entity, except as authorized by the City or as required by law.

B. The provisions of Article V survive termination of this Contract.

VI.

STANDARD PROVISIONS FOR CITY CONTRACTS

§601. Incorporation of City's Standard Provisions for Professional Services Contract

A. Standard Provisions for City Contracts

The City's Standard Provisions for Professional Services Contracts (Revised March 2009) are incorporated herein by reference. A copy of said Provisions is attached hereto as Exhibit D and made a part hereof. CONTRACTOR agrees to fully comply with all requirements of this document.

B. Responsibility to Provide Services in Accordance with Applicable Standards and Requirement to Possess All Valid Permits and Licenses

Contractor warrants that the work performed hereunder shall be completed in a manner consistent with professional standards among those firms in the Contractor's profession, doing the same or similar work, under the same or similar circumstances. Contractor must possess and maintain valid licenses and permits required to perform the services described herein.

C. Compliance with Statutes and Regulations

Contractor, in the performance of this Agreement, shall comply with all applicable statutes, rules, regulations and orders of the United States, the State of California, the County of Los Angeles, and City of Los Angeles. Contractor shall comply with any subsequent, new, amended, or revised laws, regulations, and procedures that may apply to the performance of this Contract.

D. Federal, State, and Local Taxes

Federal, State, and local taxes are the responsibility of the Contractor as an independent Contractor and not as a City employee.



## VII.

### DEFAULTS, SUSPENSION, TERMINATION, AND AMENDMENTS

#### §701. Defaults

Should the Contractor fail for any reason to comply with the contractual obligations of this Contract within the time specified by this Contract, the City reserves the right to:

- A. Reduce the total budget;
- B. Make any changes in the general scope of this Contract;
- C. Suspend services in accordance with §702 of this Contract; or
- D. Terminate the Contract.

#### §702. Suspension

The City may suspend all or part of the services for failure by the Contractor to comply with the terms and conditions of this Contract by giving written notice, which shall be effective upon receipt.

- A. Said notice shall set forth the specific conditions of non-compliance and the period provided for corrective action.
- B. Within five (5) working days the Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.
- C. Performance under this Contract shall be automatically suspended without any notice from the City as of the date the Contractor is not fully insured in compliance with §401 (Insurance) herein. Performance shall not resume without the prior written approval of City.

#### §703. Termination

- A. Either party to this Contract may terminate this Contract or any part hereof upon giving the other party at least thirty (30) days written notice prior to the effective date of such termination, which date shall be specified in such notice.

- B. All property, documents, data, studies, reports and records purchased or prepared by the Contractor under this Contract shall be retained or disposed of according to City policies and procedures.
- C. In the event that the Contractor ceases to operate (i.e. dissolution of corporate status, declaration of bankruptcy, etc.) Contractor shall provide to the City copies of all records relating to this Contract.
- D. Upon satisfactory completion of all termination activities, the City shall determine the total amount of compensation that shall be paid to the Contractor for any unreimbursed expenses reasonably and necessarily incurred in the satisfactory performance of this Contract.
- E. The City may withhold any payments due to the Contractor until such time as the exact amount of any damages that may be due to the City from the Contractor is determined.
- F. The foregoing Subsections B, C, D, and E shall also apply to activities terminating upon the date specified in §201 or upon completion of the performance of this Contract.

#### §704. Notices of Suspension or Termination

In the event that this Contract is suspended or terminated, the Contractor shall immediately notify all employees and participants and shall notify in writing all other parties contracted with under the terms of Contract within five (5) working days of such suspension or termination.

#### §705. Amendments

Any change in the terms of this Contract, including changes in the services to be performed by the Contractor, and any increase or decrease in the amount of compensation which are agreed to by the City and the Contractor shall be incorporated into this Contract by a written amendment properly executed and signed by the person authorized to bind the parties thereto.

### VIII.

#### ENTIRE CONTRACT

#### §801. Complete Contract

This Contract contains the full and complete Contract between the two parties. No verbal agreement nor conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Contract.

**§802. Number of Pages and Attachments**

This Contract is executed in three (3) triplicate originals, each of which is deemed to be an original. This Contract includes 17 pages and four (4) attachments (Exhibits A through D) which constitute the entire understanding and Contract of the parties.

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

**APPROVED AS TO FORM:**

**MICHAEL N. FEUER, City Attorney**

By *Dany R. Martinez*  
Deputy/Assistant City Attorney

Date 3-7-2014

**For: THE CITY OF LOS ANGELES  
Office of Finance**

**Director of Finance/City Treasurer  
Office of Finance**

By *Antoinette Christovale*  
Antoinette Christovale

Date 3-07-14

**ATTEST:**

**HOLLY L. WOLCOTT, Interim City Clerk**

By *Holly L. Wolcott*  
Deputy City Clerk

Date 06/09/14



**City Business Tax Registration Certificate  
Number:**

Said Contract is Number C-124034 of  
City Contracts

**For: THE CITY OF LOS ANGELES  
Department of Neighborhood Empowerment**

**General Manager  
Department of Neighborhood Empowerment**

By *Grayce Liu*  
GRAYCE LIU

Date 3-7-2014

**For: UNION BANK, NATIONAL  
ASSOCIATION**

By *Ermito Arrellano*  
Ermito Arrellano

Title: Vice President

Date MARCH 7, 2014

**EXHIBIT "A"**



**CONTRACT NUMBER HA-2013-7568-B**

**BETWEEN**

**HOUSING AUTHORITY OF THE CITY OF LOS ANGELES**

**AND**

**UNION BANK, NATIONAL ASSOCIATION**

**THIS CONTRACT** ("Contract") is made and entered into this 1<sup>st</sup> day of April, 2013 ("Commencement Date"), by and between the Housing Authority of the City of Los Angeles, State of California, a public body, corporate and politic (hereinafter referred to as the "Authority"), and UNION BANK, NATIONAL ASSOCIATION, located at 445 South Figueroa Street, 8<sup>th</sup> Floor, Los Angeles, CA 90071 (hereinafter referred to as the "Contractor").

**WITNESSETH:**

**WHEREAS**, the Authority requires banking services ("Services") that otherwise cannot be provided by regular employees of the Authority; and

**WHEREAS**, the Authority has determined that the most effective and feasible manner of obtaining such Services is by contracting for them; and

**WHEREAS**, on December 10, 2012, Request for Proposal ("RFP") No. 7568 was issued to competitively solicit proposals; and

**WHEREAS**, from among the proposals received, the Authority has determined that the Contractor's offer is the most advantageous to the Authority; and

**WHEREAS**, the Contractor has represented that it has the requisite personnel, experience and resources to provide the Services required by the Authority, and the Contractor desires to provide the Services; and

**WHEREAS**, the Board of Commissioners, by Resolution No. 9031 adopted on February 28, 2013, authorized the Authority to contract for the services with said Contractor;

**NOW, THEREFORE**, in consideration of the mutual covenants, benefits and promises herein stated, the parties hereto agree as follows:

**1. STATEMENT OF WORK**

**a. Scope of Work.** The Contractor shall, in a manner satisfactory to the Authority, completely perform the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this reference, incorporated in and made a part of this Contract. The Contractor shall also perform in accordance with its proposal to the Authority dated January 22, 2013, which is attached as Exhibit F, entitled "Contractor's Proposal". Any conflicts between the requirements of Exhibit A and the "Work Plan" presented in the Contractor's proposal shall be referred for resolution to the Authority, whose decisions in such matters shall be final and binding on both parties.

**b. Additional Work.** Any work performed by the Contractor, beyond that authorized in

Subparagraph 1.a., above, must be approved in advance by the Authority, and such approved work shall be considered "Additional Work" under this Contract. Any such approval of Additional Work by the Authority, as well as any other material change in the terms and conditions of this Contract, shall only be binding upon either party if confirmed in a written amendment to this Contract executed by both parties.

**c. Key Personnel.** The Contractor shall provide the personnel listed below to perform the above-specified Services, which persons are hereby designated as Key Personnel under this Contract. The Contractor shall not remove or replace any named person below, nor shall his/her agreed-upon function or level of commitment be changed, without the prior written consent of the Authority.

<b>Name</b>	<b>Title</b>	<b>Function</b>
Eileen L. Perez	Vice President & Relationship Mgr	Project Manager

## **2. PAYMENT AND MAXIMUM OBLIGATION**

**a. Payment.** For the Contractor's full and complete performance of its obligations under this Contract, the Authority shall pay the Contractor on a Firm Fixed Price basis in accordance with Exhibit B, entitled "Schedule of Fees" attached to and, by this reference, incorporated in and made a part of this Contract. Said Schedule of Fees shall remain in effect for the "Term of Contract" as defined in Paragraph 3 of this Contract.

Notwithstanding any provision to the contrary in this Agreement (including its Schedules and Exhibits), the Authority acknowledges and agrees to the following: While Contractor does not have immediate plans to assess charges for collateralizing public funds, the costs of collateral is expected to increase due to changes in FDIC insurance coverage rules and Basel III accounting standards, and other foreseen and unforeseen regulatory developments. Contractor reserves the right to assess charges for increased collateral costs related to changes in the regulatory environment. In addition, Contractor reserves the right to assess or increase fees and charges related to the increased costs of providing any of its products and services to the Authority when incurred by Contractor as result of changes in the legal or regulatory environment.

**b. Payment for Additional Work.** For the Contractor's completion of Additional Work, the Authority shall pay the Contractor on a time-and-materials basis in accordance with Exhibit C, entitled "Schedule of Fees for Additional Work," attached to and, by this reference, incorporated in and made a part of this Contract. All prices quoted in Exhibit C shall remain fixed for the entire term of this Contract, even as such term is extended to accommodate the Additional Work. In any amendment to this Contract approving Additional Work and issued pursuant to Subparagraph 1.b., above, the Authority's maximum cumulative payment obligation set forth in Subparagraph 2.d., below, shall also be changed to reflect the agreed upon cost to the Authority for said Additional Work.

**c. Invoices.**

**i.** The Contractor shall submit invoices, in triplicate, to the Authority for payment in arrears of work being performed. The Contractor's invoices shall specify the following: (1) name of person(s) performing the work; (2) description of work and location where work was performed; (3) dates of work performance and hours of

work performed; (4) total amount due and payable; (5) Contract No. HA-2013-7568-B - Finance Department; and (6) signature of the Contractor's authorized representative attesting that the invoice is true and accurate.

ii. Invoices shall be submitted to the Authority for payment not more frequently than once per calendar month. The Authority shall remit payment within thirty (30) days of receipt of a correct invoice from the Contractor.

d. **Automatic Deposit of Payments.** The Contractor shall be paid by Automatic Deposit with a Financial Institution that must be a member of the Automatic Clearing House ("ACH"). The Automatic Deposit Form must be completed and submitted to the Authority prior to the performance of work under this Contract.

e. **Maximum Payment Obligation.** Notwithstanding any other provision of this Contract to the contrary, the Authority's maximum cumulative payment obligation to the Contractor under this Contract shall be **Three Hundred Twenty Five Thousand Dollars (\$325,000.00)**, including all amounts payable to the Contractor for its costs arising from, or due to termination of, this Contract.

### 3. TERM OF CONTRACT

a. **Initial Term.** This Contract shall commence on the Commencement Date and continue in full force and effect through March 31, 2015 unless earlier terminated as provided elsewhere in this Contract or extended by written amendment to this Contract.

b. **1<sup>st</sup> Option Term.** The Authority, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2016 ("1<sup>st</sup> Option Term") by giving notice to the Contractor prior to the expiration of the Initial Term.

c. **2<sup>nd</sup> Option Term.** The Authority, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2017 ("2<sup>nd</sup> Option Term") by giving notice to the Contractor prior to the expiration of the 1<sup>st</sup> Option Term.

d. **3<sup>rd</sup> Option Term.** The Authority, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2018 ("3<sup>rd</sup> Option Term") by giving notice to the Contractor prior to the expiration of the 2<sup>nd</sup> Option Term.

e. **Maximum Term.** The "Maximum Term" of this Contract, including the period for performance of Optional Work authorized by the Authority, shall be the period beginning on the Commencement Date and extending through the end of the 3<sup>rd</sup> Option Term.

### 4. INDEPENDENT CONTRACTOR

a. The Contractor shall, during the performance of this Contract, act as a wholly independent contractor. Neither the Authority nor any of its officers, employees, servants or agents shall have control over the conduct of the Contractor or its employees or agents, except to advise or provide project direction as required. The Contractor shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner employees of the Authority.

b. Nothing contained in this Contract shall be deemed, construed or represented by the Authority or the Contractor or by any third person to create the relationship of principal or

agent, or of a partnership, or of a joint venture, or of any other association of any kind or nature between the Authority and the Contractor.

c. The Authority shall not be called upon to assume any liability for the direct payment of any salary, wage or other compensation to any person employed by the Contractor performing services hereunder for the Authority.

## **5. CONFLICTS OF INTERESTS**

The Contractor affirms that to the best of its knowledge, there exists no actual or potential conflict between the Contractor's business or financial interests and either the Services to be provided under this Contract or any Commissioner, Officer, employee, or agent of the Authority. In the event of a change in either private interest or services under this Contract, any questions regarding possible conflicts of interests which may arise as a result of such change shall be brought to the immediate attention of the Los Angeles City Attorney. For the duration of this Contract, the Contractor shall refrain from undertaking any work for any individual, business, or legal entity in which direct conflict of interests regarding the services to be provided thereunder or herein may arise.

## **6. INDEMNIFICATION**

a. The Contractor shall hold harmless, indemnify and defend the Authority and its officers, employees, servants, agents, successors, assigns, instrumentality entities, subsidiaries, related non-profit corporations, the officers, employees, servants, agents, successors, and assigns of the Authority's instrumentality entities, subsidiaries, and related non-profit corporations from any claim, demand, damage, liability, loss, cost or expense, including attorneys fees, or any damage whatsoever, including but not limited to death or injury to any person and damage to any property, resulting from the misconduct, negligent acts, errors or omissions of the Contractor or any of its officers, employees or agents in the performance of this Contract, except such damage as is caused by the negligence of the Authority or any of its officers, employees, servants, agents, successors, assigns, instrumentality entities, subsidiaries, related non-profit corporations, the officers, employees, servants, agents, successors, and assigns of the Authority's instrumentality entities, subsidiaries, and related non-profit corporations.

b. The Authority does not, and shall not, waive any rights that it may have against the Contractor by reason of the acceptance by the Authority, or the deposit with the Authority, of any insurance policies or endorsements required pursuant to this Contract. This indemnification provision shall apply regardless of whether or not said insurance policies or endorsements are determined to be applicable to any claim, demand, damage, liability, loss, cost or expense described above.

## **7. INSURANCE REQUIREMENTS**

During the term of this Contract, the Contractor shall, at its own cost and expense, procure and maintain insurance set forth in Exhibit D, entitled "Insurance Requirements," attached to and, by this reference, incorporated in and made a part of this Contract.

The Contractor's Certificates of Insurance are attached to Exhibit E entitled "Contractor's Certificates of Insurance," attached to and by this reference, incorporated in and made a part of this Contract. It is the Contractor's responsibility to provide updated Certificates of Insurance during the Contract term. Each updated Certificate of Insurance provided by the Contractor during the

Contract term will be incorporated in this Contract.

**8. ASSIGNMENT, TRANSFER, AND/OR SUBCONTRACTING**

a. The Contractor shall not, except to its affiliates, in any manner, directly or indirectly, by operation of law or otherwise, hypothecate, assign, transfer or encumber this Contract or any portion hereof or any interest herein, in whole or in part, without the prior written consent of the Authority. In addition, the Contractor shall not subcontract the services to be performed pursuant to this Contract without prior written approval of the Authority. The names and qualifications of subcontractors or others whom the Contractor intends to employ, other than those identified, shall be submitted to the Authority for prior written approval.

b. The Authority hereby consents to the Contractor's subcontracting of portions of the Scope of Work to the following entities:

Subcontractor:	Description of Work	% of Work to be Performed
TBD		

**9. TERMINATION AND REMEDIES FOR BREACH**

a. **Termination for Convenience.** The Authority may terminate this Contract for the Authority's convenience at any time by giving the Contractor thirty (30) days' written notice thereof. Upon receipt of said notice, the Contractor shall immediately take action not to incur any additional obligations, costs or expenses, except as may be reasonably necessary to terminate its activities. The Authority shall pay the Contractor its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by the Contractor to effect such termination. Thereafter, the Contractor shall have no further claims against the Authority under this Contract. All finished or unfinished documents and materials proposed for or produced under this Contract shall become Authority property upon date of such termination and the Contractor shall immediately deliver to the Authority all documents and materials accumulated or generated in performing the Contract, whether completed or in process.

**b. Termination for Breach of Contract.**

i. If the Contractor fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the Authority may give the Contractor written notice of such default. If the Contractor does not cure such default or provide a plan to cure such default which is acceptable to the Authority within the time permitted by the Authority, which shall be no less than thirty (30) days, then the Authority may terminate this Contract due to the Contractor's breach of this Contract.

ii. If a federal or state proceeding for relief of debtors is undertaken by or against the Contractor, or if the Contractor makes an assignment for the benefit of creditors, then the Authority may immediately terminate this Contract.

iii. If the Contractor engages in any dishonest conduct related to the performance or administration of this Contract or violates any pertinent federal regulations, then the Authority may immediately terminate this Contract.



iv. In the event the Authority terminates this Contract as provided in this Subparagraph 9.b. the Authority may procure, upon such terms and in such manner as the Authority may deem appropriate, Services similar in scope and level of effort to those so terminated, and the Contractor shall be liable to the Authority for all of its costs and damages, including, but not limited to, any excess costs for such Services.

v. All finished or unfinished documents and materials produced or procured under this Contract shall become Authority property upon date of such termination and the Contractor shall immediately deliver to the Authority all documents and materials accumulated or generated in performing the Contract, whether completed or in process.

vi. *Omitted intentionally*

vii. If, after notice of termination of this Contract under the provisions of this Subparagraph 9.b., it is determined for any reason that the Contractor was not in default under the provisions of this Section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subparagraph 9.a., Termination for Convenience.

viii. The rights and remedies of the Authority provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**c. Termination at End of Contract Term**

i. Following the expiration of the Contract at the end of the Contract Term, all finished or unfinished documents and materials produced or procured under this Contract shall become Authority property upon date of such termination and the Contractor shall immediately deliver to the Authority all documents and materials accumulated or generated in performing the Contract, whether completed or in process.

**10. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL STATUTES AND REGULATIONS**

The Contractor, in performance of this Contract, warrants and certifies that it will comply with all applicable statutes, rules, regulations, and orders of the United States, the State of California, the County of Los Angeles, and the City of Los Angeles. The Contractor understands that failure to comply with any of the foregoing assurances may result in suspension or termination of this Contract or any of the remedies provided for herein. The Contractor further warrants and certifies that it will comply with new, amended, or revised laws, regulations, and procedures that apply to the performance of this Contract.

**11. MINORITY/WOMEN'S BUSINESS ENTERPRISE**

The Contractor shall make a good-faith effort to assist the Authority in meeting its anticipated levels of participation for minority business enterprises ("MBEs") and women's business enterprises ("WBEs") in the Authority's contracts. It is the policy of the Authority that minority business enterprises and women's business enterprises shall have maximum opportunity to participate in the performance of this Contract. The Contractor agrees to assist the Authority in meeting its

anticipated levels of participation by conducting outreach to MBEs and WBEs to ensure that these businesses have the maximum opportunity to compete for, and perform in, the Contract.

**12. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION**

a. In the performance of work under this Contract, the Contractor and its subcontractors, if any, shall not discriminate in their employment practices against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, age, sexual preference or physical handicap. The Contractor and its subcontractor(s), if any, shall submit their Affirmative Action Plans to be reviewed and approved by the Authority within thirty (30) days after the commencement of this Contract.

b. In accordance with regulations issued by the United States Department of Housing and Urban Development ("HUD") pursuant to Section 504 of the Rehabilitation Act of 1973, as amended (24 CFR Part 8), the Contractor must not discriminate against any otherwise qualified individual with handicaps.

c. In carrying out the obligations under this Contract, the Contractor shall not discriminate against any employee or applicant for employment because of race, religion, national origin, ancestry, sex, age, sexual preference, or physical handicap. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, religion, national origin, ancestry, sex, age, sexual preference, or physical handicap. Such action includes, but is not limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training.

d. The Contractor agrees to post on conspicuous places, available to employees and applicants for employment, notices to be provided by HUD setting forth the provisions of this nondiscrimination clause. The Contractor will in all solicitations or advertisements for employees placed by or on behalf of the Contractor state that all qualified applicants will receive consideration for employment without regard to race, religion, national origin, ancestry, sex, age, sexual preference, or physical handicap. The Contractor will incorporate the foregoing requirements of these Subparagraphs in all contracts for project work, except contracts for standard commercial supplies or raw materials, and will require all of its subcontractors for such work to incorporate such requirements in all subcontracts for project work.

**13. SECTION 3 COMPLIANCE – TRAINING AND EMPLOYMENT OPPORTUNITIES FOR RESIDENTS**

a. The work to be performed under this Contract is on a project assisted by a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.

b. The parties to this Contract will comply with the provisions of Section 3, as well as the regulations issued pursuant thereto by the Secretary of HUD set forth in 24 CFR

Part 135, and all applicable rules and orders of HUD issued thereunder prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no obligation contractually or otherwise, that would prevent them from complying with these requirements.

c. The Contractor will send to each labor organization or workers' representative with which the Contractor has a collective bargaining agreement or other contract or understanding, if any, a notice advising the organization of the Contractor's commitments under this clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

d. The Contractor will include this clause in every subcontract for work in connection with the period and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of HUD, 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of these regulations and will not award any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of HUD issued thereunder prior to the execution of the Contract shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which the Federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD-assisted contracts.

#### **14. COOPERATION IN EQUAL OPPORTUNITY COMPLIANCE REVIEWS**

The Authority and the Contractor must cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and all related rules and regulations.

#### **15. INVENTIONS, PATENTS AND COPYRIGHTS**

a. **Reporting Procedure.** If any project produces any invention or discovery (Invention) patentable or otherwise under Title 35 of the U.S. Code, including, without limitation, processes and business methods made in the course of work under this Contract, the Contractor shall report the fact and disclose the Invention promptly and fully to the Authority. The Authority shall report the fact and disclose the Invention to the Grantor. Unless there is a prior agreement between the Authority and the Grantor and its representative on these matters, the Grantor shall determine whether to seek protection on the Invention. If applicable under the laws, the Grantor and its representative shall determine how the rights in the Invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Chapter 18 of

Title 35 U.S.C. Sections 200, et seq. (Pub. L. 95-517, Pub. L. 98-620, 37 CFR Part 401); Presidential Memorandum on Government Patent Policy to the Heads of the Executive Departments and Agencies, dated 2/18/1983); and Executive Order 12591, 4/10/87, 52 FR 13414, 3 CFR, 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, 3 CFR, 1987 Comp., p. 262). Inasmuch as the rights and interests in the invention are concerned, the Contractor hereby agrees to be bound by the Policy and will contractually cause its personnel to oblige by the same requirements.

**b. Rights to Use Inventions.** The Authority shall have an unencumbered right and a non-exclusive, irrevocable, royalty-free license to use, manufacture, improve upon any invention, and allow others to do so for all Authority purposes.

**c. Copyright Policy**

i. The Contractor and the Authority intend this to be a contract for services and each considers the products and results of the services to be rendered by the Contractor hereunder the "Deliverables" to be a work for hire. The Contractor acknowledges and agrees that the Deliverables belong to and shall be the sole and exclusive property of the Authority.

ii. If for any reason the Deliverables would not be considered a work made for hire under applicable law, and/or the Contractor has incorporated previously copyrighted materials within the Deliverables then the Contractor grants the Authority, its successors and assigns, a paid-up, nonexclusive, irrevocable worldwide license in the Deliverables to reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, by and on behalf of the Authority. The Contractor is required to affix the applicable copyright notices of 17 U.S.C. Sections 401 or 402, and acknowledgment of Government funding, (including the contract number) to the data whenever such copyrighted materials created outside the scope of this Contract and incorporated into the Deliverables, are delivered to the Authority, published, or deposited for registration as a published work in the U.S. Copyright Office. All other rights are reserved by the copyright owner.

iii. The Contractor agrees to execute all papers and to perform such other proper acts as Authority may deem necessary to secure for the Authority or its designee the rights herein assigned.

**d. Rights to Data.**

i. "Data" means recorded information, regardless of form or the media on which it may be recorded. The term includes technical data and computer software, except computer software developed at private expense and that is trade secret; is commercial or financial and confidential or privileged; or is published copyrighted computer software, including minor modifications of such computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information as set forth in 48 CFR 27.401.

ii. The Authority shall have "Unlimited Rights" to any data first produced or delivered under this Agreement. "Unlimited Rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and

display publicly, or permit others to do so, as defined in 48 CFR 27.401. Where the Data are not first produced under this Contract or are published copyrighted data with the notice of 17 U.S.C. Sections 401 or 402, the Authority is granted, or the Contractor shall acquire on behalf of Authority, a copyright license for use of the Data pursuant to 48 CFR 27.404-3(b)(1)(i).

- e. Obligations Binding on Subcontractors.** The Contractors hereby agrees to contractually bind all of its subs to the same terms herein in protecting the interests and titles in all intellectual property rights of the Grantor and the Authority under this Contract.

## **16. WORKING PAPERS**

All statements, records, schedules, working papers and memoranda made by the Contractor incident to, or in the course of, rendering services to the Authority pursuant to this Contract, except for the Deliverables submitted by the Contractor to the Authority and except for records which are part of the Authority's records, shall be and remain the property of the Contractor in the absence of an express agreement between the Contractor and the Authority to the contrary. No such statements, records, schedules, working papers, or memoranda shall be sold, transferred, or bequeathed, without the consent of the Authority, to anyone other than the Authority's licensee, successor's, or assigns, or any combined or merged firm or successor in interest to the Contractor.

## **17. LICENSES AND PERMITS**

The Contractor warrants that it has all necessary licenses and permits for the work to be performed under this Contract. The Contractor represents that it will immediately obtain or has obtained and presently holds a valid Business Tax Registration Certificate(s) as required by the Los Angeles Municipal Code, Article 1, Chapter 2, Sections 21.00, et seq. The Contractor shall maintain, or obtain as necessary, any or all such certificate(s) and shall show proof of such certificate(s) to the Authority prior to the commencement of the Contract.

## **18. INTERPRETATION**

Should interpretation of this Contract or any portion thereof, be necessary, it is deemed that this Contract was prepared by the parties jointly and equally, and shall not be interpreted against either party on the grounds that the party prepared the Contract or caused it to be prepared. The captions and headings of the various articles and paragraphs of this Contract are for convenience and identification only and shall not be deemed to limit or define the content of the respective articles and paragraphs hereof.

## **19. WAIVER**

No waiver of any provision of this Contract shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. No waiver shall be binding unless executed in writing by the party making the waiver.

## **20. WARRANTY AND RESPONSIBILITY OF CONTRACTOR**

- a.** The Contractor warrants that it is free to enter into this Contract and is not subject to any obligation or disability which will or might prevent or interfere in fully keeping and performing all of the conditions to be kept and performed under this Contract.

b. The Contractor further warrants that it has not paid anyone for the purpose of entering into this Contract, and that entering into this Contract and performing the services hereunder will not constitute a conflict of interest.

c. The Contractor further warrants that neither it, nor its agents or representatives, has offered or given gratuities in the form of entertainment, gifts, favors or other items or services of value to any officer or employee of the Authority with a view toward securing: (i) award of this Contract, (ii) amendment of the Contract after award, (iii) favorable treatment of the Contractor by the Authority in the administration of the Contract or in the making of any determination with respect to the Contractor's performance of its obligations under the Contract.

d. The Contractor warrants that the services hereunder shall be completed in a manner consistent with professional standards practiced among those firms within the Contractor's profession, doing the same or similar work under the same or similar circumstances.

e. The Contractor shall be responsible for any technical accuracy, timely completion of reports, and other services furnished by the Contractor under this Agreement. The Contractor shall, at no additional cost to the Authority, correct and/or revise any errors, omissions, or other deficiencies in its reports, calculations, and other services.

## 21. CLEAN AIR AND WATER

a. **Definition.** "Facility" means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by the Contractor or any subcontractor, used in the performance of the Contract or any subcontract. When a location or site of operations includes more than one building, plant, installation, or structure, the entire location or site shall be deemed a facility except when the Administrator, or a designee, of the United States Environmental Protection Agency ("EPA") determines that independent facilities are collocated in one geographical area.

b. In compliance with regulations issued by the EPA, pursuant to the Clean Air Act, as amended ("Air Act"), 42 U.S.C. 7401, et seq., the Federal Water Pollution Control Act, as amended ("Water Act"), 33 U.S.C. 1251, et seq., and Executive Order 11738, the Contractor agrees to –

i. Not utilize any facility in the performance of this Contract or any subcontract which is listed on the EPA List of Violating Facilities pursuant to 40 CFR Part 15 of the regulations for the duration of time that the facility remains on the list;

ii. Promptly notify the Contracting Officer if a facility the Contractor intends to use in the performance of this Contract is on the EPA List of Violating Facilities or the Contractor knows that it has been recommended to be placed on the List;

iii. Comply with all requirements of the Air Act and the Water Act, including the requirements of Section 114 of the Air Act and Section 308 of the Water Act, and all applicable clean air and clean water standards; and,

iv. Include or cause to be included the provisions of this clause in every subcontract, and take such action as HUD may direct as a means of enforcing such provisions.



## **22. ENERGY EFFICIENCY**

The Contractor shall comply with all standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under the Contract is performed.

## **23. PROCUREMENT OF RECOVERED MATERIALS**

a. In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

b. Paragraph (a) of this clause shall apply to items purchased under this Contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this Contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

## **24. NO ATTORNEY FEES**

In the event any action, suit, or proceeding is brought for the enforcement of, or the declaration of, any right or obligation pursuant to this Contract or as a result of any alleged breach of any provision of this Contract, each party shall bear its own costs and expenses, including attorneys' fees, and any judgment or decree rendered in such a proceeding shall not include an award thereof.

## **25. DISPUTES**

This Contract is made, entered into, and executed in Los Angeles County, California, and any action filed in any court for the interpretation, enforcement or other action with respect to the terms, conditions or covenants referred to herein shall be filed in the applicable court in Los Angeles County, California. This Contract shall be construed, and all disputes hereunder shall be settled, in accordance with the laws of the State of California. Pending the final resolution of a dispute hereunder, the Contractor shall proceed diligently with the performance of its obligations under this Contract and in accordance with the Authority's instructions.

## **26. AUDIT AND INSPECTION OF RECORDS**

After receipt of reasonable, the Contractor shall provide the Authority, or agents of the Authority, with reasonable access to the Contractor's records relative to work performed under this Contract. Accounting and financial records shall be maintained in accordance with generally accepted accounting principles. All records shall be maintained and access shall be provided to the Authority during the entire term of this Contract and for three (3) years after final payment by the Authority hereunder, unless the Authority gives written permission to the Contractor to dispose of said records

prior to this time.

## **27. FORCE MAJEURE**

In the event that performance on the part of any party hereto shall be delayed or suspended as a result of circumstances beyond the reasonable control and without the fault or negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the federal government or any unit of state or local government in either sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes, freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

## **28. NOTICES**

a. Any notices to be given pursuant to this Contract shall be in writing, and all such notices and any other document to be delivered shall be delivered by personal service or by deposit in the United States mail, certified or registered, return receipt requested, postage prepaid, and addressed to the party for whom intended as follows:

To: Housing Authority of the City of Los Angeles  
2600 Wilshire Boulevard, 3rd Floor  
Los Angeles, CA 90057  
Attention: Contracting Officer

With a copy to: Housing Authority of the City of Los Angeles  
2600 Wilshire Boulevard, 4th Floor  
Los Angeles, CA 90057  
Attention: Swan Lam, Contract Administrator

To: UNION BANK, NATIONAL ASSOCIATION  
445 South Figueroa Street, 8<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Eileen Perez, Vice President & Relationship Mgr

b. Either party may, from time to time, by written notice to the other, designate a different address which shall be substituted for the one above specified. Notices, payments and other documents shall be deemed delivered upon receipt by personal service or upon deposit in the United States mail.

## **29. ORDER OF PRECEDENCE – HUD REQUIREMENTS**

Conflicting provisions of this Contract shall prevail in the following order of precedence: (1) this Contract must be interpreted and implemented in accordance with HUD requirements; (2) the provisions in the body of this Contract together with any exhibits incorporated by reference; (3) any other documents cited in this Contract.

## **30. PREVAILING WAGE**

The Contractor agrees to comply with all applicable sections of the California State Labor Code pertaining to labor and the prevailing wage rates, if applicable. For work performed as a part of this

Contract, the Contractor shall pay no less than the Prevailing Wage as determined by the California Department of Industrial Relations.

**31. REPORTING REQUIREMENTS**

a. The Contractor, at such times and in such forms as the Authority may require, shall promptly and timely provide to the Authority such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection herewith, and any other matters covered by this Contract (24 CFR 85.36(i)(7)).

b. For contracts funded in whole or in part with funding provided by The American Recovery and Reinvestment Act of 2009, (Pub. L. 111-5), ("ARRA"), the Contractor shall comply with all reporting requirements of Section 1512 of ARRA.

**32. APPROVAL BY FUNDING SOURCE**

If funding for this Contract is provided by the Federal Government, the State of California or other external source, approval of the Contract by the funding source may be required. If approval of an external funding source is required, this Contract shall not be effective until such approval has been secured. If approval by the external funding source is denied prior to or during the Contract term, then the Contract shall be terminated at no fault of either party. If the Contract award is terminated prior to commencement date of the Contract then any costs incurred by the Contractor shall be deemed pre-contractual and thus the Contractor's responsibility. If the funding ceases during the Contract term, the Authority will terminate this Contract under the terms specified in the Termination for Convenience clause in Paragraph 9, above, and any costs incurred by the Contractor will be compensated to the Contractor under such terms as specified in the Termination for Convenience clause.

**33. BINDING AUTHORITY TO SIGN AND AUTHORIZATION**

Each of the Parties to this Contract hereby represents that all necessary and appropriate actions of their governing bodies, as applicable, have been taken to make this Contract a binding obligation of each of the Parties hereto. The persons executing this Contract warrant that they are duly authorized to execute this Contract on behalf of and bind the Parties each purports to represent.

**34. COUNTERPARTS**

This Contract may be executed in counterparts, each of which shall be deemed to be an original.

**35. ENTIRE AGREEMENT**

This Contract, including all exhibits and other documents incorporated herein or made applicable by reference, constitutes the entire agreement of the parties concerning the subject matter hereof and supersedes all prior agreements, understandings and commitments, whether oral or written. This Contract shall not be amended in any way except by a writing expressly purporting to be such an amendment, signed and acknowledged by both of the parties hereto.

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**IN WITNESS WHEREOF**, the Authority and the Contractor have executed this Contract on the day and year first above written.


Approved as to form  
**CARMEN A. TRUTANICH**  
City Attorney

By   
\_\_\_\_\_  
**MICHAEL CUSTODIO**  
Deputy City Attorney

Date 3/14/13

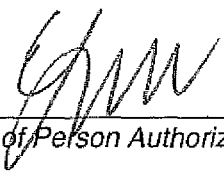
General Counsel for the Housing Authority  
of the City of Los Angeles

**HOUSING AUTHORITY OF THE  
CITY OF LOS ANGELES**

By   
\_\_\_\_\_  
**KEN SIMMONS**  
Chief Operating Officer

Date 3-27-13

**UNION BANK,  
NATIONAL ASSOCIATION**

By:   
\_\_\_\_\_  
(Signature of Person Authorized To Sign)  
**Eileen L. Perez, Vice President**

\_\_\_\_\_  
(Printed Name of Person Authorized To Sign)  
**Eileen L. Perez, Vice President**

Title: \_\_\_\_\_

Date: 3-17-13

**LIST OF EXHIBITS**

**Exhibit**

- A      Scope of Work**
- B      Schedule of Fees**
- C      Schedule of Fees for Additional Work**
- D      Insurance Requirements**
- E      Contractor's Certificates of Insurance**
- F      Contractor's Proposal**
- G      General Conditions for Non-Construction Contracts  
(HUD Form 5370-C), Section I**
- H.     HUD General Depository Agreement**
- I.      Contractor's Government Services Schedule of Fees & All About  
Business Accounts & Services Disclosure and Agreement**

**EXHIBIT A  
SCOPE OF WORK**

**Bank Name:** UNION BANK

**Current Assigned Services for Initial Contract Term Derived From the Scope of Work:**

- Depository and Disbursement Account
- General Services Vendors Disbursement
- Tenant Account Lockbox Deposit
- Miscellaneous Lockbox Deposit
- Payroll Account
- Low Rent Disbursement Account

**I. BACKGROUND**

The Authority receives its principal funding from the U.S. Department of Housing and Urban Development (HUD). As such, it is obligated to abide by applicable federal rules and regulation, specifically, HUD's "Required Housing Authority Cash Management and Investment Policies and Procedures" (HUD Notice PIH95-27 (HA)).

The Authority currently engages the services of various financial institutions ("Banks") for various business transactions. One of our accounts is exclusively a depository account, where funds are then transferred to the separate accounts within the same depository bank or other bank accounts as required by the project or entity.

A General Depository Agreement (GDA: Form HUD-51999) **must** be executed by the Bank and the Authority. The depository must be a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC), Federal Saving and Loan Insurance Corporation (FSLIC), or National Credit Union Share Insurance Fund (NCUSIF). Deposits in excess of the \$250,000 insured amount are to be fully (100%) secured by pledging or setting aside collateral of identifiable U.S. Government securities as prescribed by HUD.

The possession of the securities could be with the Authority or an independent custodian who holds the securities on behalf of the Authority as a bailee (evidenced by a safekeeping receipt and a written bailment for wire contract) and the securities will be maintained for the full term of the deposit. The depository shall own these securities and the manner of collateralization shall provide the Authority with a continuing perfected security interest in the collateral for the full term of the deposit in accordance with Federal regulations and applicable laws. The collateral shall, at all times, have a market value at least equal to the amount of the deposits secured.

**II. SERVICES**

The Authority plans to engage the services of one or more Banks to provide the latest basic and specialized banking services available (e.g. account reconciliation, positive pay, lockbox system, image technology, electronic funds transfer, outsourcing of disbursement). Moreover, the Authority may require the Bank(s) to provide additional banking services for properties that are acquired or entities that become affiliated with the Authority after the



Inception of the banking services contract.

The Authority has established parameters for its computerized data transmissions, subsequent media reporting and remittance statements. These parameters are compatible to the Authority's Oracle, Yardi Business System and Emphasys softwares. The Bank must adhere to these established parameters OR bear the cost in computer programming resources if any modification(s) to existing Authority software must be made (e.g. account reconciliation, positive pay, lockbox system and direct deposit).

The Authority may apportion the requirements of this RFP among multiple contractors for four major areas which include General Revolving Funds, Section 8, Public Housing, and Capital Funds, if this is determined to be in the Authority's best interests.

Financial statements or (CAFR) are available by email upon request.

Major tasks include, but are not limited to, the following:

**A. General Account Services and Deposit Management**

The Bank is required to continuously and fully (100%) secure all deposits whether regular, savings, or time deposits that are in excess of the \$250,000 insured amount and should be in compliance with the requirements of HUD Financial Management Handbook Chapter 7475.1, Section 4-3 and the State of California Government Code.

A fully automated system must be available. The Authority must have access to detailed cash information essential for good cash management via an on-line computer system.

The detailed reporting should reflect itemized debits and credits with corresponding descriptions. Posted transactions not originated by the Authority must be supported by source documents and forwarded to the Authority on the same day that the transaction occurred. Another copy must be included with the monthly statements.

The ability to make stop payments via on-line computer system must be made available to the personnel authorized to enter such orders. The stop payment orders shall be confirmed and effective as soon as the stop is placed.

The Bank shall provide Demand Account Statements and Monthly Detailed Analysis of all the Authority bank activity. The account analysis should contain the following:

1. A recapitulation of the Authority's monthly activities including the listing of the deposits processed, the checks cleared, the number of checks returned, the number of stop payments made, the number of wire transfers made between the Authority's institutions.
2. A notation of the monthly cost of the specific activity, as well as the unit price of each activity such as full account reconciliation system, positive pay, lockbox services, purchasing cards, etc.

3. A complete computation of average daily deposits, average funds in the process of collection, average withdrawals (checks written) and the resultant average daily collected balances.

**B. Lockbox Systems**

The Authority currently maintains two separate lockboxes described as follows:

**Tenant Deposits:**

The Bank shall pick up mail, including remittances, per the bank's scheduled pick up time each day from the Authority's assigned Post Office Box or Bank's unique zip code. If a Post Office Box is used, it shall be rented in the Authority's name that will authorize the Bank's entry into the box.

The Bank shall have all remittances received, processed and funds deposited to the Authority's designated bank account on the same business day. A daily hard copy report of the detailed deposits is to be received by the Authority. A sample of our current "Daily Deposit Report" and "Lockbox Summary Report" will be provided upon request in an addendum to the RFP. All deposits should also be electronically transmitted to the Authority on the following business day. Tenant account rent coupons are formatted to be scannable by the bank processing center. There are approximately 8,000 rent coupons are processed on a monthly basis.

The Authority has an established format and parameters for the remittance statements and, as noted above, the Bank shall adhere to these and bear the cost in computer programming resources if any modifications to existing Authority software must be made. Sample of rent coupons for Tenant Accounting will be provided upon request. Data transmission file specifications for the Daily Deposit Detail report and "Do Not Accept" upload file details will be provided upon request in an addendum to the RFP.

**Miscellaneous Deposits - Other Than Tenant Deposits:**

The Bank shall pick up mail, including remittances, several times each day from the Authority's assigned Post Office Box or Bank's unique zip code. If a Post Office Box is used, it shall be rented in the Authority's name who will authorize the Bank's entry into the box.

The Bank shall have all remittances received, processed and funds deposited to the Authority's designated bank account on the same business day. Images of deposited items and accompanying documents shall always be made available to the Authority on a daily basis. Images should be available online (internet) on a daily basis. Monthly deposits shall be written to a CD-ROM and mailed to the Authority. All types of checks and correspondence are accepted in this lockbox and no remittance document is needed.

The Authority requires that the remittance Banking/Lockbox Systems be processed in-house and not outsourced or sub-contracted.

All deposits from lockboxes will be deposited to the general revolving fund account

designated by HACLA.

**C. Depository Services**

The Bank shall be a qualified depository for public funds pursuant to California Government Code section 53648, HUD Financial Management Handbook section 7475.1 and shall have access to all Federal Reserve System services.

All deposits made on behalf of the Authority shall be credited to the designated master deposit account for the total amount reflected by the deposit slip rendered on the same business day that it was deposited. In addition, checks missing or received without entry credit, debit entries between the Bank and the Authority and all deposits are to be promptly verified by the Bank. All such adjustments are to be suitably substantiated and supported. The Authority is to be advised by the depository within an agreed upon time frame, preferably within 24 hours of such adjustment and if not so advised within three (3) business days, the Authority shall recover overages and decline shortages.

The Authority currently has 29 acceptable payees, Frequency changes are seldom, and lead time for changes is approximately seven business day. A list will be provided upon request.

Deposits picked up by a courier shall be credited to the designated account on the date picked up from the Authority's office. Regular bank courier picks up checks deposited daily at 2:15 p.m. at the Authority's Finance Department only on as needed basis. This will be seldom as we are currently participating on remote deposit process. No armored carrier service is required as no cash deposits are accepted in our office. Deposits delivered by Authority representatives to the Bank shall be credited to the designated account on the date delivered. All other funds received by the bank for the account of the Authority shall be credited to the designated master deposits account on the date received and available for such purposes. Deposits through the lockbox system should be reconciled to the total statements received by the Bank each day.

**Remote Deposit Scanner and Software**

The bank shall provide remote deposit services for all checks and money orders received at our office. Currently all checks and money orders are deposited via a Remote Scanner system, where deposits are made and credited to our account on the same day. The Authority would like to have the option to expand the remote deposit scanner and software to include various sites, up to but not limited to five (5) different locations, with the same capabilities as the main scanner.

Deposited checks, which may be dishonored and returned by the payer's bank, will be re-cleared by the Bank. Should a check be returned a second time, the amount will be charged back to the Authority's account.

**D. Paper Disbursement Reconciliation Services**

Full checking account reconciliation service shall be available to the Authority and will be used for all sub accounts the Authority currently utilizes for controlling its various disbursements.

FDIC Rules and Regulations 111.1 states that the financial institution must protect against unauthorized access to or use of the Authority's information that could result in substantial harm or inconvenience to the agency. In order to protect the Authority, the financial institution shall have a strong on-line check fraud detection service to protect the Authority and shall have the ability to provide the latest in image technology.

Within ten (10) days following the close of each accounting period, the financial institution will provide for each account, a summary report of account entries and/or balances in commonly accepted "bank statement" format depicting all account activities.

In addition to monthly statements of account upon which the Authority checks are drawn, the financial institution will provide the Authority with a full set of reports for each sub account which includes, but not limited to the following:

1. A numerically sequenced report of all checks outstanding. It will reflect checks issue date, check numbers, check amounts, and a grand total of checks outstanding.
2. A numerically sequenced report of all checks paid. It will reflect checks issue date, check numbers, check amounts, dates paid and a grand total of checks paid.
3. A numerically sequenced report of all checks with stop payment orders.
4. A complete recapitulation of the reconciliation account. It will list total checks and charges processed and total deposits made to reflect a reconciled balance per sub account for the reconciliation period covered.
5. An encrypted data of outstanding and paid checks that can be electronically transmitted.

The bank shall make available an "electronic" download of "paid checks" that could be interfaced to the Oracle Financial System, Yardi Business System and Elite System for real time reconciliation. The Authority will provide specification of compatibility for its business system. Account reconciliation reports shall be delivered to the Authority within 10 days following the close of each accounting period. Electronic images or paid checks shall be transmitted electronically or encrypted images sorted by account written to the CD-Rom. The Authority shall have access to any images of checks deposited and checks cleared available on-line for at least a period of six months to a year from the current day.

E.

**General Automated Clearing House (ACH) Services**

The Bank shall have the capability to accommodate a wide range of electronic payment and deposit services.

ACH origination services are utilized for payroll and vendor payments such as tax payments to IRS and State of California. Vendor payments also include Housing Assistance Payments (HAP) to various Section 8 landlords.

- ✕ The bank shall provide the Housing Authority with PC based software to originate ACH activity. The access and services should include web based service that allows entering recurring ACH transactions that can be pre-dated.

**F. Electronic Data Interchange (EDI) Services**

EDI documents contain the same data that would normally be found in a paper document used for the same organizational function. EDI is used for all disbursements, collections by ACH, checks as well as data transmission exchange.

**G. Wire & Other Funds Transfer Services**

The bank shall also provide a PC-based customer initiated wire transfer capability, allowing both repetitive and free form wires.

The system shall have security features (multiple passwords, encryption/authentication, test keys, etc.) acceptable to the Housing Authority. Back up procedures and contacts (via telephone and fax) will be designated in the event of system failure or emergency

Upon instructions of duly authorized personnel of the Authority, the bank shall transfer funds to and from specified accounts. The Authority will provide the Bank with written authority to effect such transfers and list of personnel authorized to make electronic or other types of transfers.

**H. Information Services**

The Housing Authority requires a PC-based daily balance and transaction reporting system. Daily reports may include the following:

- Previous Day Reporting
- Current Day Reporting
- Various reports and statements in a computer media
- Specialized reports as needed

The Housing Authority also requires PC-based monthly reports. Monthly reports may include the following:

- Bank Analysis Report
- Account Reconciliation Report in PDF and Excel
- Specialized reports as needed

**I. Investment/Custody Services**

The Housing Authority may choose to avail itself of various short-term investment services offered by the Bank. The Authority is open to see proposals of cash

management structure and cost out of services based upon minimization of costs and maximizing interest earned on overnight funds.

The Bank shall be capable of providing short-term and long term investment services and ease of investments along with historical and current rate of returns and various investment vehicles. These services would be designed to provide earnings on daily liquidity funds as a backup to the Housing Authority's operating investment function. The Authority currently has Custodial services for investments. Investment portfolio is approximately \$130 million.

J.

**Purchasing Card Program**

The Housing Authority would like to participate in the purchasing card program. The successful contractor will be listed in a Master Services Agreement (MSA) and will be responsible for providing purchase card services and technologies on a statewide basis for individual state and participating local agencies.

K.

**Other Services:**

**Direct Deposit of Payroll:**

The Bank shall provide automatic payment and deposit of payroll every two weeks to participating Authority employees to their designated banks while offering service free checking accounts to its employees.

The Bank shall also provide direct deposit for the Authority's participating vendors receiving Housing Assistant Payment (HAP) checks

**Federal and State Tax Deposits:**

The Bank must be able to accept tax deposits through electronically transmitted data as required by the taxing agency.

X

**Alternative Vendors Payment Method:**

The Bank shall provide alternative method of paying vendors to facilitate payment processing and minimize administrative costs.

**Emergency Preparedness and Disaster Recovery:**

The Bank must have a fully developed disaster recovery plan, including remote sites for currency acquisition and recovery of records.

**Checks Retention Plan:**

The Bank shall retain all checks deposited by the Authority for a period of five years or according to the law, whichever is greater. The checks shall be microfilmed or digitized through image technology.

L.

**Transition Plan**

The Bank must provide for a smooth transition. The Bank must also provide on-site training to the Authority's staff for the operation and use of the Bank's services and automated systems.



Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**M.**

**General Services**

In addition to the foregoing, all ordinary and necessary banking services are to be provided. The Bank shall introduce all appropriated new services that are mentioned in this Scope of Work as they are instituted.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT B  
SCHEDULE OF FEES**

In accordance with Paragraph 2 of this Contract, the Housing Authority of the City of Los Angeles shall pay the Contractor for all work performed in accordance with the rates shown below, as evidenced by invoices and supporting documentation for all expenses incurred, in completion of the work tasks contemplated under this Contract. All rates shall remain fixed for the entire term of the Contract.

See attached Cost Form

**TOTAL NOT – TO- EXCEED CONTRACT AMOUNT OF \$325,000.00**

**EXHIBIT D**  
**INSURANCE REQUIREMENTS**

**A.** During the term of this Contract, the Contractor shall, at its own cost and expense, procure and maintain the following types of insurance:

- a. Statutory Workers' Compensation, as required by the California Labor Code, and Employer's Liability with limits not less than \$1,000,000; and
- b. Comprehensive General Liability Insurance with limits not less than \$1,000,000 per occurrence, Housing Authority City of Los Angeles as additional insured; and
- c. Motor Vehicle Liability, for owned and not-owned vehicles, with limits not less than \$1,000,000 per occurrence; and
- d. Banker's Blanket Bond liability, with limits not less than \$20,000,000 per occurrence.

**B.** Insurance Company Requirements:

i. Prior to the commencement of work, the Contractor shall furnish the Authority with insurance certificates, evidencing the above insurance coverage for Statutory Workers' Compensation and where indicated, Errors and Omissions for Professional Liability Insurance. The Authority shall be named as Certificate Holder onto the Contractor's said policies. Furthermore, the Authority shall be named as additional insured (endorsements) on the Contractor's General Liability and Comprehensive Automobile Insurance policies, if applicable. The certificates and/or endorsements shall additionally provide that "The Contractor's policy is primary and non-contributory over any insurance carried by the Authority" for "the Contractor's negligent or wrongful act or omission, as per Paragraph 6 above, entitled 'Indemnification', and that the Policies will not be canceled or materially changed without thirty (30) days prior notice (ten [10] days prior notice for non-payment of premium) in a writing being given to the Authority. The Authority shall be named as Loss Payee for any required Fidelity or Crime Coverage only where warranted.

ii. For all of the policies listed in the above Subparagraph a, the insurance company(s) shall have an A.M. Best rating of "B+" or higher.

iii. The insurance company(s) shall also be licensed to underwrite in the State of California.

iv. The Authority's Risk Management Department must approve any exceptions to the above items in advance.

v. If requested by the Authority, the Broker and/or Insurance Company shall provide a certified complete copy of the insurance policy and all endorsements.

**C.** All evidence of insurance coverage required to be submitted in accordance with this Exhibit shall be delivered to the addressee for the Authority specified in Paragraph 28 of this Contract. The Authority shall make the final determination as to whether the documentation submitted by the Contractor conforms to the requirements set forth in Exhibit D.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**D.** If any subcontractor(s) or independent contractor(s) is/are utilized by the Contractor for the purpose of carrying out portions of this Contract, said subcontractor(s) or independent contractor(s) shall also be required to comply with the insurance provisions set forth in Exhibit D.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT E**  
**CONTRACTOR'S CERTIFICATES OF INSURANCE**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/01/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104	<b>CONTACT NAME:</b> <b>PHONE (A/C, No, Ext):</b> <b>FAX (A/C, No):</b> <b>E-MAIL ADDRESS:</b>
026285-STAND-ALL-13-14      ALAL      WC	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Tokio Marine & Nichido Fire Ins Co (USB) <b>NAIC #</b> 12904 <b>INSURER B:</b> Trans Pacific Insurance Co      41238 <b>INSURER C:</b> N/A      N/A <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>

**COVERAGES**      **CERTIFICATE NUMBER:** SEA-002188497-21      **REVISION NUMBER:** 12

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> HOST LIQUOR LIABILITY  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC		CLL640096403	01/01/2013	01/01/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		CA640096503	01/01/2013	01/01/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE  DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	WCD640096303 (ACS) WC640096203 (WI,VA)	01/01/2013 01/01/2013	01/01/2014 01/01/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER IS AN ADDITIONAL INSURED, BUT ONLY IF REQUIRED AND ONLY TO THE EXTENT THAT SAID PERSON OR ORGANIZATION IS INDEMNIFIED BY THE BANK'S CONTRACT WITH CERTIFICATE HOLDER. THE INSURANCE SHALL NOT EXCEED SUCH COVERAGE AND LIMITS OF LIABILITY REQUIRED IN THE CONTRACT FOR THE COVERAGE AND APPLICABLE LIMITS OF THE POLICY.

## CERTIFICATE HOLDER

HOUSING AUTHORITY OF THE CITY OF  
LOS ANGELES  
ATTN: SWAN LAM, CONTRACT ADMINISTRATOR  
2600 WILSHIRE BLVD., SUITE 3100  
LOS ANGELES, CA 90057

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
of Marsh Risk & Insurance Services  
John Rolph



AGENCY CUSTOMER ID: 026285

LOC #: San Francisco



## ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY MARSH RISK & INSURANCE SERVICES		NAMED INSURED UNIONBANCAL CORPORATION UNION BANK, N.A. 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

## ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

RE: Banking Services Contract No. HA-2013-7568-B

made between the Housing Authority of the City of Los Angeles and Union Bank of California, N.A.

The Housing Authority of the City of Los Angeles is named as additional insured under the General Liability and the Automobile Liability insurance.

Policy is primary and non-contributory over any insurance carried by the Housing Authority of the City of Los Angeles.

Policy will not be canceled or materially changed without (30) days prior notice (10 days prior notice for non-payment of premium) in writing being given to the Housing Authority.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/01/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104	<b>CONTACT</b> NAME: PHONE (A/C, No, Ext): E-MAIL: ADDRESS:	<b>FAX</b> (A/C, No):
026285-FINPR-FIBP-12-13      ALAL      WC	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> UNIONBANCAL CORPORATION 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104	INSURER A: Charlis Specialty Insurance Company	NAIC # 26883
	INSURER B: N/A	N/A
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

## COVERAGES

CERTIFICATE NUMBER:

SEA-002398425-01

REVISION NUMBER: 7

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b>						EACH OCCURRENCE \$
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
							GENERAL AGGREGATE \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						\$
	<b>AUTOMOBILE LIABILITY</b>						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS						\$
	<input type="checkbox"/> NON-OWNED AUTOS						
	<b>UMBRELLA LIAB</b>						EACH OCCURRENCE \$
	<input type="checkbox"/> EXCESS LIAB						AGGREGATE \$
	<input type="checkbox"/> OCCUR						\$
	<input type="checkbox"/> CLAIMS-MADE						
	<input type="checkbox"/> OED <input type="checkbox"/> RETENTION \$						
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>						WC STATU-TORY LIMITS
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N					OTH-ER
	If yes, describe under DESCRIPTION OF OPERATIONS below	N	N/A				E.L. EACH ACCIDENT \$
							E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$
A	BANKERS PROF. LIAB.			02-308-23-73	06/30/2012	06/30/2013	15,000,000
A	FIDELITY BOND			02-308-25-50	06/30/2012	06/30/2013	20,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

EVIDENCE OF INSURANCE.

## CERTIFICATE HOLDER

## CANCELLATION

HOUSING AUTHORITY OF THE CITY OF  
LOS ANGELES  
ATTN: SWAN LAM, CONTRACT ADMINISTRATOR  
2600 WILSHIRE BLVD., SUITE 3100  
LOS ANGELES, CA 90057

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
of Marsh Risk & Insurance Services

Roger Meyer

*Roger Meyer*

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AGENCY CUSTOMER ID: 026285

LOC #: San Francisco



# **ADDITIONAL REMARKS SCHEDULE**

Page 2 of 2

AGENCY MARSH RISK & INSURANCE SERVICES		NAMED INSURED UNIONBANCAL CORPORATION 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

## **ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

### **Bankers Professional Liability Layers:**

1st Excess Blended (D&O/BPL/EPL/Fid): St. Paul Mercury: Pol #ZUP-14R93628-12-N2: Limit \$15MM  
 2nd Excess Blended (D&O/BPL/EPL/Fid): AXIS Ins Co: Pol #MLN718393/01/2012: Limit 10MM  
 3rd Excess Blended (D&O/BPL/EPL/Fid): US Specialty: Pol #24-MGU-12-A26886: Limit \$10MM  
 4th Excess BPL: XL Specialty Ins. Co.: Pol #ELU126029-12: Limit \$15MM  
 5th Excess BPL: Continental Casualty Co: Pol #169568017: Limit \$10MM  
 6th Excess BPL: Federal Insurance Co.: Pol #6802-9995: Limit \$10MM  
 7th Excess BPL: Axis Ins. Co.: Pol #MLN718394/01/2012: Limit \$5MM  
 8th Excess BPL: National Union Fire Ins. Co. of Pitts., PA: Pol #02-306-24-38: Limit \$5MM  
 9th Excess BPL: Everest National Ins. Co.: Pol #FL5EO00032-121: Limit \$5MM

### **Fidelity Bond Excess Layers:**

FIB - Form 24 - Primary ERISA: National Union Fire Ins. Co. of Pitts.: Pol #02-306-26-00: Limit \$15MM  
 FIB - Form 24 - 1st Excess: St. Paul Fire & Marine Ins. Co.;  
 Pol #ZBN-11N2970A-12-N2: Limit \$15M  
 FIB - Form 24 - 2nd Excess: Great American Ins. Co.:  
 Pol #FS 024-15-43-01: Limit \$20M  
 FIB - Excess J Form: Lloyds of London:  
 Pol #ZF017612: Limit \$150M

RE: Banking Services Contract No. HA-2013-7568-B

made between the Housing Authority of the City of Los Angeles and Union Bank of California, N.A.

The Housing Authority of the City of Los Angeles is named as additional insured under the General Liability and the Automobile Liability insurance.

Policy is primary and non-contributory over any insurance carried by the Housing Authority of the City of Los Angeles.

Policy will not be canceled or materially changed without (30) days prior notice (10 days prior notice for non-payment of premium) in writing being given to the Housing Authority.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT F**  
**CONTRACTOR'S PROPOSAL**

Certain confidential information may have been redacted.

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>ACCOUNT ANALYSIS</b>				
ACCT MAINTENANCE - WEB- AAA003	7	\$2,500	\$17.50	All accounts for WEB MAINTENANCE
CUSTOMER SERVICE ACTIVITIES	1	\$0.000	\$0.00	Cost depends on what activities are requested.
<b>ACCOUNT RECONCILIATION</b>				
FULL RECON MONTHLY MAINT- ARP002	7	\$25,000	\$175.00	
POS PAY MONTHLY MAINT	4	\$0.000	\$0.00	
TRANSMISSION ISSUE INPUT-BASE	20	\$1,000	\$20.00	
TRANSMISSION ISSUE INPUT-ITEM	855	\$0.010	\$8.55	
RECORD MAINTENANCE - PER ISSUE	0	\$1,500	\$0.00	
ISSUE INPUT ADDL 40 BYTE DATA	71	\$0.110	\$7.81	
CHECK PAID TRUNCATED- ARP031	828	\$0.070	\$57.96	
DAILY PAID REPORT	4	\$0.000	\$0.00	
OUTSTANDING ONLY REPORT	4	\$10,000	\$40.00	
OUTSTANDING CHECK REGISTER-ITEM	400	\$0.000	\$0.00	
RECON STOP PAYMENTS - RENEWAL	0	\$8,000	\$0.00	
MAIL DELIVERY	3	\$5,000	\$15.00	
ADDITIONAL STANDARD REPORTS	0	\$10,000	\$0.00	
EXPRESS MAIL DELIVERY	0	\$0.000	\$0.00	
WEB POS PAY-ACCOUNT BASE	4	\$0.000	\$0.00	
WEB POS PAY-EXCEPTIONS	2	\$0.200	\$0.40	
POSITIVE PAY -PNI EXCEPTIONS	0	\$0.000	\$0.00	
WEB POS PAY-IMAGES	1	\$0.300	\$0.30	
WEB POS PAY-DUPL HIST IMAGES	0	\$0.000	\$0.00	
WEB POS PAY-MANUAL ISSUES	10	\$0.150	\$1.50	
WEB POS PAY-HISTORY IMAGES	0	\$0.500	\$0.00	
IOD-IMAGE (<120 DAYS 1-20 items)	8	\$0.000	\$0.00	
IOD-IMAGE (<120 DAYS 21-50 items)	1	\$0.100	\$0.10	
IOD-IMAGE (120-180 DAYS)	3	\$0.500	\$1.50	
IOD-IMAGE (181 + DAYS)	9	\$0.750	\$6.75	
IOD-DUPLICATE IMAGE	0	\$0.000	\$0.00	
ACCT RECON CSV RPT MTHLY MNT	4	\$10,000	\$40.00	
ACCT RECON CSV RPT-PER ITEM	325	\$0.015	\$4.88	
POSITIVE PAY EXCEPTION - CEO IMAGE	156	\$0.200	\$31.20	
PYMT AUTH MAX CHECK MTHLY BASE	0	\$0.000	\$0.00	
ARP CHECKS PAID - FULL RECON- ARP031	9,138	\$0.070	\$639.66	
POSITIVE PAY EXCEPTION CHECKS RETURNED	12	\$0.000	\$0.00	
STOP PAYMENTS - PC	20	\$1,000	\$20.00	
STOP PAYMENT - OPERATOR ASSISTED	0	\$32,000	\$0.00	Use online stops instead for lower cost.
ONLINE IMAGE VIEW<90 DAYS - ITEM	3	\$0.000	\$0.00	
ONLINE IMAGE VIEW >90 DAYS - ITEM	4	\$0.000	\$0.00	
POSITIVE PAY MONTHLY BASE	1	\$25,000	\$25.00	
WELLSIMAGE PAID CHECK MONTHLY BASE	1	\$0.000	\$0.00	
WELLS IMAGE CD PER CDROM	1	\$10,000	\$10.00	
STOP PAYMENT - PAPER CONFIRMATION	0	\$32,000	\$0.00	Use online stops instead for lower cost.
CEO SEARCH	131	\$0.200	\$26.20	
OVERDRAFT CHARGE-PAID ITEM- PAD310	0	\$10,000	\$0.00	
PAYMENT MANAGER INSERT ITEM- OPA002 Overflow	18,486	\$0.090	\$1,663.74	Outsource overflow page
PAYMENT MANAGER PACKAGE PREPARATION	0	\$3,000,000	\$0.00	Don print sat up fee (sat up fee)- use conversion credit
PAYEE VALIDATION STANDARD - ITEM	9,136	\$0.025	\$228.40	Payee Positive Pay
WELLSIMAGE PAID CHECK PER ITEM- ARP031	9,518	\$0.070	\$666.26	check paid items
STOP PAYMENT - AUTO RENEWAL	57	\$1,000	\$57.00	web renewal of stops
WELLS IMAGE CD PER ITEM	0	\$0.020	\$0.00	recommend delete CD rom- use Image not Demand

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>TRANSPORTATION SERVICES</b>				
COURIER SERVICES- CAR001	1	\$92.000	\$92.00	At Cost No mark up. \$92.00/ per month
SPECIAL COURIER SERVICES- CAR003	0	\$0.000	\$0.00	Special extra pick up at cost per courier
<b>BUSINESS CHECKING</b>				
BRANCH DEPOSIT	1	\$2.000	\$2.00	
ELECTRONIC CREDIT	100	\$0.050	\$5.00	
ELECTRONIC DEBIT	35	\$0.050	\$1.75	
ACH BLOCK	1	\$2.500	\$2.50	
BANK STATEMENT WEB	7	\$1.000	\$7.00	
BANK STATEMENT MAIL & WEB	1	\$5.000	\$5.00	recommend delete MAIL and use WEB
BANK STMT - FRONT IMAGES	1	\$5.000	\$5.00	recommend delete Bank Stmt and use WEB
ENCLOSED CHECK FEE	0	\$0.000	\$0.00	
ENHANCED FDIC INSURANCE	0	\$0.000	\$0.00	N/A
ENHANCED FDIC INSURANCE	0	\$0.000	\$0.00	N/A
FDIC INSURANCE	9,200	\$0.089	\$822.48	FDIC is 8.089/per 1000.00
FICO INSURANCE	0	\$0.000	\$0.00	N/A
<b>CHECK PROCESSING</b>				
UNENCODED COURIER DEPOSIT	0	\$2.000	\$0.00	
UB CHECKS - BRANCH DEPOSIT	0	\$0.090	\$0.00	
LOCAL CLR.HSE./BRANCH DEP.	1	\$0.100	\$0.10	
LOCAL FED DIST 12 - BRANCH DEP	1	\$0.140	\$0.14	
OTHER FED - BRANCH DEPOSIT	1	\$0.150	\$0.15	
UBOC CHECKS SERV. CTR DEPOSIT	27	\$0.010	\$0.27	
LOCAL CLR HSE/SER CTR	800	\$0.025	\$20.00	
LOCAL FED DIST 12 SERV STR DEP	1,710	\$0.035	\$59.85	
ENCODING FEE - SERV CTR DEP	0	\$0.033	\$0.00	
OTHER FED - SERV CTR DEPOSIT	3,700	\$0.050	\$185.00	
DEBIT ERROR NOTICE	0	\$5.000	\$0.00	
CREDIT ERROR NOTICE	0	\$5.000	\$0.00	
<b>CLEAR PAY</b>				
ACH DIRECT SEND SETUP FEE	0	\$250.000	\$0.00	Waive set up cost
ADDITIONAL TESTING	0	\$0.000	\$0.00	custom bid N/A
DIRECT SEND MONTHLY BASE FEE	4	\$20.000	\$80.00	
DIRECT SEND CREDIT TRANSACTION	1,700	\$0.010	\$17.00	
DIRECT SEND DEBIT TRANSACTION	80	\$0.100	\$8.00	
DIRECT SEND RETURNS FAX	3	\$7.000	\$21.00	
DIRECT SEND TRACERS	1	\$25.000	\$25.00	
DIRECT SEND NOC FAX	1	\$7.000	\$7.00	
DIRECT SEND REJ/REV/DEL	1	\$25.000	\$25.00	
INPUT - DATA TRANSMISSION	15	\$1.000	\$15.00	
SUSPENDS	0	\$75.000	\$0.00	
CLEARPAY ACH ACK REPORT	15	\$5.000	\$75.00	

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>GENERAL ACH SERVICES</b>				
ELECTRONIC CREDITS POSTED	200	\$0.050	\$10.00	
ACH FRAUD FILTER - SET UP	0	\$10.000	\$0.00	EPA ach filter
ACH MONTHLY BASE	1	\$20.000	\$20.00	Direct Send
ACH ONE DAY	1,300	\$0.100	\$130.00	Assumes ACH debits
ACH TWO DAY	7,400	\$0.100	\$740.00	Assumes ACH debits
ACH ON-US ONE DAY	45	\$0.100	\$4.50	Assumes ACH debits
ACH ON-US TWO DAY	715	\$0.100	\$71.50	Assumes ACH debits
ACH RECEIVED ITEM	4	\$0.010	\$0.04	Assumes ACH Credit
ACH RETURN ITEM-FAX ADVISE	22	\$7.000	\$154.00	
ACH TRANSMISSION CHARGE	8	\$1.000	\$8.00	
ACH FAX ADVISE	10	\$5.000	\$50.00	
ACH FAX SERVICE	40	\$5.000	\$200.00	
ACH EXCEPTION PROCESS-DUPICAT FILE	0	\$0.000	\$0.00	
ACH REVERSAL - ITEM	1	\$25.000	\$25.00	
ACH DELETE - ITEM	1	\$25.000	\$25.00	
ACH CUSTOMER REPORTS	0	\$50.000	\$0.00	
ACH SPECIAL INVESTIGATION	0	\$0.000	\$0.00	N/A
ACH TRANSMISSION - SET UP	0	\$250.000	\$0.00	ACH set up fee- WAVE
ACH CEO FRAUD FILTER STOP MONTHLYBASE	2	\$8.000	\$16.00	
ACH CEO FRAUD FILTER STOP MONTHLYBASE	1	\$8.000	\$8.00	
ACH CEO FRAUD FILTER STOP - ITEM	0	\$5.000	\$0.00	cost is only when updating ACH filter
ACH WELLS FARGO NOC-FAX ADVISE	21	\$7.000	\$147.00	This should not be a recurring cost
ACH NOC-FAX ADVISE	190	\$7.000	\$1,330.00	This should not be a recurring cost
				NOC are sent only when clients needs to update
				ACH information
<b>EDI PAYMENT SERVICES- OUTSOURCE PAYABLES UNION BANK</b>				
PAYMENT MANAGER CUSTOM SET UP (CPA011-OPA009)	0	\$1,800.000	\$0.00	One time cost if you implement this new service-
ELECTRONIC COMMERCE DIRECT TRANS	5	\$0.000	\$0.00	cost can be offset by conversion credit.
EC IMPLEMENTATION DEV HOURS	0	\$0.000	\$0.00	custom bid if required
PAYMENT MANAGER CHECK/DOC SET UP(POSTAGE)	4,010	\$0.100	\$401.00	
PAYMENT MGR CHK 1ST PAGE NEXT DAY	10,000	\$0.090	\$900.00	
PAYMENT MGR CHK ADDL PAGE NEXT DAY	450	\$0.090	\$40.50	
PAYMENT MANAGER CHECK INSERTS	3,200	\$0.300	\$960.00	
PAYMENT MANAGER SPECIAL HANDLING	90	\$2.700	\$243.00	
PAYMENT MGR MANUAL CHECK PULL	2	\$2.500	\$5.00	
PAYMENT MANAGER MONTHLY BASE	1	\$75.000	\$75.00	
			\$0.00	
<b>CUSTOMER SERVICE ACTIVITIES</b>				
PRINTER CHARGES CUS045	0	\$0.000	\$0.00	at cost - no mark up
NON-CUSTOMER CASH PAID ON US	0	\$0.000	\$0.00	No cost to cash non customer check at UB branches
<b>COMMERCIAL CUSTOMER SERVICE</b>				
ACCT RECON STOP PMT-CCSU ASSOC	0	\$32.000	\$0.00	Use WEB STOP instead of customerservice
BALANCE INQUIRY CCSU ASSOCIATE	0	\$20.000	\$0.00	Use web for free balance inquiry.
COPY PREV. STMT-ASSOCIATED FAX	0	\$33.000	\$0.00	
COPY OF DEP SLIP - ASSOCIATE FAX	0	\$33.000	\$0.00	
COPY OF DEP ITEMS ASSOC. FAX	0	\$33.000	\$13.75	
COPY OF RETURNED ITEM - FAX	0	\$33.000	\$2.75	
LAIF REDEMPTION	1	\$20.000	\$20.00	Laif redemption and investment is 20.00 each
DDA STOP PAYMENT - CCSU ASSOC.	0	\$32.000	\$0.00	Use WEB STOPS
IMAGE OF DEP ITEM <30 DAYS	10	\$0.500	\$5.00	
IMAGE OF DEP ITEM 31-60 DAYS	5	\$0.750	\$3.75	
IMAGE OF DEP ITEM 61-90 DAYS	5	\$1.000	\$5.00	
IMAGE OF DEP ITEM 91-120 DAYS	5	\$1.250	\$6.25	
IMAGE OF DEP ITEM 121+ DAYS	5	\$2.000	\$10.00	



## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>ELECTRONIC PAYMENTS</b>				
EPA SETUP	0	\$10.000	\$0.00	One time set up cost
EPA MONTHLY MAINTENANCE	2	\$8.000	\$16.00	
EPA TRADING PARTNER SETUP	1	\$15.000	\$15.00	
EPA FILTER MAINTENANCE	1	\$5.000	\$5.00	
EPA ACTIVITY REPORT	3	\$10.000	\$30.00	
REMOTE DEPOSIT/ERS MAINTENANCE	0	\$0.000	\$0.00	ERS not used N/A
<b>ELECTRONIC TAX DEPOSIT</b>				
INSTATAX FAXED RECEIPT	3	\$1.000	\$3.00	
INSTATAX QUARTERLY STATEMENT	1	\$15.000	\$15.00	
INSTATAX MONTHLY STATEMENT	1	\$15.000	\$15.00	
WEB INSTATAX MONTHLY MAINT	1	\$5.000	\$5.00	
WEB INSTATAX PAYMENT	3	\$1.500	\$4.50	
WEB INSTATAX SET UP	1	\$0.000	\$0.00	No set up cost
<b>REMOTE DEPOSIT</b>				
REMOTE DEPOSIT MONTHLY MAINT	1	\$50.000	\$50.00	50.00 for each additional account if you add 4 more sites
REMOTE DEPOSIT PER ITEM	0	\$0.000	\$0.00	
REMOTE DEPOSIT ON US	8	\$0.080	\$0.64	
REMOTE DEPOSIT PER TRANSIT	800	\$0.080	\$64.00	
REMOTE DEPOSIT PER DEPOSIT	90	\$0.750	\$67.50	
<b>CHECK IMAGE</b>				
IOD MONTHLY MAINTENANCE FEE	3	\$5.000	\$15.00	
IOD PER ITEM FEE (1-100)	15	\$0.000	\$0.00	
IOD PER ITEM FEE (101-999,999)	0	\$0.250	\$0.10	
<b>INFORMATION REPORTING</b>				
WEB PRIOR DAY REPORT ACCOUNTS	7	\$13.000	\$91.00	
WEB PRIOR DAY REPORT ACCOUNTS	7	\$13.000	\$91.00	
WEB PD BALSUM UPDATED	10,000	\$0.040	\$400.00	
WEB PD TRANSACTIONS UPDATED	1,100	\$0.040	\$44.00	
WEB CD BALSUM UPDATED	75	\$0.040	\$3.00	
WEB CD TRANSACTIONS UPDATED	75	\$0.040	\$3.00	
WEB CURRENT DAY RPT ACCOUNTS	7	\$13.000	\$91.00	
IMAGE ITEM PRIOR DAY STMT	0	\$0.000	\$0.00	
PRIOR DAY (COST ONLY 2HRS)	0	\$0.000	\$0.00	
<b>ONLINE BUSINESS CENTER</b>				
STOP PAYMENTS 1ST USER - BANK	90	\$0.000	\$0.00	
OBC ADD USER - BANK	1	\$5.000	\$5.00	Recommend WEB ADMIN add new users at no cost.
ISSUE PASSWORD - BANK	0	\$0.000	\$0.00	
			\$0.00	
<b>DEPOSITED ITEMS RETURNED</b>				
DEPOSITED ITEM RETURNED CHRG BK	15	\$2.000	\$30.00	encubement: recommend web return items
<b>COMMERCIAL CUSTOMER SUPPLIES</b>				
CHECK DEPOSIT BAGS-SMALL	0	\$22.700	\$0.00	22.70 per box
SUPPLIES SHIPPING	0	\$0.000	\$0.00	at cost to client
SUPPLIES-SALES TAX	0	\$0.000	\$0.00	at cost to client
			\$0.00	
<b>OFFICE CASH SERVICES</b>				
DEPOSITED CURRENCY	0	\$1.500	\$0.00	1.50/per 1000

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>STATEMENTS</b>				
IOD - SINGLE IMAGE (181+ DAYS)	0	\$0.750	\$0.00	
IOD - SINGLE IMAGE (<120 DAYS)	0	\$0.000	\$0.00	
			\$0.00	
<b>TELESERVICES</b>				
VERIFICATION OF DEPOSITS FEE	0	\$10.000	\$0.00	
BALANCE INQUIRY-TELESERV. REP	0	\$0.000	\$0.00	
INQUIRY & TRANSFER SERVICE	1	\$0.000	\$0.00	
<b>TEAM STOP PAYMENTS</b>				
WEB ACCT RECON STOP PMT	4	\$1.000	\$4.00	
WEB STOP PAYMENT RENEWAL	32	\$1.000	\$32.00	
WEB STOP SINGLE INQUIRY	0	\$0.500	\$0.00	
WEB PHOTOCOPIES	0	\$6.500	\$0.00	
WEB STOP RANGE INQUIRY	0	\$1.000	\$0.00	
WEB NUMBER STOP ACCOUNTS	4	\$0.000	\$0.00	
<b>WIRE TRANSFERS</b>				
INCOMING DOMESTIC REPETITIVE	10	\$3.000	\$30.00	
DIRECT ACCESS-SECURED REISSUE	0	\$0.000	\$0.00	
<b>MISC LOCKBOX- WHOLESALE</b>				
MONTHLY BASE CHARGE	2	\$75.000	\$150.00	
PHOTOCOPIES - SPECIAL REQUEST	0	\$11.500	\$0.00	
ACCOUNT MAINTENANCE	2	\$0.000	\$0.00	
CLIENT SETUP FEE	1	\$0.000	\$0.00	
REJECTS/CORRESPONDANCE	30	\$0.250	\$7.50	
FACSIMILE	0	\$7.000	\$0.00	
POSTAL BOX RENTAL	2	\$116.500	\$233.00	USPS fee for two boxes
PAYEE VERIFICATION (1-10)	0	\$0.080	\$0.00	
PAYEE VERIFICATION (11-20)	0	\$0.120	\$0.00	
PAYEE VERIFICATION (31+)	500	\$0.150	\$75.00	
BATCH PREPARATION	26	\$1.250	\$32.50	
LOCKBOX DEPOSIT	26	\$1.600	\$41.60	
IMAGE SYSTEM REPORTS	1	\$50.000	\$50.00	
CASH ITEM	0	\$12.500	\$0.00	
ITEM PROCESSED - ONLINE DEL	500	\$0.380	\$190.00	
IMAGE DELIVERY MO MAINT	2	\$75.000	\$150.00	
CD ROM PRODUCED	1	\$25.000	\$25.00	
CHECK IMAGE	500	\$0.050	\$25.00	
WEB ACCESS	1,300	\$0.030	\$39.00	
WEB DOCUMENT IMAGE	500	\$0.100	\$50.00	
<b>TENANT LOCKBOX- WHOLETAIL (rental payments)</b>				
MONTHLY BASE CHARGE	1	\$75.000	\$75.00	
ITEMS PROCESSED	5,600	\$0.100	\$560.00	
ACCOUNT MAINTENANCE	1	\$0.000	\$0.00	
CLIENT SETUP FEE	1	\$0.000	\$0.00	
REJECTS/CORRESPONDANCE	200	\$0.050	\$10.00	
OCR SCAN LINE REPAIR	14,200	\$0.010	\$142.00	
DATA ENTRY	1,800	\$0.010	\$18.00	
NON MATCHED ITEMS	1,300	\$0.350	\$455.00	
STOP LIST MONTHLY	1	\$50.000	\$50.00	
STOP LIST PER ITEM	5,800	\$0.005	\$29.00	
PAYEE VERIFICATION	5,800	\$0.000	\$0.00	
PROGRAMMING	1	\$0.000	\$0.00	\$130.00 per hour if needed
POSTAL BOX RENTAL	1	\$117.000	\$117.00	USPS fee
LOCKBOX DEPOSIT	21	\$1.000	\$21.00	
CASH DEPOSIT	1	\$12.500	\$12.50	
IMAGE DELIVERY MO MAINT	1	\$75.000	\$75.00	
CHECK IMAGE	5,800	\$0.030	\$174.00	
WEB ACCESS	200	\$0.030	\$6.00	

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>ELECTRONIC WIRE TRANSFER</b>				
WIRE TRANSFER MONTHLY FEE/WEB	1	\$15.000	\$15.00	Only one account for WEB WIRES
OUTGOING DOMESTIC WIRE/WEB	15	\$4.000	\$60.00	
INTERNAL TRANSFER INTRADAY/WEB	0	\$5.000	\$0.42	
SUB ZERO LEVEL 1 ZBA	3	\$3.000	\$9.00	
<b>TOTAL HARD CHARGES:</b>			<b>\$ 14,921.83</b>	*Monthly Hard Bank Fees
<b>Total charges if you omit NOC fees:</b>			<b>\$13,444.83</b>	* assuming 211 NOC do not recur each month.
<b>0.20% soft credit based on 9.2MM = \$1406.47 credit to fees</b>			<b>\$13,515.36</b>	* Monthly Bank fees with soft credit applied.
*Five Year Contract - 2 years and 3 (one) year renewal options				
*Enhanced ECR rate of 0.20% or until ECR @ 91 previous day T-Bill exceeds 0.20% for soft credit.				
*Monthly Charge or Quarterly with Comp Balances				

Balance Collateralization/Other Regulatory Fees: While Union Bank does not have immediate plans to assess charges for collateralizing Public Funds, the cost of collateral is expected to increase due to changes in FDIC insurance coverage rules and Basel III accounting standards, and other foreseen and unforeseen regulatory developments. We reserve the right to assess charges for increased collateral costs related to changes in the regulatory environment. Additionally, Union Bank reserves the right to assess or increase fees and charges related to the increased costs of providing any of its products or services to the public agency when incurred by Union Bank as a result of changes in the legal or regulatory environment.

\*This document is exempt from public disclosure pursuant to California Government Code Section 6254(K) as that section is further defined by sections 6275 and 6276.44 of said Government Code and by the Uniform Trade Secrets Act (California Code Section 3426-3426.11 inclusive). Please refer to the Government Schedule of Fees for additional service fees and charges not identified on the Cost Form

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT C**  
**SCHEDULE OF FEES FOR ADDITIONAL WORK**

In accordance with Paragraph 2 of this Contract, the Housing Authority of the City of Los Angeles shall pay the Contractor for all work performed in accordance with the rates shown below, as evidenced by invoices and supporting documentation for all expenses incurred, in completion of the work tasks contemplated under this Contract. All rates shall remain fixed for the entire term of the Contract.

The following labor rates shall apply to any additional work during the term of the Contract.

Professional Services	
Description	Rate/Hour
N/A	

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT G**  
**GENERAL CONDITIONS FOR NON-CONSTRUCTION CONTRACTS**

**(HUD FORM 5370-C)**  
**SECTION I**

# General Conditions for Non-Construction Contracts

## Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban  
Development  
Office of Public and Indian Housing  
Office of Labor Relations  
OMB Approval No. 2577-0157 (exp. 1/01/2014)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

**Applicability.** This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts** (without maintenance) greater than \$100,000 - use Section I;
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II; and
- 3) **Maintenance contracts** (including nonroutine maintenance), greater than \$100,000 – use Sections I and II.

### Section I - Clauses for All Non-Construction Contracts greater than \$100,000

#### 1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

#### 2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

proposal submitted before final payment of the contract.

- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

#### 3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

#### 4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
  - (i) appeals under the clause titled Disputes;
  - (ii) litigation or settlement of claims arising from the performance of this contract; or,
  - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

#### 5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

#### 6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

#### 7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

#### 8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

#### 9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

#### 10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

#### 11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
  - (i) Award of the contract may result in an unfair competitive advantage; or
  - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

#### 12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any



product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

### 13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

### 14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

### 15. Limitation on Payments to Influence Certain Federal Transactions

- (a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

- (b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- (ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

## 16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

## 17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

## 18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

## 19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

## 20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

## 21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

---

apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

## **22. Procurement of Recovered Materials**

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT H**

**HUD GENERAL DEPOSITORY AGREEMENT**

# General Depository Agreement

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB No. 2577-0270  
exp. 09/30/2013

This Agreement, entered into this 1st day of April, 2013 by and between Housing Authority of the City of Los Angeles, 2600 Wilshire Blvd., Los Angeles, CA 90057

(herein called the "PHA/IHA"), a duly organized and existing public body corporate and politic of the \_\_\_\_\_ of \_\_\_\_\_

and Union Bank, National Association

(herein called the "Depository"), located at 445 South Figueroa Street, 8th Floor, Los Angeles, CA 90071

## Witnesseth:

Whereas, the Department of Housing and Urban Development (herein called "HUD") has entered into one or more contracts (herein called the "Contract") with the PHA/IHA for the purpose of providing financial assistance to develop and operate lower income housing projects, as authorized by the United States Housing Act of 1937, as amended (42 USC 1437, et seq.); and

Whereas, under the terms of the Contract the PHA/IHA is required to select as depositories of its funds financial institutions whose deposits or accounts are insured by either — the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund as long as this Agreement is in force and effect.

Now Therefore, in consideration of the mutual covenants herein-after set forth, the parties hereto agree as follows:

1. The deposits and accounts of the Depository shall continue to be insured by either — the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund.

2. All monies deposited by the PHA/IHA with the Depository shall be credited to the PHA/IHA in a separate interest bearing deposit or interest bearing accounts, designated

writing and signed on behalf of the PHA/IHA by an officer or member designated by resolution of the Board of Directors of the PHA/IHA to have such authority. To assist the Depository in its obligation, the PHA/IHA shall furnish the Depository with a certified copy of the resolution.

4. Any securities received from the PHA/IHA or purchased by the Depository with monies from the Accounts shall be considered to be a part of the Accounts and shall be held by the Depository in safe-keeping for the PHA/IHA until sold. Interest on such securities and the proceeds from the sale thereof shall be deposited in the Account upon receipt.

5. If the Depository received written notice from HUD that no withdrawals by the PHA/IHA from the Accounts are to be permitted, the Depository shall not honor any check or other order to pay from the Accounts or directive to purchase or sell securities, or permit any withdrawals by the PHA/IHA from said Accounts until the Depository is authorized to do so by written notice from HUD.

6. The Depository is not obligated to be familiar, and shall not be charged, with knowledge of the provisions of the Contract, and shall be under no duty to investigate or determine whether any action taken by either the PHA/IHA or HUD in respect of the Accounts are consistent with or are authorized by the Contract or whether either PHA/IHA or HUD is in default under the provisions of the Contract. The Depository shall be fully justified in accepting and acting on, without investigation, any certificate or notice furnished to it pursuant to the provisions of this Agreement and which the Depository shall in good faith believe to have been duly authorized and executed on behalf of the party in whose name the same purports to have been made or executed.

7. The rights and duties of the Depository under this Agreement shall not be transferred or assigned by the Depository without the prior written approval of the PHA/IHA and HUD.

Accounts" (herein the "Accounts"). Any portion of PHA/IHA Funds not insured by a Federal insurance organization shall be fully (100%) and continuously collateralized with specific and identifiable U.S. Government or Agency securities prescribed by HUD. Such securities shall be pledged and set aside in accordance with applicable law or Federal regulations. The PHA/IHA shall have possession of the securities (or the PHA/IHA will take possession of the securities) or an independent custodian (or an independent third party) holds the securities on behalf of the PHA/IHA as a bailee (evidenced by safe keeping receipt and a written bailment for hire contract) and will be maintained for the full term of deposit. The Depository may substitute other securities as collateral to equal or increase the value. If PHA/IHA is an agency of an Indian tribe, the collateral shall be in United States bonds and otherwise as may be prescribed for public funds by the United States Secretary of the Treasury.

3. Except as stated in Paragraph 5, the Depository shall honor any (a) check or other order to pay from the Accounts, or (b) directive to purchase investment securities with monies from the Accounts or to sell securities, if such order or directive is in

This Agreement may be terminated by either party hereto upon thirty days' written notice to the other party, and HUD. The rights and duties of the Depository hereunder shall not be transferred or assigned nor shall this Agreement be terminated during any period in which the Depository is required to refuse to permit withdrawals from the Accounts as provided in Paragraph 5.

8. HUD is intended to be a third party beneficiary of this Agreement and may sue to enforce its provisions and to recover damages for failure to carry out its terms.

9. The Depository shall promptly notify the PHA/IHA of crediting or depositing of any monies in the Accounts.

10. The provisions of this Agreement may not be modified by either Party without the prior written approval of HUD.

11. Previous General Depository or Savings Depository Agreements, if any, entered into between the Depository and the PHA/IHA are hereby terminated and all monies and securities of the PHA/IHA on deposit with or held by the Depositories pursuant to the terms of said Agreement shall continue to be held for account of the PHA/IHA pursuant to and in accordance with the provisions of this Agreement.

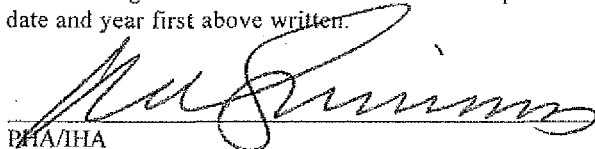
12. At no time shall the PHA/IHA Funds in the Accounts be permitted to exceed the amount insured by Federal deposit insurance (herein the "Insured Amount"). At any such time as the amount of funds in the Accounts reach the Insured Amount, whether by the accrual of interest or otherwise, the Depository shall promptly, as directed by the PHA/IHA, and in an amount sufficient to limit the funds in the Accounts to the Insured Amount, either: (a) remit payment to the PHA/IHA or, (b) on behalf of the PHA/IHA, purchase securities approved for

investment by the PHA/IHA. Such securities shall not be considered to be a part of the Account pursuant to Paragraph 4 hereof but shall be held by the Depository as custodian or trustee for the PHA/IHA in a separate account established for that purpose by the Depository (herein the "Securities Account"). The Securities Account shall be designated:

Income or other proceeds from securities held in the Securities Account shall, as directed by the PHA/IHA, upon receipt, be paid to or on behalf of the PHA/IHA; provided, however, that such proceeds shall, to the extent consistent otherwise with the provisions of this Paragraph, be deposited in the Accounts. If the Depository receives written notice from HUD pursuant to Paragraph 5 hereof that no withdrawals by the PHA/IHA from the Accounts are to be permitted, the Depository shall not honor any directive from the PHA/IHA to sell securities, or permit any withdrawals by the PHA/IHA, from the Securities Account until the Depository is authorized to do so by written notice from HUD. During the pendency of such restrictions on the Accounts and the Securities Account, the Depository, except as directed in writing by HUD, shall not remit any payment to the PHA/IHA for the purpose of limiting the amount of funds in the Account to the Insured Amount but shall instead purchase securities approved for investment by the PHA/IHA and hold such securities in the Securities Account.

(For use only in certain States that have statutes that prohibit Public Housing Agencies and Indian Housing Authorities from implementing paragraph 2.)

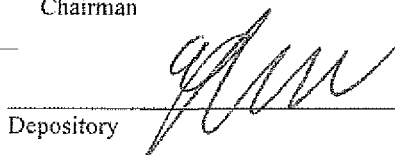
In Witness Whereof, the PHA/IHA and the Depository have caused this Agreement to be executed in their respective names and their respective seal to be impressed hereon and attested as of the date and year first above written.

  
PHA/IHA

(SEAL)  
ATTEST:  
By \_\_\_\_\_

Chairman

Secretary

  
Depository

By \_\_\_\_\_  
Eileen L. Perez, Vice President

Eileen L. Perez, Vice President  
Union Bank of California  
445 So Figueroa St. 8th Fl. Mail Code G08-274  
Los Angeles, CA 90071  
1-800-358-8956  
Eileen.Perez@ubcc.com

Note: Strike paragraphs 11 and 12 if not applicable.



Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT I**

**CONTRACTOR'S GOVERNMENT SERVICES SCHEDULE OF FEES & ALL ABOUT  
BUSINESS ACCOUNTS & SERVICES DISCLOSURE AND AGREEMENT**

EXHIBIT "B"

**EXHIBIT B**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 95 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

Arleta

Arroyo Seco

Atwater Village

Bel Air-Beverly Crest

Boyle Heights

CANNDU

Canoga Park

Central Alameda

Central Hollywood

Central San Pedro

Chatsworth

Coastal San Pedro

Del Rey

Downtown LA

Eagle Rock

East Hollywood

Elysian Valley Riverside

Empowerment Congress Central

Empowerment Congress North

Empowerment Congress Southeast

Empowerment Congress Southwest

Empowerment Congress West

**EXHIBIT B**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 95 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

Encino

Foothill Trails District

Glassell Park

Granada Hills North

Granada Hills South

Greater Cypress Park

Greater Echo Park Elysian

Greater Griffith Park

Greater Toluca Lake

Greater Valley Glen

Greater Wilshire

Harbor City

Harbor Gateway North

Harbor Gateway South

Historic Cultural

Historic Highland Park

Hollywood Hills West

Hollywood Studio District

Hollywood United

LA 32

Lake Balboa

Lincoln Heights

**EXHIBIT B**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 95 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

MacArthur Park  
Mar Vista  
Mid-City  
Mid-City West  
Mid-Town North Hollywood  
Mission Hills  
North Hills East  
North Hills West  
North Hollywood Northeast  
North Hollywood West  
Northridge East  
Northridge South  
Northridge West  
Northwest San Pedro  
Olympic Park  
Pacoima  
Palms  
Panorama City  
Park Mesa Heights  
PICO  
Pico Union  
Porter Ranch

**EXHIBIT B**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 95 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

Rampart Village

Reseda

Sherman Oaks

Silver Lake

South Central

South Robertson

Studio City

Sun Valley Area

Sunland-Tujunga

Sylmar

Tarzana

United Neighborhoods

Valley Village

Van Nuys

Venice

Voices of 90037

Watts

West Adams

West Hills

West Los Angeles

Westchester-Playa

Westlake North

**EXHIBIT B**

**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**

**LIST OF 95 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

Westlake South

Westside

Westwood

Wilmington

Wilshire Center-Koreatown

Winnetka

Woodland Hills-Warner Center



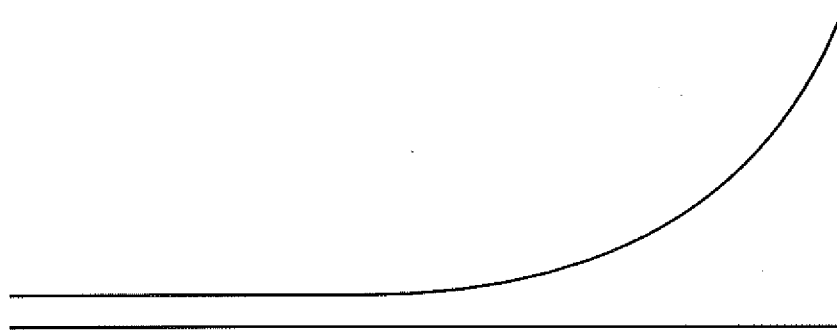
**EXHIBIT "C"**

EFFECTIVE JANUARY 1, 2014

# Business Deposit

## Fee Schedule

California



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## BUSINESS CHECKING ACCOUNTS

Business Checking Products \$100 minimum to open	Union Bank Business Fundamentals Checking	Union Bank Business Essentials Checking
Monthly Service Charge with:		
Online Statements	\$3	\$10
Paper Statements	\$5	\$12
Balance Required for Monthly Service Charge Waiver:		
Daily Minimum	\$1,000	\$3,000
Monthly Average	\$3,000	\$6,000
Monthly Combined	\$5,000 <sup>1</sup>	\$7,500 <sup>1</sup>
Additional Options for Monthly Service Charge Waiver	—	—
<b>Monthly Activity Fees</b>		
Combined Transactions <sup>7</sup> —no charge	50	200
Additional Combined Transaction	\$0.40	\$0.40
Cash Deposited—no charge	\$1,000	\$5,000
Additional Cash Deposit per \$1,000	\$1.50	\$1.50

1 Monthly Combined Balance of linked Union Bank business deposit accounts.

2 Monthly Combined Balance of linked Union Bank personal and business deposit accounts.

3 A qualifying Elavon Merchant Services Account transaction is any debit or credit transaction from the Merchant Services Account to the Business Extra Checking account during the statement period. Monthly and other fees apply to the Merchant Services Account.

4 A qualifying Remote Deposit transaction is any deposit into the Business Extra Checking account during the statement period using the Remote Deposit service. Monthly and transaction fees apply to the Remote Deposit service.

5 A qualifying web Wire Transfer service transaction is any outgoing web wire transaction from the Business Extra Checking account during the statement period using the web Wire Transfer service. Monthly and transaction fees apply to the web Wire Transfer service.

6 A qualifying web Automated Clearing House (ACH) service transaction is any web ACH transaction from the Business Extra Checking account during the previous statement period using the web ACH service. Monthly and transaction fees apply to the web ACH service.

7 Combined Transactions include each check item deposited, each debit/paid item, and each credit/deposit. Combined Transactions do not include checks deposited through the Remote Deposit service.

Union Bank Business Essentials Interest Checking	Union Bank Business Extra Checking	Nonprofit Checking
\$20	\$20	No Charge
\$22	\$22	No Charge
—	—	—
\$10,000	\$10,000	—
\$20,000 <sup>1</sup>	\$20,000 <sup>2</sup>	—
—	Qualifying transaction from any one of the following Union Bank services: • Merchant Services <sup>3</sup> • Remote Deposit <sup>4</sup> • Web Wire Transfer <sup>5</sup> • Web ACH <sup>6</sup> OR A linked business loan or line of credit	—
200	500	—
\$0.40	\$0.40	—
\$5,000	\$20,000	\$1,000
\$1.50	\$1.50	\$1.25

### Check Images with Paper Statements:

- Front image of checks only: \$3 per month
- Front and back image of checks: \$10 per month

### Interest on Lawyers Trust Account (IOLTA)

- \$100 minimum to open
- No monthly service charge
- An IOLTA cannot be combined with other accounts for analysis purposes. Fees may be deducted from another operating account maintained at the bank by the owner of the IOLTA.

**BUSINESS SAVINGS  
AND MONEY MARKET ACCOUNTS**

	<b>Business Savings</b>	<b>Union Bank Business Preferred Savings<sup>SM</sup></b>
Minimum Opening Deposit	\$100	\$100
Monthly Service Charge:		
Online Statements	\$3	\$10
Paper Statements	\$5	\$12
Balance Requirements for Monthly Service Charge Waiver:		
Daily Minimum	\$500	\$5,000

A \$15 Excess Activity Charge will be charged for each limited transaction in excess of 6 each monthly statement period (money market accounts) or calendar month (savings accounts or money market accounts) when the statement period date was requested on a specific day); includes telephone, online, and Business Deposit Overdraft Protection transfers. See our *All About Business Accounts & Services Disclosure and Agreement* for details.

<b>Business MoneyMarket Account</b>	<b>Business High Rate MoneyMarket<sup>SM</sup> Account</b>	<b>Business Premium MoneyMarket Account</b>
\$1,000	\$10,000	\$10,000
\$8	\$10	\$12
\$10	\$12	\$14
\$3,000	\$15,000	\$15,000

## ACCOUNTS ON ANALYSIS

Union Bank® provides you with detailed transaction information in a separate account analysis statement. Analyzed statements will include a breakdown of activity for cash management services and account transactions.

### Account Analysis Monthly Maintenance and Statement Delivery

Online.....	each \$	15.00
Paper.....	each \$	20.00
Paper and Online.....	each \$	35.00

### Account Analysis Earnings Allowance

The rate is set each month based on current market conditions and is subject to change without prior notice. Charges for some services are offset by collected balances, and some may be subject to direct charges.

### Account Analysis Late Fee

Earnings deficits remaining unpaid by the date specified on the Account Analysis statement will be assessed a late fee (compounded monthly). Deficit and late assessment amounts are subject to direct debit to the account.

Late Fee.....	per month	4%
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### Deposit Administration Fee

The Deposit Administration Fee may include FDIC assessment charges, financing corporation (FICO) charges, and other charges provided by law, and may also include administrative expenses incurred by the Bank in providing depository services. The FDIC charges member Insured Depository Institutions risk-based assessments to cover the costs associated with providing deposit insurance under the Federal Deposit Insurance Act as well as FICO assessments to cover the financing costs associated with the Federal Savings and Loan Crisis of 1987. The Deposit Administration Fee will be assessed monthly at a rate per \$1,000 of average monthly adjusted ledger balance. The charge is variable and is subject to change by the Bank at any time without notice.

### Overdraft Balance Charges

Overdraft balances and related fees are charged the Union Bank Reference Rate plus 4.0% per annum, computed daily, with a minimum daily charge of \$10, assessed from the time such overdraft balances are created and related fees are incurred. The minimum daily charge and accrued interest are then added to the overdraft balance.

### Uncollected Funds (UCF)

Customer usage of UCF is charged the Union Bank Reference Rate plus 4.0% per annum, computed on the average daily usage of uncollected funds for the month in question.

### Analyzed Account Transaction Charges

Deposits.....	per deposit \$	1.30
Checks Paid and Checks Deposited.....	each \$	.16
Electronic Debits and Credits.....	each \$	.16
Canadian Checks Deposited.....	per item \$	2.00

### Cash Services—Branch/Night Depository/ATM

Cash Deposit Verified (Per \$1,000).....	\$	1.40
Coin Deposited		
Standard Bags (FRB Specifications).....	per bag \$	5.00
Non-Standard.....	per bag \$	7.00
Rolled Coin in Bag Surcharge.....	per bag \$	5.00
Currency Orders (Per \$1,000).....	\$	1.30
Coin Orders.....	per roll \$	.15
	per box \$	5.00

## GENERAL SERVICES

The following services apply to all business accounts unless indicated otherwise.

### Statements

Special Statements.....	per month \$	5.00
<i>Includes Flexible Statements (maximum 5 per month), Multiple Statement Originals (maximum 4 per month), Will Call Statements (maximum 6 per month), and Snapshot Statements.</i>		

ATM Mini-Statement.....	each \$	1.00
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Two types of ATM Mini-Statements are available at Union Bank ATMs. They are: "Last Ten Transactions," which includes all activity, and "Last Ten Card Transactions," which lists ATM or debit card transactions since the last statement.

### ACH Blocked Account Monthly Maintenance

ACH Blocked Debit/Credit		
First Account.....	\$	10.00
Accounts 2-5.....	each \$	4.00
Accounts 6+.....	each \$	2.00

### Non-Union Bank ATMs

When you use your ATM Card or Debit Card at non-Union Bank ATMs, we charge the following fee for each cash withdrawal, transfer, or balance inquiry. The owner or operator of the ATM may also assess a fee.

Within the U.S.....	\$	2.00
Outside the 50 United States.....	\$	5.00

### ATM Card and Debit Card

ATM and Debit Card Replacement Fee.....	\$	None
Expedited Card Delivery Fee.....	\$	25.00

### Business Cash Reserve

Annual Fee.....	per year \$	25.00
Transfer Finance Charge (Cash Reserve Transfer Fee).....	each \$	10.00

For each day a total advance in excess of \$10 is made from Cash Reserve.

### Business Deposit Overdraft Protection

Daily Transfer Fee.....	each \$	10.00
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### Business Line Overdraft Protection Service

Daily Advance Fee.....	each \$	10.00
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### Cashier's Checks, Money Orders, Foreign Drafts, and Counter Checks

Cashier's Checks.....	each \$	10.00
Money Orders.....	each \$	5.00
Foreign Drafts		
Bank drafts payable in a foreign currency.....	each \$	45.00
Counter Checks.....	each check processed \$	1.00

### Travelers Cheques

Monthly Maintenance.....	2% of purchase amount
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### Foreign Currency Demand Account

Monthly Maintenance.....	per account \$	30.00
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### Copy Services

Provides images and copies of checks, deposit slips, deposited items, and statements. Also available through Information Reporting Service.

Copy of Statement,* Paid Check, Deposit Slip, or Deposited Item		
Web.....	\$	No Charge
Touchtone.....	per copy \$	3.00
Branch.....	per request \$	12.00
Mail.....	per copy \$	12.00
Fax.....	per page \$	12.00

\*Statement copies do not include checks or images of checks.

<b>Legal Process Fees</b> (Levy from All Agencies).....	each \$	100.00
<b>Check and Deposit Slip MICR Rejects</b>		
Rejects of > 2% of Checks Written and Deposit Slips .....	per item \$	.25
<b>Clerical, Deposit Reconstruction, Investigations, Research, and Record Searches</b> .....	per hour \$	50.00
<i>Minimum \$50, plus applicable photocopy and postage fees.</i>		
<b>Domestic Collection Items</b> (Incoming and Outgoing).....	each \$	30.00
<b>Endorsement Verification</b> .....	per inquiry \$	5.00
<b>Night Drop Monthly Rental</b> .....	per month \$	2.00
<b>Overdraft Fees</b>		
<i>For authorized/paid items resulting in an overdraft or returned/rejected items presented against nonsufficient funds.</i>		
Per Item .....	\$	33.00
<i>No more than 6 items will be subject to an overdraft fee during a single day, even if the combined total of nonsufficient funds items on that day is 7 or more.</i>		
<b>Continued Overdraft Fee</b> .....	per business day \$	7.00
<i>Continued overdraft fee is charged beginning on the 7th calendar day the account has been continuously overdrawn; \$35 maximum for each period of continued overdraft.</i>		
<i>An overdraft occurrence is a day on which an overdraft occurs or increases. Overdraft occurrence days will be counted for the previous 12-month period.</i>		
<b>Photocopy and Fax</b> (Clients Only)		
Photocopy Services.....	per page \$	1.00
Sending Faxes.....	per page \$	2.00
<b>Returned Deposited Item Fees</b>		
Returned Deposited Item Fee.....	per item \$	6.00
Automatic Re-Clear Fee.....	per item \$	2.50
<b>Standard Bank Confirmations</b> .....	each \$	15.00
<b>Stop Payment/Postdating Order Fee for Single Checks and Check Range</b>		
Online and Touchtone .....	each \$	15.00
Branch and Telephone		
(Includes Cashier's Checks and Money Orders).....	each \$	30.00
Automatic 6-Month Renewal (Analysis Accounts Only).....	each \$	10.00
<b>Supplies</b>		
Depository Supplies.....	\$	Prices as listed
<i>Go to <a href="http://www.unionbank.com/supply">www.unionbank.com/supply</a> to place orders for cash vault, check processing, and lockbox supplies.</i>		
Checks/Deposit Slips Printed/Barcode Labels.....	cost + 35%	
<b>Vendor Services</b> .....	cost + 35%	
<b>Vendor Bill Processing Fee</b> .....	\$	7.50
<b>Verification of Deposit</b> .....	each \$	10.00

## BUSINESS SERVICES

### AUTOMATED CLEARING HOUSE (ACH) ORIGINATION SERVICES

ACH Origination services provide a variety of payment services that electronically make and collect payments. Funds disbursement facilitates direct deposit and vendor payments. Funds collections, such as loan payments, dues, and contributions, can be made using a variety of electronic payment options, such as recurring payments, web- or telephone-initiated payments, and business payments with remittance information. ACH Origination services also enable collection of truncated checks.

Contact your branch to set up a consultation with one of our Cash Management Sales Consultants.

### BASIC POSITIVE PAY

Basic Positive Pay service provides early fraud detection and prevention by assisting in the review of suspicious or unauthorized checks before they are paid. Account Reconciliation Service is not required for Basic Positive Pay.

<b>Monthly Maintenance</b> .....	per account \$	50.00
<b>Per Paid Check</b>		
Items 1-250 .....	each \$	No Charge
Items 251+.....	each \$	.12
<b>Returned Item</b> .....	per item \$	10.00
<b>Web Delivery</b>		
Exceptions Reported		
Items 1-25 .....	\$	No Charge
Items 26+ .....	each \$	1.00
View Duplicate Items.....	each \$	No Charge
View History Image.....	each \$	.50
View Duplicate History Image.....	each \$	No Charge
<b>PPW Upload</b>		
Items 1-250 .....	\$	No Charge
Items 251-500.....	each \$	.30
Items 501-750 .....	each \$	.45
Items 751+.....	each \$	.60
<b>PPW Manual Issue</b>		
Items 1-250 .....	\$	No Charge
Items 251-500.....	each \$	.30
Items 501-750 .....	each \$	.45
Items 751+.....	each \$	.60

## BUSINESS ONLINE BANKING

### Business Online Banking (Also Known As Internet Business Banking)

Monthly Maintenance ..... \$ No Charge

### Online Banking Center (Add/Change/Delete a User ID)

Self-Service..... \$ No Charge

Bank ..... each \$ 5.00

### Online Transaction Downloads

Transaction downloads to personal financial management software, such as Quicken® or QuickBooks®, at no cost when made through online banking. The following fees apply for transaction downloads made by accessing the software directly:

	Online Account Access	Online Account Access and Bill Payment
	\$4 per month* \$0.25 per session in excess of 10 sessions	\$10 per month* \$0.40 per payment in excess of 25 payments
Quicken (Sole Proprietors)		
	\$9 per month* \$0.75 per session in excess of 10 sessions	\$15 per month* \$0.75 per payment in excess of 25 payments
Quicken (non-Sole Proprietors)		
	\$11 per month* \$0.75 per session in excess of 10 sessions	\$18 per month* \$0.75 per payment in excess of 20 payments
QuickBooks		

\*Monthly fee is waived for Business Extra Checking, Priority Banking®, and The Private Bank customers, and for the first month of service for all customers; excess access and excess transaction fees will still apply, except for The Private Bank customers.

### Telephone Banking/Bill Pay Option Service

#### Sole Proprietors

Service Charge (Includes 25 Payments Per Calendar Month)..... monthly \$ 5.00

Additional Payments..... each \$ .40

Balance Requirement for Service Charge Waiver:

Average ledger balance of \$3,000 or combined balance in primary checking and a designated savings account of \$3,000.

#### Non-Sole Proprietors

Service Charge (Includes 25 Payments Per Calendar Month)..... monthly \$ 5.95

Additional Payments..... each \$ .75

Balance Requirement for Service Charge Waiver:

Average ledger balance of \$7,500 or combined balance in primary checking and a designated savings account of \$7,500.

## COMMERCIAL LOAN SERVICES

Commercial Loan services provide access to commercial loan statements and the ability to make payments or advance funds on credit facilities. Our web services provide earlier access to information and the ability to transact conveniently.

Transaction types include Account Inquiry, Payment, and Advance; no online transaction fees.

## FOREIGN EXCHANGE SERVICES

Improve international trade profitability using Union Bank's competitively priced Foreign Exchange services—from basic spot purchases to hedging strategies, and from wire payment services to foreign currency demand accounts and foreign currency time deposits.

For additional information, contact Global Markets Foreign Exchange at (800) 325-9422.

## PAYROLL SERVICES

Our Payroll services automate the payroll process. The services are offered through third-party vendors and provide tax and benefits processing, direct deposit, and checks delivered to you or printed in your office. Payroll data can be input via phone, fax, or the Internet. Contact your branch for more information.

## REMOTE DEPOSIT SERVICES

Our Remote Deposit services automate check deposits, improve cash flow, and increase efficiencies. You can electronically scan and deposit all of your checks directly into your account at Union Bank.

Use our web-based software and certified scanner to scan checks and submit deposits. See your bank representative for current scanner options and pricing.

Setup (One Time) ..... \$ 100.00

### Monthly Maintenance

Accounts 1-2..... \$ 45.00

Each Additional Account (Maximum \$400)..... each \$ 20.00

### Checks Deposited Per Month

Checks 1-25..... \$ No Charge

Checks 26+..... per check \$ .10

Deposit Transaction..... each \$ No Charge

## TAX PAYMENT WITH INSTATAX® SERVICE

Our InstaTax service provides for the deposit of business taxes electronically over the Web or by touchtone telephone. Experience speed, convenience, and reliability, since the InstaTax service eliminates the need for check writing, mailing, and coupon completion.

	Web	Touchtone
Setup.....per access code \$	5.00	15.00
Monthly Maintenance .....per access code \$	No Charge	15.00
Transaction Processing		
Payments, Cancellations, and Deletions..... each \$	2.00	5.00
Payment Reversal ..... each \$	10.00	10.00

### Receipts/Statements

Fax Receipt..... each \$ 1.00

Mail Receipt..... each \$ 5.00

Monthly Statement ..... each \$ 15.00

Quarterly Statement..... each \$ 15.00



## WIRE TRANSFER SERVICES

Our Wire Transfer services provide flexible features for securely initiating wires and receiving notification of wire activity.

**Incoming Wire Transfers**..... per wire \$ 14.00

### Outgoing Wire Transfers (Each)

	Web	Direct Access	Branch	Telephone
Domestic Wire	\$10	\$20	\$25	\$45
International Wire - Foreign Currency	\$10	\$30	\$35	\$50
International Wire - USD	\$15	\$40	\$45	\$60

Other Intermediary Bank fees may apply.

**Web Wire Monthly Maintenance**.....\$ 25.00

*(Web Wire Monthly Maintenance fee waived for business checking accounts with a linked Foreign Currency Demand Account.)*

### Wire Notification

Fax..... per wire \$ 10.00

Telephone..... per wire \$ 20.00

### Internal Book Transfer

Direct Access..... per transfer \$ 6.00

Branch..... per transfer \$ 10.00

Telephone..... per transfer \$ 30.00

**Charges to Sender**..... each \$ 15.00

**Standing Instructions**..... each \$ 10.00

**Fast Fax Report**..... per month \$ 45.00

## NOTES



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84990-CA (01/14)

**EXHIBIT "D"**

# STANDARD PROVISIONS FOR CITY CONTRACTS

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## **STANDARD PROVISIONS FOR CITY CONTRACTS**

### **PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN**

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one **CONTRACTOR** herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

### **PSC-2. NUMBER OF ORIGINALS**

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the **CITY'S** option, one or more additional original texts of this Contract may also be retained by the City.

### **PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT**

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

**PSC-4. TIME OF EFFECTIVENESS**

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR** hereto;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

**PSC-5. INTEGRATED CONTRACT**

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

**PSC-6. AMENDMENT**

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

**PSC-7. EXCUSABLE DELAYS**

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

**PSC-8. BREACH**

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

**PSC-9. WAIVER**

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

**PSC-10. TERMINATION**

**A. TERMINATION FOR CONVENIENCE**

The CITY may terminate this Contract for the CITY'S convenience at any time by giving CONTRACTOR thirty days written notice thereof. Upon receipt of said notice, CONTRACTOR shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The CITY shall pay CONTRACTOR its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by CONTRACTOR to affect such termination. Thereafter, CONTRACTOR shall have no further claims against the CITY under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become CITY property upon the date of such termination. CONTRACTOR agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

**B. TERMINATION FOR BREACH OF CONTRACT**

1. Except for excusable delays as provided in PSC-7, if CONTRACTOR fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the CITY may give CONTRACTOR written notice of such default. If CONTRACTOR does not cure such default or provide a plan to cure such default which is acceptable to the CITY within the time permitted by the CITY, then the CITY may terminate this Contract due to CONTRACTOR'S breach of this Contract.
2. If a federal or state proceeding for relief of debtors is undertaken by or against CONTRACTOR, or if CONTRACTOR makes an assignment for the benefit of creditors, then the CITY may immediately terminate this Contract.
3. If CONTRACTOR engages in any dishonest conduct related to the performance or administration of this Contract or violates the



**CITY'S** lobbying policies, then the **CITY** may immediately terminate this Contract.

4. In the event the **CITY** terminates this Contract as provided in this section, the **CITY** may procure, upon such terms and in such manner as the **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to the **CITY** for all of its costs and damages, including, but not limited, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.
6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **PSC-11. INDEPENDENT CONTRACTOR**

**CONTRACTOR** is acting hereunder as an independent contractor and not as an agent or employee of the **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the **CITY**.

#### **PSC-12. CONTRACTOR'S PERSONNEL**

Unless otherwise provided or approved by the **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. The **CITY** shall have the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** agrees to remove personnel from performing work under this Contract if requested to do so by the **CITY**.

**CONTRACTOR** shall not use subcontractors to assist in performance of this Contract without the prior written approval of the **CITY**. If the **CITY** permits the use of subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of

this Contract. The CITY has the right to approve CONTRACTOR'S subcontractors, and the CITY reserves the right to request replacement of subcontractors. The CITY does not have any obligation to pay CONTRACTOR'S subcontractors, and nothing herein creates any privity between the CITY and the subcontractors.

**PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION**

CONTRACTOR may not, unless it has first obtained the written permission of the CITY:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

**PSC-14. PERMITS**

CONTRACTOR and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for CONTRACTOR'S performance hereunder and shall pay any fees required therefor. CONTRACTOR certifies to immediately notify the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

**PSC-15. CLAIMS FOR LABOR AND MATERIALS**

CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by CONTRACTOR hereunder), against CONTRACTOR'S rights to payments hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

**PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED**

If applicable, CONTRACTOR represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the CITY'S Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, CONTRACTOR shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

**PSC-17. RETENTION OF RECORDS, AUDIT AND REPORTS**

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the CITY. These records shall be retained for a period of no less than three years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized CITY personnel or by the CITY'S representative at any time during the term of this Contract or within the three years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. CONTRACTOR shall provide any reports requested by the CITY regarding performance of this Contract. Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

**PSC-18. FALSE CLAIMS ACT**

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the CITY under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

**PSC-19. BONDS**

All bonds which may be required hereunder shall conform to CITY requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

**PSC-20. INDEMNIFICATION**

Except for the active negligence or willful misconduct of the CITY, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, CONTRACTOR undertakes and agrees to defend, indemnify and hold harmless the CITY and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including CONTRACTOR'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by CONTRACTOR or its subcontractors of any tier. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of PSC-20 shall survive expiration or termination of this Contract.

**PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION**

CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the CITY, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by CONTRACTOR, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the CITY'S actual or intended use of any Work Product furnished by CONTRACTOR, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of PSC-21 shall survive expiration or termination of this Contract.

#### **PSC-22. INTELLECTUAL PROPERTY WARRANTY**

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity and proprietary information.

#### **PSC-23. OWNERSHIP AND LICENSE**

Unless otherwise provided for herein, all Work Products originated and prepared by CONTRACTOR or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the CITY for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. CONTRACTOR hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by CONTRACTOR under this Contract. CONTRACTOR further agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

For all Work Products delivered to the CITY that are not originated or prepared by CONTRACTOR or its subcontractors of any tier under this Contract, CONTRACTOR hereby grants a non-exclusive perpetual license to use such Work Products for any CITY purposes.

**CONTRACTOR** shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

**PSC-24. INSURANCE**

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

**PSC-25. DISCOUNT TERMS**

**CONTRACTOR** agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

**PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR**

**CONTRACTOR** warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

**PSC-27. NON-DISCRIMINATION**

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not

discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

**PSC-28. EQUAL EMPLOYMENT PRACTICES**

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, **CONTRACTOR** agrees and represents that it will provide equal employment practices and **CONTRACTOR** and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
  - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. **CONTRACTOR** agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, **CONTRACTOR** shall certify in the specified format that he or she has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of **CITY** contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of **CITY** contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a **CITY** contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the **CITY**, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of **CITY** Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Hiring practices;
  2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  3. Training and promotional opportunities; and
  4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of the **CONTRACTOR'S** Contract with the **CITY**.

**PSC-29. AFFIRMATIVE ACTION PROGRAM**

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a **CITY** contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
  2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  3. **CONTRACTOR** shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to



their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the CITY'S supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, **CONTRACTOR** shall certify on an electronic or hard copy form to be supplied, that **CONTRACTOR** has not discriminated in the performance of CITY contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of CITY contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Affirmative Action Program provisions of CITY contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has breached the Affirmative Action Program provisions of a CITY contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the CITY. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such **CONTRACTOR** shall be disqualified from being awarded a contract with the CITY for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that **CONTRACTOR** has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a CITY contract, there may be deducted from the amount payable to **CONTRACTOR** by the CITY under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a CITY contract.

- H. Notwithstanding any other provisions of a CITY contract, the CITY shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in CITY contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the CITY. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
  - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
  - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the CITY with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  2. Classroom preparation for the job when not apprenticeable;
  3. Pre-apprenticeship education and preparation;
  4. Upgrading training and opportunities;
  5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
  6. The entry of qualified women, minority and all other journeymen into the industry; and
  7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the CITY'S Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the CITY and may be used at the discretion of the CITY in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the **CITY** and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the **CITY**.

#### **PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS**

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, **CONTRACTOR** will fully comply with all applicable State and Federal employment reporting requirements for **CONTRACTOR'S** employees. **CONTRACTOR** shall also certify (1) that the Principal Owner(s) of **CONTRACTOR** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that **CONTRACTOR** will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that **CONTRACTOR** will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to obtain compliance of its subcontractors shall constitute a default by **CONTRACTOR** under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

**CONTRACTOR** certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

**PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE**

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
  2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the **CITY** within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
  3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the **CITY** with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the **CITY**.
  4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.

5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

**PSC-32. AMERICANS WITH DISABILITIES ACT**

**CONTRACTOR** hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

**PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE**

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires **CONTRACTOR** to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect **CONTRACTOR'S** fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, **CONTRACTOR** pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. **CONTRACTOR** further agrees to: (1) notify the **CITY** within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that **CONTRACTOR** is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the **CITY** within thirty calendar days of all findings by a government agency or court of competent jurisdiction that **CONTRACTOR** has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the **CITY**; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the **CITY** within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

**PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM**

**CONTRACTOR** agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. **CONTRACTOR** certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. **CONTRACTOR** shall not change any of these designated subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of the **CITY**, provided that such approval shall not be unreasonably withheld.

**PSC-35. EQUAL BENEFITS ORDINANCE**

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

**CONTRACTOR** shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922."

**PSC-36. SLAVERY DISCLOSURE ORDINANCE**

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. **CONTRACTOR** certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.



**EXHIBIT 1**

**INSURANCE CONTRACTUAL REQUIREMENTS**

**CONTACT** For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at [www.lacity.org/cao/risk](http://www.lacity.org/cao/risk). The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

**CONTRACTUAL REQUIREMENTS**

**CONTRACTOR AGREES THAT:**

**1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

**2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

**3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

**4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

**5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

**6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

**7. California Licensee.** All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

**8. Aggregate Limits/Impairment.** If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

**9. Commencement of Work.** For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
02/07/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104		<b>CONTACT NAME:</b> <b>PHONE (A/C, No, Ext):</b> <b>E-MAIL:</b> <b>ADDRESS:</b>	
026285-ALL-FINP-14-15      AL		<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> UNIONBANCAL CORPORATION 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104		<b>INSURER A:</b> Chartis Specialty Insurance Company <b>NAIC #</b> 26883	
		<b>INSURER B:</b> N/A <b>NAIC #</b> N/A	
		<b>INSURER C:</b> Tokio Marine & Nichido Fire Ins Co (USB) <b>NAIC #</b> 12904	
		<b>INSURER D:</b> N/A <b>NAIC #</b> N/A	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

**COVERAGES****CERTIFICATE NUMBER:**

SEA-002451575-09

**REVISION NUMBER:** 4

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			CU64C096704	01/01/2014	01/01/2015	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A						WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	BANKERS PROF. LIAB.			05-718-03-67	06/30/2013	06/30/2014	15,000,000
A	FIDELITY BOND			05-766-52-81	06/30/2013	06/30/2014	15,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)**

CERTIFICATE HOLDER IS AN ADDITIONAL INSURED, BUT ONLY IF REQUIRED AND ONLY TO THE EXTENT THAT SAID PERSON OR ORGANIZATION IS INDEMNIFIED BY THE BANK'S CONTRACT WITH CERTIFICATE HOLDER. THE INSURANCE SHALL NOT EXCEED SUCH COVERAGE AND LIMITS OF LIABILITY REQUIRED IN THE CONTRACT FOR THE COVERAGE AND APPLICABLE LIMITS OF THE POLICY.

**CERTIFICATE HOLDER****CANCELLATION**

DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT CONTACT AGENT: JEFF BRILL 200 N. SPRING STREET, FLOOR 20 LOS ANGELES, CA 90012	<b>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</b>  <b>AUTHORIZED REPRESENTATIVE</b> of Marsh Risk & Insurance Services Minerva Tirado <i>Minerva Tirado</i>
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AGENCY CUSTOMER ID: 026285

LOC #: San Francisco



## ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

<b>AGENCY</b> MARSH RISK & INSURANCE SERVICES		<b>NAMED INSURED</b> UNIONBANCAL CORPORATION 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104	
<b>POLICY NUMBER</b>		<b>EFFECTIVE DATE:</b>	
<b>CARRIER</b>	<b>NAIC CODE</b>		

### ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**  
**FORM NUMBER:** 25 **FORM TITLE:** Certificate of Liability Insurance

#### Bankers Professional Liability Layers:

1st Excess Blended (D&O/BPL/EPL/Fid): Axis Ins. Co.: Pol #MSN718393/01/2013: Limit \$10MM  
 2nd Excess Blended (D&O/BPL/EPL/Fid): Ace American Insurance Company: Pol #DOX G2367225A 001: Limit \$10MM  
 3rd Excess Blended (D&O/BPL/EPL/Fid): US Specialty Ins. Co.: Pol #24-MGU-13-A29649: Limit \$10MM  
 4th Excess Blended (D&O/BPL/EPL/Fid): Everest National Ins. Co.: Pol #FL5EQ00032-121: Limit \$5MM  
 5th Excess BPL: XL Specialty Ins. Co.: Pol #ELU130379-13: Limit \$15MM  
 6th Excess BPL: Continental Casualty Co.: Pol #169568017: Limit \$10MM  
 7th Excess BPL: Federal Insurance Co.: Pol #6802-9995: Limit \$10MM  
 8th Excess BPL: Starr Indemnity & Liability Co.: Pol #SISIXFL21124913: Limit \$10MM  
 9th Excess BPL: Everest National Ins. Co.: Pol #FL5EQ00032-131: Limit \$5MM

#### Fidelity Bond Excess Layers:

FIB - Form 24 - Primary ERISA: National Union Fire Ins. Co. of Pitts.: Pol #05-766-52-82: Limit \$15MM  
 FIB - Form 24 - 1st Excess: Westchester Fire Insurance Company (Ace): Pol #DOX G23672170 001: Limit \$15MM  
 FIB - Form 24 - 2nd Excess: Great American Ins. Co.: Pol #FS 024-15-43-02: Limit \$20MM  
 FIB - Excess J Form: Lloyds of London: Pol #ZF016913: Limit \$150MM



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
02/05/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104 Attn: lynn.heimerle@marsh.com 026285-STND-GAWUX-14-15 AL	<b>CONTACT NAME:</b>	
	<b>PHONE (A/C, No, Ext):</b>	<b>FAX (A/C, No):</b>
<b>INSURED</b> UNIONBANCAL CORPORATION UNION BANK, N.A. 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104	<b>E-MAIL ADDRESS:</b>	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A:</b> Tokio Marine & Nichido Fire Ins Co (USB)	<b>NAIC #</b> 12904
	<b>INSURER B:</b> Trans Pacific Insurance Co	41238
	<b>INSURER C:</b> N/A	N/A
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES** **CERTIFICATE NUMBER:** SEA-002451258-01 **REVISION NUMBER:** 1

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> HOST LIQUOR LIABILITY GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			CLL640096404	01/01/2014	01/01/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			CA640096504	01/01/2014	01/01/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>UMBRELLA LIAB</b> <b>EXCESS LIAB</b> DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/>						EACH OCCURRENCE \$ AGGREGATE \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	WCD640096304 (AOS) WC640096204 (WI)	01/01/2014 01/01/2014	01/01/2015 01/01/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER IS AN ADDITIONAL INSURED, BUT ONLY IF REQUIRED AND ONLY TO THE EXTENT THAT SAID PERSON OR ORGANIZATION IS INDEMNIFIED BY THE BANK'S CONTRACT WITH CERTIFICATE HOLDER. THE INSURANCE SHALL NOT EXCEED SUCH COVERAGE AND LIMITS OF LIABILITY REQUIRED IN THE CONTRACT FOR THE COVERAGE AND APPLICABLE LIMITS OF THE POLICY.

## CERTIFICATE HOLDER

## CANCELLATION

DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT  
CONTACT AGENT: JEFF BRILL  
200 N. SPRING STREET, FLOOR 20  
LOS ANGELES, CA 90012

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
of Marsh Risk & Insurance Services

Minerva Tirado

*Minerva Tirado*

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AGENCY CUSTOMER ID: 026285

LOC #: San Francisco



# ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY MARSH RISK & INSURANCE SERVICES		NAMED INSURED UNIONBANCAL CORPORATION UNION BANK, N.A. 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104
POLICY NUMBER		
CARRIER	NAIC CODE	
EFFECTIVE DATE:		

## ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Additional Insureds  
Department of Neighborhood Empowerment is named as additional insured.



REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

---

Date: June 25, 2015

CAO File No. 0150-10178-0001

Council File No. 14-0544

Council District: Various

To: The Mayor  
The City Council

From: Miguel A. Santana, City Administrative Officer *BIT  
for*

Reference: Letter to the Mayor from the General Manager of the Department of Neighborhood and Empowerment dated March 2, 2015; referred by the Mayor on March 18, 2015

Subject: **SUPPLEMENTAL AGREEMENT TO A PROFESSIONAL SERVICES CONTRACT BETWEEN THE CITY OF LOS ANGELES AND UNION BANK FOR PROVISION OF BANKING SERVICES FOR THE NEIGHBORHOOD COUNCIL CHECKING ACCOUNT**

---

### SUMMARY

In June 2014, the Council authorized the Department of Neighborhood Empowerment (DONE) to execute an agreement with Union Bank for banking services related to Neighborhood Council checking accounts (C.F. 14-0544). The term of the original contract was for a period of one year, effective April 1, 2014, with three one-year options to renew. On February 12, 2015, the Board of Neighborhood Commissioners approved the proposed supplemental agreement with Union Bank for the provision of banking services for the Neighborhood Council checking account.

Subsequent to the execution of the contract, Union Bank implemented changes involving the provision of customer service to the neighborhood councils and check processing procedures without notifying the City. The Department of Neighborhood Empowerment (DONE) and Office of Finance are continuing to work to resolve these issues with Union Bank. The initial term of the contract expired on March 31, 2015. However, Union Bank has continued to provide services subsequent to the expiration of the contract. Therefore, a ratification clause is included for services that have been performed prior to the execution of this supplemental agreement.

This agreement piggybacks upon a contract between the Housing Authority of the City of Los Angeles (HACLA) and Union Bank for banking services. HACLA released a Request for Proposal (RFP) for Banking Services and awarded a contract to Union Bank and Bank of America for the provision of the services outlined in the RFP. DONE and Office of Finance collaboratively negotiated the contract with Union Bank for the establishment of individual checking accounts for each certified neighborhood council.

The term of the supplemental agreement will be for one year, effective April 1, 2015. The contract ceiling for the term of the agreement, including all options to renew, is a cumulative amount of \$325,000, which is recommended to be decreased to \$40,000. Union Bank shall provide the

checking account and the services outlined under the scope of work free of charge. However, a fee of \$3.00 per month may be assessed by Union Bank should any individual account balance fall below a daily balance of \$1,000. Additional fees may also be assessed for the provision of services not included in the scope of work of the agreement.

The Personnel Department determined that a Charter Section 1022 finding is unnecessary because the contract is for the provision of a banking product, and the labor component is incidental to providing this product.

In accordance with LAAC Sections 10.5(a)(8) and (10), competitive bidding shall not apply for cooperative agreements with other governmental agencies or in circumstances where the contracting authority finds that the use of competitive bidding would be impractical.

Council approval of the proposed agreement is required because the term exceeds three years.

## **RECOMMENDATION**

That the Council, subject to the approval of the Mayor:

1. Approve, and authorize the General Managers of the Department of Neighborhood and Empowerment and the Office of Finance to execute the proposed supplemental agreement between the City and Union Bank for a cumulative term of one year with three one-year options to renew, subject to the approval of the City Attorney as to form;
2. Instruct the General Managers of the Department of Neighborhood Empowerment and the Office of Finance to include the following language in the contract; and

- **SECTION IX. RATIFICATION**

- § 901. Ratification

- At the request of the Department, and because of the need therefore, Contractor began performance of the responsibilities contained herein prior to execution of this Supplemental Agreement, which were required prior to the execution hereof. By execution of this Supplemental Agreement, Department hereby accepts such service(s) subject to all the terms, covenants, and conditions of this Supplemental Agreement, and ratifies its agreement with Contractor for such service(s).

- **SECTION II TERM AND SERVICES TO BE PROVIDED**

- § 203. Scope of Services

- The Exhibit C Union Bank-Business Deposit Fee Schedule - January 1, 2014, is not applicable to items 1 through 19



3. Instruct the General Managers of the Department of Neighborhood Empowerment and the Office of Finance to replace the following sections of the contract with the language contained herein below:

- § 203 (20). Ensure that as Neighborhood Councils are not non-profit 501(c)(3) organizations, they are volunteer members of a non-revenue generating branch of the City that supports their local communities via outreach, community beautification, as well as neighborhood improvement projects, the Contractor provides these checking accounts at no cost as long as the balance is over \$1,000 per account. Otherwise, Contractor will charge a one-time \$3.00 per month fee to any account that has a daily balance less than \$1,000. To avoid and offset the \$3.00 per month fee for going below the daily balance of \$1,000, a monthly average of \$3,000 per account must be maintained as further explained in Union Bank's Business Deposit Fee Schedule (effective 1/1/2014)
- §301. Compensation and Method of Payment  
The maximum amount for this contract is not to exceed Forty Thousand Dollars (\$40,000) for the term of the contract, including the three (3) Option Years. Compensation shall be based on the pricing schedule of services, listed in both Exhibit A and Exhibit C titled "Union Bank – Business Deposit Fee Schedule – Effective January 1, 2013, which are attached to this Contract and incorporated herein.

Payment to the Contractor, when services are requested by and supplied to a Neighborhood Council, shall be electronically paid to Contractor from those funds allocated to the requesting Neighborhood Council, in accordance with the policies and procedures developed by the Department pursuant to the Neighborhood Council Funding Program, as authorized by the City Council (Council File 02-0699). The maximum amount approved for each Neighborhood Council through the Funding Program is currently \$37,000 per fiscal year. The Neighborhood Council funds may be used to pay for operational and program expenses.

## FISCAL IMPACT STATEMENT

Funding for the fees, which may be assessed by Union Bank, shall be drawn from the specific Neighborhood Council's checking account which requested for any additional service or whose account balance falls below the specified limit. There is no additional impact on the General Fund. To the extent applicable, the recommendation stated in this report is in compliance with the City Financial Policies in that ongoing revenues will be used to meet on-going expenditures.

DC  
MAS:LGC:08150107

Attachments

**CITY OF LOS ANGELES**  
CALIFORNIA

**BOARD OF NEIGHBORHOOD  
COMMISSIONERS**

**KAREN MACK**  
PRESIDENT

**LEONARD SHAFFER**  
VICE PRESIDENT

**JOY ATKINSON**  
**LYDIA GRANT**  
**ELI LIPMAN**  
**VICTOR MEDINA**  
**OLIVIA RUBIO**

**JANET LINDO**  
EXECUTIVE ADMINISTRATIVE ASSISTANT  
TELEPHONE: (213) 978-1551



2015 MAR 19 PM 4:22  
CITY ADMINISTRATIVE OFFICER

**ERIC GARCETTI**  
MAYOR

**EMPOWER LA™**  
Department of  
NEIGHBORHOOD EMPOWERMENT

20<sup>TH</sup> FLOOR, CITY HALL  
200 NORTH SPRING STREET  
LOS ANGELES, CA 90012

TELEPHONE: (213) 978-1551  
TOLL-FREE: 3-1-1  
FAX: (213) 978-1751  
E-MAIL: [EmpowerLA@lacity.org](mailto:EmpowerLA@lacity.org)

**GRAYCE LIU**  
GENERAL MANAGER

[www.EmpowerLA.org](http://www.EmpowerLA.org)

March 2, 2015

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
200 North Spring Street, Room 300  
Los Angeles, California 90012

Attention: Mandy Morales, Legislative Coordinator

**REQUEST FOR APPROVAL TO EXECUTE FIRST SUPPLEMENTAL AGREEMENT  
WITH UNION BANK FOR THE NEIGHBORHOOD COUNCIL CHECKING ACCOUNTS**

Dear Mayor Garcetti:

In accordance with Executive Directive 3, the Department of Neighborhood Empowerment and the Office of Finance (herein after referred to as "Departments") hereby request:

- A. REVIEW and APPROVAL to execute First Supplemental Agreement between Union Bank and Departments on behalf of the Neighborhood Councils.
- B. AUTHORIZE the General Manager of the Departments, or designee, to prepare Controller instructions to make any necessary technical adjustments, subject to the approval of the City Administrative Officer, and authorize the Controller to implement these instructions.
- C. AUTHORIZE the Controller to expend funds from each Neighborhood Council appropriation account, in a total amount not to exceed Three Hundred Twenty-Five Thousand Dollars (\$325,000) for the term of the contract, including the three (3) Option Years for these professional services agreements from Department of Neighborhood Empowerment, Department Number 47, General Fund 100 and Neighborhood Council Special Fund 44B.

The original contract with Union Bank is for a period of three (3) years commencing April 1, 2012, with three (3) additional one-year periods at the City's discretion. The contract is specified as non-exclusive, with a total contract amount not to exceed \$325,000 (Three Hundred Twenty-Five Thousand Dollars) for each vendor. This is the First Supplemental Agreement option that the City is requesting to enter.

BACKGROUND AND DISCUSSION:

Pursuant to City Charter Section 912, the Mayor and City Council appointed the Neighborhood Council Review Commission (NCRC) to evaluate and make recommendations to the Citywide System of Neighborhood Councils. After an extensive research, public hearings, and deliberations, the NCRC released its final report dated September 25, 2007, entitled "The Neighborhood Council System: Past, Present, & Future". In this report, there are recommendations that pertain to Department of Neighborhood Empowerment preparing a menu of frequently needed services and to identify vendors who can provide these services to neighborhood councils.

The purpose of this First Supplemental Agreement is to continue to retain the services of Union Bank to provide checking accounts and an on-line banking product to the City's current and future certified Neighborhood Councils. The Departments and the Contractor have negotiated in good faith for the Departments to enter into this first supplemental agreement pursuant to Los Angeles Administrative Code Section 10.15 (a)(8) since a similar contract already exists with the Departments and the Housing Authority and the Departments also determined that the Los Angeles Administrative Code Section 10.15 (a)(2) also applies as no other bank is able to offer the services needed to support the City's Neighborhood Councils.

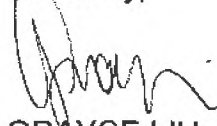
CONCLUSION

The Departments have complied with the procedures, applicable laws and policies relative to the execution of this first supplemental agreement. The Departments Administrative Services Divisions will administer the contract. Sufficient funds are available in the Department of Neighborhood Empowerment Neighborhood Council Funding Program.

The Departments believe that this contract serves the best interests of the City and Neighborhood Councils. The Office of Finance and the Office of the City Attorney have reviewed the contracts as to form. Therefore, it is requested that approval to move forward with the execution of these contracts be provided forthwith by the Mayor.

If you have any questions regarding the contracts, please contact Jeffrey S. Brill at (818) 374-9898 or [jeff.brill@lacity.org](mailto:jeff.brill@lacity.org).

Sincerely,



GRAYCE LIU  
General Manager

cc: Leah Chu, Office of the City Administrative Officer

Attachments

PROFESSIONAL SERVICES CONTRACT – FIRST SUPPLEMENTAL AGREEMENT

Contractor: UNION BANK, NATIONAL ASSOCIATION

Title: Neighborhood Council Checking Accounts

City Contract Number: **C-124034**

Said First Supplemental Agreement is \_\_\_\_\_ of City  
Contracts

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ENTIRE AGREEMENT

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ATTACHMENTS

Exhibit A	HACLA-Union Bank, National Association Contract HA-2013-7568-B
Exhibit B	Department of Neighborhood Empowerment and Office of Finance – Union Bank Executed Contract – City Contract Number 124034
Exhibit C	Department of Neighborhood Empowerment – List of 96 Certified Neighborhood Councils(Current)
Exhibit D	Union Bank - Business Deposit Fee Schedule – January 1, 2014
Exhibit E	Standard Provisions For City Contracts

FIRST SUPPLEMENTAL AGREEMENT TO CONTRACT NUMBER C-124034 OF  
CITY CONTRACTS BETWEEN  
THE CITY OF LOS ANGELES  
AND  
UNION BANK, NATIONAL ASSOCIATION

THIS FIRST SUPPLEMENTAL AGREEMENT is made and entered into by and between the City of Los Angeles, a municipal corporation, hereinafter referred to as the City, acting by and through its Department of Neighborhood Empowerment, (hereinafter referred to as the "Department"), Office of Finance (hereinafter referred to as the "Finance" or as authorized by the Office of Finance), and UNION BANK, NATIONAL ASSOCIATION located at 1901 Avenue of the Stars, Los Angeles, CA 90067, (hereinafter referred to as the "Contractor").

W I T N E S S E T H

WHEREAS, the Department has been mandated by the City Charter and other enabling documents to implement and oversee various City ordinances, procedures and regulations related to the Citywide System of Neighborhood Councils, including the provision of operational support to the Neighborhood Councils; and

WHEREAS, the goals and objectives of the Neighborhood Council system are to: promote public participation in City governance and decision-making processes so that government is more responsive to local needs and requests and so that more opportunities are created to build partnerships with government to address local needs and requests; promote and facilitate communication, interaction, and opportunities for collaboration among all neighborhood councils regarding their common and disparate concerns; facilitate the delivery of City services and City government responses to neighborhood councils' problems and requests for assistance by helping neighborhood councils to both identify and prioritize their needs and to effectively communicate those needs; ensure equal opportunity to form neighborhood councils and participate in the government decision-making and problem solving process; create an environment in which all people can organize and propose their own neighborhood councils so that they develop from the grassroots of the community; foster a sense of community for all people to express ideas and opinions about their neighborhoods and their government; and

WHEREAS, the Mayor and City Council appointed the Neighborhood Council Review Commission (NCRC) to evaluate and make recommendations to the Citywide System of Neighborhood Councils and recommendation number 69 of the NCRC's final report dated September 25, 2007, entitled "The Neighborhood Council System: Past, Present, & Future" pertains to the Department preparing a menu of frequently needed services and to identify vendors who can provide these services to neighborhood councils; and



WHEREAS, pursuant to Los Angeles City Charter Section 1022, the City Council or designee has determined that the work can be performed more economically or feasibly by independent contractors than by City employees; and

WHEREAS, on December 12, 2012, a request for Proposal ("RFP") No. 7658 was issued by the Housing Authority of the City of Los Angeles (hereinafter referred to as the "Authority") to competitively solicit proposals; and

WHEREAS, from among the proposals received, the Authority has determined that the Contractor's offer is the most advantageous to the Authority, and

WHEREAS, the Contractor has represented that it has the requisite personnel. Experience and resources to provide the Services required by the Authority, and the Contractor desires to provide the Services; and

WHEREAS, the Board of Housing Authority Commissioners, by Resolution Number 9031 adopted on February 28, 2013, authorized the Authority to contract for the Services with said Contractor; and

WHEREAS, the Contract was signed and executed by the Authority and Contractor on March 27, 2013 and referenced as Exhibit A; and

WHEREAS, the Department, Finance and the Contractor have negotiated in good faith for the Department to enter into this agreement pursuant to Los Angeles Administrative Code Section 10.15 (a)(8) since a similar contract already exists with this Authority; and

WHEREAS, the Department, Finance and the Contractor signed and executed City Contract Number C-124034 on June 4, 2014 and reference as Exhibit B; and,

WHEREAS, the Department, Finance and the Contractor have also agreed to items listed in Section 203 - Scope of Work of this Agreement; and

WHEREAS, the Department also determined that Los Angeles Administrative Code Section 10.15 (a)(2) also applies as no other bank is able to offer the services listed in Section 203 – Scope of Work of this Agreement and in Exhibits A and B; and

WHEREAS, the Department requires banking services ("Services") for the current 96 Certified Neighborhood Council, as listed in Exhibit C, and future certified Neighborhood Councils, that otherwise cannot be provided by regular employees of the City and the Department; and

WHEREAS, the Department, Finance and the Contractor have also agreed to items listed in Exhibit D titled "Union Bank – Business Deposit Fee Schedule – January 1, 2014"; and



WHEREAS, the City and the Contractor are desirous of executing this First Supplemental Agreement as authorized by the City Council and the Mayor which authorizes the General Managers of the Department of Neighborhood Empowerment and the Office of Finance to prepare and execute the First Supplemental Agreement.

NOW, THEREFORE, the City and the Contractor agree as follows:

I.

INTRODUCTION

§101. Parties to the Contract

The parties to this Contract:

- A. The Department of Neighborhood Empowerment of the City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, 20<sup>th</sup> Floor, Suite 2005, Los Angeles, California 90012.
- B. The Office of Finance of the City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, Room 220, Los Angeles, CA 90012
- C. The Contractor, known as Union Bank, National Association having its principal office at 1901 Avenue of the Stars, Los Angeles, CA 90067.

§102. Representatives of the Parties and Service of Notice

- A. The representatives of the respective parties who are authorized to administer this First Supplemental Contract and to whom formal notices, demands and communications shall be given are as follows:

- 1. The representative of the City shall be, unless otherwise stated in the Agreement:

Grayce Liu, General Manager  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

With copy to:

Armando Ruiz, Funding Director  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

2. The representative of the Contractor shall be:

Ermito Arellano, Vice President  
Union Bank (or Union Bank, National Association)  
1901 Avenue of the Stars  
Los Angeles, CA 90067

- B. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.
- C. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be given, in accord with this section, within five (5) working days of said change.

#### §103. Independent Contractor

- A. The Contractor is acting hereunder as an independent contractor and not as an agent or employee of the City. No employee of the Contractor has been, is, or shall be an employee of the City by virtue of this First Supplemental Agreement, and the Contractor shall so inform each employee organization and each employee who is hired or retained under this First Supplemental Agreement. Contractor shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

#### II.

#### TERM AND SERVICES TO BE PROVIDED

#### §201. Time of Performance

The term of this First Supplemental Agreement shall commence on April 1, 2015 and end March 31, 2016 unless terminated as provided elsewhere in this First Supplemental Agreement or extended by written amendment to this First Supplemental Agreement and pertaining to City Contract Number C-124034 and referenced as Exhibit B.

The Department, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2017 ("2<sup>nd</sup> Option Term") by giving notice to the Contractor prior to March 31, 2016.

The Department, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2018 ("3<sup>rd</sup> Option Term") by giving notice to the Contractor prior March 31, 2017.

The Maximum Term of this Contract, including the period for performance of Optional Work authorized by the Department, shall be the period beginning on the Date of City Clerk Attestation and extending through the end of the 3<sup>rd</sup> Option Term.

§202. Purpose of the Contract

- A. The purpose of this First Supplemental Agreement is to continue to retain the services of a reputable Banking Institution capable of providing Bank Checking Accounts for the Certified Neighborhood Councils on a permanent and continuous basis.
- B. In addition, the banking services provided to the Neighborhood Councils should provide on-line bank services, which would include on-line bill payment, debit card transactions and transfers, with appropriate oversight and management provided by the City.
- C. Each of the current 96 certified Neighborhood Council, identified on Exhibit C incorporated herein, as well as any future certified Neighborhood Councils will be individually registered by the Contractor and given separate Federal Tax ID Number. Each of the current 96 certified Neighborhood Council deposit accounts, and the accounts of any future certified Neighborhood Councils, will be considered as a separate entity and not in the aggregate, for purposes of FDIC insurance coverage, up to the maximum amount of \$250,000. In the event that the amount of the individual deposit accounts exceed the FDIC limitations, Contractor agrees to comply with the Collateralization of Public Unit Deposit requirements.

§203. Scope of Services

The Contractor shall, in a manner satisfactory to the Department, completely perform the services set forth in Exhibit A and Exhibit B of this First Supplemental Agreement, attached to and, by this reference, incorporated in and made part of this First Supplemental Agreement. Any conflicts between the requirements of Exhibit A, Exhibit B and the "Scope of Work" presented here, shall be referred to the Department, whose decision in such matters shall be final and binding both parties.

In addition to Exhibit A and Exhibit B, the Contractor shall provide the following services:

1. Assist the Department staff to ensure that each Neighborhood Council establishes its own Bank Account by assisting the Department in reviewing all applications for completeness, and supporting documentation (board resolution, etc.)
2. Assist the Department staff to ensure that the Neighborhood Councils sign Contractor agreements to grant the Department authority to monitor, freeze and terminate their Neighborhood Council Bank Account at any time, or if the Board does not have a designated member, to access the account and issue payments on its behalf.
3. Ensure that the individual Neighborhood Council Bank Accounts will include designated or appointed Neighborhood Council Board Member access to on-line bill payment as well as a debit card.
4. Assist the Neighborhood Council Board Members to create User access accounts for designated/appointed Neighborhood Council Board Members, i.e. the Treasurer and Second Signatory, and View-Only access accounts for other Board Members upon request.
5. Ensure and verify that the transfer of City funds via Automatic Clearing House (ACH) transfer from the Office of the City Controller (Controller) into each individual Neighborhood Council Bank Account has been completed and that the Department has the authority to transfer City funds into, and out of any Neighborhood Council Bank Account.
6. Ensure that the Department has access and authority to monitor all Neighborhood Council Bank Accounts, including viewing transactions, administrative activities, and any other service requests made by Neighborhood Council Board Members or designated Department staff.
7. Ensure that designated Neighborhood Council Board Members with access to the Bank Account are restricted from depositing funds into said accounts. The transfer and deposit of funds shall be done solely through the Department.
8. Ensure, assist and verify that the individual Neighborhood Councils will be allowed to pay their monthly expenses and bills for services via the checking account or debit card.

9. Ensure that the online banking system generates and mails checks to vendors within 3-5 business days.
10. Ensure that the designated or appointed Neighborhood Council Board Members have online access to their individual Bank Accounts to check balances, print statements, and monitor expenditures.
11. Ensure that online bill payment feature is available.
12. Ensure that ACH transfer to the individual Bank Accounts can occur.
13. Ensure that the Department, upon review and approval and with the assistance of Contractor, will have access online to freeze, unfreeze and terminate an individual Bank Account.
14. Ensure that Department will list and remove authorized signatories or persons with Reviewer, User or Administrative access from the Neighborhood Council Bank Accounts.
15. Ensure that the individual debit cards should have controls which restrict the following types of transactions: ATM cash withdrawals and requests for cash-back. Additionally and if possible, restrict the purchases at liquor stores or casinos, and other restricted vendor categories as determined by the Department. Also, if Contractor has any additional restrictions not mentioned by the Department but recommended by the Contractor that can be used by the Department, then those restrictions can be approved by the Department to be used by the Contractor.
16. Assist the Department by providing downloadable versions of the Neighborhood Council Bank Account monthly statements for the Department's review and posting on the website.
17. Assist the Department by providing a timely (24 hours or less) turnaround time for stop-payment requests, notifications of potential fraud, misuse of funds, suspension and termination requests made by the Department.
18. Assist the Department in setting up alert notifications to monitor and identify activity from Bank Accounts that could violate Department policy and that would assist the Department in blocking efforts to circumvent maximum daily bank card purchase amounts in excess of \$1,000.

19. Assist the Department and Neighborhood Council designated Board Members with access to the Bank Account with training information and support on the use of the online bill payment system and any helpful tools and information to ensure best practices in the use of the Bank Account.
20. Ensure that as Neighborhood Councils are not non-profit (501(c)3) organizations, they are volunteer members of a non-revenue generating branch of the City that supports their local communities via outreach, community beautification, as well as neighborhood improvement projects, the Contractor provides these checking accounts at no cost as long as the balance is over \$1,000 per account. Otherwise, Contractor will charge \$3.00 per month to any account that has a balance less than \$1,000.

Any additional work performed by the Contractor, beyond the authorized in accordance with the abovementioned items, must be approved in advance by the Department, and such approved work shall be considered "Additional Work" under this First Supplemental Agreement. Any such approval of Additional Work by the Department, as well as any other material change in the terms and conditions of this Contract, shall only be binding upon either party if confirmed in a written amendment to this First Supplemental Agreement executed by both parties.

### III.

#### PAYMENT

##### §301. Compensation and Method of Payment

The total maximum amount for the entire contract, is not to exceed Three Hundred Twenty Five Thousand Dollars (\$325,000) for the entire term of the contract, including the three (3) Option Years. Compensation shall be based on the pricing schedule of services, listed in both Exhibit A and Exhibit D titled "Union Bank – Business Deposit Fee Schedule – Effective January 1, 2014, which are attached to this Contract and incorporated herein.

Payment to the Contractor, when services are requested by and supplied to a Neighborhood Council, shall be electronically paid to Contractor from those funds allocated to the requesting Neighborhood Council, in accordance with the policies and procedures developed by the Department pursuant to the Neighborhood Council Funding Program, as authorized by the City Council (Council File 02-0699). The maximum amount approved for each Neighborhood Council through the Funding Program is currently \$37,000 per



fiscal year. The Neighborhood Council funds may be used to pay for operational and program expenses.

#### §302. Payment Processing

The Contractor shall submit monthly invoices, in triplicate, to the Neighborhood Council that work was performed for, and to the Department for payment in arrears of work that has been performed. The Contractor's invoices shall be accompanied by a statement detailing the work completed for that month. Each monthly invoice shall specify the following: a) be submitted on the Contractor's letterhead; b) name of the Neighborhood Council that work was performed for; c) description of work performed; d) dates of work performed; e) total amount due and payable; f) Contract Number; and, g) signature of Contractor's authorized representative attesting that invoice submitted is true and accurate.

Funds shall not be released electronically to Contractor from the Neighborhood Council account that work was performed for until the City has approved the work received and is satisfied with the documentation included in the invoice. Invoices and supporting document shall be prepared at the sole expense and responsibility of the Contractor. Invoices shall be paid in accordance with standard City payment processing methods.

Invoices and any supporting documentation shall be submitted to:

Armando Ruiz, Funding Director  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

#### IV.

#### OWNERSHIP

##### §401. Ownership

A. Contractor acknowledges and agrees that all documents, reports, analyses, studies, drawings, information or data (hereinafter collectively referred to as "Materials"), originated and prepared by Contractor pursuant to the terms of this contract, are "Work Made For Hire" and shall become the property of the City for its use in any manner it deems appropriate. Contractor assigns any and all of its respective interests and rights in such property to the City for its use in any manner it deems appropriate.

B. All documents and records (hereinafter collectively referred to as "Documents"), provided by City to Contractor shall remain the property of the City and shall be returned to the City upon termination of this Contract or at the request of the City.

D. The provisions of Article IV survive termination of this Contract.

V.

CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE

§501. Confidentiality

A. All Documents and information provided to the Contractor by the City are confidential. All Materials are to be considered confidential. Contractor agrees not to provide Documents and Materials, nor disclose their content or any information contained in them, either orally or in writing, to any other person or entity, except as authorized by the City or as required by law.

B. The provisions of Article V survive termination of this Contract.

VI.

STANDARD PROVISIONS FOR CITY CONTRACTS

§601. Incorporation of City's Standard Provisions for Professional Services Contract

A. Standard Provisions for City Contracts

The City's Standard Provisions for Professional Services Contracts (Revised March 2009) are incorporated herein by reference. A copy of said Provisions is attached hereto as Exhibit E and made a part hereof. CONTRACTOR agrees to fully comply with all requirements of this document.

B. Responsibility to Provide Services in Accordance with Applicable Standards and Requirement to Possess All Valid Permits and Licenses

Contractor warrants that the work performed hereunder shall be completed in a manner consistent with professional standards among those firms in the Contractor's profession, doing the same or similar work, under the same or similar circumstances. Contractor must possess and maintain valid licenses and permits required to perform the services described herein.

C. Compliance with Statutes and Regulations



Contractor, in the performance of this Agreement, shall comply with all applicable statutes, rules, regulations and orders of the United States, the State of California, the County of Los Angeles, and City of Los Angeles. Contractor shall comply with any subsequent, new, amended, or revised laws, regulations, and procedures that may apply to the performance of this Contract.

D. Federal, State, and Local Taxes

Federal, State, and local taxes are the responsibility of the Contractor as an independent Contractor and not as a City employee.

VII.

DEFAULTS, SUSPENSION, TERMINATION, AND AMENDMENTS

§701. Defaults

Should the Contractor fail for any reason to comply with the contractual obligations of this Contract within the time specified by this Contract, the City reserves the right to:

- A. Reduce the total budget;
- B. Make any changes in the general scope of this Contract;
- C. Suspend services in accordance with §702 of this Contract; or
- D. Terminate the Contract.

§702. Suspension

The City may suspend all or part of the services for failure by the Contractor to comply with the terms and conditions of this Contract by giving written notice, which shall be effective upon receipt.

- A. Said notice shall set forth the specific conditions of non-compliance and the period provided for corrective action.
- B. Within five (5) working days the Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.
- C. Performance under this Contract shall be automatically suspended without any notice from the City as of the date the Contractor is not fully insured in compliance with §401 (Insurance) herein. Performance shall not resume without the prior written approval of City.

#### §703. Termination

- A. Either party to this Contract may terminate this Contract or any part hereof upon giving the other party at least thirty (30) days written notice prior to the effective date of such termination, which date shall be specified in such notice.
- B. All property, documents, data, studies, reports and records purchased or prepared by the Contractor under this Contract shall be retained or disposed of according to City policies and procedures.
- C. In the event that the Contractor ceases to operate (i.e. dissolution of corporate status, declaration of bankruptcy, etc.) Contractor shall provide to the City copies of all records relating to this Contract.
- D. Upon satisfactory completion of all termination activities, the City shall determine the total amount of compensation that shall be paid to the Contractor for any unreimbursed expenses reasonably and necessarily incurred in the satisfactory performance of this Contract.
- E. The City may withhold any payments due to the Contractor until such time as the exact amount of any damages that may be due to the City from the Contractor is determined.
- F. The foregoing Subsections B, C, D, and E shall also apply to activities terminating upon the date specified in §201 or upon completion of the performance of this Contract.

#### §704. Notices of Suspension or Termination

In the event that this Contract is suspended or terminated, the Contractor shall immediately notify all employees and participants and shall notify in writing all other parties contracted with under the terms of Contract within five (5) working days of such suspension or termination.

#### §705. Amendments

Any change in the terms of this First Supplemental Agreement, including changes in the services to be performed by the Contractor, and any increase or decrease in the amount of compensation which are agreed to by the City and the Contractor shall be incorporated into this Contract by a written amendment properly executed and signed by the person authorized to bind the parties thereto.

### VIII.

## ENTIRE CONTRACT

### §801. Complete Contract

This Contract Amendment One contains the full and complete Contract between the two parties. No verbal agreement nor conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Contract.

### §802. Number of Pages and Attachments

This First Supplemental Agreement is executed in three (3) triplicate originals, each of which is deemed to be an original. This First Supplemental Agreement includes 17 pages and five (5) attachments (Exhibits A through E) which constitute the entire understanding and Contract of the parties.

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

**APPROVED AS TO FORM:**

**MICHAEL N. FEUER, City Attorney**

By \_\_\_\_\_  
Deputy/Assistant City Attorney

Date \_\_\_\_\_

**For: THE CITY OF LOS ANGELES  
Office of Finance**

**Director of Finance/City Treasurer  
Office of Finance**

By Antoinette Christovale  
Antoinette Christovale

Date 2/20/15

**ATTEST:**

**HOLLY L. WOLCOTT, City Clerk**

By \_\_\_\_\_  
Deputy City Clerk

Date \_\_\_\_\_

City Business Tax Registration Certificate  
Number:

Said Contract is Number \_\_\_\_\_ of  
City Contracts

**For: THE CITY OF LOS ANGELES  
Department of Neighborhood Empowerment**

**General Manager  
Department of Neighborhood Empowerment**

By Grayce Liu

Date 2-24-15

**For: UNION BANK, NATIONAL  
ASSOCIATION**

By Ermito Arellano  
Ermito Arellano

Title: Vice President

Date 2/11/15

EXHIBIT "A"

**CONTRACT NUMBER HA-2013-7568-B**

**BETWEEN**

**HOUSING AUTHORITY OF THE CITY OF LOS ANGELES**

**AND**

**UNION BANK, NATIONAL ASSOCIATION**

**THIS CONTRACT** ("Contract") is made and entered into this 1<sup>st</sup> day of April, 2013 ("Commencement Date"), by and between the Housing Authority of the City of Los Angeles, State of California, a public body, corporate and politic (hereinafter referred to as the "Authority"), and UNION BANK, NATIONAL ASSOCIATION, located at 445 South Figueroa Street, 8<sup>th</sup> Floor, Los Angeles, CA 90071 (hereinafter referred to as the "Contractor").

**WITNESSETH:**

**WHEREAS**, the Authority requires banking services ("Services") that otherwise cannot be provided by regular employees of the Authority; and

**WHEREAS**, the Authority has determined that the most effective and feasible manner of obtaining such Services is by contracting for them; and

**WHEREAS**, on December 10, 2012, Request for Proposal ("RFP") No. 7568 was issued to competitively solicit proposals; and

**WHEREAS**, from among the proposals received, the Authority has determined that the Contractor's offer is the most advantageous to the Authority; and

**WHEREAS**, the Contractor has represented that it has the requisite personnel, experience and resources to provide the Services required by the Authority, and the Contractor desires to provide the Services; and

**WHEREAS**, the Board of Commissioners, by Resolution No. 9031 adopted on February 28, 2013, authorized the Authority to contract for the services with said Contractor;

**NOW, THEREFORE**, in consideration of the mutual covenants, benefits and promises herein stated, the parties hereto agree as follows:

**1. STATEMENT OF WORK**

**a. Scope of Work.** The Contractor shall, in a manner satisfactory to the Authority, completely perform the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this reference, incorporated in and made a part of this Contract. The Contractor shall also perform in accordance with its proposal to the Authority dated January 22, 2013, which is attached as Exhibit F, entitled "Contractor's Proposal". Any conflicts between the requirements of Exhibit A and the "Work Plan" presented in the Contractor's proposal shall be referred for resolution to the Authority, whose decisions in such matters shall be final and binding on both parties.

**b. Additional Work.** Any work performed by the Contractor, beyond that authorized in

Subparagraph 1.a., above, must be approved in advance by the Authority, and such approved work shall be considered "Additional Work" under this Contract. Any such approval of Additional Work by the Authority, as well as any other material change in the terms and conditions of this Contract, shall only be binding upon either party if confirmed in a written amendment to this Contract executed by both parties.

c. **Key Personnel.** The Contractor shall provide the personnel listed below to perform the above-specified Services, which persons are hereby designated as Key Personnel under this Contract. The Contractor shall not remove or replace any named person below, nor shall his/her agreed-upon function or level of commitment be changed, without the prior written consent of the Authority.

Name	Title	Function
Eileen L. Perez	Vice President & Relationship Mgr	Project Manager

## 2. PAYMENT AND MAXIMUM OBLIGATION

a. **Payment.** For the Contractor's full and complete performance of its obligations under this Contract, the Authority shall pay the Contractor on a Firm Fixed Price basis in accordance with Exhibit B, entitled "Schedule of Fees" attached to and, by this reference, incorporated in and made a part of this Contract. Said Schedule of Fees shall remain in effect for the "Term of Contract" as defined in Paragraph 3 of this Contract.

Notwithstanding any provision to the contrary in this Agreement (including its Schedules and Exhibits), the Authority acknowledges and agrees to the following: While Contractor does not have immediate plans to assess charges for collateralizing public funds, the costs of collateral is expected to increase due to changes in FDIC insurance coverage rules and Basel III accounting standards, and other foreseen and unforeseen regulatory developments. Contractor reserves the right to assess charges for increased collateral costs related to changes in the regulatory environment. In addition, Contractor reserves the right to assess or increase fees and charges related to the increased costs of providing any of its products and services to the Authority when incurred by Contractor as result of changes in the legal or regulatory environment.

b. **Payment for Additional Work.** For the Contractor's completion of Additional Work, the Authority shall pay the Contractor on a time-and-materials basis in accordance with Exhibit C, entitled "Schedule of Fees for Additional Work," attached to and, by this reference, incorporated in and made a part of this Contract. All prices quoted in Exhibit C shall remain fixed for the entire term of this Contract, even as such term is extended to accommodate the Additional Work. In any amendment to this Contract approving Additional Work and issued pursuant to Subparagraph 1.b., above, the Authority's maximum cumulative payment obligation set forth in Subparagraph 2.d., below, shall also be changed to reflect the agreed upon cost to the Authority for said Additional Work.

### c. Invoices.

i. The Contractor shall submit invoices, in triplicate, to the Authority for payment in arrears of work being performed. The Contractor's invoices shall specify the following: (1) name of person(s) performing the work; (2) description of work and location where work was performed; (3) dates of work performance and hours of



work performed; (4) total amount due and payable; (5) Contract No. HA-2013-7568-B - Finance Department; and (6) signature of the Contractor's authorized representative attesting that the invoice is true and accurate.

ii. Invoices shall be submitted to the Authority for payment not more frequently than once per calendar month. The Authority shall remit payment within thirty (30) days of receipt of a correct invoice from the Contractor.

d. **Automatic Deposit of Payments.** The Contractor shall be paid by Automatic Deposit with a Financial Institution that must be a member of the Automatic Clearing House ("ACH"). The Automatic Deposit Form must be completed and submitted to the Authority prior to the performance of work under this Contract.

e. **Maximum Payment Obligation.** Notwithstanding any other provision of this Contract to the contrary, the Authority's maximum cumulative payment obligation to the Contractor under this Contract shall be **Three Hundred Twenty Five Thousand Dollars (\$325,000.00)**, including all amounts payable to the Contractor for its costs arising from, or due to termination of, this Contract.

### 3. **TERM OF CONTRACT**

a. **Initial Term.** This Contract shall commence on the Commencement Date and continue in full force and effect through March 31, 2015 unless earlier terminated as provided elsewhere in this Contract or extended by written amendment to this Contract.

b. **1<sup>st</sup> Option Term.** The Authority, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2016 ("1<sup>st</sup> Option Term") by giving notice to the Contractor prior to the expiration of the Initial Term.

c. **2<sup>nd</sup> Option Term.** The Authority, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2017 ("2<sup>nd</sup> Option Term") by giving notice to the Contractor prior to the expiration of the 1<sup>st</sup> Option Term.

d. **3<sup>rd</sup> Option Term.** The Authority, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2018 ("3<sup>rd</sup> Option Term") by giving notice to the Contractor prior to the expiration of the 2<sup>nd</sup> Option Term.

e. **Maximum Term.** The "Maximum Term" of this Contract, including the period for performance of Optional Work authorized by the Authority, shall be the period beginning on the Commencement Date and extending through the end of the 3<sup>rd</sup> Option Term.

### 4. **INDEPENDENT CONTRACTOR**

a. The Contractor shall, during the performance of this Contract, act as a wholly independent contractor. Neither the Authority nor any of its officers, employees, servants or agents shall have control over the conduct of the Contractor or its employees or agents, except to advise or provide project direction as required. The Contractor shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner employees of the Authority.

b. Nothing contained in this Contract shall be deemed, construed or represented by the Authority or the Contractor or by any third person to create the relationship of principal or



agent, or of a partnership, or of a joint venture, or of any other association of any kind or nature between the Authority and the Contractor.

c. The Authority shall not be called upon to assume any liability for the direct payment of any salary, wage or other compensation to any person employed by the Contractor performing services hereunder for the Authority.

## **5. CONFLICTS OF INTERESTS**

The Contractor affirms that to the best of its knowledge, there exists no actual or potential conflict between the Contractor's business or financial interests and either the Services to be provided under this Contract or any Commissioner, Officer, employee, or agent of the Authority. In the event of a change in either private interest or services under this Contract, any questions regarding possible conflicts of interests which may arise as a result of such change shall be brought to the immediate attention of the Los Angeles City Attorney. For the duration of this Contract, the Contractor shall refrain from undertaking any work for any individual, business, or legal entity in which direct conflict of interests regarding the services to be provided thereunder or herein may arise.

## **6. INDEMNIFICATION**

a. The Contractor shall hold harmless, indemnify and defend the Authority and its officers, employees, servants, agents, successors, assigns, instrumentality entities, subsidiaries, related non-profit corporations, the officers, employees, servants, agents, successors, and assigns of the Authority's instrumentality entities, subsidiaries, and related non-profit corporations from any claim, demand, damage, liability, loss, cost or expense, including attorneys fees, or any damage whatsoever, including but not limited to death or injury to any person and damage to any property, resulting from the misconduct, negligent acts, errors or omissions of the Contractor or any of its officers, employees or agents in the performance of this Contract, except such damage as is caused by the negligence of the Authority or any of its officers, employees, servants, agents, successors, assigns, instrumentality entities, subsidiaries, related non-profit corporations, the officers, employees, servants, agents, successors, and assigns of the Authority's instrumentality entities, subsidiaries, and related non-profit corporations.

b. The Authority does not, and shall not, waive any rights that it may have against the Contractor by reason of the acceptance by the Authority, or the deposit with the Authority, of any insurance policies or endorsements required pursuant to this Contract. This indemnification provision shall apply regardless of whether or not said insurance policies or endorsements are determined to be applicable to any claim, demand, damage, liability, loss, cost or expense described above.

## **7. INSURANCE REQUIREMENTS**

During the term of this Contract, the Contractor shall, at its own cost and expense, procure and maintain insurance set forth in Exhibit D, entitled "Insurance Requirements," attached to and, by this reference, incorporated in and made a part of this Contract.

The Contractor's Certificates of Insurance are attached to Exhibit E entitled "Contractor's Certificates of Insurance," attached to and by this reference, incorporated in and made a part of this Contract. It is the Contractor's responsibility to provide updated Certificates of Insurance during the Contract term. Each updated Certificate of Insurance provided by the Contractor during the

Contract term will be incorporated in this Contract.

**8. ASSIGNMENT, TRANSFER, AND/OR SUBCONTRACTING**

a. The Contractor shall not, except to its affiliates, in any manner, directly or indirectly, by operation of law or otherwise, hypothecate, assign, transfer or encumber this Contract or any portion hereof or any interest herein, in whole or in part, without the prior written consent of the Authority. In addition, the Contractor shall not subcontract the services to be performed pursuant to this Contract without prior written approval of the Authority. The names and qualifications of subcontractors or others whom the Contractor intends to employ, other than those identified, shall be submitted to the Authority for prior written approval.

b. The Authority hereby consents to the Contractor's subcontracting of portions of the Scope of Work to the following entities:

Subcontractor:	Description of Work	% of Work to be Performed
----------------	---------------------	---------------------------

TBD

**9. TERMINATION AND REMEDIES FOR BREACH**

a. **Termination for Convenience.** The Authority may terminate this Contract for the Authority's convenience at any time by giving the Contractor thirty (30) days' written notice thereof. Upon receipt of said notice, the Contractor shall immediately take action not to incur any additional obligations, costs or expenses, except as may be reasonably necessary to terminate its activities. The Authority shall pay the Contractor its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by the Contractor to effect such termination. Thereafter, the Contractor shall have no further claims against the Authority under this Contract. All finished or unfinished documents and materials proposed for or produced under this Contract shall become Authority property upon date of such termination and the Contractor shall immediately deliver to the Authority all documents and materials accumulated or generated in performing the Contract, whether completed or in process.

**b. Termination for Breach of Contract.**

I. If the Contractor fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the Authority may give the Contractor written notice of such default. If the Contractor does not cure such default or provide a plan to cure such default which is acceptable to the Authority within the time permitted by the Authority, which shall be no less than thirty (30) days, then the Authority may terminate this Contract due to the Contractor's breach of this Contract.

II. If a federal or state proceeding for relief of debtors is undertaken by or against the Contractor, or if the Contractor makes an assignment for the benefit of creditors, then the Authority may immediately terminate this Contract.

III. If the Contractor engages in any dishonest conduct related to the performance or administration of this Contract or violates any pertinent federal regulations, then the Authority may immediately terminate this Contract.

iv. In the event the Authority terminates this Contract as provided in this Subparagraph 9.b. the Authority may procure, upon such terms and in such manner as the Authority may deem appropriate, Services similar in scope and level of effort to those so terminated, and the Contractor shall be liable to the Authority for all of its costs and damages, including, but not limited to, any excess costs for such Services.

v. All finished or unfinished documents and materials produced or procured under this Contract shall become Authority property upon date of such termination and the Contractor shall immediately deliver to the Authority all documents and materials accumulated or generated in performing the Contract, whether completed or in process.

vi. *Omitted intentionally*

vii. If, after notice of termination of this Contract under the provisions of this Subparagraph 9.b., it is determined for any reason that the Contractor was not in default under the provisions of this Section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subparagraph 9.a., Termination for Convenience.

viii. The rights and remedies of the Authority provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**c. Termination at End of Contract Term**

i. Following the expiration of the Contract at the end of the Contract Term, all finished or unfinished documents and materials produced or procured under this Contract shall become Authority property upon date of such termination and the Contractor shall immediately deliver to the Authority all documents and materials accumulated or generated in performing the Contract, whether completed or in process.

**10. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL STATUTES AND REGULATIONS**

The Contractor, in performance of this Contract, warrants and certifies that it will comply with all applicable statutes, rules, regulations, and orders of the United States, the State of California, the County of Los Angeles, and the City of Los Angeles. The Contractor understands that failure to comply with any of the foregoing assurances may result in suspension or termination of this Contract or any of the remedies provided for herein. The Contractor further warrants and certifies that it will comply with new, amended, or revised laws, regulations, and procedures that apply to the performance of this Contract.

**11. MINORITY/WOMEN'S BUSINESS ENTERPRISE**

The Contractor shall make a good-faith effort to assist the Authority in meeting its anticipated levels of participation for minority business enterprises ("MBEs") and women's business enterprises ("WBEs") in the Authority's contracts. It is the policy of the Authority that minority business enterprises and women's business enterprises shall have maximum opportunity to participate in the performance of this Contract. The Contractor agrees to assist the Authority in meeting its

anticipated levels of participation by conducting outreach to MBEs and WBEs to ensure that these businesses have the maximum opportunity to compete for, and perform in, the Contract.

**12. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION**

a. In the performance of work under this Contract, the Contractor and its subcontractors, if any, shall not discriminate in their employment practices against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, age, sexual preference or physical handicap. The Contractor and its subcontractor(s), if any, shall submit their Affirmative Action Plans to be reviewed and approved by the Authority within thirty (30) days after the commencement of this Contract.

b. In accordance with regulations issued by the United States Department of Housing and Urban Development ("HUD") pursuant to Section 504 of the Rehabilitation Act of 1973, as amended (24 CFR Part 8), the Contractor must not discriminate against any otherwise qualified individual with handicaps.

c. In carrying out the obligations under this Contract, the Contractor shall not discriminate against any employee or applicant for employment because of race, religion, national origin, ancestry, sex, age, sexual preference, or physical handicap. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, religion, national origin, ancestry, sex, age, sexual preference, or physical handicap. Such action includes, but is not limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training.

d. The Contractor agrees to post on conspicuous places, available to employees and applicants for employment, notices to be provided by HUD setting forth the provisions of this nondiscrimination clause. The Contractor will in all solicitations or advertisements for employees placed by or on behalf of the Contractor state that all qualified applicants will receive consideration for employment without regard to race, religion, national origin, ancestry, sex, age, sexual preference, or physical handicap. The Contractor will incorporate the foregoing requirements of these Subparagraphs in all contracts for project work, except contracts for standard commercial supplies or raw materials, and will require all of its subcontractors for such work to incorporate such requirements in all subcontracts for project work.

**13. SECTION 3 COMPLIANCE -- TRAINING AND EMPLOYMENT OPPORTUNITIES FOR RESIDENTS**

a. The work to be performed under this Contract is on a project assisted by a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.

b. The parties to this Contract will comply with the provisions of Section 3, as well as the regulations issued pursuant thereto by the Secretary of HUD set forth in 24 CFR



Part 135, and all applicable rules and orders of HUD issued thereunder prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no obligation contractually or otherwise, that would prevent them from complying with these requirements.

c. The Contractor will send to each labor organization or workers' representative with which the Contractor has a collective bargaining agreement or other contract or understanding, if any, a notice advising the organization of the Contractor's commitments under this clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

d. The Contractor will include this clause in every subcontract for work in connection with the period and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of HUD, 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of these regulations and will not award any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of HUD issued thereunder prior to the execution of the Contract shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which the Federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD-assisted contracts.

#### **14. COOPERATION IN EQUAL OPPORTUNITY COMPLIANCE REVIEWS**

The Authority and the Contractor must cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and all related rules and regulations.

#### **15. INVENTIONS, PATENTS AND COPYRIGHTS**

a. **Reporting Procedure.** If any project produces any invention or discovery (Invention) patentable or otherwise under Title 35 of the U.S. Code, including, without limitation, processes and business methods made in the course of work under this Contract, the Contractor shall report the fact and disclose the Invention promptly and fully to the Authority. The Authority shall report the fact and disclose the Invention to the Grantor. Unless there is a prior agreement between the Authority and the Grantor and its representative on these matters, the Grantor shall determine whether to seek protection on the Invention. If applicable under the laws, the Grantor and its representative shall determine how the rights in the Invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Chapter 18 of

Title 35 U.S.C. Sections 200, et seq. (Pub. L. 95-517, Pub. L. 98-620, 37 CFR Part 401); Presidential Memorandum on Government Patent Policy to the Heads of the Executive Departments and Agencies, dated 2/18/1983); and Executive Order 12591, 4/10/87, 52 FR 13414, 3 CFR, 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, 3 CFR, 1987 Comp., p. 262). Inasmuch as the rights and interests in the invention are concerned, the Contractor hereby agrees to be bound by the Policy and will contractually cause its personnel to oblige by the same requirements.

**b. Rights to Use Inventions.** The Authority shall have an unencumbered right and a non-exclusive, irrevocable, royalty-free license to use, manufacture, improve upon any invention, and allow others to do so for all Authority purposes.

**c. Copyright Policy**

i. The Contractor and the Authority intend this to be a contract for services and each considers the products and results of the services to be rendered by the Contractor hereunder the "Deliverables" to be a work for hire. The Contractor acknowledges and agrees that the Deliverables belong to and shall be the sole and exclusive property of the Authority.

ii. If for any reason the Deliverables would not be considered a work made for hire under applicable law, and/or the Contractor has incorporated previously copyrighted materials within the Deliverables then the Contractor grants the Authority, its successors and assigns, a paid-up, nonexclusive, irrevocable worldwide license in the Deliverables to reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, by and on behalf of the Authority. The Contractor is required to affix the applicable copyright notices of 17 U.S.C. Sections 401 or 402, and acknowledgment of Government funding, (including the contract number) to the data whenever such copyrighted materials created outside the scope of this Contract and incorporated into the Deliverables, are delivered to the Authority, published, or deposited for registration as a published work in the U.S. Copyright Office. All other rights are reserved by the copyright owner.

iii. The Contractor agrees to execute all papers and to perform such other proper acts as Authority may deem necessary to secure for the Authority or its designee the rights herein assigned.

**d. Rights to Data.**

i. "Data" means recorded information, regardless of form or the media on which it may be recorded. The term includes technical data and computer software, except computer software developed at private expense and that is trade secret; is commercial or financial and confidential or privileged; or is published copyrighted computer software, including minor modifications of such computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information as set forth in 48 CFR 27.401.

ii. The Authority shall have "Unlimited Rights" to any data first produced or delivered under this Agreement. "Unlimited Rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and

display publicly, or permit others to do so, as defined in 48 CFR 27.401. Where the Data are not first produced under this Contract or are published copyrighted data with the notice of 17 U.S.C. Sections 401 or 402, the Authority is granted, or the Contractor shall acquire on behalf of Authority, a copyright license for use of the Data pursuant to 48 CFR 27.404-3(b)(1)(i).

**e. Obligations Binding on Subcontractors.** The Contractors hereby agrees to contractually bind all of its subs to the same terms herein in protecting the interests and titles in all intellectual property rights of the Grantor and the Authority under this Contract.

#### **16. WORKING PAPERS**

All statements, records, schedules, working papers and memoranda made by the Contractor incident to, or in the course of, rendering services to the Authority pursuant to this Contract, except for the Deliverables submitted by the Contractor to the Authority and except for records which are part of the Authority's records, shall be and remain the property of the Contractor in the absence of an express agreement between the Contractor and the Authority to the contrary. No such statements, records, schedules, working papers, or memoranda shall be sold, transferred, or bequeathed, without the consent of the Authority, to anyone other than the Authority's licensee, successor's, or assigns, or any combined or merged firm or successor in interest to the Contractor.

#### **17. LICENSES AND PERMITS**

The Contractor warrants that it has all necessary licenses and permits for the work to be performed under this Contract. The Contractor represents that it will immediately obtain or has obtained and presently holds a valid Business Tax Registration Certificate(s) as required by the Los Angeles Municipal Code, Article 1, Chapter 2, Sections 21.00, et seq. The Contractor shall maintain, or obtain as necessary, any or all such certificate(s) and shall show proof of such certificate(s) to the Authority prior to the commencement of the Contract.

#### **18. INTERPRETATION**

Should interpretation of this Contract or any portion thereof, be necessary, it is deemed that this Contract was prepared by the parties jointly and equally, and shall not be interpreted against either party on the grounds that the party prepared the Contract or caused it to be prepared. The captions and headings of the various articles and paragraphs of this Contract are for convenience and identification only and shall not be deemed to limit or define the content of the respective articles and paragraphs hereof.

#### **19. WAIVER**

No waiver of any provision of this Contract shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. No waiver shall be binding unless executed in writing by the party making the waiver.

#### **20. WARRANTY AND RESPONSIBILITY OF CONTRACTOR**

**a.** The Contractor warrants that it is free to enter into this Contract and is not subject to any obligation or disability which will or might prevent or interfere in fully keeping and performing all of the conditions to be kept and performed under this Contract.

- b. The Contractor further warrants that it has not paid anyone for the purpose of entering into this Contract, and that entering into this Contract and performing the services hereunder will not constitute a conflict of interest.
- c. The Contractor further warrants that neither it, nor its agents or representatives, has offered or given gratuities in the form of entertainment, gifts, favors or other items or services of value to any officer or employee of the Authority with a view toward securing: (i) award of this Contract, (ii) amendment of the Contract after award, (iii) favorable treatment of the Contractor by the Authority in the administration of the Contract or in the making of any determination with respect to the Contractor's performance of its obligations under the Contract.
- d. The Contractor warrants that the services hereunder shall be completed in a manner consistent with professional standards practiced among those firms within the Contractor's profession, doing the same or similar work under the same or similar circumstances.
- e. The Contractor shall be responsible for any technical accuracy, timely completion of reports, and other services furnished by the Contractor under this Agreement. The Contractor shall, at no additional cost to the Authority, correct and/or revise any errors, omissions, or other deficiencies in its reports, calculations, and other services.

**21. CLEAN AIR AND WATER**

- a. **Definition.** "Facility" means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by the Contractor or any subcontractor, used in the performance of the Contract or any subcontract. When a location or site of operations includes more than one building, plant, installation, or structure, the entire location or site shall be deemed a facility except when the Administrator, or a designee, of the United States Environmental Protection Agency ("EPA") determines that independent facilities are collocated in one geographical area.
- b. In compliance with regulations issued by the EPA, pursuant to the Clean Air Act, as amended ("Air Act"), 42 U.S.C. 7401, et seq., the Federal Water Pollution Control Act, as amended ("Water Act"), 33 U.S.C. 1251, et seq., and Executive Order 11738, the Contractor agrees to –
  - i. Not utilize any facility in the performance of this Contract or any subcontract which is listed on the EPA List of Violating Facilities pursuant to 40 CFR Part 15 of the regulations for the duration of time that the facility remains on the list;
  - ii. Promptly notify the Contracting Officer if a facility the Contractor intends to use in the performance of this Contract is on the EPA List of Violating Facilities or the Contractor knows that it has been recommended to be placed on the List;
  - iii. Comply with all requirements of the Air Act and the Water Act, including the requirements of Section 114 of the Air Act and Section 308 of the Water Act, and all applicable clean air and clean water standards; and,
  - iv. Include or cause to be included the provisions of this clause in every subcontract, and take such action as HUD may direct as a means of enforcing such provisions.



**22. ENERGY EFFICIENCY**

The Contractor shall comply with all standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under the Contract is performed.

**23. PROCUREMENT OF RECOVERED MATERIALS**

a. In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

b. Paragraph (a) of this clause shall apply to items purchased under this Contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this Contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

**24. NO ATTORNEY FEES**

In the event any action, suit, or proceeding is brought for the enforcement of, or the declaration of, any right or obligation pursuant to this Contract or as a result of any alleged breach of any provision of this Contract, each party shall bear its own costs and expenses, including attorneys' fees, and any judgment or decree rendered in such a proceeding shall not include an award thereof.

**25. DISPUTES**

This Contract is made, entered into, and executed in Los Angeles County, California, and any action filed in any court for the interpretation, enforcement or other action with respect to the terms, conditions or covenants referred to herein shall be filed in the applicable court in Los Angeles County, California. This Contract shall be construed, and all disputes hereunder shall be settled, in accordance with the laws of the State of California. Pending the final resolution of a dispute hereunder, the Contractor shall proceed diligently with the performance of its obligations under this Contract and in accordance with the Authority's instructions.

**26. AUDIT AND INSPECTION OF RECORDS**

After receipt of reasonable, the Contractor shall provide the Authority, or agents of the Authority, with reasonable access to the Contractor's records relative to work performed under this Contract. Accounting and financial records shall be maintained in accordance with generally accepted accounting principles. All records shall be maintained and access shall be provided to the Authority during the entire term of this Contract and for three (3) years after final payment by the Authority hereunder, unless the Authority gives written permission to the Contractor to dispose of said records

prior to this time.

## **27. FORCE MAJEURE**

In the event that performance on the part of any party hereto shall be delayed or suspended as a result of circumstances beyond the reasonable control and without the fault or negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the federal government or any unit of state or local government in either sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes, freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

## **28. NOTICES**

a. Any notices to be given pursuant to this Contract shall be in writing, and all such notices and any other document to be delivered shall be delivered by personal service or by deposit in the United States mail, certified or registered, return receipt requested, postage prepaid, and addressed to the party for whom intended as follows:

To: Housing Authority of the City of Los Angeles  
2600 Wilshire Boulevard, 3rd Floor  
Los Angeles, CA 90057  
Attention: Contracting Officer

With a copy to: Housing Authority of the City of Los Angeles  
2600 Wilshire Boulevard, 4th Floor  
Los Angeles, CA 90057  
Attention: Swan Lam, Contract Administrator

To: UNION BANK, NATIONAL ASSOCIATION  
445 South Figueroa Street, 8<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Eileen Perez, Vice President & Relationship Mgr

b. Either party may, from time to time, by written notice to the other, designate a different address which shall be substituted for the one above specified. Notices, payments and other documents shall be deemed delivered upon receipt by personal service or upon deposit in the United States mail.

## **29. ORDER OF PRECEDENCE – HUD REQUIREMENTS**

Conflicting provisions of this Contract shall prevail in the following order of precedence: (1) this Contract must be interpreted and implemented in accordance with HUD requirements; (2) the provisions in the body of this Contract together with any exhibits incorporated by reference; (3) any other documents cited in this Contract.

## **30. PREVAILING WAGE**

The Contractor agrees to comply with all applicable sections of the California State Labor Code pertaining to labor and the prevailing wage rates, if applicable. For work performed as a part of this

Contract, the Contractor shall pay no less than the Prevailing Wage as determined by the California Department of Industrial Relations.

**31. REPORTING REQUIREMENTS**

a. The Contractor, at such times and in such forms as the Authority may require, shall promptly and timely provide to the Authority such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection herewith, and any other matters covered by this Contract (24 CFR 85.36(i)(7)).

b. For contracts funded in whole or in part with funding provided by The American Recovery and Reinvestment Act of 2009, (Pub. L. 111-5), ("ARRA"), the Contractor shall comply with all reporting requirements of Section 1512 of ARRA.

**32. APPROVAL BY FUNDING SOURCE**

If funding for this Contract is provided by the Federal Government, the State of California or other external source, approval of the Contract by the funding source may be required. If approval of an external funding source is required, this Contract shall not be effective until such approval has been secured. If approval by the external funding source is denied prior to or during the Contract term, then the Contract shall be terminated at no fault of either party. If the Contract award is terminated prior to commencement date of the Contract then any costs incurred by the Contractor shall be deemed pre-contractual and thus the Contractor's responsibility. If the funding ceases during the Contract term, the Authority will terminate this Contract under the terms specified in the Termination for Convenience clause in Paragraph 9, above, and any costs incurred by the Contractor will be compensated to the Contractor under such terms as specified in the Termination for Convenience clause.

**33. BINDING AUTHORITY TO SIGN AND AUTHORIZATION**

Each of the Parties to this Contract hereby represents that all necessary and appropriate actions of their governing bodies, as applicable, have been taken to make this Contract a binding obligation of each of the Parties hereto. The persons executing this Contract warrant that they are duly authorized to execute this Contract on behalf of and bind the Parties each purports to represent.

**34. COUNTERPARTS**

This Contract may be executed in counterparts, each of which shall be deemed to be an original.

**35. ENTIRE AGREEMENT**

This Contract, including all exhibits and other documents incorporated herein or made applicable by reference, constitutes the entire agreement of the parties concerning the subject matter hereof and supersedes all prior agreements, understandings and commitments, whether oral or written. This Contract shall not be amended in any way except by a writing expressly purporting to be such an amendment, signed and acknowledged by both of the parties hereto.

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IN WITNESS WHEREOF, the Authority and the Contractor have executed this Contract on the day and year first above written.

Approved as to form  
CARMEN A. TRUTANICH  
City Attorney

By



MICHAEL CUSTODIO  
Deputy City Attorney

Date

3/14/13

General Counsel for the Housing Authority  
of the City of Los Angeles

HOUSING AUTHORITY OF THE  
CITY OF LOS ANGELES

By




KEN SIMMONS  
Chief Operating Officer

Date

3.27.13

UNION BANK,  
NATIONAL ASSOCIATION

By:



(Signature of Person Authorized To Sign)

Eileen L. Perez, Vice President

(Printed Name of Person Authorized To Sign)

Title:

Eileen L. Perez, Vice President

Date:

3.17.13

**LIST OF EXHIBITS**

**Exhibit**

- |           |  |
|-----------|--|
| <b>A</b>  | <b>Scope of Work</b>   |
| <b>B</b>  | <b>Schedule of Fees</b>  |
| <b>C</b>  | <b>Schedule of Fees for Additional Work</b>  |
| <b>D</b>  | <b>Insurance Requirements</b>  |
| <b>E</b>  | <b>Contractor's Certificates of Insurance</b>  |
| <b>F</b>  | <b>Contractor's Propoaal</b>   |
| <b>G</b>  | <b>General Conditions for Non-Construction Contracts<br/>(HUD Form 5370-C), Section I</b>  |
| <b>H.</b> | <b>HUD General Depository Agreement</b>  |
| <b>I.</b> | <b>Contractor's Government Services Schedule of Fees &amp; All About<br/>Business Accounts &amp; Services Disclosure and Agreement</b> |

**EXHIBIT A  
SCOPE OF WORK**

**Bank Name:** UNION BANK

**Current Assigned Services for Initial Contract Term Derived From the Scope of Work:**

- Depository and Disbursement Account
- General Services Vendors Disbursement
- Tenant Account Lockbox Deposit
- Miscellaneous Lockbox Deposit
- Payroll Account
- Low Rent Disbursement Account

**I. BACKGROUND**

The Authority receives its principal funding from the U.S. Department of Housing and Urban Development (HUD). As such, it is obligated to abide by applicable federal rules and regulation, specifically, HUD's "Required Housing Authority Cash Management and Investment Policies and Procedures" (HUD Notice PIH95-27 (HA)).

The Authority currently engages the services of various financial institutions ("Banks") for various business transactions. One of our accounts is exclusively a depository account, where funds are then transferred to the separate accounts within the same depository bank or other bank accounts as required by the project or entity.

A General Depository Agreement (GDA: Form HUD-51999) must be executed by the Bank and the Authority. The depository must be a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC), Federal Saving and Loan Insurance Corporation (FSLIC), or National Credit Union Share Insurance Fund (NCUSIF). Deposits in excess of the \$250,000 insured amount are to be fully (100%) secured by pledging or setting aside collateral of identifiable U.S. Government securities as prescribed by HUD.

The possession of the securities could be with the Authority or an independent custodian who holds the securities on behalf of the Authority as a bailee (evidenced by a safekeeping receipt and a written bailment for wire contract) and the securities will be maintained for the full term of the deposit. The depository shall own these securities and the manner of collateralization shall provide the Authority with a continuing perfected security interest in the collateral for the full term of the deposit in accordance with Federal regulations and applicable laws. The collateral shall, at all times, have a market value at least equal to the amount of the deposits secured.

**II. SERVICES**

The Authority plans to engage the services of one or more Banks to provide the latest basic and specialized banking services available (e.g. account reconciliation, positive pay, lockbox system, image technology, electronic funds transfer, outsourcing of disbursement). Moreover, the Authority may require the Bank(s) to provide additional banking services for properties that are acquired or entities that become affiliated with the Authority after the



Inception of the banking services contract.

The Authority has established parameters for its computerized data transmissions, subsequent media reporting and remittance statements. These parameters are compatible to the Authority's Oracle, Yardi Business System and Emphasys softwares. The Bank must adhere to these established parameters OR bear the cost in computer programming resources if any modification(s) to existing Authority software must be made (e.g. account reconciliation, positive pay, lockbox system and direct deposit).

The Authority may apportion the requirements of this RFP among multiple contractors for four major areas which include General Revolving Funds, Section 8, Public Housing, and Capital Funds, if this is determined to be in the Authority's best interests.

Financial statements or (CAFR) are available by email upon request.

Major tasks include, but are not limited to, the following:

**A. General Account Services and Deposit Management**

The Bank is required to continuously and fully (100%) secure all deposits whether regular, savings, or time deposits that are in excess of the \$250,000 insured amount and should be in compliance with the requirements of HUD Financial Management Handbook Chapter 7475.1, Section 4-3 and the State of California Government Code.

A fully automated system must be available. The Authority must have access to detailed cash information essential for good cash management via an on-line computer system.

The detailed reporting should reflect itemized debits and credits with corresponding descriptions. Posted transactions not originated by the Authority must be supported by source documents and forwarded to the Authority on the same day that the transaction occurred. Another copy must be included with the monthly statements.

The ability to make stop payments via on-line computer system must be made available to the personnel authorized to enter such orders. The stop payment orders shall be confirmed and effective as soon as the stop is placed.

The Bank shall provide Demand Account Statements and Monthly Detailed Analysis of all the Authority bank activity. The account analysis should contain the following:

1. A recapitulation of the Authority's monthly activities including the listing of the deposits processed, the checks cleared, the number of checks returned, the number of stop payments made, the number of wire transfers made between the Authority's institutions.
2. A notation of the monthly cost of the specific activity, as well as the unit price of each activity such as full account reconciliation system, positive pay, lockbox services, purchasing cards, etc.

3. A complete computation of average daily deposits, average funds in the process of collection, average withdrawals (checks written) and the resultant average daily collected balances.

**B. Lockbox Systems**

The Authority currently maintains two separate lockboxes described as follows:

**Tenant Deposits:**

The Bank shall pick up mail, including remittances, per the bank's scheduled pick up time each day from the Authority's assigned Post Office Box or Bank's unique zip code. If a Post Office Box is used, it shall be rented in the Authority's name that will authorize the Bank's entry into the box.

The Bank shall have all remittances received, processed and funds deposited to the Authority's designated bank account on the same business day. A daily hard copy report of the detailed deposits is to be received by the Authority. A sample of our current "Daily Deposit Report" and "Lockbox Summary Report" will be provided upon request in an addendum to the RFP. All deposits should also be electronically transmitted to the Authority on the following business day. Tenant account rent coupons are formatted to be scannable by the bank processing center. There are approximately 8,000 rent coupons are processed on a monthly basis.

The Authority has an established format and parameters for the remittance statements and, as noted above, the Bank shall adhere to these and bear the cost in computer programming resources if any modifications to existing Authority software must be made. Sample of rent coupons for Tenant Accounting will be provided upon request. Data transmission file specifications for the Daily Deposit Detail report and "Do Not Accept" upload file details will be provided upon request in an addendum to the RFP.

**Miscellaneous Deposits - Other Than Tenant Deposits:**

The Bank shall pick up mail, including remittances, several times each day from the Authority's assigned Post Office Box or Bank's unique zip code. If a Post Office Box is used, it shall be rented in the Authority's name who will authorize the Bank's entry into the box.

The Bank shall have all remittances received, processed and funds deposited to the Authority's designated bank account on the same business day. Images of deposited items and accompanying documents shall always be made available to the Authority on a daily basis. Images should be available online (internet) on a daily basis. Monthly deposits shall be written to a CD-ROM and mailed to the Authority. All types of checks and correspondence are accepted in this lockbox and no remittance document is needed.

The Authority requires that the remittance Banking/Lockbox Systems be processed in-house and not outsourced or sub-contracted.

All deposits from lockboxes will be deposited to the general revolving fund account



designated by HACLA.

**C. Depository Services**

The Bank shall be a qualified depository for public funds pursuant to California Government Code section 53648, HUD Financial Management Handbook section 7475.1 and shall have access to all Federal Reserve System services.

All deposits made on behalf of the Authority shall be credited to the designated master deposit account for the total amount reflected by the deposit slip rendered on the same business day that it was deposited. In addition, checks missing or received without entry credit, debit entries between the Bank and the Authority and all deposits are to be promptly verified by the Bank. All such adjustments are to be suitably substantiated and supported. The Authority is to be advised by the depository within an agreed upon time frame, preferably within 24 hours of such adjustment and if not so advised within three (3) business days, the Authority shall recover overages and decline shortages.

The Authority currently has 20 acceptable payees, Frequency changes are seldom, and lead time for changes is approximately seven business day. A list will be provided upon request.

Deposits picked up by a courier shall be credited to the designated account on the date picked up from the Authority's office. Regular bank courier picks up checks deposited daily at 2:15 p.m. at the Authority's Finance Department only on as needed basis. This will be seldom as we are currently participating on remote deposit process. No armored carrier service is required as no cash deposits are accepted in our office. Deposits delivered by Authority representatives to the Bank shall be credited to the designated account on the date delivered. All other funds received by the bank for the account of the Authority shall be credited to the designated master deposits account on the date received and available for such purposes. Deposits through the lockbox system should be reconciled to the total statements received by the Bank each day.

**Remote Deposit Scanner and Software**

The bank shall provide remote deposit services for all checks and money orders received at our office. Currently all checks and money orders are deposited via a Remote Scanner system, where deposits are made and credited to our account on the same day. The Authority would like to have the option to expand the remote deposit scanner and software to include various sites, up to but not limited to five (5) different locations, with the same capabilities as the main scanner.

Deposited checks, which may be dishonored and returned by the payer's bank, will be re-cleared by the Bank. Should a check be returned a second time, the amount will be charged back to the Authority's account.

**D. Paper Disbursement Reconciliation Services**

Full checking account reconciliation service shall be available to the Authority and will be used for all sub accounts the Authority currently utilizes for controlling its various disbursements.

FDIC Rules and Regulations 111.1 states that the financial institution must protect against unauthorized access to or use of the Authority's information that could result in substantial harm or inconvenience to the agency. In order to protect the Authority, the financial institution shall have a strong on-line check fraud detection service to protect the Authority and shall have the ability to provide the latest in image technology.

Within ten (10) days following the close of each accounting period, the financial institution will provide for each account, a summary report of account entries and/or balances in commonly accepted "bank statement" format depicting all account activities.

In addition to monthly statements of account upon which the Authority checks are drawn, the financial institution will provide the Authority with a full set of reports for each sub account which includes, but not limited to the following:

1. A numerically sequenced report of all checks outstanding. It will reflect checks issue date, check numbers, check amounts, and a grand total of checks outstanding.
2. A numerically sequenced report of all checks paid. It will reflect checks issue date, check numbers, check amounts, dates paid and a grand total of checks paid.
3. A numerically sequenced report of all checks with stop payment orders.
4. A complete recapitulation of the reconciliation account. It will list total checks and charges processed and total deposits made to reflect a reconciled balance per sub account for the reconciliation period covered.
5. An encrypted data of outstanding and paid checks that can be electronically transmitted.

The bank shall make available an "electronic" download of "paid checks" that could be interfaced to the Oracle Financial System, Yardi Business System and Elite System for real time reconciliation. The Authority will provide specification of compatibility for its business system. Account reconciliation reports shall be delivered to the Authority within 10 days following the close of each accounting period. Electronic images or paid checks shall be transmitted electronically or encrypted images sorted by account written to the CD-Rom. The Authority shall have access to any images of checks deposited and checks cleared available on-line for at least a period of six months to a year from the current day.

**E. General Automated Clearing House (ACH) Services**

The Bank shall have the capability to accommodate a wide range of electronic payment and deposit services.

ACH origination services are utilized for payroll and vendor payments such as tax payments to IRS and State of California. Vendor payments also include Housing Assistance Payments (HAP) to various Section 8 landlords.

The bank shall provide the Housing Authority with PC based software to originate ACH activity. The access and services should include web based service that allows entering recurring ACH transactions that can be pre-dated.

**F. Electronic Data Interchange (EDI) Services**

EDI documents contain the same data that would normally be found in a paper document used for the same organizational function. EDI is used for all disbursements, collections by ACH, checks as well as data transmission exchange.

**G. Wire & Other Funds Transfer Services**

The bank shall also provide a PC-based customer initiated wire transfer capability, allowing both repetitive and free form wires.

The system shall have security features (multiple passwords, encryption/authentication, test keys, etc.) acceptable to the Housing Authority. Back up procedures and contacts (via telephone and fax) will be designated in the event of system failure or emergency

Upon instructions of duly authorized personnel of the Authority, the bank shall transfer funds to and from specified accounts. The Authority will provide the Bank with written authority to effect such transfers and list of personnel authorized to make electronic or other types of transfers.

**H. Information Services**

The Housing Authority requires a PC-based daily balance and transaction reporting system. Daily reports may include the following:

- Previous Day Reporting
- Current Day Reporting
- Various reports and statements in a computer media.
- Specialized reports as needed

The Housing Authority also requires PC-based monthly reports. Monthly reports may include the following:

- Bank Analysis Report
- Account Reconciliation Report in PDF and Excel
- Specialized reports as needed

**I. Investment/Custody Services**

The Housing Authority may choose to avail itself of various short-term investment services offered by the Bank. The Authority is open to see proposals of cash

management structure and cost out of services based upon minimization of costs and maximizing interest earned on overnight funds.

The Bank shall be capable of providing short-term and long term investment services and ease of investments along with historical and current rate of returns and various investment vehicles. These services would be designed to provide earnings on daily liquidity funds as a backup to the Housing Authority's operating investment function. The Authority currently has Custodial services for investments. Investment portfolio is approximately \$130 million.

**J. Purchasing Card Program**

The Housing Authority would like to participate in the purchasing card program. The successful contractor will be listed in a Master Services Agreement (MSA) and will be responsible for providing purchase card services and technologies on a statewide basis for individual state and participating local agencies.

**K. Other Services:**

**Direct Deposit of Payroll:**

The Bank shall provide automatic payment and deposit of payroll every two weeks to participating Authority employees to their designated banks while offering service free checking accounts to its employees.

The Bank shall also provide direct deposit for the Authority's participating vendors receiving Housing Assistant Payment (HAP) checks

**Federal and State Tax Deposits:**

The Bank must be able to accept tax deposits through electronically transmitted data as required by the taxing agency.

**Alternative Vendors Payment Method:**

The Bank shall provide alternative method of paying vendors to facilitate payment processing and minimize administrative costs.

**Emergency Preparedness and Disaster Recovery:**

The Bank must have a fully developed disaster recovery plan, including remote sites for currency acquisition and recovery of records.

**Checks Retention Plan:**

The Bank shall retain all checks deposited by the Authority for a period of five years or according to the law, whichever is greater. The checks shall be microfilmed or digitized through image technology.

**L. Transition Plan**

The Bank must provide for a smooth transition. The Bank must also provide on-site training to the Authority's staff for the operation and use of the Bank's services and automated systems.

**M. General Services**

In addition to the foregoing, all ordinary and necessary banking services are to be provided. The Bank shall introduce all appropriated new services that are mentioned in this Scope of Work as they are instituted.

Housing Authority of the City of Los Angeles .  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT B  
SCHEDULE OF FEES**

In accordance with Paragraph 2 of this Contract, the Housing Authority of the City of Los Angeles shall pay the Contractor for all work performed in accordance with the rates shown below, as evidenced by invoices and supporting documentation for all expenses incurred, in completion of the work tasks contemplated under this Contract. All rates shall remain fixed for the entire term of the Contract.

See attached Cost Form

**TOTAL NOT - TO- EXCEED CONTRACT AMOUNT OF \$325,000.00**

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>ACCOUNT ANALYSIS</b>				
ACCT MAINTENANCE - WEB- AAA003	7	\$2.500	\$17.50	All accounts for WEB MAINTENANCE
CUSTOMER SERVICE ACTIVITIES	1	\$0.000	\$0.00	Cost depends on what activities are requested.
<b>ACCOUNT RECONCILIATION</b>				
FULL RECON MONTHLY MAINT- ARP002	7	\$25.000	\$175.00	
POS PAY MONTHLY MAINT	4	\$0.000	\$0.00	
TRANSMISSION ISSUE INPUT-BASE	20	\$1.000	\$20.00	
TRANSMISSION ISSUE INPUT-ITEM	855	\$0.010	\$8.55	
RECORD MAINTENANCE - PER ISSUE	0	\$1.500	\$0.00	
ISSUE INPUT ADDL 40 BYTE DATA	71	\$0.110	\$7.81	
CHECK PAID TRUNCATED- ARP031	828	\$0.070	\$57.96	
DAILY PAID REPORT	4	\$0.000	\$0.00	
OUTSTANDING ONLY REPORT	4	\$10.000	\$40.00	
OUTSTANDING CHECK REGISTER-ITEM	400	\$0.000	\$0.00	
RECON STOP PAYMENTS - RENEWAL	0	\$0.000	\$0.00	
MAIL DELIVERY	3	\$5.000	\$15.00	
ADDITIONAL STANDARD REPORTS	0	\$10.000	\$0.00	
EXPRESS MAIL DELIVERY	0	\$0.000	\$0.00	
WEB POS PAY-ACCOUNT BASE	4	\$0.000	\$0.00	
WEB POS PAY-EXCEPTIONS	2	\$0.200	\$0.40	
POSITIVE PAY -PHI EXCEPTIONS	0	\$0.000	\$0.00	
WEB POS PAY-IMAGES	1	\$0.300	\$0.30	
WEB POS PAY-DUPL HIST IMAGES	0	\$0.000	\$0.00	
WEB POS PAY-MANUAL ISSUES	10	\$0.150	\$1.50	
WEB POS PAY-HISTORY IMAGES	0	\$0.000	\$0.00	
IOD-IMAGE (<120 DAYS 1-20 Items)	8	\$0.000	\$0.00	
IOD-IMAGE (<120 DAYS 21-50 Items)	1	\$0.100	\$0.10	
IOD-IMAGE (120-180 DAYS)	3	\$0.500	\$1.50	
IOD-IMAGE (181+ DAYS)	0	\$0.750	\$0.75	
IOD-DUPLICATE IMAGE	0	\$0.000	\$0.00	
ACCT RECON CSV RPT MTHLY MNT	4	\$10.000	\$40.00	
ACCT RECON CSV RPT-PER ITEM	325	\$0.015	\$4.88	
POSITIVE PAY EXCEPTION - CEO IMAGE	158	\$0.200	\$31.20	
PYMT AUTH MAX CHECK MTHLY BASE	0	\$0.000	\$0.00	
ARP CHECKS PAID - FULL RECON- ARP031	9,138	\$0.070	\$639.66	
POSITIVE PAY EXCEPTION CHECKS RETURNED	12	\$0.000	\$0.00	
STOP PAYMENTS - PC	20	\$1.000	\$20.00	
STOP PAYMENT - OPERATOR ASSISTED	0	\$32.000	\$0.00	Use online stops instead for lower cost.
ONLINE IMAGE VIEW<90 DAYS - ITEM	3	\$0.000	\$0.00	
ONLINE IMAGE VIEW >90 DAYS - ITEM	4	\$0.000	\$0.00	
POSITIVE PAY MONTHLY BASE	1	\$25.000	\$25.00	
WELLSIMAGE PAID CHECK MONTHLY BASE	1	\$0.000	\$0.00	
WELLS IMAGE CD PER CDROM	1	\$10.000	\$10.00	
STOP PAYMENT - PAPER CONFIRMATION	0	\$32.000	\$0.00	Use online stops instead for lower cost.
CEO SEARCH	131	\$0.200	\$26.20	
OVERDRAFT CHARGE-PAID ITEM- FAD310	0	\$10.000	\$0.00	
PAYMENT MANAGER INSERT ITEM- OPA002 Overflow	18,488	\$0.030	\$553.74	Outsource overflow page
PAYMENT MANAGER PACKAGE PREPARATION	0	\$3,000.000	\$0.00	Doc print set up fee (set up fee)- Use conversion credit
PAYEE VALIDATION STANDARD - ITEM	9,138	\$0.025	\$228.40	Payee Fail/No Pay
WELLSIMAGE PAID CHECK PER ITEM- ARP031	9,818	\$0.070	\$688.26	check paid items
STOP PAYMENT - AUTO RENEWAL	57	\$1.000	\$57.00	web renewal of stops
WELLS IMAGE CD PER ITEM	0	\$0.020	\$0.00	recommend delete CD rom- use images on Demand



## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>TRANSPORTATION SERVICES</b>				
COURIER SERVICES- CAR001	1	\$92.000	\$92.00	As Cost- No mark up. \$92.00/ per month
SPECIAL COURIER SERVICES- CAR003	0	\$0.000	\$0.00	Special extra pick up at cost per courier
<b>BUSINESS CHECKING</b>				
BRANCH DEPOSIT	1	\$2.000	\$2.00	
ELECTRONIC CREDIT	100	\$0.050	\$5.00	
ELECTRONIC DEBIT	35	\$0.050	\$1.75	
ACH BLOCK	1	\$2.500	\$2.50	
BANK STATEMENT WEB	7	\$1.000	\$7.00	
BANK STATEMENT MAIL & WEB	1	\$5.000	\$5.00	recommend delete MAIL and use WEB
BANK STMT - FRONT IMAGES	1	\$5.000	\$5.00	recommend delete Bank Stmt and use WEB
ENCLOSED CHECK FEE	0	\$0.000	\$0.00	
ENHANCED FDIC INSURANCE	0	\$0.000	\$0.00	N/A
ENHANCED FDIC INSURANCE	0	\$0.000	\$0.00	N/A
FDIC INSURANCE	0,200	\$0.009	\$022.48	FDIC is 0.009/ per 1000.00
FICO INSURANCE	0	\$0.000	\$0.00	N/A
<b>CHECK PROCESSING</b>				
UNENCODED COURIER DEPOSIT	0	\$2.000	\$0.00	
UB CHECKS - BRANCH DEPOSIT	0	\$0.050	\$0.00	
LOCAL CLR/HSE /BRANCH DEP.	1	\$0.100	\$0.10	
LOCAL FED DIST 12 - BRANCH DEP	1	\$0.140	\$0.14	
OTHER FED - BRANCH DEPOSIT	1	\$0.150	\$0.15	
UBOC CHECKS SERV. CTR DEPOSIT	27	\$0.010	\$0.27	
LOCAL CLR HSE/SER CTR	800	\$0.025	\$20.00	
LOCAL FED DIST 12 SERV STR DEP	1,710	\$0.035	\$59.85	
ENCODING FEE - SERV CTR DEP	0	\$0.033	\$0.00	
OTHER FED - SERV CTR DEPOSIT	3,700	\$0.050	\$185.00	
DEBIT ERROR NOTICE	0	\$5.000	\$0.00	
CREDIT ERROR NOTICE	0	\$5.000	\$0.00	
<b>CLEARPAY</b>				
ACH DIRECT SEND SETUP FEE	0	\$250.000	\$0.00	We're set up cost
ADDITIONAL TESTING	0	\$0.000	\$0.00	customer bid N/A
DIRECT SEND MONTHLY BASE FEE	4	\$20.000	\$80.00	
DIRECT SEND CREDIT TRANSACTION	1,700	\$0.010	\$17.00	
DIRECT SEND DEBIT TRANSACTION	80	\$0.100	\$8.00	
DIRECT SEND RETURNS FAX	3	\$7.000	\$21.00	
DIRECT SEND TRACERS	1	\$25.000	\$25.00	
DIRECT SEND NOC FAX	1	\$7.000	\$7.00	
DIRECT SEND RE/REVDEL	1	\$25.000	\$25.00	
INPUT - DATA TRANSMISSION	15	\$1.000	\$15.00	
SUSPENDS	0	\$75.000	\$0.00	
CLEARPAY ACH ACK REPORT	15	\$5.000	\$75.00	



## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>GENERAL ACH SERVICES</b>				
ELECTRONIC CREDITS POSTED	200	\$0.050	\$10.00	
ACH FRAUD FILTER - SET UP	0	\$10.000	\$0.00	EPA ach filter
ACH MONTHLY BASE	1	\$20.000	\$20.00	Direct Send
ACH ONE DAY	1,300	\$0.100	\$130.00	Assumes ACH debit
ACH TWO DAY	7,400	\$0.100	\$740.00	Assumes ACH debit
ACH ON-US ONE DAY	45	\$0.100	\$4.50	Assumes ACH debit
ACH ON-US TWO DAY	715	\$0.100	\$71.50	Assumes ACH debit
ACH RECEIVED ITEM	4	\$0.010	\$0.04	Assumes ACH Credit
ACH RETURN ITEM-FAX ADVISE	22	\$7.000	\$154.00	
ACH TRANSMISSION CHARGE	6	\$1.000	\$6.00	
ACH FAX ADVISE	10	\$5.000	\$50.00	
ACH FAX SERVICE	40	\$5.000	\$200.00	
ACH EXCEPTION PROCESS-DUPICAT FILE	0	\$0.000	\$0.00	
ACH REVERSAL - ITEM	1	\$25.000	\$25.00	
ACH DELETE - ITEM	1	\$25.000	\$25.00	
ACH CUSTOMER REPORTS	0	\$50.000	\$0.00	
ACH SPECIAL INVESTIGATION	0	\$0.000	\$0.00	N/A
ACH TRANSMISSION - SET UP	0	\$250.000	\$0.00	ACH set up fee-WAVE
ACH CEO FRAUD FILTER STOP MONTHLYBASE	2	\$8.000	\$16.00	
ACH CEO FRAUD FILTER STOP MONTHLYBASE	1	\$8.000	\$8.00	
ACH CEO FRAUD FILTER STOP - ITEM	0	\$5.000	\$0.00	cost is only when updating ACH filter
ACH WELLS FARGO NOC-FAX ADVISE	21	\$7.000	\$147.00	This should not be a recurring cost.
ACH NOC-FAX ADVISE	190	\$7.000	\$1,330.00	This should not be a recurring cost.
				NOC are sent only when clients needs to update ACH information.
<b>EDI PAYMENT SERVICES- OUTSOURCE PAYABLES UNION BANK</b>				
PAYMENT MANAGER CUSTOM SET UP (OPAD11-OPAD09)	0	\$1,800.000	\$0.00	One time cost if you implement this new service-
ELECTRONIC COMMERCE DIRECT TRANS	5	\$0.000	\$0.00	cost can be offset by converted credit.
EC IMPLEMENTATION DEV HOURS	0	\$0.000	\$0.00	custom bid if required
PAYMENT MANAGER CHECK/DOC SET UP/POSTAGE	4,010	\$0.100	\$401.00	
PAYMENT MGR CHK 1ST PAGE NEXT DAY	10,000	\$0.090	\$900.00	
PAYMENT MGR CHK ADDL PAGE NEXT DAY	450	\$0.090	\$40.50	
PAYMENT MANAGER CHECK INSERTS	3,200	\$0.300	\$960.00	
PAYMENT MANAGER SPECIAL HANDLING	90	\$2.700	\$243.00	
PAYMENT MGR MANUAL CHECK PULL	2	\$2.500	\$5.00	
PAYMENT MANAGER MONTHLY BASE	1	\$75.000	\$75.00	
			\$0.00	
<b>CUSTOMER SERVICE ACTIVITIES</b>				
PRINTER CHARGES CUS046	0	\$0.000	\$0.00	at cost - not mark up
NON-CUSTOMER CASH PAID ON US	0	\$0.000	\$0.00	No cost to cash non customer check at US branches
<b>COMMERCIAL CUSTOMER SERVICE</b>				
ACCT RECON STOP PMT-CCSU ASSOC	0	\$32.000	\$0.00	Use WEB STOP instead of customer service
BALANCE INQUIRY CCSU ASSOCIATE	0	\$20.000	\$0.00	Use web for true balance inquiry.
COPY PREV. STMT-ASSOCIATED FAX	0	\$33.000	\$0.00	
COPY OF DEP SLIP - ASSOCIATE FAX	0	\$33.000	\$0.00	
COPY OF DEP ITEMS ASSOC. FAX	0	\$33.000	\$13.75	
COPY OF RETURNED ITEM - FAX	0	\$33.000	\$2.75	
LAUF REDEMPTION	1	\$20.000	\$20.00	LAUF redemption and investment is 20.00 each
DDA STOP PAYMENT - CCSU ASSOC.	0	\$32.000	\$0.00	Use WEB STOP
IMAGE OF DEP ITEM <30 DAYS	10	\$0.500	\$5.00	
IMAGE OF DEP ITEM 31-60 DAYS	5	\$0.750	\$3.75	
IMAGE OF DEP ITEM 61-90 DAYS	5	\$1.000	\$5.00	
IMAGE OF DEP ITEM 91-120 DAYS	5	\$1.250	\$6.25	
IMAGE OF DEP ITEM 121+ DAYS	5	\$2.000	\$10.00	

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>ELECTRONIC PAYMENTS</b>				
EPA SETUP	0	\$10,000	\$0.00	One time set up cost
EPA MONTHLY MAINTENANCE	2	\$8,000	\$16.00	
EPA TRADING PARTNER SETUP	1	\$15,000	\$15.00	
EPA FILTER MAINTENANCE	1	\$5,000	\$5.00	
EPA ACTIVITY REPORT	3	\$10,000	\$30.00	
REMOTE DEPOSIT/ERS MAINTENANCE	0	\$0,000	\$0.00	EAB not used FNA
<b>ELECTRONIC TAX DEPOSIT</b>				
INSTATAX FAXED RECEIPT	3	\$1,000	\$3.00	
INSTATAX QUARTERLY STATEMENT	1	\$15,000	\$15.00	
INSTATAX MONTHLY STATEMENT	1	\$15,000	\$15.00	
WEB INSTATAX MONTHLY MAINT	1	\$5,000	\$5.00	
WEB INSTATAX PAYMENT	3	\$1,500	\$4.50	
WEB INSTATAX SET UP	1	\$0,000	\$0.00	No setup cost
<b>REMOTE DEPOSIT</b>				
REMOTE DEPOSIT MONTHLY MAINT	1	\$50,000	\$50.00	\$8.00 for each additional account if you add 4 more sites
REMOTE DEPOSIT PER ITEM	9	\$0,000	\$0.00	
REMOTE DEPOSIT ON US	8	\$8,080	\$0.84	
REMOTE DEPOSIT PER TRANSIT	800	\$8,080	\$64.00	
REMOTE DEPOSIT PER DEPOSIT	90	\$0,750	\$67.50	
<b>CHECK IMAGE</b>				
IOD MONTHLY MAINTENANCE FEE	3	\$5,000	\$15.00	
IOD PER ITEM FEE (1-100)	19	\$0,000	\$0.00	
IOD PER ITEM FEE (101-999,999)	0	\$0,250	\$0.10	
<b>INFORMATION REPORTING</b>				
WEB PRIOR DAY REPORT ACCOUNTS	7	\$13,000	\$91.00	
WEB PRIOR DAY REPORT ACCOUNTS	7	\$13,000	\$91.00	
WEB PD BALSUM UPDATED	10,000	\$0,040	\$400.00	
WEB PD TRANSACTIONS UPDATED	1,100	\$0,040	\$44.00	
WEB CD BALSUM UPDATED	75	\$0,040	\$3.00	
WEB CD TRANSACTIONS UPDATED	75	\$0,040	\$3.00	
WEB CURRENT DAY RPT ACCOUNTS	7	\$13,000	\$91.00	
IMAGE ITEM PRIOR DAY STMT	0	\$0,000	\$0.00	
PRIOR DAY (COST ONLY 2HRS)	0	\$0,000	\$0.00	
<b>ONLINE BUSINESS CENTER</b>				
STOP PAYMENTS 1ST USER - BANK	90	\$0,000	\$0.00	
OBC ADD USER - BANK	1	\$5,000	\$5.00	Recommend WEB ADMIN add new users at no cost.
ISSUE PASSWORD - BANK	0	\$0,000	\$0.00	
<b>DEPOSITED ITEMS RETURNED</b>				
DEPOSITED ITEM RETURNED CHRGK	15	\$2,000	\$30.00	enhancement: recommend web return items
<b>COMMERCIAL CUSTOMER SUPPLIES</b>				
CHECK DEPOSIT BAGS-SMALL	0	\$22,700	\$0.00	\$2.78 per bag
SUPPLIES SHIPPING	0	\$0,000	\$0.00	at cost to client
SUPPLIES-SALES TAX	0	\$0,000	\$0.00	at cost to client
<b>OFFICE CASH SERVICES</b>				
DEPOSITED CURRENCY	0	\$1,500	\$0.00	1.50 per 1000

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>STATEMENTS</b>				
IOD - SINGLE IMAGE (181+ DAYS)	0	\$0.750	\$0.00	
IOD - SINGLE IMAGE (<120 DAYS)	0	\$0.000	\$0.00	
			\$0.00	
<b>TELESERVICES</b>				
VERIFICATION OF DEPOSITS FEE	0	\$10.000	\$0.00	
BALANCE INQUIRY-TELESERV. REP	0	\$0.000	\$0.00	
INQUIRY & TRANSFER SERVICE	1	\$0.000	\$0.00	
<b>TELE STOP PAYMENTS</b>				
WEB ACCT RECON STOP PMT	4	\$1.000	\$4.00	
WEB STOP PAYMENT RENEWAL	32	\$1.000	\$32.00	
WEB STOP SINGLE INQUIRY	0	\$0.500	\$0.00	
WEB PHOTOCOPIES	0	\$0.500	\$0.00	
WEB STOP RANGE INQUIRY	0	\$1.000	\$0.00	
WEB NUMBER STOP ACCOUNTS	4	\$0.000	\$0.00	
<b>WIRE TRANSFERS</b>				
INCOMING DOMESTIC REPETITIVE	10	\$3.000	\$30.00	
DIRECT ACCESS-SECURED REISSUE	0	\$0.000	\$0.00	
<b>MISC LOCKBOX-WHOLESALE</b>				
MONTHLY BASE CHARGE	2	\$75.000	\$150.00	
PHOTOCOPIES - SPECIAL REQUEST	0	\$11.000	\$0.00	
ACCOUNT MAINTENANCE	2	\$0.000	\$0.00	
CLIENT SETUP FEE	1	\$0.000	\$0.00	
REJECTS/CORRESPONDANCE	30	\$0.250	\$7.50	
FACSIMILE	0	\$7.000	\$0.00	
POSTAL BOX RENTAL	2	\$110.000	\$233.00	USPS fee for two boxes
PAYEE VERIFICATION (1-10)	0	\$0.000	\$0.00	
PAYEE VERIFICATION (11-20)	0	\$0.120	\$0.00	
PAYEE VERIFICATION (31+)	500	\$0.150	\$75.00	
BATCH PREPARATION	20	\$1.250	\$25.00	
LOCKBOX DEPOSIT	20	\$1.500	\$30.00	
IMAGE SYSTEM REPORTS	1	\$50.000	\$50.00	
CASH ITEM	0	\$12.500	\$0.00	
ITEM PROCESSED - ONLINE DEL	500	\$0.380	\$190.00	
IMAGE DELIVERY MO MAINT	2	\$75.000	\$150.00	
CD ROM PRODUCED	1	\$25.000	\$25.00	
CHECK IMAGE	500	\$0.050	\$25.00	
WEB ACCESS	1,300	\$0.030	\$39.00	
WEB DOCUMENT IMAGE	500	\$0.100	\$50.00	
<b>TENANT LOCKBOX-WHOLESALE (tenant payments)</b>				
MONTHLY BASE CHARGE	1	\$75.000	\$75.00	
ITEMS PROCESSED	5,000	\$0.100	\$500.00	
ACCOUNT MAINTENANCE	1	\$0.000	\$0.00	
CLIENT SETUP FEE	1	\$0.000	\$0.00	
REJECTS/CORRESPONDANCE	200	\$0.050	\$10.00	
OCR SCAN LINE REPAIR	14,200	\$0.010	\$142.00	
DATA ENTRY	1,800	\$0.010	\$18.00	
NON MATCHED ITEMS	1,300	\$0.350	\$455.00	
STOP LIST MONTHLY	1	\$50.000	\$50.00	
STOP LIST PER ITEM	5,800	\$0.000	\$29.00	
PAYEE VERIFICATION	5,800	\$0.000	\$0.00	
PROGRAMMING	1	\$0.000	\$0.00	\$120.00 per hour is needed
POSTAL BOX RENTAL	1	\$117.000	\$117.00	USPS fee
LOCKBOX DEPOSIT	21	\$1.000	\$21.00	
CASH DEPOSIT	1	\$12.500	\$12.50	
IMAGE DELIVERY MO MAINT	1	\$75.000	\$75.00	
CHECK IMAGE	6,800	\$0.030	\$174.00	
WEB ACCESS	200	\$0.030	\$6.00	

## EXHIBIT F COSTS FORM

ACTIVITY CHARGE DETAIL	MONTHLY ESTIMATED VOLUME	COST PER UNIT	MONTHLY ESTIMATED COST	COMMENTS
<b>ELECTRONIC WIRE TRANSFER</b>				
WIRE TRANSFER MONTHLY FEE/WEB	1	\$15.000	\$15.00	Only one account for WEB WIRES
OUTGOING DOMESTIC WIRE/WEB	18	\$4.000	\$80.00	
INTERNAL TRANSFER INTRADAY/WEB	0	\$9.000	\$0.42	
SUB ZERO LEVEL 1 ZBA	3	\$3.000	\$9.00	
<b>TOTAL HARD CHARGES:</b>			<b>\$ 14,921.03</b>	*Monthly Hard Bank Fees
<b>Total charges if you omit NOC fees:</b>			<b>\$13,444.83</b>	* assuming 218 NOC do not recur each month.
<b>0.10% soft credit based on 0.2MM = \$1496.47 credit to fees</b>			<b>\$13,618.30</b>	* Monthly Bank fees with soft credit applied.
*Five Year Contract - 2 years and 3 (one) year renewal options				
*Enhanced ECR rate of 0.20% or until ECR @ 91 previous day T-Bill				
exceeds 0.20% for soft credit.				
*Monthly Charge or Quarterly with Comp Balances				

**Balance Collateralization/Other Regulatory Fees:** While Union Bank does not have immediate plans to assess charges for collateralizing Public Funds, the cost of collateral is expected to increase due to changes in FDIC insurance coverage rules and Basel III accounting standards, and other foreseen and unforeseen regulatory developments. We reserve the right to assess charges for increased collateral costs related to changes in the regulatory environment. Additionally, Union Bank reserves the right to assess or increase fees and charges related to the increased costs of providing any of its products or services to the public agency when incurred by Union Bank as a result of changes in the legal or regulatory environment.

\*This document is exempt from public disclosure pursuant to California's Government Code Section 6254(K) as that section is further defined by sections 6276 and 6276.44 of said Government Code and by the Uniform Trade Secrets Act (California Code Section 3426-3426.11 inclusive). Please refer to the Government Schedule of Fees for additional service fees and charges not identified on this Cost Form.

**EXHIBIT C**  
**SCHEDULE OF FEES FOR ADDITIONAL WORK**

In accordance with Paragraph 2 of this Contract, the Housing Authority of the City of Los Angeles shall pay the Contractor for all work performed in accordance with the rates shown below, as evidenced by invoices and supporting documentation for all expenses incurred, in completion of the work tasks contemplated under this Contract. All rates shall remain fixed for the entire term of the Contract.

The following labor rates shall apply to any additional work during the term of the Contract.

Professional Services	
Description	Rate/Hour
N/A	

**EXHIBIT D**  
**INSURANCE REQUIREMENTS**

- A.** During the term of this Contract, the Contractor shall, at its own cost and expense, procure and maintain the following types of insurance:
- a. Statutory Workers' Compensation, as required by the California Labor Code, and Employer's Liability with limits not less than \$1,000,000; and
  - b. Comprehensive General Liability Insurance with limits not less than \$1,000,000 per occurrence, Housing Authority City of Los Angeles as additional insured; and
  - c. Motor Vehicle Liability, for owned and not-owned vehicles, with limits not less than \$1,000,000 per occurrence; and
  - d. Banker's Blanket Bond liability, with limits not less than \$20,000,000 per occurrence.
- B.** Insurance Company Requirements:
- i. Prior to the commencement of work, the Contractor shall furnish the Authority with insurance certificates, evidencing the above insurance coverage for Statutory Workers' Compensation and where indicated, Errors and Omissions for Professional Liability Insurance. The Authority shall be named as Certificate Holder onto the Contractor's said policies. Furthermore, the Authority shall be named as additional insured (endorsements) on the Contractor's General Liability and Comprehensive Automobile Insurance policies, if applicable. The certificates and/or endorsements shall additionally provide that "The Contractor's policy is primary and non-contributory over any insurance carried by the Authority" for "the Contractor's negligent or wrongful act or omission, as per Paragraph 6 above, entitled 'Indemnification', and that the Policies will not be canceled or materially changed without thirty (30) days prior notice (ten (10) days prior notice for non-payment of premium) in a writing being given to the Authority. The Authority shall be named as Loss Payee for any required Fidelity or Crime Coverage only where warranted.
  - ii. For all of the policies listed in the above Subparagraph a, the insurance company(s) shall have an A.M. Best rating of "B+" or higher.
  - iii. The insurance company(s) shall also be licensed to underwrite in the State of California.
  - iv. The Authority's Risk Management Department must approve any exceptions to the above items in advance.
  - v. If requested by the Authority, the Broker and/or Insurance Company shall provide a certified complete copy of the insurance policy and all endorsements.
- C.** All evidence of Insurance coverage required to be submitted in accordance with this Exhibit shall be delivered to the addressee for the Authority specified in Paragraph 28 of this Contract. The Authority shall make the final determination as to whether the documentation submitted by the Contractor conforms to the requirements set forth in Exhibit D.

D. If any subcontractor(s) or independent contractor(s) is/are utilized by the Contractor for the purpose of carrying out portions of this Contract, said subcontractor(s) or independent contractor(s) shall also be required to comply with the insurance provisions set forth in Exhibit D.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT E**  
**CONTRACTOR'S CERTIFICATES OF INSURANCE**





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/01/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104	<b>CONTACT</b> NAME: PHONE (A/C, No. Ext): FAX (A/C, No): E-MAIL: ADDRESS:
026285-STAND-ALL-13-14      ALAL    WC	<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: Tokio Marine & Nichido Fire Ins Co (USB)      NAIC # 12904 INSURER B: Trans Pacific Insurance Co      41238 INSURER C: N/A      N/A INSURER D: INSURER E: INSURER F:

**COVERAGES**      **CERTIFICATE NUMBER:** SEA-002168497-21      **REVISION NUMBER:** 12

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> HOST LIQUOR LIABILITY  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC		CLL840096403	01/01/2013	01/01/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS  UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTIONS		CA8400963503	01/01/2013	01/01/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	WCD840098303 (AOS) WCR40098203 (WI,VA)	01/01/2013 01/01/2013	01/01/2014 01/01/2014	<input checked="" type="checkbox"/> WC STATUS <input type="checkbox"/> IOTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
CERTIFICATE HOLDER IS AN ADDITIONAL INSURED, BUT ONLY IF REQUIRED AND ONLY TO THE EXTENT THAT SAID PERSON OR ORGANIZATION IS INDEMNIFIED BY THE BANK'S CONTRACT WITH CERTIFICATE HOLDER. THE INSURANCE SHALL NOT EXCEED SUCH COVERAGE AND LIMITS OF LIABILITY REQUIRED IN THE CONTRACT FOR THE COVERAGE AND APPLICABLE LIMITS OF THE POLICY.

## CERTIFICATE HOLDER

HOUSING AUTHORITY OF THE CITY OF  
LOS ANGELES  
ATTN: SWAN LAM, CONTRACT ADMINISTRATOR  
2600 WILSHIRE BLVD., SUITE 3100  
LOS ANGELES, CA 90057

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
of Marsh Risk & Insurance Services

John Rolph

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AGENCY CUSTOMER ID: 026285

LOC #: San Francisco



## ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY MARSH RISK & INSURANCE SERVICES		NAMED INSURED UNIONBANCAL CORPORATION UNION BANK, N.A. 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

RE: Banking Services Contract No. MA-2013-7568-B

made between the Housing Authority of the City of Los Angeles and Union Bank of California, N.A.

The Housing Authority of the City of Los Angeles is named as additional insured under the General Liability and the Automobile Liability Insurance.

Policy is primary and non-contributory over any insurance carried by the Housing Authority of the City of Los Angeles.

Policy will not be canceled or materially changed without (30) days prior notice (10 days prior notice for non-payment of premium) in writing being given to the Housing Authority.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/01/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**  
MARSH RISK & INSURANCE SERVICES  
345 CALIFORNIA STREET, SUITE 1300  
CALIFORNIA LICENSE NO. 0437153  
SAN FRANCISCO, CA 94104

**CONTACT**  
NAME:  
PHONE  
(A/C No. Ext.):  
FAX  
(A/C No.):  
EMAIL  
ADDRESS:

026285-FINPR-FIBP-12-13 ALAL WC

**INSURED**  
UNIONBANCAL CORPORATION  
400 CALIFORNIA STREET  
SAN FRANCISCO, CA 94104

**INSURER(S) AFFORDING COVERAGE**

**NAIC #**

**INSURER A:** Charles Specialty Insurance Company

26883

**INSURER B:** N/A

N/A

**INSURER C:**

**INSURER D:**

**INSURER E:**

**INSURER F:**

## COVERAGES

**CERTIFICATE NUMBER:**

SEA-002388425-01

**REVISION NUMBER: 7**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

PROD LTR	TYPE OF INSURANCE	ADDL SUBR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b>					
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY					EACH OCCURRENCE \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR					DAMAGE TO RENTED PREMISES (Ea occurrence) \$
						MED EXP (Any one person) \$
						PERSONAL & ADV INJURY \$
						GENERAL AGGREGATE \$
						PRODUCTS - COMPROP AGG \$
	<b>GEN'L AGGREGATE LIMIT APPLIES PER:</b>					\$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					\$
	<b>AUTOMOBILE LIABILITY</b>					
	<input type="checkbox"/> ANY AUTO					COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per person) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per accident) \$
						PROPERTY DAMAGE (Per accident) \$
						\$
	<b>UMBRELLA LIAB</b>	<input type="checkbox"/> OCCUR				EACH OCCURRENCE \$
	<b>EXCESS LIAB</b>	<input type="checkbox"/> CLAIMS-MADE				AGGREGATE \$
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTIONS					\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>					
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N				WC STATUS- TORY LIMITS <input type="checkbox"/> OTH- ER
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. EACH ACCIDENT \$
						E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$
A	BANKERS PROF. LIAB.		02-306-23-73	08/30/2012	08/30/2013	15,000,000
A	FIDELITY BOND		02-306-25-50	08/30/2012	08/30/2013	20,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
EVIDENCE OF INSURANCE.

## CERTIFICATE HOLDER

HOUSING AUTHORITY OF THE CITY OF  
LOS ANGELES  
ATTN: SWAN LAM, CONTRACT ADMINISTRATOR  
2600 WILSHIRE BLVD., SUITE 3100  
LOS ANGELES, CA 90057

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
of Marsh Risk & Insurance Services

Roger Mayer

*Roger Mayer*

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AGENCY CUSTOMER ID: 026285

LOC #: San Francisco



# **ADDITIONAL REMARKS SCHEDULE**

Page 2 of 2

AGENCY MARSH RISK & INSURANCE SERVICES		NAMED INSURED UNIONBANCAL CORPORATION 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

## **ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

### **Bonders Professional Liability Layers:**

1st Excess Blended (D&O/BPL/EPL/Fid): St. Paul Mercury: Pol #ZUP-14R3628-12-NZ: Limit \$15MM  
 2nd Excess Blended (D&O/BPL/EPL/Fid): AOS Ins Co: Pol #MLN718393D1/2012: Limit 10MM  
 3rd Excess Blended (D&O/BPL/EPL/Fid): US Specialty: Pol #24-AGU-12-A26888: Limit \$10MM  
 4th Excess BPL: XL Specialty Ins. Co.: Pol #ELU125029-12: Limit \$15MM  
 5th Excess BPL: Continental Casualty Co: Pol #189566017: Limit \$10MM  
 6th Excess BPL: Federal Insurance Co.: Pol #6882-9993: Limit \$10MM  
 7th Excess BPL: Aols Ins. Co.: Pol #MLN718394D1/2012: Limit \$5MM  
 8th Excess BPL: National Union Fire Ins. Co. of Pitts., PA: Pol #02-306-24-38: Limit \$5MM  
 9th Excess BPL: Everest National Ins. Co.: Pol #FL5E000032-121: Limit \$5MM

### **Fidelity Bond Excess Layers:**

FIB - Form 34 - Primary ERISA: National Union Fire Ins. Co. of Pitts.: Pol #02-306-26-00: Limit \$15MM  
 FIB - Form 24 - 1st Excess: St. Paul Fire & Marine Ins. Co.:  
 Pol #28N-11N2970A-12-NZ: Limit \$15M  
 FIB - Form 24 - 2nd Excess: Great American Ins. Co.:  
 Pol #FS 024-15-43-01: Limit \$20M  
 FIB - Excess J Form: Lloyd's of London:  
 Pol #ZF017612: Limit \$15MM

RE: Banking Services Contract No. NA-2013-7668-B

made between the Housing Authority of the City of Los Angeles and Union Bank of California, N.A.

The Housing Authority of the City of Los Angeles is named as additional insured under the General Liability and the Automobile Liability Insurance.

Policy is primary and non-contributory over any insurance carried by the Housing Authority of the City of Los Angeles.

Policy will not be canceled or materially changed without (30) days prior notice (10 days prior notice for non-payment of premium) in writing being given to the Housing Authority.

**EXHIBIT F**  
**CONTRACTOR'S PROPOSAL**

Certain confidential information may have been redacted.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7588-B

**EXHIBIT G**  
**GENERAL CONDITIONS FOR NON-CONSTRUCTION CONTRACTS**

**(HUD FORM 5370-C)**  
**SECTION I**

**General Conditions for Non-Construction Contracts**  
**Section I – (With or without Maintenance Work)**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
Office of Labor Relations  
OMB Approval No. 2577-0157 (exp. 1/01/2014)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

**Applicability.** This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) Non-construction contracts (without maintenance) greater than \$100,000 - use Section I;
- 2) Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II; and
- 3) Maintenance contracts (including nonroutine maintenance), greater than \$100,000 - use Sections I and II.

=====  
**Section I - Clauses for All Non-Construction Contracts greater than \$100,000**  
=====

**1. Definitions**

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban Development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

**2. Changes**

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

**3. Termination for Convenience and Default**

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

**4. Examination and Retention of Contractor's Records**

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.



- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
  - (i) appeals under the clause titled Disputes;
  - (ii) litigation or settlement of claims arising from the performance of this contract; or,
  - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

#### 5. Rights In Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

#### 6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

#### 7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

#### 8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

#### 9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

#### 10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

#### 11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
  - (i) Award of the contract may result in an unfair competitive advantage; or
  - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

#### 12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any



product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

### 13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

### 14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

### 15. Limitation on Payments to Influence Certain Federal Transactions

- (a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

- (b) Prohibition.

(i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- (ii) The prohibition does not apply as follows:

- (1) Agency and legislative liaison by Own Employees.
- (a) The prohibition on the use of appropriated funds, in paragraph (f) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.
- (b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
- (c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:
- (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,
  - (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:
- (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
  - (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
  - (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
- (e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.
- (2) Professional and technical services.
- (a) The prohibition on the use of appropriated funds, in subparagraph (b)(f) of this clause, does not apply in the case of -
- (i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.
  - (ii) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.
- (b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.
- (c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.
- (iii) Selling activities by independent sales representatives.
- (c) The prohibition on the use of appropriated funds, in subparagraph (b)(f) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:
- (i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
  - (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

## 16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

## 17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

## 18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

## 19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

## 20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

## 21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

## **22. Procurement of Recovered Materials**

- (a) In accordance with Section 5002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT H**

**HUD GENERAL DEPOSITORY AGREEMENT**



# General Depository Agreement

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB No. 2577-0270  
exp. 09/30/2013

This Agreement, entered into this 1st day of April, 2013 by and between Housing Authority of the City of Los Angeles, 2600 Wilshire Blvd., Los Angeles, CA 90057

(herein called the "PHA/IHA"), a duly organized and existing public body corporate and politic of the

of

and Union Bank, National Association

(herein called the "Depository"), located at 445 South Figueroa Street, 8th Floor, Los Angeles, CA 90071

## Witnesseth:

Whereas, the Department of Housing and Urban Development (herein called "HUD") has entered into one or more contracts (herein called the "Contract") with the PHA/IHA for the purpose of providing financial assistance to develop and operate lower income housing projects, as authorized by the United States Housing Act of 1937, as amended (42 USC 1437, et seq.); and

Whereas, under the terms of the Contract the PHA/IHA is required to select as depositories of its funds financial institutions whose deposits or accounts are insured by either — the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund as long as this Agreement is in force and effect.

Now Therefore, in consideration of the mutual covenants herein-after set forth, the parties hereto agree as follows:

1. The deposits and accounts of the Depository shall continue to be insured by either — the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund.

2. All monies deposited by the PHA/IHA with the Depository shall be credited to the PHA/IHA in a separate interest bearing deposit or interest bearing accounts, designated

writing and signed on behalf of the PHA/IHA by an officer or member designated by resolution of the Board of Directors of the PHA/IHA to have such authority. To assist the Depository in its obligation, the PHA/IHA shall furnish the Depository with a certified copy of the resolution.

4. Any securities received from the PHA/IHA or purchased by the Depository with monies from the Accounts shall be considered to be a part of the Accounts and shall be held by the Depository in safe-keeping for the PHA/IHA until sold. Interest on such securities and the proceeds from the sale thereof shall be deposited in the Account upon receipt.

5. If the Depository received written notice from HUD that no withdrawals by the PHA/IHA from the Accounts are to be permitted, the Depository shall not honor any check or other order to pay from the Accounts or directive to purchase or sell securities, or permit any withdrawals by the PHA/IHA from said Accounts until the Depository is authorized to do so by written notice from HUD.

6. The Depository is not obligated to be familiar, and shall not be charged, with knowledge of the provisions of the Contract, and shall be under no duty to investigate or determine whether any action taken by either the PHA/IHA or HUD in respect of the Accounts are consistent with or are authorized by the Contract or whether either PHA/IHA or HUD is in default under the provisions of the Contract. The Depository shall be fully justified in accepting and acting on, without investigation, any certificate or notice furnished to it pursuant to the provisions of this Agreement and which the Depository shall in good faith believe to have been duly authorized and executed on behalf of the party in whose name the same purports to have been made or executed.

7. The rights and duties of the Depository under this Agreement shall not be transferred or assigned by the Depository without the prior written approval of the PHA/IHA and HUD.

Accounts" (herein the "Accounts"). Any portion of PHA/IHA Funds not insured by a Federal insurance organization shall be fully (100%) and continuously collateralized with specific and identifiable U.S. Government or Agency securities prescribed by HUD. Such securities shall be pledged and set aside in accordance with applicable law or Federal regulations. The PHA/IHA shall have possession of the securities (or the PHA/IHA will take possession of the securities) or an independent custodian (or an independent third party) holds the securities on behalf of the PHA/IHA as a bailee (evidenced by safe keeping receipt and a written bailment for hire contract) and will be maintained for the full term of deposit. The Depository may substitute other securities as collateral to equal or increase the value. If PHA/IHA is an agency of an Indian tribe, the collateral shall be in United States bonds and otherwise as may be prescribed for public funds by the United States Secretary of the Treasury.

3. Except as stated in Paragraph 5, the Depository shall honor any (a) check or other order to pay from the Accounts, or (b) directive to purchase investment securities with monies from the Accounts or to sell securities, if such order or directive is in

This Agreement may be terminated by either party hereto upon thirty days' written notice to the other party, and HUD. The rights and duties of the Depository hereunder shall not be transferred or assigned nor shall this Agreement be terminated during any period in which the Depository is required to refuse to permit withdrawals from the Accounts as provided in Paragraph 5.

8. HUD is intended to be a third party beneficiary of this Agreement and may sue to enforce its provisions and to recover damages for failure to carry out its terms.

9. The Depository shall promptly notify the PHA/IHA of crediting or depositing of any monies in the Accounts.

10. The provisions of this Agreement may not be modified by either Party without the prior written approval of HUD.

11. Previous General Depository or Savings Depository Agreements, if any, entered into between the Depository and the PHA/IHA are hereby terminated and all monies and securities of the PHA/IHA on deposit with or held by the Depositories pursuant to the terms of said Agreement shall continue to be held for account of the PHA/IHA pursuant to and in accordance with the provisions of this Agreement.

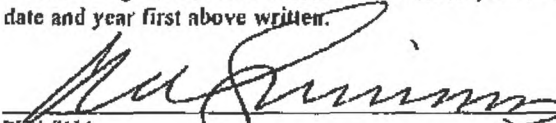
12. At no time shall the PHA/IHA Funds in the Accounts be permitted to exceed the amount insured by Federal deposit insurance (herein the "Insured Amount"). At any such time as the amount of funds in the Accounts reach the Insured Amount, whether by the accrual of interest or otherwise, the Depository shall promptly, as directed by the PHA/IHA, and in an amount sufficient to limit the funds in the Accounts to the Insured Amount, either: (a) remit payment to the PHA/IHA or, (b) on behalf of the PHA/IHA, purchase securities approved for

investment by the PHA/IHA. Such securities shall not be considered to be a part of the Account pursuant to Paragraph 4 hereof but shall be held by the Depository as custodian or trustee for the PHA/IHA in a separate account established for that purpose by the Depository (herein the "Securities Account"). The Securities Account shall be designated:

Income or other proceeds from securities held in the Securities Account shall, as directed by the PHA/IHA, upon receipt, be paid to or on behalf of the PHA/IHA; provided, however, that such proceeds shall, to the extent consistent otherwise with the provisions of this Paragraph, be deposited in the Accounts. If the Depository receives written notice from HUD pursuant to Paragraph 5 hereof that no withdrawals by the PHA/IHA from the Accounts are to be permitted, the Depository shall not honor any directive from the PHA/IHA to sell securities, or permit any withdrawals by the PHA/IHA, from the Securities Account until the Depository is authorized to do so by written notice from HUD. During the pendency of such restrictions on the Accounts and the Securities Account, the Depository, except as directed in writing by HUD, shall not remit any payment to the PHA/IHA for the purpose of limiting the amount of funds in the Account to the Insured Amount but shall instead purchase securities approved for investment by the PHA/IHA and hold such securities in the Securities Account.

(For use only in certain States that have statutes that prohibit Public Housing Agencies and Indian Housing Authorities from implementing paragraph 2.)


In Witness Whereof, the PHA/IHA and the Depository have caused this Agreement to be executed in their respective names and their respective seal to be impressed hereon and attested as of the date and year first above written.

  
PHA/IHA

(SEAL)  
ATTEST:  
By \_\_\_\_\_

Chairman

Secretary

  
Depository

By \_\_\_\_\_ Eileen L. Perez, Vice President

(SEAL)  
ATTEST:

Eileen L. Perez, Vice President  
Union Bank of California  
445 So Figueroa St. 8th Fl., Mail Code 008-274  
Los Angeles, CA 90071  
1-800-353-8956  
Eileen.Perez@ubc.com

Note: Strike paragraphs 11 and 12 if not applicable.

Housing Authority of the City of Los Angeles  
Banking Services

Contract No. HA-2013-7568-B

**EXHIBIT I**

**CONTRACTOR'S GOVERNMENT SERVICES SCHEDULE OF FEES & ALL ABOUT  
BUSINESS ACCOUNTS & SERVICES DISCLOSURE AND AGREEMENT**



# EXHIBIT “B”

PROFESSIONAL SERVICES CONTRACT

Contractor: UNION BANK, NATIONAL ASSOCIATION

Title: Neighborhood Council Checking Accounts

Said Agreement is Number C-124034 of City Contracts

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Exhibit D	Standard Provisions For City Contracts

CONTRACT NUMBER \_\_\_\_\_ OF CITY CONTRACTS  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
UNION BANK, NATIONAL ASSOCIATION

THIS CONTRACT is made and entered into by and between the City of Los Angeles, a municipal corporation, hereinafter referred to as the City, acting by and through its Department of Neighborhood Empowerment, (hereinafter referred to as the "Department"), Office of Finance (hereinafter referred to as the "Finance" or as authorized by the Office of Finance), and UNION BANK, NATIONAL ASSOCIATION located at 1901 Avenue of the Stars, Los Angeles, CA 90067, (hereinafter referred to as the "Contractor").

W I T N E S S E T H

WHEREAS, the Department has been mandated by the City Charter and other enabling documents to implement and oversee various City ordinances, procedures and regulations related to the Citywide System of Neighborhood Councils, including the provision of operational support to the Neighborhood Councils; and

WHEREAS, the goals and objectives of the Neighborhood Council system are to: promote public participation in City governance and decision-making processes so that government is more responsive to local needs and requests and so that more opportunities are created to build partnerships with government to address local needs and requests; promote and facilitate communication, interaction, and opportunities for collaboration among all neighborhood councils regarding their common and disparate concerns; facilitate the delivery of City services and City government responses to neighborhood councils' problems and requests for assistance by helping neighborhood councils to both identify and prioritize their needs and to effectively communicate those needs; ensure equal opportunity to form neighborhood councils and participate in the government decision-making and problem solving process; create an environment in which all people can organize and propose their own neighborhood councils so that they develop from the grassroots of the community; foster a sense of community for all people to express ideas and opinions about their neighborhoods and their government; and

WHEREAS, the Mayor and City Council appointed the Neighborhood Council Review Commission (NCRC) to evaluate and make recommendations to the Citywide System of Neighborhood Councils and recommendation number 69 of the NCRC's final report dated September 25, 2007, entitled "The Neighborhood Council System: Past, Present, & Future" pertains to the Department preparing a menu of frequently needed services and to identify vendors who can provide these services to neighborhood councils; and

WHEREAS, pursuant to Los Angeles City Charter Section 1022, the City Council or designee has determined that the work can be performed more economically or feasibly by independent contractors than by City employees; and

WHEREAS, on December 12, 2012, a request for Proposal ("RFP") No. 7658 was issued by the Housing Authority of the City of Los Angeles (hereinafter referred to as the "Authority") to competitively solicit proposals; and

WHEREAS, from among the proposals received, the Authority has determined that the Contractor's offer is the most advantageous to the Authority, and

WHEREAS, the Contractor has represented that it has the requisite personnel, experience and resources to provide the Services required by the Authority, and the Contractor desires to provide the Services; and

WHEREAS, the Board of Housing Authority Commissioners, by Resolution Number 9031 adopted on February 28, 2013, authorized the Authority to contract for the Services with said Contractor; and

WHEREAS, the Contract was signed and executed by the Authority and Contractor on March 27, 2013 and referenced as Exhibit A; and

WHEREAS, the Department and the Contractor have negotiated in good faith for the Department to enter into this agreement pursuant to Los Angeles Administrative Code Section 10.15 (a)(8) since a similar contract already exists with this Authority; and

WHEREAS, the Department requires banking services ("Services") for the current 95 Certified Neighborhood Council, as listed in Exhibit B, and future certified Neighborhood Councils, that otherwise cannot be provided by regular employees of the City and the Department; and

WHEREAS, the Department and the Contractor have also agreed to items listed in Section 203 - Scope of Work of this Agreement; and

WHEREAS, the Department and the Contractor have also agreed to items listed in Exhibit C titled "Union Bank - Business Deposit Fee Schedule - January 1, 2014"; and

WHEREAS, the Department also determined that Los Angeles Administrative Code Section 10.15 (a)(2) also applies as no other bank is able to offer the services listed in Section 203 - Scope of Work of this Agreement and in Exhibit A; and

WHEREAS, the City and the Contractor are desirous of executing this Contract as authorized by the City Council and the Mayor which authorizes the General

Manager of the Department of Neighborhood Empowerment to prepare and execute the Contract.

NOW, THEREFORE, the City and the Contractor agree as follows:

I.

## INTRODUCTION

### §101. Parties to the Contract

The parties to this Contract:

- A. The Department of Neighborhood Empowerment of the City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, 20<sup>th</sup> Floor, Suite 2005, Los Angeles, California 90012.
- B. The Contractor, known as Union Bank, National Association having its principal office at 1901 Avenue of the Stars, Los Angeles, CA 90067.

### §102. Representatives of the Parties and Service of Notice

- A. The representatives of the respective parties who are authorized to administer this Contract and to whom formal notices, demands and communications shall be given are as follows:

- 1. The representative of the City shall be, unless otherwise stated in the Agreement:

Grayce Liu, General Manager  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

With copy to:

Armando Ruiz, Funding Director  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

2. The representative of the Contractor shall be:

Ermito Arellano, Vice President  
Union Bank (or Union Bank, National Association)  
1901 Avenue of the Stars  
Los Angeles, CA 90067

- B. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.
- C. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be given, in accord with this section, within five (5) working days of said change.

**§103. Independent Contractor**

- A. The Contractor is acting hereunder as an independent contractor and not as an agent or employee of the City. No employee of the Contractor has been, is, or shall be an employee of the City by virtue of this Contract, and the Contractor shall so inform each employee organization and each employee who is hired or retained under this Contract. Contractor shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

**II.**

**TERM AND SERVICES TO BE PROVIDED**

**§201. Time of Performance**

The initial term of this Contract shall commence on date of City Clerk attestation and ending March 31, 2015 unless terminated as provided elsewhere in this Contract or extended by written amendment to this Contract.

The Department, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2016 ("1<sup>st</sup> Option Term") by giving notice to the Contractor prior to March 31, 2015.

The Department, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2017 ("2<sup>nd</sup> Option Term") by giving notice to the Contractor prior to March 31, 2016.



The Department, at its sole discretion, may elect to extend the term of this Contract for the period through March 31, 2018 ("3<sup>rd</sup> Option Term") by giving notice to the Contractor prior March 31, 2017.

The Maximum Term of this Contract, including the period for performance of Optional Work authorized by the Department, shall be the period beginning on the Date of City Clerk Attestation and extending through the end of the 3<sup>rd</sup> Option Term.

**§202. Purpose of the Contract**

- A. The purpose of this Contract is to retain the services of a reputable Banking Institution capable of providing Bank Checking Accounts for the Certified Neighborhood Councils on a permanent and continuous basis.
- B. In addition, the banking services provided to the Neighborhood Councils should provide on-line bank services, which would include on-line bill payment, debit card transactions and transfers, with appropriate oversight and management provided by the City.
- C. "Each of the current 95 certified Neighborhood Councils, identified on Exhibit B incorporated herein, as well as any future certified Neighborhood Councils, will be individually registered by the Contractor and given separate Federal Tax ID Numbers. Each of the current 95 certified Neighborhood Council deposit accounts, and the accounts of any future certified Neighborhood Councils, will be considered as a separate entity and not in the aggregate, for purposes of FDIC insurance coverage, up to the maximum amount of \$250,000. "In the event the amount of the individual deposit accounts exceed the FDIC limitations, Contractor agrees to comply with the Collateralization of Public Unit Deposit requirements.

**§203. Scope of Services**

The Contractor shall, in a manner satisfactory to the Department, completely perform the services set forth in Exhibit A of this Contract, attached to and, by this reference, incorporated in and made part of this Contract. Any conflicts between the requirements of Exhibit A and the "Scope of Work" presented here, shall be referred to the Department, whose decision in such matters shall be final and binding both parties.

In addition to Exhibit A, the Contractor shall provide the following services:

- 1. Assist the Department staff to ensure that each Neighborhood Council establishes its own Bank Account by assisting the Department in reviewing all applications for completeness, and supporting documentation (board resolution, etc.)

2. Assist the Department staff to ensure that the Neighborhood Councils sign Contractor agreements to grant the Department authority to monitor, freeze and terminate their Neighborhood Council Bank Account at any time, or if the Board does not have a designated member, to access the account and issue payments on its behalf.
3. Ensure that the individual Neighborhood Council Bank Accounts will include designated or appointed Neighborhood Council Board Member access to on-line bill payment as well as a debit card.
4. Assist the Neighborhood Council Board Members to create User access accounts for designated/appointed Neighborhood Council Board Members, i.e. the Treasurer and Second Signatory, and View-Only access accounts for other Board Members upon request.
5. Ensure and verify that the transfer of City funds via Automatic Clearing House (ACH) transfer from the Office of the City Controller (Controller) into each individual Neighborhood Council Bank Account has been completed and that the Department has the authority to transfer City funds into, and out of any Neighborhood Council Bank Account.
6. Ensure that the Department has access and authority to monitor all Neighborhood Council Bank Accounts, including viewing transactions, administrative activities, and any other service requests made by Neighborhood Council Board Members or designated Department staff.
7. Ensure that designated Neighborhood Council Board Members with access to the Bank Account are restricted from depositing funds into said accounts. The transfer and deposit of funds shall be done solely through the Department.
8. Ensure, assist and verify that the individual Neighborhood Councils will be allowed to pay their monthly expenses and bills for services via the checking account or debit card.
9. Ensure that the online banking system generates and mails checks to vendors within 3-5 business days.
10. Ensure that the designated or appointed Neighborhood Council Board Members have online access to their individual Bank

Accounts to check balances, print statements, and monitor expenditures.

11. Ensure that online bill payment feature is available.
12. Ensure that ACH transfer to the individual Bank Accounts can occur.
13. Ensure that the Department, upon review and approval and with the assistance of Contractor, will have access online to freeze, unfreeze and terminate an individual Bank Account.
14. Ensure that Department will list and remove authorized signatories or persons with Reviewer, User or Administrative access from the Neighborhood Council Bank Accounts.
15. Ensure that the individual debit cards should have controls which restrict the following types of transactions: ATM cash withdrawals and requests for cash-back. Additionally and if possible, restrict the purchases at liquor stores or casinos, and other restricted vendor categories as determined by the Department. Also, if Contractor has any additional restrictions not mentioned by the Department but recommended by the Contractor that can be used by the Department, then those restrictions can be approved by the Department to be used by the Contractor.
16. Assist the Department by providing downloadable versions of the Neighborhood Council Bank Account monthly statements for the Department's review and posting on the website.
17. Assist the Department by providing a timely (24 hours or less) turnaround time for stop-payment requests, notifications of potential fraud, misuse of funds, suspension and termination requests made by the Department.
18. Assist the Department in setting up alert notifications to monitor and identify activity from Bank Accounts that could violate Department policy and that would assist the Department in blocking efforts to circumvent maximum daily purchase amounts in excess of \$500.
19. Assist the Department and Neighborhood Council designated Board Members with access to the Bank Account with training information and support on the use of the online bill payment system and any helpful tools and information to ensure best practices in the use of the Bank Account.

20. Ensure that as Neighborhood Councils are not non-profit (501(c)3) organizations, they are volunteer members of a non-revenue generating branch of the City that supports their local communities via outreach, community beautification, as well as neighborhood improvement projects, the Contractor provides these checking accounts at no cost as long as the balance is over \$1,000 per account. Otherwise, Contractor will charge \$3.00 per month to any account that has a balance less than \$1,000.

Any additional work performed by the Contractor, beyond the authorized in accordance with the abovementioned items, must be approved in advance by the Department, and such approved work shall be considered "Additional Work" under this Contract. Any such approval of Additional Work by the Department, as well as any other material change in the terms and conditions of this Contract, shall only be binding upon either party if confirmed in a written amendment to this Contract executed by both parties.

### III.

#### PAYMENT

##### §301. Compensation and Method of Payment

The maximum amount for this contract is not to exceed Three Hundred Twenty Five Thousand Dollars (\$325,000) for the term of the contract, including the three (3) Option Years. Compensation shall be based on the pricing schedule of services, listed in both Exhibit A and Exhibit C titled "Union Bank – Business Deposit Fee Schedule – Effective January 1, 2013, which are attached to this Contract and incorporated herein.

Payment to the Contractor, when services are requested by and supplied to a Neighborhood Council, shall be electronically paid to Contractor from those funds allocated to the requesting Neighborhood Council, in accordance with the policies and procedures developed by the Department pursuant to the Neighborhood Council Funding Program, as authorized by the City Council (Council File 02-0699). The maximum amount approved for each Neighborhood Council through the Funding Program is currently \$37,000 per fiscal year. The Neighborhood Council funds may be used to pay for operational and program expenses.

##### §302. Payment Processing

The Contractor shall submit monthly invoices, in triplicate, to the Neighborhood Council that work was performed for, and to the Department for payment in arrears of work that has been performed. The Contractor's invoices shall be accompanied by a statement detailing the work completed for that month. Each

monthly invoice shall specify the following: a) be submitted on the Contractor's letterhead; b) name of the Neighborhood Council that work was performed for; c) description of work performed; d) dates of work performed; e) total amount due and payable; f) Contract Number; and, g) signature of Contractor's authorized representative attesting that invoice submitted is true and accurate.

Funds shall not be released electronically to Contractor from the Neighborhood Council account that work was performed for until the City has approved the work received and is satisfied with the documentation included in the invoice. Invoices and supporting document shall be prepared at the sole expense and responsibility of the Contractor. Invoices shall be paid in accordance with standard City payment processing methods.

Invoices and any supporting documentation shall be submitted to:

Armando Ruiz, Funding Director  
Department of Neighborhood Empowerment  
City of Los Angeles  
200 North Spring Street, 20<sup>th</sup> Floor  
Suite 2005  
Los Angeles, CA 90012

#### IV.

#### OWNERSHIP

##### §401. Ownership

A. Contractor acknowledges and agrees that all documents, reports, analyses, studies, drawings, information or data (hereinafter collectively referred to as "Materials"), originated and prepared by Contractor pursuant to the terms of this contract, are "Work Made For Hire" and shall become the property of the City for its use in any manner it deems appropriate. Contractor assigns any and all of its respective interests and rights in such property to the City for its use in any manner it deems appropriate.

B. All documents and records (hereinafter collectively referred to as "Documents"), provided by City to Contractor shall remain the property of the City and shall be returned to the City upon termination of this Contract or at the request of the City.

D. The provisions of Article IV survive termination of this Contract.

#### V.

#### CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE

§501. Confidentiality

A. All Documents and information provided to the Contractor by the City are confidential. All Materials are to be considered confidential. Contractor agrees not to provide Documents and Materials, nor disclose their content or any information contained in them, either orally or in writing, to any other person or entity, except as authorized by the City or as required by law.

B. The provisions of Article V survive termination of this Contract.

VI.

STANDARD PROVISIONS FOR CITY CONTRACTS

§601. Incorporation of City's Standard Provisions for Professional Services Contract

A. Standard Provisions for City Contracts

The City's Standard Provisions for Professional Services Contracts (Revised March 2009) are incorporated herein by reference. A copy of said Provisions is attached hereto as Exhibit D and made a part hereof. CONTRACTOR agrees to fully comply with all requirements of this document.

B. Responsibility to Provide Services in Accordance with Applicable Standards and Requirement to Possess All Valid Permits and Licenses

Contractor warrants that the work performed hereunder shall be completed in a manner consistent with professional standards among those firms in the Contractor's profession, doing the same or similar work, under the same or similar circumstances. Contractor must possess and maintain valid licenses and permits required to perform the services described herein.

C. Compliance with Statutes and Regulations

Contractor, in the performance of this Agreement, shall comply with all applicable statutes, rules, regulations and orders of the United States, the State of California, the County of Los Angeles, and City of Los Angeles. Contractor shall comply with any subsequent, new, amended, or revised laws, regulations, and procedures that may apply to the performance of this Contract.

D. Federal, State, and Local Taxes

Federal, State, and local taxes are the responsibility of the Contractor as an independent Contractor and not as a City employee.



## VII.

### DEFAULTS, SUSPENSION, TERMINATION, AND AMENDMENTS

#### §701. Defaults

Should the Contractor fail for any reason to comply with the contractual obligations of this Contract within the time specified by this Contract, the City reserves the right to:

- A. Reduce the total budget;
- B. Make any changes in the general scope of this Contract;
- C. Suspend services in accordance with §702 of this Contract; or
- D. Terminate the Contract.

#### §702. Suspension

The City may suspend all or part of the services for failure by the Contractor to comply with the terms and conditions of this Contract by giving written notice, which shall be effective upon receipt.

- A. Said notice shall set forth the specific conditions of non-compliance and the period provided for corrective action.
- B. Within five (5) working days the Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.
- C. Performance under this Contract shall be automatically suspended without any notice from the City as of the date the Contractor is not fully insured in compliance with §401 (Insurance) herein. Performance shall not resume without the prior written approval of City.

#### §703. Termination

- A. Either party to this Contract may terminate this Contract or any part hereof upon giving the other party at least thirty (30) days written notice prior to the effective date of such termination, which date shall be specified in such notice.

- B. All property, documents, data, studies, reports and records purchased or prepared by the Contractor under this Contract shall be retained or disposed of according to City policies and procedures.
- C. In the event that the Contractor ceases to operate (i.e. dissolution of corporate status, declaration of bankruptcy, etc.) Contractor shall provide to the City copies of all records relating to this Contract.
- D. Upon satisfactory completion of all termination activities, the City shall determine the total amount of compensation that shall be paid to the Contractor for any unreimbursed expenses reasonably and necessarily incurred in the satisfactory performance of this Contract.
- E. The City may withhold any payments due to the Contractor until such time as the exact amount of any damages that may be due to the City from the Contractor is determined.
- F. The foregoing Subsections B, C, D, and E shall also apply to activities terminating upon the date specified in §201 or upon completion of the performance of this Contract.

#### §704. Notices of Suspension or Termination

In the event that this Contract is suspended or terminated, the Contractor shall immediately notify all employees and participants and shall notify in writing all other parties contracted with under the terms of Contract within five (5) working days of such suspension or termination.

#### §705. Amendments

Any change in the terms of this Contract, including changes in the services to be performed by the Contractor, and any increase or decrease in the amount of compensation which are agreed to by the City and the Contractor shall be incorporated into this Contract by a written amendment properly executed and signed by the person authorized to bind the parties thereto.

### VIII.

#### ENTIRE CONTRACT

#### §801. Complete Contract

This Contract contains the full and complete Contract between the two parties. No verbal agreement nor conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Contract.



**§802. Number of Pages and Attachments**

This Contract is executed in three (3) triplicate originals, each of which is deemed to be an original. This Contract includes 17 pages and four (4) attachments (Exhibits A through D) which constitute the entire understanding and Contract of the parties.

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

**APPROVED AS TO FORM:**

**MICHAEL N. FEUER, City Attorney**

By *David R. Martin*  
Deputy/Assistant City Attorney

Date 3-7-2014

**For: THE CITY OF LOS ANGELES  
Office of Finance**

**Director of Finance/City Treasurer  
Office of Finance**

By *Antoinette Christovale*  
Antoinette Christovale

Date 3-07-14

**ATTEST:**

**HOLLY L. WOLCOTT, Interim City Clerk**

By *Holly L. Wolcott*  
Deputy City Clerk

Date 06/9/14

City Business Tax Registration Certificate  
Number:

Said Contract is Number C-124034 of  
City Contracts

**For: THE CITY OF LOS ANGELES**

**Department of Neighborhood Empowerment**

**General Manager**

**Department of Neighborhood Empowerment**

By *Grayce Lu*  
GRAYCE LU

Date 3-7-2014

**For: UNION BANK, NATIONAL  
ASSOCIATION**

By *Ermito Arrellano*  
Ermito Arrellano

Title: Vice President

Date MARCH 7, 2014



EXHIBIT "C"

**EXHIBIT C**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 96 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

Arleta  
Arroyo Seco  
Atwater Village  
Bel Air-Beverly Crest  
Boyle Heights  
CANNDU  
Canoga Park  
Central Alameda  
Central Hollywood  
Central San Pedro  
Chatsworth  
Coastal San Pedro  
Del Rey  
Downtown LA  
Eagle Rock  
East Hollywood  
Elysian Valley Riverside  
Empowerment Congress Central  
Empowerment Congress North  
Empowerment Congress Southeast  
Empowerment Congress Southwest  
Empowerment Congress West

**EXHIBIT C**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 96 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

Encino  
Foothill Trails District  
Glassell Park  
Granada Hills North  
Granada Hills South  
Greater Cypress Park  
Greater Echo Park Elysian  
Greater Toluca Lake  
Greater Valley Glen  
Greater Wilshire  
Harbor City  
Harbor Gateway North  
Harbor Gateway South  
Historic Cultural  
Historic Highland Park  
Hollywood Hills West  
Hollywood Studio District  
Hollywood United  
LA 32  
Lake Balboa  
Lincoln Heights  
Los Feliz Neighborhood Council

**EXHIBIT C**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 96 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

MacArthur Park  
Mar Vista  
Mid-City  
Mid-City West  
Mid-Town North Hollywood  
Mission Hills  
North Hills East  
North Hills West  
North Hollywood Northeast  
North Hollywood West  
Northridge East  
Northridge South  
Northridge West  
Northwest San Pedro  
Olympic Park  
Pacoima  
Palms  
Panorama City  
Park Mesa Heights  
PICO  
Pico Union  
Porter Ranch

**EXHIBIT C**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 96 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

Rampart Village  
Reseda  
Sherman Oaks  
Silver Lake  
South Central  
South Robertson  
Studio City  
Sun Valley Area  
Sunland-Tujunga  
Sylmar  
Tarzana  
United Neighborhoods  
Valley Village  
Van Nuys  
Venice  
Voices of 90037  
Watts  
West Adams  
West Hills  
West Los Angeles  
Westchester-Playa  
Westlake North

**EXHIBIT C**  
**DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT**  
**LIST OF 96 CERTIFIED NEIGHBORHOOD COUNCILS (CURRENT)**

Westlake South

Westside

Westwood

Wilmington

Wilshire Center-Koreatown

Winnetka

Woodland Hills-Warner Center

Zapata-King



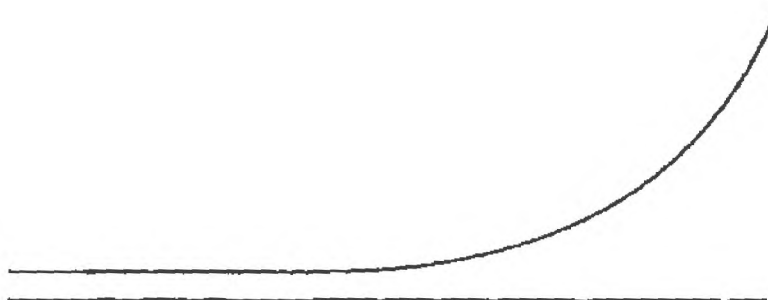
EXHIBIT “D”

EFFECTIVE JANUARY 1, 2014

# Business Deposit

**Fee Schedule**

California



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## BUSINESS CHECKING ACCOUNTS

Business Checking Products \$100 minimum to open	Union Bank Business Fundamentals Checking	Union Bank Business Essentials Checking
Monthly Service Charge with:		
Online Statements	\$3	\$10
Paper Statements	\$5	\$12
Balance Required for Monthly Service Charge Waiver:		
Daily Minimum	\$1,000	\$3,000
Monthly Average	\$3,000	\$6,000
Monthly Combined	\$5,000 <sup>7</sup>	\$7,500 <sup>7</sup>
Additional Options for Monthly Service Charge Waiver	—	—
<b>Monthly Activity Fees</b>		
Combined Transactions <sup>7</sup> —no charge	50	200
Additional Combined Transaction	\$0.40	\$0.40
Cash Deposited—no charge	\$1,000	\$5,000
Additional Cash Deposit per \$1,000	\$1.50	\$1.50

- 1 Monthly Combined Balance of linked Union Bank business deposit accounts.
- 2 Monthly Combined Balance of linked Union Bank personal and business deposit accounts.
- 3 A qualifying Elavon Merchant Services Account transaction is any debit or credit transaction from the Merchant Services Account to the Business Extra Checking account during the statement period. Monthly and other fees apply to the Merchant Services Account.
- 4 A qualifying Remote Deposit transaction is any deposit into the Business Extra Checking account during the statement period using the Remote Deposit service. Monthly and transaction fees apply to the Remote Deposit service.
- 5 A qualifying web Wire Transfer service transaction is any outgoing web wire transaction from the Business Extra Checking account during the statement period using the web Wire Transfer service. Monthly and transaction fees apply to the web Wire Transfer service.
- 6 A qualifying web Automated Clearing House (ACH) service transaction is any web ACH transaction from the Business Extra Checking account during the previous statement period using the web ACH service. Monthly and transaction fees apply to the web ACH service.
- 7 Combined Transactions include each check item deposited, each debit/paid item, and each credit/deposit. Combined Transactions do not include checks deposited through the Remote Deposit service.

Union Bank Business Essentials Interest Checking	Union Bank Business Extra Checking	Nonprofit Checking
\$20	\$20	No Charge
\$22	\$22	No Charge
—	—	—
\$10,000	\$10,000	—
\$20,000 <sup>2</sup>	\$20,000 <sup>2</sup>	—
—	Qualifying transaction from any one of the following Union Bank services: • Merchant Services <sup>3</sup> • Remote Deposit <sup>4</sup> • Web Wire Transfer <sup>5</sup> • Web ACH <sup>6</sup> OR A linked business loan or line of credit	—
200	500	—
\$0.40	\$0.40	—
\$5,000	\$20,000	\$1,000
\$1.50	\$1.50	\$1.25

- Check Images with Paper Statements:**
- Front image of checks only: \$3 per month
  - Front and back image of checks: \$10 per month

### Interest on Lawyers Trust Account (IOLTA)

- \$100 minimum to open
- No monthly service charge
- An IOLTA cannot be combined with other accounts for analysis purposes. Fees may be deducted from another operating account maintained at the bank by the owner of the IOLTA.

**BUSINESS SAVINGS  
AND MONEY MARKET ACCOUNTS**

	<b>Business Savings</b>	<b>Union Bank Business Preferred Savings<sup>SM</sup></b>
<b>Minimum Opening Deposit</b>	<b>\$100</b>	<b>\$100</b>
<b>Monthly Service Charge:</b>		
Online Statements	\$3	\$10
Paper Statements	\$5	\$12
<b>Balance Requirements for Monthly Service Charge Waiver:</b>		
Daily Minimum	<b>\$500</b>	<b>\$5,000</b>

A \$15 Excess Activity Charge will be charged for each limited transaction in excess of 6 each monthly statement period (money market accounts) or calendar month (savings accounts or money market accounts when the statement period date was requested on a specific day); includes telephone, online, and Business Deposit Overdraft Protection transfers. See our *All About Business Accounts & Services Disclosure and Agreement* for details.

<b>Business MoneyMarket Account</b>	<b>Business High Rate MoneyMarket<sup>SM</sup> Account</b>	<b>Business Premium MoneyMarket Account</b>
<b>\$1,000</b>	<b>\$10,000</b>	<b>\$10,000</b>
\$8	\$10	\$12
\$10	\$12	\$14
\$3,000	\$15,000	\$15,000

## ACCOUNTS ON ANALYSIS

Union Bank® provides you with detailed transaction information in a separate account analysis statement. Analyzed statements will include a breakdown of activity for cash management services and account transactions.

### Account Analysis Monthly Maintenance and Statement Delivery

Online.....	each \$	15.00
Paper.....	each \$	20.00
Paper and Online.....	each \$	35.00

### Account Analysis Earnings Allowance

The rate is set each month based on current market conditions and is subject to change without prior notice. Charges for some services are offset by collected balances, and some may be subject to direct charges.

### Account Analysis Late Fee

Earnings deficits remaining unpaid by the date specified on the Account Analysis statement will be assessed a late fee (compounded monthly). Deficit and late assessment amounts are subject to direct debit to the account.

Late Fee.....	per month	4%
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### Deposit Administration Fee

The Deposit Administration Fee may include FDIC assessment charges, financing corporation (FICO) charges, and other charges provided by law, and may also include administrative expenses incurred by the Bank in providing depository services. The FDIC charges member insured Depository Institutions risk-based assessments to cover the costs associated with providing deposit insurance under the Federal Deposit Insurance Act as well as FICO assessments to cover the financing costs associated with the Federal Savings and Loan Crisis of 1987. The Deposit Administration Fee will be assessed monthly at a rate per \$1,000 of average monthly adjusted ledger balance. The charge is variable and is subject to change by the Bank at any time without notice.

### Overdraft Balance Charges

Overdraft balances and related fees are charged the Union Bank Reference Rate plus 4.0% per annum, computed daily, with a minimum daily charge of \$10, assessed from the time such overdraft balances are created and related fees are incurred. The minimum daily charge and accrued interest are then added to the overdraft balance.

### Uncollected Funds (UCF)

Customer usage of UCF is charged the Union Bank Reference Rate plus 4.0% per annum, computed on the average daily usage of uncollected funds for the month in question.

### Analyzed Account Transaction Charges

Deposits.....	per deposit \$	1.30
Checks Paid and Checks Deposited.....	each \$	.16
Electronic Debits and Credits.....	each \$	.16
Canadian Checks Deposited.....	per item \$	2.00

### Cash Services—Branch/Night Depository/ATM

Cash Deposit Verified (Per \$1,000).....	\$	1.40
Coin Deposited		
Standard Bags (F&B Specifications).....	per bag \$	5.00
Non-Standard.....	per bag \$	7.00
Refold Coin in Bag Surcharge.....	per bag \$	5.00
Currency Orders (Per \$1,000).....	\$	1.30
Coin Orders.....	per roll \$	.15
	per box \$	5.00

## GENERAL SERVICES

The following services apply to all business accounts unless indicated otherwise.

### Statements

Special Statements.....	per month \$	5.00
Includes Flexible Statements (maximum 5 per month), Multiple Statement Originals (maximum 4 per month), Wall Call Statements (maximum 6 per month), and Snapshot Statements.		
ATM Mini-Statement.....	each \$	1.00
Two types of ATM Mini-Statements are available at Union Bank ATMs. They are: "Lost Ten Transactions," which includes all activity, and "Lost Ten Card Transactions," which lists ATM or debit card transactions since the last statement.		

### ACH Blocked Account Monthly Maintenance

ACH Blocked Debit/Credit		
First Account.....	\$	10.00
Accounts 2-5.....	each \$	4.00
Accounts 6+.....	each \$	2.00

### Non-Union Bank ATMs

When you use your ATM Card or Debit Card at non-Union Bank ATMs, we charge the following fee for each cash withdrawal, transfer, or balance inquiry. The owner or operator of the ATM may also assess a fee.

Within the U.S.....	\$	2.00
Outside the 50 United States.....	\$	5.00

### ATM Card and Debit Card

ATM and Debit Card Replacement Fee.....	\$	None
Expedited Card Delivery Fee.....	\$	25.00

### Business Cash Reserve

Annual fee.....	per year \$	25.00
Transfer Finance Charge (Cash Reserve Transfer Fee).....	each \$	10.00
For each day a total advance in excess of \$10 is made from Cash Reserve.		

### Business Deposit Overdraft Protection

Daily Transfer Fee.....	each \$	10.00
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### Business Line Overdraft Protection Service

Daily Advance Fee.....	each \$	10.00
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### Cashier's Checks, Money Orders, Foreign Drafts, and Counter Checks

Cashier's Checks.....	each \$	10.00
Money Orders.....	each \$	5.00
Foreign Drafts		
Bank drafts payable in a foreign currency.....	each \$	45.00
Counter Checks.....	each check processed \$	1.00

### Travelers Cheques

Monthly Maintenance.....	2% of purchase amount	
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### Foreign Currency Demand Account

Monthly Maintenance.....	per account \$	30.00
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### Copy Services

Provides images and copies of checks, deposit slips, deposited items, and statements. Also available through Information Reporting Service.

### Copy of Statement,\* Paid Check, Deposit Slip, or Deposited Item

Web.....	\$	No Charge
Touchtone.....	per copy \$	3.00
Branch.....	per request \$	12.00
Mail.....	per copy \$	12.00
Fax.....	per page \$	12.00

\*Statement copies do not include checks or images of checks.

Legal Process Fees (Levy from All Agencies)	each \$	100.00
Check and Deposit Slip MICR Rejects		
Rejects of > 2% of Checks Written and Deposit Slips	per item \$	.25
Clerical, Deposit Reconstruction, Investigations, Research, and Record Searches	per hour \$	50.00
Minimum \$50, plus applicable photocopy and postage fees.		
Domestic Collection Items (Incoming and Outgoing)	each \$	30.00
Endorsement Verification	per inquiry \$	5.00
Night Drop Monthly Rental	per month \$	2.00
<b>Overdraft Fees</b>		
For authorized/paid items resulting in an overdraft or returned/rejected items presented against non-sufficient funds.		
Per Item	\$	33.00
No more than 6 items will be subject to an overdraft fee during a single day, even if the combined total of non-sufficient funds items on that day is 7 or more.		
Continued Overdraft Fee	per business day \$	7.00
Continued overdraft fee is charged beginning on the 7th calendar day the account has been continuously overdrawn; \$35 maximum for each period of continued overdraft.		
An overdraft occurrence is a day on which an overdraft occurs or increases. Overdraft occurrence days will be counted for the previous 12-month period.		
<b>Photocopy and Fax (Clients Only)</b>		
Photocopy Services	per page \$	1.00
Sending Faxes	per page \$	2.00
<b>Returned Deposited Item Fees</b>		
Returned Deposited Item Fee	per item \$	6.00
Automatic Re-Clear Fee	per item \$	2.50
Standard Bank Confirmations	each \$	15.00
<b>Stop Payment/Postdating Order Fee for Single Checks and Check Range</b>		
Online and Touchtone	each \$	15.00
Branch and Telephone		
(Includes Cashier's Checks and Money Orders)	each \$	30.00
Automatic 6-Month Renewal (Analysis Accounts Only)	each \$	10.00
<b>Supplies</b>		
Depository Supplies	\$	Prices as listed
Go to <a href="http://www.unionbank.com">www.unionbank.com</a> supply to place orders for cash vault, check processing, and lockbox supplies.		
Checks/Deposit Slips Printed/Barcode Labels	cost + 35%	
<b>Vendor Services</b>		
Vendor Bill Processing Fee	\$	7.50
Verification of Deposit	each \$	10.00

## BUSINESS SERVICES

### AUTOMATED CLEARING HOUSE (ACH) ORIGINATION SERVICES

ACH Origination services provide a variety of payment services that electronically make and collect payments. Funds disbursement facilitates direct deposit and vendor payments. Funds collections, such as loan payments, dues, and contributions, can be made using a variety of electronic payment options, such as recurring payments, web- or telephone-initiated payments, and business payments with remittance information. ACH Origination services also enable collection of truncated checks.

Contact your branch to set up a consultation with one of our Cash Management Sales Consultants.

### BASIC POSITIVE PAY

Basic Positive Pay service provides early fraud detection and prevention by assisting in the review of suspicious or unauthorized checks before they are paid. Account Reconciliation Service is not required for Basic Positive Pay.

Monthly Maintenance	per account \$	50.00
<b>Per Paid Check</b>		
Items 1-250	each \$	No Charge
Items 251+	each \$	.12
Returned Item	per item \$	10.00
<b>Web Delivery</b>		
<b>Exceptions Reported</b>		
Items 1-25	\$	No Charge
Items 26+	each \$	1.00
View Duplicate Items	each \$	No Charge
View History Image	each \$	.50
View Duplicate History Image	each \$	No Charge
<b>PPW Upload</b>		
Items 1-250	\$	No Charge
Items 251-500	each \$	.30
Items 501-750	each \$	.45
Items 751+	each \$	.60
<b>PPW Manual Issue</b>		
Items 1-250	\$	No Charge
Items 251-500	each \$	.30
Items 501-750	each \$	.45
Items 751+	each \$	.60

## BUSINESS ONLINE BANKING

Business Online Banking (Also Known As Internet Business Banking)	
Monthly Maintenance	\$ No Charge
Online Banking Center (Add/Change/Delete a User ID)	
Self-Service	\$ No Charge
Bank	each \$ 5.00

### Online Transaction Downloads

Transaction downloads to personal financial management software, such as Quicken® or QuickBooks®, at no cost when made through online banking. The following fees apply for transaction downloads made by accessing the software directly:

	Online Account Access	Online Account Access and Bill Payment
	\$4 per month* \$0.25 per session in excess of 10 sessions	\$10 per month* \$0.40 per payment in excess of 25 payments
Quicken (Sole Proprietors)		
	\$9 per month* \$0.75 per session in excess of 10 sessions	\$15 per month* \$0.75 per payment in excess of 25 payments
Quicken (Non-Sole Proprietors)		
	\$11 per month* \$0.75 per session in excess of 10 sessions	\$18 per month* \$0.75 per payment in excess of 20 payments
QuickBooks		

\*Monthly fee is waived for Business Extra Checking, Priority Banking®, and The Private Bank customers, and for the first month of service for all customers; excess access and excess transaction fees will still apply, except for The Private Bank customers.

### Telephone Banking/Bill Pay Option Service

#### Sole Proprietors

Service Charge (Includes 25 Payments Per Calendar Month)	monthly \$ 5.00
Additional Payments	each \$ .40
Balance Requirement for Service Charge Waiver: Average ledger balance of \$3,000 or combined balance in primary checking and a designated savings account of \$3,000.	

#### Non-Sole Proprietors

Service Charge (Includes 25 Payments Per Calendar Month)	monthly \$ 5.95
Additional Payments	each \$ .75
Balance Requirement for Service Charge Waiver: Average ledger balance of \$7,500 or combined balance in primary checking and a designated savings account of \$7,500.	

## COMMERCIAL LOAN SERVICES

Commercial loan services provide access to commercial loan statements and the ability to make payments or advance funds on credit facilities. Our web services provide earlier access to information and the ability to transact conveniently.

Transaction types include Account Inquiry, Payment, and Advance; no online transaction fees.

## FOREIGN EXCHANGE SERVICES

Improve international trade profitability using Union Bank's competitively priced Foreign Exchange services—from basic spot purchases to hedging strategies, and from wire payment services to foreign currency demand accounts and foreign currency time deposits.

For additional information, contact Global Markets Foreign Exchange at (800) 325-9422.

## PAYROLL SERVICES

Our Payroll services automate the payroll process. The services are offered through third-party vendors and provide tax and benefits processing, direct deposit, and checks delivered to you or printed in your office. Payroll data can be input via phone, fax, or the Internet. Contact your branch for more information.

## REMOTE DEPOSIT SERVICES

Our Remote Deposit services automate check deposits, improve cash flow, and increase efficiencies. You can electronically scan and deposit all of your checks directly into your account at Union Bank.

Use our web-based software and certified scanner to scan checks and submit deposits. See your bank representative for current scanner options and pricing.

Setup (One Time)	\$ 100.00
Monthly Maintenance	
Accounts 1-2	\$ 45.00
Each Additional Account (Maximum \$400)	each \$ 20.00
Checks Deposited Per Month	
Checks 1-25	\$ No Charge
Checks 26+	per check \$ .10
Deposit Transaction	each \$ No Charge

## TAX PAYMENT WITH INSTATAX® SERVICE

Our InstaTax service provides for the deposit of business taxes electronically over the Web or by touchtone telephone. Experience speed, convenience, and reliability, since the InstaTax service eliminates the need for check writing, mailing, and coupon completion.

	Web	Touchtone
Setup	per access code \$ 5.00	15.00
Monthly Maintenance	per access code \$ No Charge	15.00
Transaction Processing		
Payments, Cancellations, and Deletions	each \$ 2.00	5.00
Payment Reversal	each \$ 10.00	10.00

### Receipts/Statements

Fax Receipt	each \$ 1.00
Mail Receipt	each \$ 5.00
Monthly Statement	each \$ 15.00
Quarterly Statement	each \$ 15.00



## WIRE TRANSFER SERVICES

Our Wire Transfer services provide flexible features for securely initiating wires and receiving notification of wire activity.

Incoming Wire Transfers.....per wire \$ 14.00

### Outgoing Wire Transfers (Each)

	Web	Direct Access	Branch	Telephone
Domestic Wire	\$10	\$20	\$25	\$45
International Wire - Foreign Currency	\$10	\$30	\$35	\$50
International Wire - USD	\$15	\$40	\$45	\$60

Other Intermediary Bank fees may apply.

Web Wire Monthly Maintenance.....\$ 25.00

(Web Wire Monthly Maintenance fee waived for business checking accounts with a linked Foreign Currency Demand Account.)

### Wire Notification

Fax.....per wire \$ 10.00

Telephone.....per wire \$ 20.00

### Internal Book Transfer

Direct Access.....per transfer \$ 6.00

Branch.....per transfer \$ 10.00

Telephone.....per transfer \$ 30.00

Charges to Sender.....each \$ 15.00

Standing Instructions.....each \$ 10.00

Fast Fax Report.....per month \$ 45.00

## NOTES



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84990-CA (01/14)

# EXHIBIT "E"

# STANDARD PROVISIONS FOR CITY CONTRACTS

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## **STANDARD PROVISIONS FOR CITY CONTRACTS**

### **PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN**

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the CITY or CONTRACTOR. The word "CONTRACTOR" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one CONTRACTOR herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

### **PSC-2. NUMBER OF ORIGINALS**

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the CITY'S option, one or more additional original texts of this Contract may also be retained by the City.

### **PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT**

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the CITY, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. CONTRACTOR shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, CONTRACTOR consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

**PSC-4. TIME OF EFFECTIVENESS**

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of CONTRACTOR by the person or persons authorized to bind CONTRACTOR hereto;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the CITY by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

**PSC-5. INTEGRATED CONTRACT**

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

**PSC-6. AMENDMENT**

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

**PSC-7. EXCUSABLE DELAYS**

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

**PSC-8. BREACH**

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

**PSC-9. WAIVER**

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

**PSC-10. TERMINATION**

**A. TERMINATION FOR CONVENIENCE**

The CITY may terminate this Contract for the CITY'S convenience at any time by giving CONTRACTOR thirty days written notice thereof. Upon receipt of said notice, CONTRACTOR shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The CITY shall pay CONTRACTOR its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by CONTRACTOR to affect such termination. Thereafter, CONTRACTOR shall have no further claims against the CITY under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become CITY property upon the date of such termination. CONTRACTOR agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

**B. TERMINATION FOR BREACH OF CONTRACT**

1. Except for excusable delays as provided in PSC-7, if CONTRACTOR fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the CITY may give CONTRACTOR written notice of such default. If CONTRACTOR does not cure such default or provide a plan to cure such default which is acceptable to the CITY within the time permitted by the CITY, then the CITY may terminate this Contract due to CONTRACTOR'S breach of this Contract.
2. If a federal or state proceeding for relief of debtors is undertaken by or against CONTRACTOR, or if CONTRACTOR makes an assignment for the benefit of creditors, then the CITY may immediately terminate this Contract.
3. If CONTRACTOR engages in any dishonest conduct related to the performance or administration of this Contract or violates the



CITY'S lobbying policies, then the CITY may immediately terminate this Contract.

4. In the event the CITY terminates this Contract as provided in this section, the CITY may procure, upon such terms and in such manner as the CITY may deem appropriate, services similar in scope and level of effort to those so terminated, and CONTRACTOR shall be liable to the CITY for all of its costs and damages, including, but not limited, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become CITY property upon date of such termination. CONTRACTOR agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.
6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that CONTRACTOR was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **PSC-11. INDEPENDENT CONTRACTOR**

CONTRACTOR is acting hereunder as an independent contractor and not as an agent or employee of the CITY. CONTRACTOR shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the CITY.

#### **PSC-12. CONTRACTOR'S PERSONNEL**

Unless otherwise provided or approved by the CITY, CONTRACTOR shall use its own employees to perform the services described in this Contract. The CITY shall have the right to review and approve any personnel who are assigned to work under this Contract. CONTRACTOR agrees to remove personnel from performing work under this Contract if requested to do so by the CITY.

CONTRACTOR shall not use subcontractors to assist in performance of this Contract without the prior written approval of the CITY. If the CITY permits the use of subcontractors, CONTRACTOR shall remain responsible for performing all aspects of

this Contract. The CITY has the right to approve CONTRACTOR'S subcontractors, and the CITY reserves the right to request replacement of subcontractors. The CITY does not have any obligation to pay CONTRACTOR'S subcontractors, and nothing herein creates any privity between the CITY and the subcontractors.

**PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION**

CONTRACTOR may not, unless it has first obtained the written permission of the CITY:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

**PSC-14. PERMITS**

CONTRACTOR and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for CONTRACTOR'S performance hereunder and shall pay any fees required therefor. CONTRACTOR certifies to immediately notify the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

**PSC-15. CLAIMS FOR LABOR AND MATERIALS**

CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by CONTRACTOR hereunder), against CONTRACTOR'S rights to payments hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

**PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED**

If applicable, CONTRACTOR represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the CITY'S Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, CONTRACTOR shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

**PSC-17. RETENTION OF RECORDS, AUDIT AND REPORTS**

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the CITY. These records shall be retained for a period of no less than three years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized CITY personnel or by the CITY'S representative at any time during the term of this Contract or within the three years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. CONTRACTOR shall provide any reports requested by the CITY regarding performance of this Contract. Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

**PSC-18. FALSE CLAIMS ACT**

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the CITY under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

**PSC-19. BONDS**

All bonds which may be required hereunder shall conform to CITY requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

**PSC-20. INDEMNIFICATION**

Except for the active negligence or willful misconduct of the CITY, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, CONTRACTOR undertakes and agrees to defend, indemnify and hold harmless the CITY and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including CONTRACTOR'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by CONTRACTOR or its subcontractors of any tier. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of PSC-20 shall survive expiration or termination of this Contract.

**PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION**

CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the CITY, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by CONTRACTOR, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the CITY'S actual or intended use of any Work Product furnished by CONTRACTOR, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of PSC-21 shall survive expiration or termination of this Contract.

#### **PSC-22. INTELLECTUAL PROPERTY WARRANTY**

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity and proprietary information.

#### **PSC-23. OWNERSHIP AND LICENSE**

Unless otherwise provided for herein, all Work Products originated and prepared by CONTRACTOR or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the CITY for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. CONTRACTOR hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by CONTRACTOR under this Contract. CONTRACTOR further agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

For all Work Products delivered to the CITY that are not originated or prepared by CONTRACTOR or its subcontractors of any tier under this Contract, CONTRACTOR hereby grants a non-exclusive perpetual license to use such Work Products for any CITY purposes.

**CONTRACTOR** shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

**PSC-24. INSURANCE**

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

**PSC-25. DISCOUNT TERMS**

**CONTRACTOR** agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

**PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR**

**CONTRACTOR** warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

**PSC-27. NON-DISCRIMINATION**

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not



discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of CONTRACTOR to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject CONTRACTOR to the imposition of any and all sanctions allowed by law, including but not limited to termination of CONTRACTOR'S contract with the CITY.

**PSC-28. EQUAL EMPLOYMENT PRACTICES**

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, CONTRACTOR agrees and represents that it will provide equal employment practices and CONTRACTOR and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
  - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. CONTRACTOR agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the CITY'S supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, CONTRACTOR shall certify in the specified format that he or she has not discriminated in the performance of CITY contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of CITY contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of CITY contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a CITY contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the CITY. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the CITY for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the CITY shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the CITY, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of CITY Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
  - 1. Hiring practices;
  - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  - 3. Training and promotional opportunities; and
  - 4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of CONTRACTOR to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject CONTRACTOR to the imposition of any and all sanctions allowed by law, including but not limited to termination of the CONTRACTOR'S Contract with the CITY.

**PSC-29. AFFIRMATIVE ACTION PROGRAM**

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a CITY contract, CONTRACTOR certifies and represents that CONTRACTOR and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
  - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. CONTRACTOR shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to



their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the CITY'S supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, CONTRACTOR shall certify on an electronic or hard copy form to be supplied, that CONTRACTOR has not discriminated in the performance of CITY contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. CONTRACTOR shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of CITY contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any CONTRACTOR to comply with the Affirmative Action Program provisions of CITY contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to CONTRACTOR.
- F. Upon a finding duly made that CONTRACTOR has breached the Affirmative Action Program provisions of a CITY contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the CITY. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said CONTRACTOR is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such CONTRACTOR shall be disqualified from being awarded a contract with the CITY for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that CONTRACTOR has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a CITY contract, there may be deducted from the amount payable to CONTRACTOR by the CITY under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a CITY contract.

- H. Notwithstanding any other provisions of a CITY contract, the CITY shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in CITY contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the CITY. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
  - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
  - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the CITY with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;
3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
6. The entry of qualified women, minority and all other journeymen into the industry; and
7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the CITY'S Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.

O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the CITY and may be used at the discretion of the CITY in its Contract Compliance Affirmative Action Program.

P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the CITY and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the CITY.

#### **PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS**

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, CONTRACTOR will fully comply with all applicable State and Federal employment reporting requirements for CONTRACTOR'S employees. CONTRACTOR shall also certify (1) that the Principal Owner(s) of CONTRACTOR are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that CONTRACTOR will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that CONTRACTOR will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of CONTRACTOR to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of CONTRACTOR to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the CONTRACTOR under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to CONTRACTOR by the CITY.

Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of CONTRACTOR to obtain compliance of its subcontractors shall constitute a default by CONTRACTOR under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to CONTRACTOR by the CITY.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

**PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER  
RETENTION ORDINANCE**

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
  2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the CITY within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
  3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the CITY with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the CITY.
  4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.



5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

**PSC-32. AMERICANS WITH DISABILITIES ACT**

**CONTRACTOR** hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq., and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

### **PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE**

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of the Los Angeles Administrative Code, as amended from time to time, which requires CONTRACTOR to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect CONTRACTOR'S fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, CONTRACTOR pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. CONTRACTOR further agrees to: (1) notify the CITY within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that CONTRACTOR is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the CITY within thirty calendar days of all findings by a government agency or court of competent jurisdiction that CONTRACTOR has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the CITY; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the CITY within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

### **PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM**

CONTRACTOR agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. CONTRACTOR certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. CONTRACTOR shall not change any of these designated subcontractors, nor shall CONTRACTOR reduce their level of effort, without prior written approval of the CITY, provided that such approval shall not be unreasonably withheld.

### **PSC-35. EQUAL BENEFITS ORDINANCE**

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

**CONTRACTOR** shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1022."

**PSC-36. SLAVERY DISCLOSURE ORDINANCE**

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. **CONTRACTOR** certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.



## EXHIBIT 1

### INSURANCE CONTRACTUAL REQUIREMENTS

**CONTACT** For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7476) or go online at [www.lacity.org/cao/risk](http://www.lacity.org/cao/risk). The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved Insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

### CONTRACTUAL REQUIREMENTS

#### CONTRACTOR AGREES THAT:

1. **Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. **Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. **Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. **Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. **Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

6. **Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. **California Licensee.** All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. **Aggregate Limits/Impairment.** If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. **Commencement of Work.** For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
02/07/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104  026265-ALL-FNP-14-15      AL	<b>CONTACT NAME:</b> <b>PHONE (A/C, No. Ext):</b> <b>FAX (A/C, No.):</b> <b>E-MAIL ADDRESS:</b>  <b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Charis Specialty Insurance Company <b>NAIC #</b> 26883 <b>INSURER B:</b> N/A <b>N/A</b> <b>INSURER C:</b> Tokio Marine & Nichido Fire Ins Co (USB) <b>12904</b> <b>INSURER D:</b> N/A <b>N/A</b> <b>INSURER E:</b> <b>INSURER F:</b>
<b>INSURED</b> UNIONBANCAL CORPORATION 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104	

COVERAGES      CERTIFICATE NUMBER: SEA-002451575-09      REVISION NUMBER: 4

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY					EACH OCCURRENCE \$
	COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	CLAIMS-MADE <input type="checkbox"/> OCCUR <input type="checkbox"/>					MED EXP (Any one person) \$
						PERSONAL & ADV INJURY \$
						GENERAL AGGREGATE \$
	GENT. AGGREGATE LIMIT APPLIES PER:					PRODUCTS - COMPROP AGG \$
	POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/>					\$
	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident) \$
	ANY AUTO					BODILY INJURY (Per person) \$
	ALL OWNED AUTOS					BODILY INJURY (Per accident) \$
	HIRED AUTOS					PROPERTY DAMAGE (Per accident) \$
	SCHEDULED AUTOS					\$
	NON-OWNED AUTOS					
C	X UMBRELLA LIAB		CU640096704	01/01/2014	01/01/2015	EACH OCCURRENCE \$ 5,000,000
	EXCESS LIAB					AGGREGATE \$ 5,000,000
	DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/>					\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)					E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$
A	BANKERS PROF. LIAB.		05-718-03-87	06/30/2013	06/30/2014	15,000,000
A	FIDELITY BOND		05-788-62-81	06/30/2013	06/30/2014	15,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER IS AN ADDITIONAL INSURED, BUT ONLY IF REQUIRED AND ONLY TO THE EXTENT THAT SAID PERSON OR ORGANIZATION IS INDEMNIFIED BY THE BANK'S CONTRACT WITH CERTIFICATE HOLDER. THE INSURANCE SHALL NOT EXCEED SUCH COVERAGE AND LIMITS OF LIABILITY REQUIRED IN THE CONTRACT FOR THE COVERAGE AND APPLICABLE LIMITS OF THE POLICY.

## CERTIFICATE HOLDER

DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT  
CONTACT AGENT: JEFF BRILL  
200 N. SPRING STREET, FLOOR 20  
LOS ANGELES, CA 90012

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
of Marsh Risk & Insurance Services

Minerva Tirado

Minerva Tirado

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# **ADDITIONAL REMARKS SCHEDULE**

Page 2 of 2

AGENCY MARSH RISK & INSURANCE SERVICES		NAMED INSURED UNIONBANCAL CORPORATION 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

## **ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

### **Bankers Professional Liability Layers:**

1st Excess Blended (D&Q/BPL/EPL/Fid): Axis Ins. Co.: Pol #MSH718393/01/2013: Limit \$10MM  
 2nd Excess Blended (D&Q/BPL/EPL/Fid): Ace American Insurance Company: Pol #DOX G2387225A 001: Limit \$10MM  
 3rd Excess Blended (D&Q/BPL/EPL/Fid): US Specialty Ins. Co.: Pol #24-MGU-13-A29849: Limit \$10MM  
 4th Excess Blended (D&Q/BPL/EPL/Fid): Everest National Ins. Co.: Pol #FLSEQ00032-121: Limit \$5MM  
 5th Excess BPL: XL Specialty Ins. Co.: Pol #ELU130379-13: Limit \$15MM  
 6th Excess BPL: Continental Casualty Co.: Pol #169568017: Limit \$10MM  
 7th Excess BPL: Federal Insurance Co.: Pol #5802-8985: Limit \$10MM  
 8th Excess BPL: Starr Indemnity & Liability Co.: Pol #SISIXFL21124913: Limit \$10MM  
 9th Excess BPL: Everest National Ins. Co.: Pol #FLSEQ00032-131: Limit \$5MM

### **Fidelity Bond Excess Layers:**

FIB - Form 24 - Primary ERISA: National Union Fire Ins. Co. of Pitts.: Pol #06-766-52-82: Limit \$15MM  
 FIB - Form 24 - 1st Excess: Westchester Fire Insurance Company (Ace): Pol #DOX G23872170 001: Limit \$15MM  
 FIB - Form 24 - 2nd Excess: Great American Ins. Co.: Pol #FS 024-15-43-02: Limit \$20MM  
 FIB - Excess J Form: Lloyds of London: Pol #ZFO18913: Limit \$150MM



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
02/05/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104 Att: Lynn Heimerle@marsh.com 026285-STND-GAWUX-14-15 AL	<b>CONTACT</b> NAME: PHONE: FAX (A/C No.): E-MAIL: ADDRESS:  <b>INSURER(S) AFFORDING COVERAGE</b> <table border="1"><tr><td>INSURER A:</td><td>Tokio Marine &amp; Nichido Fire Ins Co (USD)</td><td>NAIC #</td><td>12904</td></tr><tr><td>INSURER B:</td><td>Trans Pacific Insurance Co</td><td></td><td>41238</td></tr><tr><td>INSURER C:</td><td>N/A</td><td></td><td>N/A</td></tr><tr><td>INSURER D:</td><td></td><td></td><td></td></tr><tr><td>INSURER E:</td><td></td><td></td><td></td></tr><tr><td>INSURER F:</td><td></td><td></td><td></td></tr></table>	INSURER A:	Tokio Marine & Nichido Fire Ins Co (USD)	NAIC #	12904	INSURER B:	Trans Pacific Insurance Co		41238	INSURER C:	N/A		N/A	INSURER D:				INSURER E:				INSURER F:			
INSURER A:	Tokio Marine & Nichido Fire Ins Co (USD)	NAIC #	12904																						
INSURER B:	Trans Pacific Insurance Co		41238																						
INSURER C:	N/A		N/A																						
INSURER D:																									
INSURER E:																									
INSURER F:																									
<b>INSURED</b> UNIONBANCAL CORPORATION UNION BANK, N.A. 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104																									

**COVERAGES**      **CERTIFICATE NUMBER:** SEA-002451258-01      **REVISION NUMBER:** 1

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> HOST LIQUOR LIABILITY  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO. JECT <input type="checkbox"/> LOC		CLL840096404	01/01/2014	01/01/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 1,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS  <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE  DED <input type="checkbox"/> RETENTIONS <input type="checkbox"/>		CA540096504	01/01/2014	01/01/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ EACH OCCURRENCE \$ AGGREGATE \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in WA) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	WCD640096304 (AOS) WCG40096204 (WI)	01/01/2014 01/01/2014	01/01/2015 01/01/2015	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER IS AN ADDITIONAL INSURED, BUT ONLY IF REQUIRED AND ONLY TO THE EXTENT THAT SAID PERSON OR ORGANIZATION IS INDEMNIFIED BY THE BANK'S CONTRACT WITH CERTIFICATE HOLDER. THE INSURANCE SHALL NOT EXCEED SUCH COVERAGE AND LIMITS OF LIABILITY REQUIRED IN THE CONTRACT FOR THE COVERAGE AND APPLICABLE LIMITS OF THE POLICY.

## CERTIFICATE HOLDER

DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT  
CONTACT AGENT: JEFF BRILL  
200 N. SPRING STREET, FLOOR 20  
LOS ANGELES, CA 90012

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
of Marsh Risk & Insurance Services

Minerva Tirado

*Minerva Tirado*

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AGENCY CUSTOMER ID: 026285

LOG #: San Francisco



## ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY MARSH RISK & INSURANCE SERVICES		NAMED INSURED UNIONBANCAL CORPORATION UNION BANK, N.A. 400 CALIFORNIA STREET SAN FRANCISCO, CA 94104
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

#### Additional Insureds

Department of Neighborhood Empowerment is named as additional insured.