City Clerk Document No. ______________________

City Council Meeting Date: December 11, 2025

CITY OF CHANDLER SERVICES AGREEMENT
INVESTMENT MANAGEMENT SERVICES
CITY OF CHANDLER AGREEMENT NO. MS5-918-4826

THIS AGREEMENT (Agreement) is made and entered into by and between the City of Chandler, an Arizona municipal corporation (City), and U.S. Bancorp Asset Management, Inc., a Delaware corporation (Contractor or Manager), (City and Contractor may individually be referred to as Party and collectively referred to as Parties) and made _____________ , 2025 (Effective Date).

RECITALS

WHEREAS, Chandler maintains one or more custodial accounts in which Chandler has deposited some of its assets (respectively, the "Accounts"); and

WHEREAS, the custodian of the Accounts shall be a financial institution ("Custodian") other than Manager; and

WHEREAS, Chandler wishes to engage Manager, and Manager wishes to be engaged, to manage certain assets in the Accounts (the "Managed Assets"), under the terms and conditions set forth below.

NOW, THEREFORE, Chandler and Manager agree as follows:

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in this Agreement, City and Contractor agree as follows:

SECTION I: DEFINITIONS

For purposes of this Agreement, the following definitions apply:
Agreement means the legal agreement executed between the City and the Contractor
City means the City of Chandler, Arizona
Contractor means the individual, partnership, or corporation named in the Agreement
Days means calendar days
May, Should means something that is not mandatory but permissible
Shall, Will, Must means a mandatory requirement

SECTION II: CONTRACTOR'S SERVICES

Contractor must perform the services described in Exhibit A to the City's satisfaction within the terms and conditions of this Agreement and within the care and skill that a person who provides similar services in Chandler, Arizona exercises under similar conditions. All work or services furnished by Contractor under this Agreement must be performed in a skilled and workmanlike manner. Unless authorized by the City in writing, all fixtures, furnishings, and equipment furnished by Contractor as part of the work or services under this Agreement must be new, or the latest model, and of the most suitable grade and quality for the intended purpose of the work or service.

SECTION III: PERIOD OF SERVICE

Contractor must perform the services described in Exhibit A for the term of this Agreement.

The term of the Agreement is five years, and begins on January 1, 2026, and ends on December 31, 2030, unless sooner terminated in accordance with the provisions of this Agreement.

SECTION lV: PAYMENT OF COMPENSATION AND FEES

4.1 Unless amended in writing by the Parties, Contractor's compensation and fees as more fully described in Exhibit B for performance of the services.

4.2 Applicable Taxes. The Contractor will pay all applicable taxes. The City is subject to all applicable state and local transaction privilege taxes. To the extent any state and local transaction privilege taxes apply to sales made under the terms of this Agreement, it is the responsibility of the Contractor to collect and remit all applicable taxes to the proper taxing jurisdiction of authority.

4.3 Tax Indemnification. The Contractor and all subcontractors will pay all Federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. The Contractor will and require all subcontractors to hold the City harmless from any responsibility for taxes, damages, and interest, if applicable, contributions required under Federal, state, and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security, and Worker's Compensation.

4.4 All prices offered herein shall be firm against any increase for the initial term of the Agreement. Prior to commencement of subsequent renewal terms, the City may approve a fully documented request for a price adjustment. The City shall determine whether any requested price increases for extension terms is acceptable to the City. If the City approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon by the Parties a written Agreement Amendment shall be approved and executed by the Parties.

SECTION V: GENERAL CONDITIONS

5.1 Records/Audit. Records of the Contractor's reimbursable expenses pertaining to this Agreement and records of accounts between the City and Contractor must be kept on the basis of generally accepted accounting principles and must be made available to the City and its auditors for up to three years following the City's final acceptance of the services under this Agreement. With thirty (30) days advance written notice to Contractor and no more than once per Contractor year, the City reserves the right to audit Contractor's records to verify the accuracy and appropriateness of all cost and pricing data, including data, during normal business hours and in such a manner as to not interfere with normal business activities. The City reserves the right to decrease the total amount of Agreement price or payments made under this Agreement or request reimbursement from the Contractor following final contract payment on this Agreement if, upon audit of the Contractor's records, the audit discloses the Contractor has provided false, misleading, or inaccurate cost and pricing data. Contractor's sensitive or confidential information can be viewed by the City at a Contractor's location or via a video conference call, however the City may not record or create copies of Contractor's sensitive or confidential information. The Contractor will clearly mark such sensitive or confidential information. The City and Contractor will mutually agree to a process for the audit of sensitive or confidential information.

5.2 Alteration in Character of Work. Whenever an alteration in the character of work results in a substantial change in this Agreement, thereby materially increasing or decreasing the scope of services, cost of performance, or Project schedule, the work will be performed as directed by the City. However, before any modified work is started, a written amendment must be approved and executed by the City and the Contractor. Such amendment must not be effective until approved by the City. Additions to, modifications, or deletions from this Agreement as provided herein may be made, and the compensation to be paid to the Contractor may accordingly be adjusted by mutual agreement of the Parties. It is distinctly understood and agreed that no claim for extra work done or materials furnished by the Contractor will be allowed by the City except as provided herein, nor must the Contractor do any work or furnish any materials not covered by this Agreement unless such work is first authorized in writing. Any such work or materials furnished by the Contractor without prior written authorization will be at Contractor's own risk, cost, and expense, and Contractor hereby agrees that without written authorization Contractor will make no claim for compensation for such work or materials furnished.

5.3 Termination for Convenience. The City and the Contractor hereby agree to the full performance of the covenants contained herein, except that the City reserves the right, at its discretion and without cause, to terminate or abandon any service provided for in this Agreement, or abandon any portion of the Project for which services have been performed by the Contractor. In the event the City abandons or suspends the services, or any part of the services as provided in this Agreement, the City will notify the Contractor in writing and immediately after receiving such notice, the Contractor must discontinue advancing the work specified under this Agreement. Upon such termination, abandonment, or suspension, the Contractor must deliver to the City all drawings, plans, specifications, special provisions, estimates and other work entirely or partially completed, together with all unused materials supplied by the City. The Contractor must appraise the work Contractor has completed and submit Contractor's appraisal to the City for evaluation. The City may inspect the Contractor's work to appraise the work completed. The Contractor will receive compensation in full for services performed to the date of such termination. The fee shall be paid in accordance with Section IV of this Agreement, and as mutually agreed upon by the Contractor and the City. If there is no mutual agreement on payment, the final determination will be made in accordance with the Disputes provision in this Agreement. However, in no event may the payment exceed the payment set forth in this Agreement nor as amended in accordance with Alteration in Character of Work. The City will make the final payment within 60 days after the Contractor has delivered the last of the partially completed items and the Parties agree on the final payment. If the City is found to have improperly terminated the Agreement for cause or default, the termination will be converted to a termination for convenience in accordance with the provisions of this Agreement.

5.4 Termination for Cause. The City may terminate this Agreement for Cause upon the occurrence of any one or more of the following events: in the event that (a) the Contractor fails to perform pursuant to the terms of this Agreement, (b) the Contractor is adjudged a bankrupt or insolvent, (c) the Contractor makes a general assignment for the benefit of creditors, (d) a trustee or receiver is appointed for Contractor or for any of Contractor's property (e) the Contractor files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws, (f) the Contractor disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction, or (g) the Contractor fails to cure default within the time requested. Where Agreement has been so terminated by City, the termination will not affect any rights of City against Contractor then existing or which may thereafter accrue. The Contractor may terminate this Agreement for a material breach of its terms by the City upon the City's failure to cure such material breach within thirty (30) days after written notice thereof has been delivered by the Contractor.

5.5 Indemnification. The Contractor (Indemnitor) must indemnify, defend, save and hold harmless the City and its officers, officials, agents and employees (Indemnitee) from any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees and costs of claim processing, investigation and litigation) (Claims) caused or alleged to be caused, in whole or in part by the wrongful, negligent or willful misconduct or misrepresentations, or errors or omissions of the Contractor or any of its owners, officers, directors, agents, employees, or subcontractors in connection with this Agreement. This indemnity includes any claim or amount arising out of or recovered under workers' compensation law or on account of the failure of the Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Contractor must indemnify Indemnitee from and against any and all Claims, except those arising from Indemnitee's own negligent or willful misconduct or misrepresentations, or omissions. The Contractor is responsible for primary loss investigation, defense and judgment costs where this indemnification applies. In consideration of the award of this Agreement, the Contractor agrees to waive all rights of subrogation against Indemnitee for losses arising from or related to this Agreement. The obligations of the Contractor under this provision survive the termination or expiration of this Agreement.

5.6 Insurance Requirements. Contractor must maintain insurance under the terms and conditions and for the amounts of coverage set forth in Exhibit C against claims that may arise from or relate to performance of the work under this Agreement by Contractor and its agents, representatives, employees, and subcontractors. Contractor and any subcontractors must maintain this insurance until all of their obligations have been discharged, including any warranty periods under this Agreement. These insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits stated in Exhibit C are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Agreement by the Contractor, the Contractor's agents, representatives, employees, or subcontractors. Contractor is free to purchase such additional insurance as may be determined necessary.

5.7 Cooperation and Further Documentation. The Contractor agrees to provide the City such other duly executed documents as may be reasonably requested by the City to implement the intent of this Agreement.

5.8 Notices. Unless otherwise provided, notice under this Agreement must be in writing and will be deemed to have been duly given and received either (a) on the date of service if personally served on the party to whom notice is to be given, or (b) on the date notice is sent if by electronic mail, or (c) on the third day after the date of the postmark of deposit by first class United States mail, registered or certified, postage prepaid and properly addressed as follows:

For the City	For the Contractor
Name: Christina Pryor	Name: Luke Schneider, CFA
Title: Procurement and Supply Senior Manager	Title: Managing Director
Address: 175 S. Arizona Ave., 3rd Floor	Address: 1101 W. Washington Street
Chandler, AZ 85225	Tempe, AZ 85288
Phone: 480-782-2403	Phone: 520-260-1574
Email: christina.pryor@chandleraz.gov	Email: schneiderl@pfmam.com

5.9 Successors and Assigns. City and Contractor each bind itself, its partners, successors, assigns, and legal representatives to the other party to this Agreement and to the partners, successors, assigns, and legal representatives of such other party in respect to all covenants of this Agreement. Neither the City nor the Contractor may assign, sublet, or transfer its interest in this Agreement without the written consent of the other party. In no event may any contractual relation be created between any third party and the City.

5.10 Disputes. In any dispute arising out of an interpretation of this Agreement or the duties required not disposed of by agreement between the Contractor and the City, the final determination at the administrative level will be made by the City Purchasing and Materials Manager. Notwithstanding the foregoing, nothing in this section shall be interpreted to restrict the parties from seeking appropriate legal remedies in the court of competent jurisdiction, as governed by the venue clause herein.

5.11 Completeness and Accuracy of Contractor's Work. The Contractor must be responsible for the completeness and accuracy of Contractor's services, data, and other work prepared or compiled under Contractor's obligation under this Agreement and must correct, at Contractor's expense, all willful or negligent errors, omissions, or acts that may be discovered. The fact that the City has accepted or approved the Contractor's work will in no way relieve the Contractor of any of Contractor's responsibilities.

5.12 Withholding Payment. The City reserves the right to withhold funds from the Contractor's payments up to the amount equal to the claims the City may have against the Contractor until such time that a settlement on those claims has been reached.

5.13 City's Right of Cancellation. The Parties acknowledge that this Agreement is subject to cancellation by the City under the provisions of Section 38-511, Arizona Revised Statutes (A.R.S.).

5.14 Independent Contractor. For this Agreement the Contractor constitutes an independent contractor. Any provisions in this Agreement that may appear to give the City the right to direct the Contractor as to the details of accomplishing the work or to exercise a measure of control over the work means that the Contractor must follow the wishes of the City as to the results of the work only. These results must comply with all applicable laws and ordinances.

5.15 Project Staffing. Prior to the start of any work under this Agreement, the Contractor must assign to the City the key personnel that will be involved in performing services prescribed in the Agreement. The City may acknowledge its acceptance of such personnel to perform services under this Agreement. At any time hereafter that the Contractor desires to change key personnel while performing under the Agreement, the Contractor must provide prior notice of any changes to key personnel. The Contractor will provide the qualifications of any proposed new or replacement key personnel to the City for review. The Contractor will maintain an adequate and competent staff of qualified persons, as may be determined by the City, throughout the performance of this Agreement to ensure acceptable and timely completion of the Scope of Services. If the City objects, with reasonable cause, to any of the Contractor's staff, the Contractor must take prompt corrective action acceptable to the City and, if required, remove such personnel from the Project and replace with new personnel agreed to by the City.

5.16 Subcontractors. Prior to beginning the work, the Contractor must furnish the City for approval the names of subcontractors to be used under this Agreement. Any subsequent changes are subject to the City's written prior approval.

5.17 Force Majeure. If either party is delayed or prevented from the performance of any act required under this Agreement by reason of acts of God or other cause beyond the control and without fault of the Party (financial inability excepted), performance of that act may be excused, but only for the period of the delay, if the Party provides written notice to the other Party within ten days of such act. The time for performance of the act may be extended for a period equivalent to the period of delay from the date written notice is received by the other Party.

5.18 Compliance with Laws. Contractor understands, acknowledges, and agrees to comply with the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. All services performed by Contractor in connection with this Agreement must also comply with all applicable City of Chandler codes, ordinances, and requirements, unless it conflicts with a state or federal law, regulation, or order that applies to the Contractor. Contractor agrees to permit the City to verify Contractor's compliance.

5.19 No Israel Boycott. By entering into this Agreement, Contractor certifies that Contractor is not currently engaged in, and agrees for the duration of the Agreement, not to engage in a boycott of Israel as defined by state statute.

5.20 Legal Worker Requirements. A.R.S. § 41-4401 prohibits the City from awarding a contract to any contractor who fails, or whose subcontractors, means a vendor who contracts to perform work or render service to the Contractor as a part of this Agreement, fail, to comply with A.R.S. § 23-214(A). Therefore, Contractor agrees Contractor and each subcontractor it uses warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with § 23-214, subsection A for employees hired during the term of the Agreement. A breach of this warranty will be deemed a material breach of the Agreement and may be subject to penalties up to and including termination of the Agreement. Contractor agrees to provide certification of compliance with this section upon City's reasonable prior request. City retains the legal right to inspect the papers of any Contractor's or subcontractor's employee who provides services under this Agreement to ensure that the Contractor comply with the warranty under this provision, subject to the limits and restrictions under state and federal laws.

5.21 Lawful Presence Requirement. A.R.S. §§ 1-501 and 1-502 prohibit the City from awarding a contract to any natural person who cannot establish that such person is lawfully present in the United States. To establish lawful presence, a person must produce qualifying identification and sign a City-provided affidavit affirming that the identification provided is genuine. This requirement will be imposed at the time of contract award. This requirement does not apply to business organizations such as corporations, partnerships, or limited liability companies.

5.22 Forced Labor of Ethnic Uyghurs Prohibited. By entering into this Agreement, Contractor certifies and agrees Contractor does not currently use and will not use for the term of this Agreement: (i) the forced labor of ethnic Uyghurs in the People's Republic of China; or (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

5.23 Covenant Against Contingent Fees. Contractor warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the Chandler City Council, or any City employee has any interest, financially, or otherwise, in Contractor’s firm. For breach or violation of this warrant, the City may annul this Agreement without liability or, at its discretion, to deduct from the Agreement price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

5.24 Non-Waiver Provision. The failure of either Party to enforce any of the provisions of this Agreement or to require performance of the other Party of any of the provisions hereof must not be construed to be a waiver of such provisions, nor must it affect the validity of this Agreement or any part thereof, or the right of either Party to thereafter enforce each and every provision.

5.25 Disclosure of Information Adverse to the City’s Interests. To evaluate and avoid potential conflicts of interest, the Contractor must provide written notice to the City, as set forth in this Section, of any work or services performed by the Contractor for third parties that may involve or be associated with any real property or personal property owned or leased by the City. Such notice must be given seven business days prior to commencement of the services by the Contractor for a third party, or seven business days prior to an adverse action as defined below. Written notice and disclosure must be sent to the City’s Purchasing and Materials Manager. An adverse action under this Agreement includes, but is not limited to: (a) using data as defined in the Agreement acquired in connection with this Agreement to assist a third party in pursuing administrative or judicial action against the City; or (b) testifying or providing evidence on behalf of any person in connection with an administrative or judicial action against the City; or (c) using data to produce income for the Contractor or its employees independently of performing the services under this Agreement, without the prior written consent of the City. Contractor represents that except for those persons, entities, and projects identified to the City, the services performed by the Contractor under this Agreement are not expected to create an interest with any person, entity, or third party project that is or may be adverse to the City’s interests. Contractor's failure to provide a written notice and disclosure of the information as set forth in this Section constitute a material breach of this Agreement.

5.26 Data Confidentiality and Data Security. As used in the Agreement, data means all information, whether written or verbal, including plans, photographs, studies, investigations, audits, analyses, samples, reports, calculations, internal memos, meeting minutes, data field notes, work product, proposals, correspondence and any other similar documents or information prepared by, obtained by, or transmitted to the Contractor in the performance of this Agreement. The Parties agree that all data, regardless of form, including originals, images, and reproductions, prepared by, obtained by, or transmitted to the Contractor in connection with the Contractor's performance of this Agreement is confidential and proprietary information belonging to the City. Except as specifically provided in this Agreement, Contractor must not divulge data to any third party without the City's prior written consent. Contractor must not use the data for any purposes except to perform the services required under this Agreement. These prohibitions do not apply to the following data provided to the Contractor have first given the required notice to the City: (a) data which was known to the Contractor prior to its performance under this Agreement unless such data was acquired in connection with work performed for the City; or (b) data which was acquired by the Contractor in its performance under this Agreement and which was disclosed to the Contractor by a third party, who to the best of the Contractor's knowledge and belief, had the legal right to make such disclosure and the Contractor are not otherwise required to hold such data in confidence; or (c) data which is required to be disclosed by virtue of law, regulation, or court order, to which the Contractor or are subject. In the event the Contractor are required or requested to disclose data to a third party, or any other information to which the Contractor became privy as a result of any other contract with the City, the Contractor must first notify the City as set forth in this Section of the request or demand for the data. The Contractor must give the City sufficient facts so that the City can be given an opportunity to first give its consent or take such action that the City may deem appropriate to protect such data or other information from disclosure. Unless prohibited by law, or Contractor's internal retention policies, within ten calendar days after completion or termination of services under this Agreement, the Contractor must promptly deliver, as set forth in this Section, a copy of all data to the City. All data must continue to be subject to the confidentiality agreements of this Agreement. Contractor assume all liability to maintain the confidentiality of the data in its possession and agrees to compensate the City if any of the provisions of this Section are violated by the Contractor, its employees, agents or subcontractors. A violation of this Section may result in immediate termination of this Agreement without notice.

5.27 Personal Identifying Information-Data Security. Personal identifying information, financial account information, or restricted City information, whether electronic format or hard copy, must be secured and protected at all times by Contractor and any of its subcontractors. At a minimum, Contractor must encrypt or password-protect electronic files. This includes data saved to laptop computers, computerized devices, or removable storage devices. When personal identifying information, financial account information, or restricted City information, regardless of its format, is no longer necessary, the information must be redacted or destroyed through appropriate and secure methods that ensure the information cannot be viewed, accessed, or reconstructed. In the event that data collected or obtained by Contractor or its subcontractors in connection with this Agreement is believed to have been compromised, Contractor or its subcontractors must -promptly notify the City contact. Contractor agrees to reimburse the City for any costs incurred by the City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach. Contractor agrees that the requirements of this Section must be incorporated into all subcontracts entered into by Contractor. A material violation of this Section may result in immediate termination of this Agreement without notice. The obligations of Contractor or its subcontractors under this Section must survive the termination of this Agreement.

5.28 Jurisdiction and Venue. This Agreement is made under, and must be construed in accordance with and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions thereof. Any action to enforce any provision of this Agreement or to obtain any remedy with respect hereto must be brought in the courts located in Maricopa County, Arizona, and for this purpose, each Party hereby expressly and irrevocably consents to the jurisdiction and venue of such court.

5.29 Survival. All warranties, representations, and indemnifications by the Contractor must survive the completion or termination of this Agreement.

5.30 Modification. Except as expressly provided herein to the contrary, no supplement, modification, or amendment of any term of this Agreement will be deemed binding or effective unless in writing and signed by the Parties.

5.31 Severability. If any provision of this Agreement or the application to any person or circumstance may be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application will not be affected and will be enforceable to the fullest extent permitted by law.

5.32 Integration. This Agreement contains the full agreement of the Parties. Any prior or contemporaneous written or oral agreement between the Parties regarding the subject matter is merged and superseded.

5.33 Time is of the Essence. Time of each of the terms, covenants, and conditions of this Agreement is hereby expressly made of the essence.

5.34 Date of Performance. If the date of performance of any obligation or the last day of any time period provided for should fall on a Saturday, Sunday, or holiday for the City, the obligation will be due and owing, and the time period will expire, on the first day after which is not a Saturday, Sunday or legal City holiday. Except as may otherwise be set forth in this Agreement, any performance provided for herein will be timely made if completed no later than 5:00 p.m. (Chandler time) on the day of performance.

5.35 Delivery. All prices are F.O.B. Destination and include all delivery and unloading at the specified destinations. The Contractor will retain title and control of all goods until they are delivered and accepted by the City. All risk of transportation and all related charges will be the responsibility of the Contractor. All claims for visible or concealed damage will be filed by the Contractor. The City will notify the Contractor promptly of any damaged goods and will assist the Contractor in arranging for inspection.

5.36 Third Party Beneficiary. Nothing under this Agreement will be construed to give any rights or benefits in the Agreement to anyone other than the City and the Contractor, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of City and the Contractor and not for the benefit of any other party.

5.37 Conflict in Language. All work performed must conform to all applicable City of Chandler codes, ordinances, and requirements as outlined in this Agreement. If there is a conflict in interpretation between provisions in this Agreement and those in the Exhibits, the provisions in this Agreement prevail.

5.38 Document/Information Release. Documents and materials released to the Contractor, which are identified by the City as sensitive and confidential, are the City's property. The document/material must be issued by and returned to the City upon completion of the services under this Agreement. Contractor's secondary distribution, disclosure, or duplication in any manner is prohibited without the City's prior written approval. The Contractor is permitted to retain copies of the City's records to comply with legal and regulatory obligations, and in connection with routine electronic archiving. The document/material must be kept secure at all times. This directive applies to all City documents, whether in photographic, printed, or electronic data format.

5.39 Exhibits. The following exhibits are made a part of this Agreement and are incorporated by reference:

Exhibit A - Project Description/Scope of Services
Exhibit B - Compensation and Fees
Exhibit C - Insurance Requirements
Exhibit D - Special Conditions

In the event of a conflict in the terms and conditions or a legal ambiguity arises among this Agreement and the attached exhibits, the documents in the following order prevail and control: (1) Exhibit A – Project Description/Scope of Services; (2) Exhibit B – Compensation and Fees; (3) this Agreement; (4) Exhibit C – Insurance Requirements; (5) Exhibit D – Special Conditions.

5.40 Special Conditions. As part of the services Contractor provides under this Agreement, Contractor agrees to comply with and fully perform the special terms and conditions set forth in Exhibit D, which is attached to and made a part of this Agreement.

5.41 Cooperative Use of Agreement. In addition to the City of Chandler and with approval of the Contractor, this Agreement may be extended for use by other municipalities, school districts and government agencies of the State. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

If required to provide services on a school district property at least five times during a month, the Contractor will submit a full set of fingerprints to the school of each person or employee who may provide such service. The District will conduct a fingerprint check in accordance with A.R.S. 41-1750 and Public Law 92-544 of all Contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the District. Additionally, the Contractor will comply with the governing body fingerprinting policies of each individual school district/public entity. The Contractor, sub-contractors, vendors and their employees will not provide services on school district properties until authorized by the District.

Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The City will not be responsible for any disputes arising out of transactions made by other agencies who utilize this Agreement.

5.42 Reserved.

5.43 Licenses and Permits. Beginning with the Effective Date and for the full term of this Agreement, Contractor must maintain all applicable City, state, and federal licenses and permits required to fully perform Contractor's services under this Agreement.

5.44 Warranties. Reserved.
5.45 Emergency Purchases. City reserves the rights to purchase from other sources those items, which are required on an emergency basis and cannot be supplied immediately by the Contractor.

5.46 Non-Exclusive Agreement. This agreement is for the sole convenience of the City of Chandler. The City reserves the right to obtain like goods or services from another source when necessary.

5.47 Budget Approval Into Next Fiscal Year. This Agreement will commence on the Effective Date and continue in full force and effect until it is terminated or expires in accordance with the provisions of this Agreement. The Parties recognize that the continuation of this Agreement after the close of the City's fiscal year, which ends on June 30 of each year, is subject to the City Council's approval of a budget that includes an appropriation for this item as expenditure. The City does not represent that this budget item will be actually adopted. This determination is solely made by the City Council at the time Council adopts the budget. The City agrees to provide the Contractor with prompt notice of any event of non-appropriation.

5.48 Execution. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which together will constitute one and the same instrument. Counterpart signature pages may be delivered by email or other means of electronic transmission. Electronic signatures will be deemed original signatures for all purposes.

This Agreement shall be in full force and effect only when it has been approved and executed by the duly authorized City officials.

FOR THE CITY	**FOR THE CONTRACTOR**
By: ______________________	By: ______________________
Its: Mayor	Its: Managing Director

APPROVED AS TO FORM:

By: ______________________
City Attorney

JMB

ATTEST:

By: ______________________
City Clerk

EXHIBIT A
SCOPE OF SERVICES

Section 1: Appointment.

1.1 Scope of Appointment. Chandler hereby appoints Manager to be a discretionary investment manager for the Accounts and Managed Assets set forth on Attachment 1, and Manager accepts such appointment. Chandler may revise Attachment 1 at any time and for any reason, such revision to be effective as to this Agreement upon receipt by Manager.

1.2 Investment Policy. Notwithstanding any other provision or provisions of this Agreement to the contrary, Chandler's appointment of Manager is conditioned upon Manager's compliance with Chandler's investment policy (the "Policy"), set forth on Attachment 2. Chandler may revise its Investment Policy at any time and for any reason, such revision to be effective as to this Agreement upon receipt by Manager. Manager will notify Chandler within five (5) business days if the revisions to Chandler's investment policy are not able to be executed upon by the Manager. Manager understands and agrees that for purposes of this Agreement, any investment limitations that may be applicable to the Accounts pursuant to Arizona law referenced in Attachment 2 are hereby automatically incorporated into the Policy.

1.3 Staffing. Manager shall act under the authority and approval of Chandler's Chief Financial Officer or designee, who shall assist Manager with any necessary information, audit billings, and approve payments. Manager shall channel reports and special requests through the Chief Financial Officer. Chandler reserves the right to review any and all changes to Manager's key staff assigned to provide services to Chandler pursuant to this Agreement. If any changes to Manager's key staff is not agreeable to Chandler, upon notice to Manager by Chandler, Manager will promptly replace the key staff member with someone of equal or higher qualification.

Section 2: Manager's Responsibilities

2.1 Research, Supervision, Monitoring and Evaluation. Manager shall provide investment research and supervision of the Accounts. Manager shall continuously monitor investment opportunities for the Accounts and shall continuously evaluate the investment of the Accounts.

2.2 Investment and Reinvestment. Manager shall invest and reinvest the assets of the Accounts at such times and in such manner as Manager believes to be in the best interest of Chandler.

2.2.1 Manager shall ensure that the Accounts are invested in compliance with the Policy, as determined at the time of purchase of an investment. Manager shall be responsible for any losses incurred by Chandler arising from a violation of the previous sentence.

2.2.2 The Manager shall receive no soft dollar benefit for any transactions placed on behalf of the Account. Unless otherwise specified in writing by Chandler to

Manager, all orders for the purchase and sale of securities for the Account shall beplaced in such markets and through such brokers and dealers for execution, at such prices as in the Manager's best judgment shall offer the most favorable execution of each transaction, the determination of which may take into account, subject to any applicable laws, rules and regulations, whether statistical, research and other information or services have been or will be furnished to the Manager by such brokers and dealers. While the Manager will make a good faith effort to require brokers and dealers selected to effect Account transactions to perform their obligations, the Manager shall not be responsible for any loss incurred by reason of any act or omission of any broker, dealer or custodian for the Account.

2.2.3 Chandler has specified in Attachment 2 the investment objectives and any specific investment restrictions and limitations which govern the Account. It will be Chandler's responsibility to inform the Manager in writing of any changes or modifications in the investment objectives of the Account as well as any additional investment restrictions and limitations applicable thereto and to give the Manager prompt written notification if Chandler deems any investment made for the Account to be in violation of such objectives or restrictions and limitations. The Manager agrees to communicate its investment strategy and activity for the Account to Chandler and to advise Chandler of any changes in the Manager's strategy at regularly scheduled quarterly meetings. The Manager, as agent with respect to the Account, unless otherwise instructed in writing by Chandler and consistent with the investment objectives of Chandler as specified in Attachment 2, when it deems appropriate, may (i) buy, sell, exchange and otherwise trade in any authorized investments and (ii) place orders for the execution of such securities transactions with or through suchbrokers, dealers or issuers as the Manager may select.

2.2.4 Manager is authorized, as an agent of Chandler, to give instructions to Custodian as to deliveries of securities and payments of cash for the Accounts. Manager shall not take possession of or act as custodian for the cash, securities, or other assets in the Accounts and shall have no custodial responsibility for such assets or Accounts.

2.2.5 Manager shall take into account, and may rely upon, Chandler's written advice concerning anticipated need to make cash withdrawals from the Accounts.

2.2.6 With respect to the Managed Assets, Manager shall vote proxies as Manager believes is in the best interest of Chandler as of the record date for voting such proxies. Chandler shall take all actions necessary to effect delivery of the proxy solicitations to Manager in a timely manner.

2.2.7 Chandler hereby authorizes Manager to sign IRS Form W-9 on behalf of Chandler and to deliver such form to broker-dealers or others from time to time as required in connection with securities transactions pursuant to this Agreement.

2.3 Prudent Investor Standard Applies. In investing and managing the Managed Assets, Manager shall exercise the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent investment expert, would use in the conduct of an enterprise of like character and with like aims. Manager agrees that it is obligated to exercise good faith and candor in the performance of its duties under this Agreement. The federal securities laws impose liabilities under certain circumstances on persons who act in good faith. Nothing herein shall in any way constitute a waiver or limitation of any rights which Chandler may have under any federal securities laws. Except as otherwise provided in this Agreement, or as agreed to in writing between Manager and Chandler, Manager shall:

2.3.1 Refrain from self-dealing or other acts which might benefit it at the expense of Chandler; and

2.3.2 Subject to Section 4.2 of this Agreement, not engage in any actions or transactions that would violate its duty of loyalty or fiduciary duty to Chandler or, other than such conflicts disclosed in Manager's Form ADV, create a conflict of interest between Chandler on the one hand and Manager on the other hand.

2.4 Books, Records, Reporting, and Certification.

2.4.1 Manager shall keep accurate books and records relating to transactions made with respect to the Accounts.

2.4.2 No less than monthly, Manager shall provide Chandler with written appraisals of the Accounts valued as of the last business day of the month, together with performance tabulations and a summary of purchases and sales within three business days of month end.

2.4.3 Manager shall furnish such additional information to Chandler about the Accounts as Chandler may reasonably request in writing from time to time.

2.4.4 To the extent necessary to ensure the accuracy of the accounting and investing of the Managed Assets, Manager shall permit Chandler to inspect Manager's books and records in accordance with Section 2.5 herein.

2.5 Audit. During the term of this Agreement and for the record retention time period mandated by the Investment Advisers Act of 1940, as amended, and upon thirty (30) days advance written notice by Chandler to Manager and no more than once per Agreement year, Manager shall make its books and records relating to the Managed Assets available during regular business hours and in such a manner as to not interfere with normal business activities to Chandler for review and audit at Manager's offices. Manager acknowledges that such books and records may be subject to examination and audit by Chandler's external auditors, and, to the extent it has the requisite jurisdiction and authority, the Auditor General of the State of Arizona, during the term of this Agreement. Any examination or audit of Manager performed by Chandler or its external auditors, or the Arizona Auditor General shall be confined to those matters solely relating to Manager's performance of its obligations under this Agreement. Manager’s sensitive or confidential information can be viewed by the auditors at a Manager’s location or via a video conference call, however the auditors may not record or create copies of Manager’s sensitive or confidential information. Manager shall reasonably cooperate with Chandler's examiners or auditors or their representatives in connection with any audit under this subsection.

2.6 Attendance at Meetings. On a quarterly basis and upon reasonable request, Manager shall attend meetings with Chandler and/or related entities (i.e., Industrial Development Authority, Chandler Health Care Benefits Trust, Worker's Compensation and Employer Liability Trust, Chandler Cultural Foundation). Meeting request(s) may require in person attendance.

2.7 Specialized Services. Manager shall provide Chandler with specialized services concerning the foregoing, including but not limited to conducting research or writing papers relating to investment strategies or philosophies, new investment vehicles or structures, economic conditions, portfolio management issues pertaining to an investment style or product, conducting educational presentations to Chandler, and providing general investment literature.

2.8 Disaster Recovery Program. Manager shall maintain a disaster recovery program designed to mitigate the impact of natural disasters and other acts, events or circumstances that may prevent it from complying with its other obligations under this Agreement.

2.9 Notice. Manager shall promptly notify Chandler of any of the following:

2.9.1 The institution of any litigation or government proceeding against Manager that may reasonably be expected to have a material adverse effect on Manager's ability to perform its duties under this Agreement, the Accounts, or the Managed Assets, and the basis of the claims made in such litigation or proceeding.

2.9.2 Any settlement, decree, judgment, award, or other material development relating to litigation against Manager of the type or nature contemplated by Section 2.9.1.

2.9.3 The incapacity of Manager or any development concerning Manager that is likely to result in a material, adverse change in the Managed Assets or in Manager's ability to conduct business.

2.9.4 Any breach or failure by Manager to perform its material obligations that might have a material adverse effect on the Managed Assets or on Manager's ability to conduct business.

2.9.5 Any breach of any representation or warranty relating to Manager set forth in this Agreement.

Section 3: Chandler's Responsibilities.

3.1 Direction to Custodian. Chandler shall provide such direction to Custodian as may be necessary to allow Manager to fulfill its responsibilities under this Agreement.

3.2

Section 4: Compensation.

4.1 **Pool Compensation.** From time to time, Manager may invest Managed Assets in a money market mutual fund or local government investment pool managed by Manager (either, individually, a "Pool") or in individual securities. Average daily net assets subject to the Fee Schedule include any assets invested in the Pool. Expenses of the Pool, including compensation for Manager and the Pool custodian, are described in the relevant prospectus or information statement and are paid from the Pool.

4.2 **Other Compensation.** If and to the extent Chandler asks Manager to render services other than those to be rendered by Manager under this Agreement, such additional services shall be compensated separately on terms to be agreed upon between Manager and Chandler.

4.3 **Expenses to Be Paid by Manager.** At its own expense, Manager shall furnish all necessary administrative services, office space, equipment, clerical personnel, telephone and other communication facilities, investment advisory facilities, and executive and supervisory personnel for managing the Managed Assets.

4.5 **Expenses to Be Paid by Chandler.** Except as expressly provided otherwise in this Agreement, Chandler shall pay all of its own expenses, including but not limited to taxes, commissions, fees, and expenses of Chandler's independent auditors and legal counsel, if any, brokerage and other expenses connected with the execution of portfolio security transactions, insurance premiums, and fees and expenses of Custodian, including safekeeping of funds and securities and the keeping of books and accounts.

Section 5: Representations and Warranties.

5.1 **By Manager.** By entering into this Agreement, Manager represents and warrants that:

5.1.1 It has full power and authority to enter into this Agreement, and that the undersigned has full power and authority to execute this Agreement on Manager's behalf.

5.1.2 It is an investment adviser registered under the Investment Advisers Act of 1940.

5.1.3 This Agreement has been duly authorized, executed, and delivered by Manager and constitutes its valid and binding obligation, enforceable against such Manager in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally or by general principles of equity.

5.1.4 Manager has obtained or will obtain all governmental authorizations, approvals, consents, licenses, or filings required in connection with the execution, delivery, or performance of its duties to Chandler under this Agreement.

5.1.5 Manager has the power and authority under applicable law and the documents or instruments governing Manager to hold, manage, and invest the Managed Assets as well as the expertise, support staff, and facilities necessary to provide the services described in this Agreement and shall allocate such personnel and devote such efforts as are necessary for it to carry out its duties under this Agreement.

5.1.6 Except as expressly provided in this Agreement, as disclosed to Chandler in writing, or as otherwise agreed to from time to time between Manager and Chandler in writing, Manager does not have knowledge of any actual interests adverse to Chandler.

5.1.7 To the extent permitted by applicable law, Manager shall use all reasonable efforts to notify Chandler in writing as soon as reasonably practicable if (i) an investigation of Manager is commenced by any federal or state governmental or regulatory agency or (ii) a sanction is taken against Manager by any federal or state governmental or regulatory agency, ***provided*** that such investigation or sanction is out of the ordinary course and materially adversely affects Manager's ability to perform its duties under this Agreement

5.1.8 The execution, delivery, and performance of this Agreement by Manager will not violate any provisions governing Manager and will not violate or result in any default under any material contract or other agreement to which Manager is a party or by which Manager or its assets may be bound or any applicable statute or any rule, regulation, or order of any government agency or body.

5.1.9 To the best of its knowledge, Manager has not violated any statute, regulation, law, order, or decree to which it is subject which would adversely affect its business or financial condition or impair its ability to carry out its obligations under this Agreement.

5.1.10 Except as otherwise disclosed to Chandler, there is no legal action, suit, or arbitration or other legal or administrative investigation, proceeding, or inquiry pending against Manager in a principal capacity regarding Manager's investment management or fiduciary activities.

5.1.11 Manager shall bear all taxes and payroll expenses of any kind and description resulting from its receipt of any compensation from its management of the Accounts or otherwise received from Chandler.

5.1.12 Upon request by Chandler, Manager shall make its most current public policies concerning insider trading, ethics, and compliance available for Chandler's review.

5.1.13 Manager has not entered into any contingent fee arrangement with any firm or person concerning this Agreement, nor has Manager received any incentive or special payment from Chandler (or any other person in connection with this Agreement) apart from the consideration specified in this Agreement.

5.1.14 Manager shall notify Chandler promptly if any of its representations or warranties ceases to be true.

5.1.15 To the best of Manager's knowledge, all representations made by Manager in any written materials provided by Manager to Chandler are accurate in all material respects, subject to any disclaimers or other disclosures included in such written materials or provided in future disclosures that supersede prior disclosures. For the avoidance of doubt, any information provided by Manager to Chandler which originates from third-party sources shall not constitute representations for the purposes of this subsection 5.1.15.

5.1.16 Manager has not employed or retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. This Agreement is subject to Arizona Revised Statutes Section 38-511 which provides for cancellation of any Agreement within three years of its execution, without penalty or further obligation, made by a political subdivision of the State if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the political subdivision is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

5.2 **By Chandler.** By entering into this Agreement, Chandler represents and warrants that:

5.2.1 It has full power and authority to enter into this Agreement and that the undersigned has full power and authority to execute this Agreement on Chandler's behalf.

5.2.2 Except as otherwise specified by Chandler's Chief Financial Officer, all Managed Assets are the sole property of Chandler and are free from any charge or encumbrance.

5.2.3 It shall not remove assets from the Account without first giving reasonable written notice to Manager or terminating this Agreement.

5.2.4 It has received a copy of Part 2A and 2B of Manager's Form ADV (the "ADV") prior to or at the time of the City's execution of this Agreement.

Section 6. Custody of Assets.

6.1 **Manager Not to Take Custody of Managed Assets.** Nothing contained herein shall be deemed to authorize Manager to take or receive physical possession of any Managed Assets, it being intended that sole responsibility for safekeeping of the Managed Assets (in such investments as Manager may direct) and the consummation of all purchases, sales, deliveries, and investments made pursuant to Manager's direction shall rest upon Custodian. Neither Chandler nor Manager shall have any liability with respect to the custody arrangements or the acts or omissions of Custodian.

6.2 **Instructions to Custodian.** Chandler shall instruct Custodian to furnish such information about the Account and the Managed Assets to Manager as Manager may reasonably request in connection with the performance of its duties under this Agreement. Chandler acknowledges that Manager shall be relying on Custodian's identification of any assets contributed or liabilities allocated to the Accounts, as well as the availability of Managed Assets for sale. Manager may reasonably rely without further inquiry upon any information furnished to it by Custodian, and Manager shall not be responsible for any errors or omissions arising from any inaccuracies in such information.

6.3 Not Exclusive on the Part of Manager. Manager acts as adviser to other clients and may give advice, and take action, with respect to any such client which may differ from the advice given, or the timing or nature of action taken, with respect to the Accounts. Chandler acknowledges that:

6.3.1 Manager shall have no obligation to purchase or sell for the Accounts, or to recommend for purchase or sale by the Accounts, any security which Manager, its principals, affiliates or employees may purchase or sell for themselves or for any other clients.

6.3.2 There may be occasions when portfolio transactions are executed as part of concurrent authorizations by Manager to purchase or sell the same security for other client accounts served by Manager. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to Manager's clients' accounts, they are effected only when Manager believes that to do so is in the interest of its respective clients' accounts. When such concurrent authorizations occur, the executions shall be allocated in an equitable manner among each of Manager's clients' accounts.

6.3.3 Transactions in a specific security may not be accomplished for all Manager's clients' accounts at the same time or at the same price.

6.3.4 Notwithstanding the foregoing and for the avoidance of doubt, Manager may not engage in transactions hereunder with its affiliates except to the extent permitted by law.

Attachment 1
Accounts and Managed Assets

City of Chandler Core Portfolio
Industrial Development Authority
Chandler Worker's Comp & Employer Trust
Chandler Health Care Benefits Trust
Chandler Cultural Foundation

Attachment 2
Investment Policy

CHANDLER
arizona
Community of Innovation

City of Chandler Financial Policies

Investment Policy

Updated 2/8/2024 Resolution No. 5768

The purpose of the Investment Policy is to ensure investment of cash funds will be maintained in accordance with City Charter and State Statutes by defining the parameters within which public funds are to be managed. In methods, procedures and practices, the policy formalizes the framework for the City's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the City's funds. The guidelines are intended to be broad enough to allow the Chief Financial Officer (CFO) to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

Scope

This investment policy applies to all monies invested by the City pursuant to Section 3-2 of the City Code, and applies to those investments authorized by the Code and Arizona Revised Statute 35-323. Bond proceeds are governed by specific indentures and are excluded from the scope of this Policy.

Objectives

The primary objectives, in order of priority, of the City's investment activities shall be:

a. **Safety.** Safety of principal is the foremost objective of the investment programs. Investments shall be undertaken in a manner that seeks to ensure preservation of principal in the overall portfolio.
b. **Liquidity.** The investments will remain sufficiently liquid to meet all operating requirements that might be reasonably anticipated.
c. **Return on Investment.** The investment pools and funds shall be managed with the objective of attaining the maximum rate of return given the constraints of the aforementioned safety and liquidity objectives.

Standards of Care

Prudence: The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. CFO and designees acting in accordance with procedures and this investment policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probably income to be derived."

Ethics and Conflicts of Interest: Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

Delegation of Authority and Responsibilities: Responsibility for the operation of the investment program is hereby delegated to the CFO who shall act in accordance with established procedures and internal controls for the operation of the investment program consistent with this Investment Policy. All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

The City may engage the services of an external investment manager to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

Permitted Investment Instruments
The City shall invest and reinvest City monies as provided in statute and City Code in any of the following items.

Obligations issued or guaranteed by the full faith and credit of the United States of America.

Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities.

Bonds or other evidences of indebtedness of this state or any of the counties or incorporated cities, towns or duly organized school districts which carry as a minimum AA rating or its equivalent by an nationally recognized statistical ratings organization (NRSRO).

Commercial paper of prime quality that is rated within the top two ratings by a NRSRO. All commercial paper must be issued by a corporation organized and doing business in the United States. The portfolio is limited to a maximum 30% allocation in the commercial paper sector.

Bonds, notes or evidences of indebtedness of any county, municipal district, municipal utility or special taxing district of any state that are payable from revenues, earnings or a special tax specifically pledged for the payment of the principal and interest on the obligations, and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained, but only if no default in payment on principal or interest on the obligations to be purchased has occurred within five years of the date of the investment, or, if such obligations were issued less than five years before the date of investment, no default in payment of principal or interest has occurred on the obligations to be purchased nor any other obligations of the issuer within five years of the investment.

Bonds, notes or evidences of indebtedness issued by any county improvement district or municipal improvement district of any state to finance local improvements authorized by law, if the principal and interest of the obligations are payable from assessments on real property within the improvement district. An investment shall not be made if:

a. The face value of all such obligations, and similar obligations outstanding, exceeds fifty percent of the market value of the real property, and if improvements on which the bonds or the assessments for the payment of principal and interest on the bonds are liens inferior only to the liens for general ad valorem taxes.

b. A default in payment of principal or interest on the obligations to be purchased has occurred within five years of the date of investment, or, if the obligations were issued less than five years before the date of investment, a default in the payment of principal or interest has occurred on the obligations to be purchased or on any other obligation of the issuer within five years of the investment.

Negotiable or brokered certificates of deposit (CD) issued by a nationally or state chartered bank or savings and loan association. CD issuers must have a short-term rating of A1 or its equivalent by a NRSRO. The portfolio is limited to a maximum 30% allocation in the negotiable CD sector.

Certificates of deposit in eligible depositories.

Deposits in one or more federally insured banks or savings and loan associations placed in accordance with the procedures prescribed in section 35-323.01.

Interest bearing savings accounts in banks and savings and loan institutions doing business in this state whose accounts are insured by federal deposit insurance for their industry, but only if deposits in excess of the insured amount are secured by the eligible depository to the same extent and in the same manner as required under this article.

Bonds, debentures, notes, or other evidences of indebtedness that are denominated in United States dollars and that carry at a minimum an "A" or better rating, at the time of purchase, from at least two nationally recognized rating agencies and may be issued by corporations that are organized and doing business in the United States. The portfolio is limited to a maximum 30% allocation in the medium-term corporate note sector.

Participation in the Local Government Investment Pool (LGIP) established pursuant to Section 35-326, Arizona Revised Statutes and operated by the State Treasurer whose portfolio is consistent with this policy.

Securities of or any other interests in any open-end or closed-end management type investment company or investment trust, including exchange traded funds whose underlying investments are invested in securities allowed by state law, registered under the Investment Company Act of 1940, as amended.

Investment Parameters

Diversification: It is the policy of the City to diversify the investment portfolio so as to protect City monies from material losses due to over-concentration of assets in a specific maturity, a specific issuer, a specific geographical distribution, or a specific class of securities. No more than five percent (5%) of market value of the portfolio shall be invested in securities issued by a single corporation and its subsidiaries/affiliates or municipality. Securities issued by the federal government or its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities are exempted from this provision. Portfolio percentage is calculated at the time of purchase.

Maximum Maturities: To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than five (5) years from the date of purchase.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LGIP or money market funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Portfolio Management

Following the primary objective of preservation of capital, investments shall be managed to take advantage of market opportunities. In so doing, negotiable securities may be sold prior to their maturity to provide liquid funds as needed for cash flow purposes to enhance portfolio returns, or to restructure maturities to increase yield and/or decrease risk.

Purchases and Sales of Securities

All trades shall be executed with the objective of realizing the best bid or offer price available. It is the responsibility of the investment personnel and external investment advisors to know the "market price" or relative value of all securities before trades are executed. The method used by the investment personnel and investment advisors shall be the one that will obtain the best execution price or value given the objective of the transaction. A minimum of three (3) bids will be solicited for all transactions.

Authorized Financial Institutions

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by conducting a process of due diligence. This may include 'primary' dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All broker/dealers who desire to become qualified for investment transactions must supply the following (as appropriate):

a. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
b. Proof of FINRA certification
c. Proof of state registration
d. Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
e. Certification of having read and understood and agreeing to comply with the City's Investment Policy.
f. Evidence of adequate insurance coverage.

All financial institutions who desire to become depositories must supply the following (as appropriate):

a. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
b. Proof of state registration
c. Evidence of adequate insurance coverage

A periodic review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted.

If the City utilizes an external investment advisor, the advisor may be authorized to transact with its own Approved Broker/Dealer List on behalf of the City. In the event that the investment advisor utilizes its own Broker/Dealer List, the advisor will perform due diligence for the brokers/dealers on its Approved List. Upon request, the advisor will provide the City their Approved Broker/Dealer List.

Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery versus payment basis. Securities shall be held by the City or an independent third-party safekeeping institution designated by the City and evidenced by safekeeping receipts in the City's name. The safekeeping institution shall annually provide a copy of its most recent report on internal controls – Service Organization Control Reports (formerly 70, or SAS 70) prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16.

Performance Evaluation and Reporting
Investment performance shall be continually monitored and evaluated by the City's CFO. Investment performance statistics and activity reports shall be generated by the Accounting Division and will provide summary reports on a monthly basis for the CFO, and for the annual financial report.

Monthly Performance Analysis: On a monthly basis the following information, at a minimum, will be provided to the CFO:

a. The portfolio duration at the end of the current period.
b. The portfolio yield to maturity at the end of the current period.
c. The periodic realized return. Realized return is defined as the sum of the portfolio interest earnings plus amortization/accretion plus realized gains minus fees divided by the average portfolio value during the period.
d. The periodic total return. Total return is defined as the sum of all investment income plus changes in the capital value of the portfolio.
e. Year to date portfolio interest earnings plus amortization/accretion for the current year compared with the corresponding portion of the prior year.
f. Cumulative unrealized gains on the portfolio.

Approval
Any deviation from the preceding policy shall require the prior specific written authority of the City Council. The Policy shall be reviewed on an annual basis.

Definitions

Agency – A debt security issued by a government-sponsored enterprise (GSE). While not explicitly guaranteed by the government, GSEs are generally traded with an "implied" guarantee. An example of a GSE is the Federal National Mortgage Association (FNMA).

Commercial Paper – An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Credit Quality – The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Ratings Scales – Credit quality comparison of short term and long term ratings are as follows:

Rating	Standard &Poor's		Moody's	Fitch	
Short Term	A-1+	A-1	P-1	F-1+	F-1
Long Term	AAA -A-	A+-A-	Aaa-A3	AAA-A-	A+-A-

Current Yield Current Return – A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) – A type of securities transaction in which the purchaser pays for the securities when they are delivered to the purchaser or the custodian.

Discount – The amount by which the par value of a security exceeds the price paid for the security.

Diversification – A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration – A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security.

Fair Value – The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Government Securities – An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Investment Policy – A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Local Government Investment Pool (LGIP) – An investment by local governments in which their money is pooled as a method for managing local funds.

Par – Face value or principal value of a bond, typically $1,000 per bond.

Premium – The amount by which the price paid for a security exceeds the security's par value.

Principal – The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prudent Person Rule – An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Total Return – The sum of the portfolio interest earnings plus amortization/accretion plus realized gains plus unrealized gains minus fees divided by the average portfolio value during the period.

Treasury Bills – Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000.

Treasury Notes – Intermediate U.S. government debt securities with maturities of one to ten years and issued in denominations ranging from $1,000 to $1 million or more.

Treasury Bonds – Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of $1,000.

Yield – The current rate of return on an investment security generally expressed as a percentage of the security's current price.

EXHIBIT B
COMPENSATION AND FEES

Portfolio Assets Under Management	Annual Fee Rate (100 bps = 1%)
First $20 million	8
Next $30 million	6
Next $50 million	4
Assets in excess of $100 million	3

Fees are charged monthly in arrears based on the daily net AUM on an amortized cost basis, including accrued interest, for the month.

Minimum annual fee is $40,000 applied to all accounts.

Maximum annual fee for the first year $150,000. The City and Contractor may negotiate fee caps for subsequent years.

Fees are fixed for the first three years.

Chandler authorizes Manager to present invoices for such fees to Custodian for payment. Chandler hereby instructs Custodian to disburse funds from such account for the payment of feesto Manager.

EXHIBIT C
INSURANCE

INSURANCE

General.

A. At the same time as execution of this Agreement, the Contractor shall furnish the City a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona possessing a current A.M. Best, Inc. rating of A-7, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to City. Provided, however, the A.M. Best rating requirement shall not be deemed to apply to required Workers' Compensation coverage.

B. The Contractor and any of its subcontractors shall maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, the insurances set forth below.

C. The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.

D. The City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect Contractor from liabilities that might arise out of the performance of the Agreement services under this Agreement by Contractor, its agents, representatives, employees, subcontractors, and the Contractor is free to purchase any additional insurance as may be determined necessary.

E. Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve the Contractor from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.

F. Use of Subcontractors: If any work is subcontracted in any way, the Contractor shall execute a written contract with Subcontractor containing the same Indemnification Clause and Insurance Requirements as the City requires of the Contractor in this Agreement. The Contractor is responsible for executing the Agreement with the Subcontractor and obtaining Certificates of Insurance and verifying the insurance requirements.

Minimum Scope and Limits of Insurance. The Contractor shall provide coverage with limits of liability not less than those stated below.

A. *Commercial General Liability-Occurrence Form*. Contractor must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than $2,000,000 for each occurrence, $4,000,000 aggregate. Said insurance must also include coverage for products and completed operations, independent contractors, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

B. *Automobile Liability-Any Auto or Owned, Hired and Non-Owned Vehicles Vehicle Liability*: Contractor must maintain Business/Automobile Liability insurance with a limit of $1,000,000 each accident on Contractor owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this paragraph, the Excess or Umbrella insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

C. *Workers Compensation and Employers Liability Insurance*: Contractor must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor employees engaged in the performance of work or services under this Agreement and must also maintain Employers' Liability insurance of not less than $1,000,000 for each accident and $1,000,000 disease for each employee.

D. *Professional Liability.* If the Agreement is the subject of any professional services or work performed by the Contractor, or if the Contractor engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Contractor must maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by the Contractor, or anyone employed by the Contractor, or anyone whose acts, mistakes, errors and omissions the Contractor is legally liable, with a liability limit of $1,000,000 each claim and $2,000,000 all claims. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage must extend for three years past completion and acceptance of the work or services, and the Contractor, or its selected Design Professional will submit Certificates of Insurance as evidence the required coverage is in effect. The Design Professional must annually submit Certificates of Insurance citing that the applicable coverage is in force and contains the required provisions for a three-year period.

E. *Financial Institution Bonds* Manager shall maintain Financial Institution coverage, including but not limited to, Computer Crime, Employee Dishonesty and Theft, Robbery and Burglary On and Off Premises coverage. Limits of Liability shall be at least Ten Million Dollars ($10,000,000) per occurrence.

E. *Technology Errors and Omissions Liability including Network Security and Privacy Liability*

	Minimum Limits:	
Per Loss	$	5,000,000
Aggregate	$	5,000,000

The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two years beginning at the time work under this Contract is completed.

If such insurance is maintained on an occurrence form basis, Contractor shall maintain such insurance for an additional period of one year following termination of Contract. If such insurance is maintained on a claims-made basis, Contractor shall maintain such insurance for an additional period of three years following termination of the Contract.

If Contractor contends that any of the insurance it maintains pursuant to other sections of this clause satisfies this requirement (or otherwise insures the risks described in this section), then Contractor shall provide proof of same.

The insurance shall provide coverage for the following risks

a. Liability arising from theft, dissemination and / or use of confidential information (a defined term including but not limited to bank account, credit card account, personal information such as name, address, social security numbers, etc. information) stored or transmitted in electronic form

b. Network Security Liability arising from the unauthorized access to, use of or tampering with computer systems including hacker attacks, inability of an authorized third party, to gain access to your services including denial of service, unless caused by a mechanical or electrical failure

c. Liability arising from the introduction of a computer virus into, or otherwise causing damage to, a customer's or third person's computer, computer system, network or similar computer related property and the data, software, and programs thereon.

Additional Requirements:

a. The policy shall provide a waiver of subrogation, in whole or in part, for those portions of the policy where a waiver of subrogation is reasonably available in the insurance marketplace.

<u>Additional Policy Provisions Required</u>.

A. *Self-Insured Retentions or Deductibles*. Any self-insured retentions and deductibles must be declared and approved by the City, which approval the City will not unreasonably withhold. If not approved, the City may require that the insurer reduce or eliminate any deductible or self-insured retentions with respect to the City, its officers, officials, agents, employees, and volunteers.

1. The Contractor's insurance must contain broad form contractual liability coverage.

2. The Contractor's General Liability and Automobile Liability insurance coverage must be primary insurance with respect to the City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by the City, its officers, officials, agents, and employees shall be in excess of the coverage provided by the Contractor and must not contribute to it.

3. The Contractor's insurance must apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

4. Coverage provided by the Contractor must not be limited to the liability assumed under the indemnification provisions of this Agreement.

5. The required General Liability, Automobile Liability, and Workers' Compensation Insurance policies must contain a severability of interest clause and waiver of subrogation against the City, its officers, officials, agents, and employees, for losses arising from Work performed by the Contractor for the City.

6. The Contractor, its successors and or assigns, are required to maintain Commercial General Liability insurance as specified in this Agreement for a minimum period of three years following completion and acceptance of the Work. The Contractor must submit a Certificate of Insurance evidencing Commercial General Liability insurance during this three-year period containing all the Agreement insurance requirements, including the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.

7. If a Certificate of Insurance is submitted as verification of coverage, the City will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement.

B. *Insurance Cancellation During Term of Contract/Agreement.*

1. If any of the required policies expire during the life of this Contract/Agreement, the Contractor must forward renewal or replacement Certificates to the City within ten days after the renewal date containing all the required insurance provisions.

2. The General Liability, Automobile Liability, and Workers' Compensation insurance policy required by the insurance provisions of this Contract/Agreement shall provide the required coverage and shall not be suspended, voided or canceled except after 30 days prior written notice has been given to the City, except when cancellation is for non-payment of premium, then ten days prior notice may be given. Such notice shall be sent directly to Chandler Law-Risk Management Department, Post Office Box 4008, Mailstop 628, Chandler, Arizona 85225. If any insurance company refuses to provide the required notice, the Contractor or its insurance broker shall notify the City of any

cancellation, suspension, non-renewal of any insurance within seven days of receipt of insurers' notification to that effect.

C. *City as Additional Insured*. The policies are to contain, or be endorsed to contain, the following provisions:

1. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: The City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, the Contractor including the City's general supervision of the Contractor; Products and Completed operations of the Contractor; and automobiles owned, leased, hired, or borrowed by the Contractor.

2. The City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Agreement.

EXHIBIT D
SPECIAL CONDITIONS

Termination.

1. **Cancellation by Chandler for Improper Influence.** Pursuant to Arizona Statutes §38-511, Chandler may cancel this Agreement at any time within three years after this Agreement's execution, without penalty or further obligation is any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on Chandler's behalf is or becomes at any time while this Agreement (or any extension thereof) is in effect, an employee, agent, or consultant to Manager with respect to the subject matter of this Agreement. The cancellation shall be effective when Manager receives written notice of the cancellation, unless the notice specifies a later time.

2. **Termination by Manager.** Manager may terminate this Agreement immediately upon material breach of its terms by Chandler, or at any time upon **30** days' prior written notice to Chandler. There shall be no penalty for such termination, and the fee for the final period shall be adjusted proportionately.

3. **Manager Cooperation Following Termination.** Following termination of this Agreement, Manager shall take such action as may be necessary to provide Chandler with full control over the Managed Assets and to enable the Managed Assets to be preserved to the fullest extent possible.

Disclosure.

1. **Periodic Disclosure by Chandler.** Chandler may disclose the following information concerning the Accounts and the Managed Assets to the general public: (i) the name of any such investments; (ii) the date of Chandler's initial investment; (iii) the amount of any such investment; (iv) the fees paid by Chandler to Manager; and (v) the market value of such investments, including the net rate of return to Chandler from such investments, and the investment multiple of such investments. Manager consents in advance to such disclosures and agrees that such disclosures shall not constitute a breach of this Agreement.

2. **Disclosures by Chandler to General Public as Required by Law.** Manager acknowledges that Chandler may be required to disclose information to the general public pursuant to state or local law or regulation, specifically, the Arizona Public Records Law, Arizona Revised Statutes, A.R.S. sections 39-121 to 39-121.03. Manager may mark information that it provides to Chandler as "confidential." If material marked "Confidential" is the subject of a Public Records request, and Chandler believes they are obligated to disclose, they must notify the Manager in writing. The Manager will have ten (10) business days to determine if the Manager will allow Chandler to disclose the confidential information. Chandler will not disclose the confidential information until the first to occur: (1) the Manager has exhausted its options to protect the confidential information or (2) after ten (10) business days from the date of Chandler's written notice to Manager. **3. Disclosures by Chandler to Authorities.** Chandler may be subject to investigation and audit by various regulatory agencies and other governmental authorities, including but not limited to the Arizona Attorney General and the Arizona Auditor General's Office (collectively, "Authorities"). Such investigations or audits may, under applicable law or regulation, require access to confidential information provided by Manager to Chandler.

Chandler believes they are obligated to disclose, they must notify the Manager in writing (provided such notice is not restricted or prohibited by applicable law). The Manager will have ten (10) business days to determine if the Manager will allow Chandler to disclose confidential information. Chandler will not disclose the confidential information until the first to occur: (1) the Manager has exhausted its options to protect the confidential information or (2) after ten (10) business days from the date of Chandler's written notice to Manager.

4. **Disclosure by Manager of Confidential Documents Provided by Chandler.** Manager shall maintain in strict confidence and shall use and disclose only as authorized by Chandler, all information of a competitively sensitive or proprietary nature that it receives in connection with the work performed for Chandler hereunder. Manager shall require its personnel and any subcontractor to agree to do likewise. Chandler shall take reasonable steps to identify for the benefit of Manager, its personnel and any subcontractor, any information Chandler considers to be competitively sensitive or proprietary nature, including by using confidentiality notices in written material where appropriate. These restrictions shall not be construed to apply to (a) information generally available to the public; (b) information released by Chandler generally without restriction; (c) information independently developed or acquired by Manager, its personnel or any subcontractor without reliance in any way on other protected information of Chandler; or (d) information approved for the use and disclosure of Manager, its personnel or any subcontractor without restriction. Notwithstanding the foregoing restrictions, Manager, its employees and any subcontractor may use and disclose any information (i) to the extent required by an order of any court or other governmental authority, or (ii) as necessary for it or them to protect their interest under this Agreement, but in each case only after Chandler has been so notified ***(provided that*** such notice is reasonably practicable and not restricted or prohibited by applicable law) and has had the opportunity, if possible, to obtain reasonable protection for such information in connection with such disclosure. All reports and other written products provided to Manager in connection with work performed under this Agreement shall be considered confidential.

Corrupt Practices Act. During the term of this Agreement, Manager shall not make any payment to any person that, to Manager's knowledge, is in violation of the United States Foreign Corrupt Practices Act, as amended.

AML Laws. Manager acknowledges that to the extent that it is subject to and (to its knowledge) is in compliance with all applicable United States laws and regulations relating to anti-money laundering, including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "Patriot Act") and the Bank Secrecy Act, as amended by the Patriot Act (the "BSA") (collectively, the "U.S. AML Laws and Regulations"). Manager represents and warrants that in order to facilitate compliance with the U.S. AML Laws and Regulations, it has developed and shall maintain a written anti-money-laundering prevention program reasonably designed to comply with the requirements of the U.S. AML Laws and Regulations.

SEC Rule 206(4)-5. In the event Manager is an investment adviser registered under (or is otherwise subject to) the Investment Advisers Act of 1940 [15 U.S.C. §§ 80(b) et seq.] (the "Act"), Manager certifies its compliance with Securities and Exchange Commission ("SEC") Rule 206(4)-5 [17 C.F.R. 275.206(4)-5] and the amendments to SEC Rule 204-2 [17 C.F.R. 275.204-2] of the Act with respect to Chandler's investments.

Immunities and Defenses. Chandler reserves all immunities, defenses, rights, or actions arising out of its sovereign status, including those under the Eleventh Amendment to the United States Constitution. No provision of this Agreement shall be construed as a waiver or limitation of the immunities, defenses, rights, or actions described in the previous sentence. Chandler acknowledges that this paragraph in no way limits its obligation to make any payments or return any amounts required to be paid or returned under this Agreement.

Limitation to Manager's Authority. Except as otherwise authorized herein or pursuant hereto, it is understood that in Manager's performance of any and all duties and services under this Agreement, Manager has no authority to bind Chandler to any contracts or undertakings.

Non-collusion Covenant. Chandler and Manager each represent and agree that they have not entered into any contingent fee arrangement with any firm or person concerning this Agreement. Chandler and Manager each represent and agree that Manager has not received any incentive or special payment from Chandler or any other person apart from the consideration specified in this Agreement or any other written agreements between the parties.

Power of Attorney. Any power of attorney granted by Chandler to Manager shall automatically be revoked if it files a petition in bankruptcy, is dissolved, or is no longer Manager pursuant to this Agreement, in each case upon the occurrence of any such event.

Good Faith by Chandler. Chandler shall have no liability to Manager for any action or omission occurring in the good-faith and in accordance within their legal authority under this Agreement and applicable laws. This Section shall survive termination of this Agreement.