

## SERVICE AGREEMENT NO. 1269

### ARBITRAGE COMPLIANCE SERVICES

THIS **Arbitrage Compliance Services Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and Arbitrage Compliance Specialists, Inc. ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has bid to provide arbitration compliance services in response to Request for Bid/Proposal No. 1269 ("RFB/RFP"), which RFB/RFP includes the required scope of work and all specifications and which RFB/RFP and the Contractor's bid or proposal response, as applicable, are incorporated by reference in this Agreement as Exhibits 1 and 2, respectively, as if each were fully set out here in its entirety.

NOW, THEREFORE, City and Contractor agree as follows:

- 1. Scope.** Contractor will provide arbitration compliance services ("Services") in accordance with the attached Scope of Work, as shown in Attachment A, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety, and in accordance with Exhibit 2.
- 2. Term.** This Agreement is for 36 months, with performance commencing upon the date of issuance of a notice to proceed from the Contract Administrator or Purchasing Division. The parties may mutually extend the term of this Agreement for up to two additional 12-month periods ("Option Period(s)"), provided, the parties do so in writing and prior to the expiration of the original term or the then-current Option Period. The City's extension authorization must be executed by the City Manager or designee.
- 3. Compensation and Payment.** The total value of this Agreement is not to exceed \$46,500.00, subject to approved extensions and changes. Payment will be made for Services completed and accepted by the City within 30 days of acceptance, subject to receipt of an acceptable invoice. All pricing must be in accordance with the attached Bid/Pricing Schedule, as shown in Attachment B, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.
- 4. Contract Administrator.** The Contract Administrator designated by the City is responsible for approval of all phases of performance and operations under this Agreement, including deductions for non-performance and authorizations for payment. The City's Contract Administrator for this Agreement is as follows:

Name: Judy Ann Villalon  
Department: Finance  
Phone: (361) 826-3651  
Email: JudyAV@cctexas.com

**5. Insurance; Bonds.**

(A) Before performance can begin under this Agreement, the Contractor must deliver a certificate of insurance ("COI"), as proof of the required insurance coverages, to the City's Risk Manager and the Contract Administrator. Additionally, the COI must state that the City will be given at least 30 days' advance written notice of cancellation, material change in coverage, or intent not to renew any of the policies. The City must be named as an additional insured. The City Attorney must be given copies of all insurance policies within 10 days of the City Manager's written request. Insurance requirements are as stated in Attachment C, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.

(B) In the event a payment bond, a performance bond, or both, are required of the Contractor to be provided to the City under this Agreement before performance can commence, the terms, conditions, and amounts required in the bonds and appropriate surety information are as included in the RFB/RFP or as may be added to Attachment C, and such content is incorporated here in this Agreement by reference as if each bond's terms, conditions, and amounts were fully set out here in its entirety.

**6. Purchase Release Order.** For multiple-release purchases of Services to be provided by the Contractor over a period of time, the City will exercise its right to specify time, place and quantity of Services to be delivered in the following manner: any City department or division may send to Contractor a purchase release order signed by an authorized agent of the department or division. The purchase release order must refer to this Agreement, and Services will not be rendered until the Contractor receives the signed purchase release order.

**7. Inspection and Acceptance.** Any Services that are provided but not accepted by the City must be corrected or re-worked immediately at no charge to the City. If immediate correction or re-working at no charge cannot be made by the Contractor, a replacement service may be procured by the City on the open market and any costs incurred, including additional costs over the item's bid/proposal price, must be paid by the Contractor within 30 days of receipt of City's invoice.

**8. Warranty.**

(A) The Contractor warrants that all products supplied under this Agreement are new, quality items that are free from defects, fit for their intended purpose, and of good material and workmanship. The Contractor warrants that it has clear title to the products and that the products are free of liens or encumbrances.

(B) In addition, the products purchased under this Agreement shall be warranted by the Contractor or, if indicated in Attachment D by the manufacturer, for the period stated in Attachment D. Attachment D is attached to this Agreement and is incorporated by reference into this Agreement as if fully set out here in its entirety.

9. **Quality/Quantity Adjustments.** Any Service quantities indicated on the Bid/Pricing Schedule are estimates only and do not obligate the City to order or accept more than the City's actual requirements nor do the estimates restrict the City from ordering less than its actual needs during the term of the Agreement and including any Option Period. Substitutions and deviations from the City's product requirements or specifications are prohibited without the prior written approval of the Contract Administrator.
10. **Non-Appropriation.** The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30<sup>th</sup> annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in said budget, and it is within the sole discretion of the City's City Council to determine whether or not to fund this Agreement. The City does not represent that this budget item will be adopted, as said determination is within the City Council's sole discretion when adopting each budget.
11. **Independent Contractor.** Contractor will perform the work required by this Agreement as an independent contractor and will furnish such Services in its own manner and method, and under no circumstances or conditions will any agent, servant or employee of the Contractor be considered an employee of the City.
12. **Subcontractors.** Contractor may use subcontractors in connection with the work performed under this Agreement. When using subcontractors, however, the Contractor must obtain prior written approval from the Contract Administrator if the subcontractors were not named at the time of bid or proposal, as applicable. In using subcontractors, the Contractor is responsible for all their acts and omissions to the same extent as if the subcontractor and its employees were employees of the Contractor. All requirements set forth as part of this Agreement, including the necessity of providing a COI in advance to the City, are applicable to all subcontractors and their employees to the same extent as if the Contractor and its employees had performed the work.
13. **Amendments.** This Agreement may be amended or modified only by written change order signed by both parties. Change orders may be used to modify quantities as deemed necessary by the City.

14. **Waiver.** No waiver by either party of any breach of any term or condition of this Agreement waives any subsequent breach of the same.
15. **Taxes.** The Contractor covenants to pay payroll taxes, Medicare taxes, FICA taxes, unemployment taxes and all other related taxes. Upon request, the City Manager shall be provided proof of payment of these taxes within 15 days of such request.
16. **Notice.** Any notice required under this Agreement must be given by fax, hand delivery, or certified mail, postage prepaid, and is deemed received on the day faxed or hand-delivered or on the third day after postmark if sent by certified mail. Notice must be sent as follows:

**IF TO CITY:**

City of Corpus Christi  
Attn: Judy Ann Villalon  
Title: City Treasurer  
Address: 1201 Leopard Street 4<sup>th</sup> Floor, Corpus Christi, TX 78401  
Phone: (361) 826-3651  
Fax: (361) 826-4371

**IF TO CONTRACTOR:**

Arbitrage Compliance Specialists, Inc.  
Attn: Doug Pahnke, CPA  
Title: President  
Address: 5975 S. Quebec St. #205, Centennial, CO 80111  
Phone: (303) 867-7538  
Fax: (800) 756-6505

17. **CONTRACTOR SHALL FULLY INDEMNIFY, HOLD HARMLESS AND DEFEND THE CITY OF CORPUS CHRISTI AND ITS OFFICERS, EMPLOYEES AND AGENTS ("INDEMNITEES") FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, CLAIMS, DEMANDS, SUITS, AND CAUSES OF ACTION OF WHATEVER NATURE, CHARACTER, OR DESCRIPTION ON ACCOUNT OF PERSONAL INJURIES, PROPERTY LOSS, OR DAMAGE, OR ANY OTHER KIND OF INJURY, LOSS, OR DAMAGE, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, ATTORNEYS' FEES AND EXPERT WITNESS FEES, WHICH ARISE OR ARE CLAIMED TO ARISE OUT OF OR IN CONNECTION WITH A BREACH OF THIS AGREEMENT OR THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR OR RESULTS FROM THE NEGLIGENT ACT, OMISSION, MISCONDUCT, OR FAULT OF THE CONTRACTOR OR ITS EMPLOYEES OR AGENTS. CONTRACTOR MUST, AT ITS OWN EXPENSE,**

**INVESTIGATE ALL CLAIMS AND DEMANDS, ATTEND TO THEIR SETTLEMENT OR OTHER DISPOSITION, DEFEND ALL ACTIONS BASED THEREON WITH COUNSEL SATISFACTORY TO THE CITY ATTORNEY, AND PAY ALL CHARGES OF ATTORNEYS AND ALL OTHER COSTS AND EXPENSES OF ANY KIND ARISING OR RESULTING FROM ANY SAID LIABILITY, DAMAGE, LOSS, CLAIMS, DEMANDS, SUITS, OR ACTIONS. THE INDEMNIFICATION OBLIGATIONS OF CONTRACTOR UNDER THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.**

**18. Termination.**

(A) The City Manager may terminate this Agreement for Contractor's failure to perform the work specified in this Agreement or to keep any required insurance policies in force during the entire term of this Agreement. The Contract Administrator must give the Contractor written notice of the breach and set out a reasonable opportunity to cure. If the Contractor has not cured within the cure period, the City Manager may terminate this Agreement immediately thereafter.

(B) Alternatively, the City Manager may terminate this Agreement for convenience upon 30 days advance written notice to the Contractor. The City Manager may also terminate this Agreement upon 24 hours written notice to the Contractor for failure to pay or provide proof of payment of taxes as set out in this Agreement.

**19. Assignment.** No assignment of this Agreement by the Contractor, or of any right or interest contained herein, is effective unless the City Manager first gives written consent to such assignment. The performance of this Agreement by the Contractor is of the essence of this Agreement, and the City Manager's right to withhold consent to such assignment is within the sole discretion of the City Manager on any ground whatsoever.

**20. Severability.** Each provision of this Agreement is considered to be severable and, if, for any reason, any provision or part of this Agreement is determined to be invalid and contrary to applicable law, such invalidity shall not impair the operation of nor affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part had been omitted.

**21. Order of Precedence.** In the event of any conflicts or inconsistencies between this Agreement, its attachments, and exhibits, such conflicts and inconsistencies will be resolved by reference to the documents in the following order of priority:

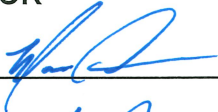
- A. this Agreement (excluding attachments and exhibits);
- B. its attachments;

- C. the bid solicitation document including any addenda (Exhibit 1); then,
- D. the Contractor's bid response (Exhibit 2).

- 22. Certificate of Interested Parties.** Contractor agrees to comply with Texas Government Code Section 2252.908, as it may be amended, and to complete Form 1295 "Certificate of Interested Parties" as part of this Agreement.
- 23. Verification Regarding Israel.** In accordance with Chapter 2270, Texas Government Code, the City may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The signatory executing this Agreement on behalf of the Contractor verifies that the company does not boycott Israel and will not boycott Israel during the term of this Agreement.
- 24. Governing Law.** This Agreement is subject to all federal, State, and local laws, rules, and regulations. The applicable law for any legal disputes arising out of this Agreement is the law of the State of Texas, and such form and venue for such disputes is the appropriate district, county, or justice court in and for Nueces County, Texas.
- 25. Entire Agreement.** This Agreement constitutes the entire agreement between the parties concerning the subject matter of this Agreement and supersedes all prior negotiations, arrangements, agreements and understandings, either oral or written, between the parties.

(SIGNATURE PAGE FOLLOWS)

**CONTRACTOR**

Signature: 

Printed Name: Mark Adams

Title: Senior Manager

Date: 8/21/18

**CITY OF CORPUS CHRISTI**

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

Printed Name: \_\_\_\_\_

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

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

**Attached and Incorporated by Reference:**

- Attachment A: Scope of Work
- Attachment B: Bid/Pricing Schedule
- Attachment C: Insurance and Bond Requirements
- Attachment D: Warranty Requirements

**Incorporated by Reference Only:**

- Exhibit 1: RFB/RFP No. 1269
- Exhibit 2: Contractor's Bid/Proposal Response

## **ATTACHMENT A: SCOPE OF WORK**

### **1. General Requirements**

The Contractor shall provide Arbitrage Services as required to ensure compliance with Section 148 of the Tax Code and Treasury regulations as amended, and assist the City in the event of an Internal Revenue Service (IRS) inquiry or audit related to arbitrage issues.

The City is required to calculate interest earned on invested tax-exempt bond proceeds fund balances to determine the arbitrage rebate amount due to the Internal Revenue Service. The purpose of this scope is to establish parameters within which the Contractor is to provide Arbitrage Rebate Compliance Services related to reviewing the City's tax-exempt debt service funds, debts service reserve funds, capital projects funds, and other funds, into which tax-exempt proceeds may have been deposited.

### **2. Scope of Work – The Contractor Shall:**

1. Perform all required calculations including a calculation of arbitrage yield, arbitrage liability and yield restriction requirements not less than annually for each issue of outstanding obligations of the City.
2. Create and maintain records necessary to determine arbitrage liability. If any, on outstanding obligations of the City.
3. Review reports of investment and expenditure of bond proceeds as necessary to ensure compliance with the IRS.
4. Assist the City in preparing or causing to be prepared any schedules, reports, or records necessary to perform or support a calculation of arbitrage liability.
5. Provide the City a report of the calculations (including supporting documentation) of arbitrage liability within 90 days after the end of the fiscal year (fiscal year end September 30).
6. Prepare transmittals and forms necessary to report and pay arbitrage liability on time.
7. Assist the City in providing information and guidance to the City's client agencies as may be necessary from time to time to improve record-keeping and monitoring required for compliance with the IRS.

8. Provide advice and recommendation to the City concerning unique or extraordinary compliance issues that may arise from time to time.
9. Review opportunities and recommend options to minimize existing liabilities or increase retainable earnings.
10. Provide updates to staff regarding changes to IRS regulations regarding arbitrage rebate.
11. Analyze and prepare post issuance financial calculations (arbitrage) to ensure compliance with IRS regulations.

**3. IRS Inquire or Audit Assistance**

The Contractor shall assist and represent the City as necessary in the event of an IRS inquiry or audit. This work will be compensated on a loaded hourly rate basis. The loaded rate includes all compensation for these services. No additional costs will be allowed.



**CITY OF CORPUS CHRISTI**  
**Revised Pricing Form 07/12/2018**  
**PURCHASING DIVISION**  
**RFP No. 1269 Arbitrage Compliance Services**

DATE: 7/16/18

Arbitrage Compliance Specialists, Inc.

PROPOSER

AUTHORIZED SIGNATURE

1. Refer to "Instructions to Proposers" and Contract Terms and Conditions before completing proposal.
2. Provide your best price for each item.
3. In submitting this proposal, Proposer certifies that:
  - a. the prices in this proposal have been arrived at independently, without consultation, communication, or agreement with any other Proposer or competitor, for the purpose of restricting competition with regard to prices;
  - b. Proposers is an Equal Opportunity Employer; and the Disclosure of Interest information on file with City's purchasing office, pursuant to the Code of Ordinances, is current and true.
  - c. Proposer has incorporated any changes issue through Addenda to the RFP in this pricing.

ITEM	DELIVERY DATE	SIZE	ISSUE DESCRIPTION	MATURITY DATE	UNIT	COST YEAR 1	COST YEAR 2	COST YEAR 3	COST YEAR 4 Extension Option 1	COST YEAR 5 Extension Option 2
1	3/14/2008	13,445,000	North Padre Island Development Corp, 2008	9/15/2022	EA	\$350	\$350	\$350	\$350	\$350
2	4/2/2009	96,490,000	Utility Sys Rev Imp Bonds, 2009	7/15/2039	EA	\$450	\$450	\$450	\$450	\$450
3	8/20/2009	8,460,000	Comb Tax & Lmtl Pledge COs, 2009	3/1/2019	EA	\$450	\$450	\$450	\$450	\$450
4	4/8/2010	8,000,000	Utility Sys Rev Imp Bonds, 2010	7/15/2029	EA	\$450	\$450	\$450	\$450	\$450
5	7/22/2010	13,685,000	General Imp Bonds, 2010	3/1/2030	EA	\$450	\$450	\$450	\$450	\$450
		3,000,000	Comb Tax & Lmtl Pledge Rev COs, 2010	3/1/2030						
6	8/17/2010	5,500,000	Comb Tax Lmtl Pledge Rev COs, Tax	3/1/2030	EA	\$450	\$450	\$450	\$450	\$450
7	8/17/2010	14,375,000	Utility Sys Rev Imp Bonds, 2010A	7/15/2019	EA	\$450	\$450	\$450	\$450	\$450
8	8/17/2010	60,625,000	Utility Sys Rev Imp Bonds, Tax 2010 BAB	7/15/2040	EA	\$450	\$450	\$450	\$450	\$450
9	2/7/2012	44,695,000	General Imp Bonds, 2012	3/1/2026	EA	\$450	\$450	\$450	\$450	\$450
10	2/23/2012	7,390,000	Public Property Fin Contract Oblgtns, 2012	3/1/2024	EA	\$350	\$350	\$350	\$350	\$350
11	5/17/2012	52,500,000	Utility Sys Rev Imp Bonds, 2012	7/15/2042	EA	\$450	\$450	\$450	\$450	\$450
12	7/31/2012	8,340,000	General Imp Ref Bonds, Arpt Ref, 2012A	3/1/2023	EA	\$450	\$450	\$450	\$450	\$450
13	7/31/2012	9,880,000	General Imp Ref Bonds, Arpt Ref, 2012B	3/1/2030	EA	\$450	\$450	\$450	\$450	\$450
14	8/2/2012	29,075,000	CC Bus & Job Dev Corp, Seawall Proj,	3/1/2026	EA	\$350	\$350	\$350	\$350	\$350
15	9/27/2012	5,990,000	Comb Tax & Surplus Arpt Rev COs, 2012	3/1/2037	EA	\$450	\$450	\$450	\$450	\$450
		155,660,000	Utility Sys JL Rev & Ref Bonds, 2012	7/15/2042						
16	12/27/2012	69,085,000	Utility Sys JL Rev Imp Bonds, 2012	7/15/2042	EA	\$450	\$450	\$450	\$450	\$450

ITEM	DELIVERY DATE	SIZE	ISSUE DESCRIPTION	MATURITY DATE	UNIT	COST YEAR 1	COST YEAR 2	COST YEAR 3	COST YEAR 4 Extension Option 1	COST YEAR 5 Extension Option 2
17	12/27/2012	29,855,000	General Imp Ref Bonds, 2012C	3/1/2023	EA	\$450	\$450	\$450	\$450	\$450
18	12/27/2012	107,660,000	General Imp Ref Bonds, Tax 2012	3/1/2038	EA	N/A	N/A	N/A	N/A	N/A
19	7/31/2013	82,025,000	General Imp Bonds, 2013	3/1/2033	EA	\$450	\$450	\$450	\$450	\$450
20	12/19/2013	97,930,000	Utility Sys Junior Lien Rev Imp Bonds,	7/15/2031	EA	\$450	\$450	\$450	\$450	\$450
21	2/6/2014	30,555,000	CCBJDC Arena Project Ref, 2014	9/1/2025	EA	\$350	\$350	\$350	\$350	\$350
22	5/8/2014	8,000,000	Tax Note, 2014	3/1/2021	EA	\$350	\$350	\$350	\$350	\$350
23	5/16/2014	9,000,000	PPFCO, 2014	3/1/2026	EA	\$350	\$350	\$350	\$350	\$350
24	1/15/2015	2,600,000	Marina System Rev Bonds, Taxable 2015	9/30/2030	EA	N/A	N/A	N/A	N/A	N/A
25	4/23/2015	93,600,000	Utility Sys JL Rev Imp Bonds, 2015A	9/30/2045	EA	\$450	\$450	\$450	\$450	\$450
26	07/22/15	101,385,000	Utility Sys JL Rev Imp Bonds, 2015C	7/15/2044	EA	\$450	\$450	\$450	\$450	\$450
		46,990,000	Utility Sys JL Rev Ref Bonds, 2015D	7/15/2026						
27	8/27/2015	90,520,000	General Imp Bonds, 2015	3/1/2035	EA	\$450	\$450	\$450	\$450	\$450
28	9/17/2015	62,785,000	Nueces River Authority, 2015	7/15/2027	EA	\$350	\$350	\$350	\$350	\$350
29	10/20/2015	10,020,000	Comb Tax & Lmtl Pledge Rev COs, Tax	3/1/2035	EA	N/A	N/A	N/A	N/A	N/A
30	10/20/2015	61,015,000	General Imp Ref Bonds, 2015	3/1/2029	EA	\$450	\$450	\$450	\$450	\$450
31	1/14/2016	2,000,000	Comb Tax & Lmtl Pledge Rev COs, 2016	3/1/2035	EA	\$450	\$450	\$450	\$450	\$450
32	8/11/2016	16,430,000	Comb Tax & Lmtl Pledge Rev COs,	3/1/2036	EA	\$450	\$450	\$450	\$450	\$450
		16,130,000	General Imp Ref Bonds, 2016A	3/1/2029						
33	8/25/2016	80,415,000	Utility Sys JL Rev Ref Bonds, 2016	7/15/2039	EA	\$450	\$450	\$450	\$450	\$450
34	12/16/2016	7,365,000	General Imp Ref Bonds, 2016A	9/1/2026	EA	\$450	\$450	\$450	\$450	\$450
35	5/2/2017	51,215,000	Utility Sys JL Rev Ref Bonds, 2017	7/15/2045	EA	\$450	\$450	\$450	\$450	\$450
36	7/17/2017	27,670,000	Utility Sys JL Rev Ref Bonds, 2017A	9/30/2020	EA	\$450	\$450	\$450	\$450	\$450
37	1/12/2017	2,750,000	Utility Sys JL Rev Imp bonds, Series 2017	7/15/2025	EA	\$450	\$450	\$450	\$450	\$450
38	4/15/2017	2,500,000	Taxable CO's - Landfill, 2017	9/30/2027	EA	N/A	N/A	N/A	N/A	N/A
39	3/1/2018	34,835,000	Utl Sub Ln Rev Refdgd TWBD, 2018	7/15/2029	EA	\$450	\$450	\$450	\$450	\$450
		16,355,000	General Improvement Bonds, 2018	3/1/2038						
40	5/23/2018	14,315,000	Tax & Lmtl Pldg CO - Street, 2018A	3/1/2038	EA	\$450	\$450	\$450	\$450	\$450
		7,490,000	Tax & Lmtl Pldg CO - Landfill, 2018B	3/1/2038						
Total Per Year						\$15,500*	\$15,500*	\$15,500*	\$15,500*	\$15,500*

	Description	UOM	Loaded Rate Years 1 - 3	Extended Price Years 1-3	Loaded Rate Extension Option 1	Extended Price Extension Option 1	Loaded Rate Extension Option 2	Extended Price Extension Option 2
41	Loaded Hourly Rate for Assistance with IRS Related Issues (As Needed Per Year)	10 HR/Per Year	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

\*Note: In the event that ACS determines no gross proceeds exist for any bond issue, the annual fee for such bonds will be \$0.00 and ACS will provide written confirmation no gross proceeds are present. The fees proposed above represent at not-to-exceed budget for each fiscal year.

## ATTACHMENT C: INSURANCE AND BOND REQUIREMENTS

### I. CONTRACTOR'S LIABILITY INSURANCE

- A. Contractor must not commence work under this contract until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor, to commence work until all similar insurance required of the subcontractor has been obtained.
- B. Contractor must furnish to the City's Risk Manager and Contract Administrator one copy of Certificates of Insurance with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager.

Construction contracts including excavation at three feet or more requires Pollution Liability Coverage. In addition, Construction contracts of more than five million dollars require Umbrella Liability Insurance.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
<b>30-day advance written notice of cancellation, non-renewal, material change or termination required on all certificates and policies.</b>	<b>Bodily Injury and Property Damage</b> Per occurrence - aggregate
ERRORS & OMISSIONS	\$1,000,000 Per Occurrence \$2,000,000 Aggregate

- C. In the event of accidents of any kind related to this contract, Contractor must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

### II. ADDITIONAL REQUIREMENTS

- A. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.
- B. Contractor shall be required to submit renewal certificates of insurance throughout the term of this contract and any extensions within 10 days of the policy expiration dates. All notices under this Exhibit shall be given to City at the following address:

City of Corpus Christi  
Attn: Risk Manager  
P.O. Box 9277  
Corpus Christi, TX 78469-9277

- C. **Contractor agrees that, with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
  - Provide 30 calendar days advance written notice directly to City of any, cancellation, non-renewal, material change or termination in coverage and not less than ten calendar days advance written notice for nonpayment of premium.
- D. Within five calendar days of a cancellation, non-renewal, material change or termination of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
- E. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- F. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this contract.
- G. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by the City of Corpus Christi for liability arising out of operations under this contract.
- H. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this contract.

2017 Insurance Requirements  
Financial Services  
Arbitrage Services  
08/14/2017 cg Risk Management

**Section 5.(B) Bonds are not required for this service.**

## **ATTACHMENT D: WARRANTY**

Section 8. Warranty of this service agreement is null; warranty is not required.