



DocuSign City Council Transmittal Coversheet

RFP	6695
File Name	Investment Advisory Service
Purchasing Contact	Jamie Cogdell
City Council Target Date	August 28, 2018
Piggy Back Option	No
Contract Expiration	August 28, 2020
Ordinance	18-1073

**AGREEMENT
FOR
INVESTMENT ADVISORY SERVICES
BY AND BETWEEN**

**THE CITY OF DENTON, TEXAS
AND
FIRST SOUTHWEST ASSET MANAGEMENT, LLC
RFP #6695**

This Investment Advisory Agreement (the “**Agreement**”) is made by and between the City of Denton, Texas (the “**City**”) and First Southwest Asset Management, LLC. (“**FSAM**”). This agreement shall be effective as of the date of its acceptance by the City as indicated on the signature page hereof. The term of this agreement shall commence on June 1, 2018 and conclude on May 31, 2020. This agreement may be extended for additional two (2) year periods upon approval by the City.

I. Terms and Conditions

This Agreement sets forth the terms and conditions governing the relationship of the City to FSAM with respect to securities and money which the City in its discretion may make available for investment or reinvestment (the “**Funds**”). This Agreement shall apply to these investable funds during the period in which this Agreement shall be in effect.

II. Investment Advisory Services

- A. **Services.** With respect to the Funds, FSAM will endeavor to provide investment advisory services and cause to be executed such investments as determined in accordance with Section II.B below. FSAM agrees to provide professional services and its facilities and to direct and coordinate all programs of investing as may be considered and authorized by the City and to assume and pay those expenses incurred by FSAM in connection with the execution of investment decisions. Specifically, FSAM agrees to perform the following duties:
1. Review and recommend changes to the City’s investment policy annually, consistent with the provisions of Chapter 2256 and 2257 of the Texas Government Code and other applicable federal, state and local laws;
 2. Advise the City on current market conditions and other general financial and investment information through direct conversation, e-mail and other acceptable means of communication;
 3. Advise in the investment of the available funds and, as directed by the City, cause the transactions to be executed on a fully documented and competitive basis;
 4. Maintain and provide an authorized broker/dealer list from which securities will be competitively bid;
 5. Assist in the security clearance process;
 6. Promptly send (or cause to be sent) trade confirmations to the City;
 7. Verify collateral pricing as needed;
 8. Attend quarterly meetings with City staff to discuss economic trends, interest rates and investment strategies; and,

9. Provide staff with research, analysis and market-related projects as requested.
- B. **Scope of Investment Decisions.** In performing the services listed in Section II.A above, FSAM shall not have discretionary authority and, accordingly, shall obtain approval from the City for the investment of any City Funds. The City hereby represents and acknowledges that its written investment policy and investment strategy includes its investment objectives and all portfolio limitations and restrictions, including, without limitation, acceptable levels of investment risk. The City also agrees to notify FSAM in writing ten business days in advance of the implementation of any changes in the City's investment objectives, investment limitations, and/or financial condition. The City will give FSAM immediate verbal notice and written notice within five days of receipt of any trade confirmations should the City believe any investment in the Funds violates the City's investment objectives or limitations.
- C. **Standard of Care.** In the administration of its duties, FSAM shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, not for speculation, but for investment, considering, with regard to the entire Funds rather than any particular investment or security, the probable safety of capital and the probable income to be derived.
- D. **Settlement of Securities.** The purchase of individual securities shall be executed "delivery versus payment" (DVP) through the City's safekeeping agent. By so doing, City funds will be released when and if the City has received, through the safekeeping agent, the designated securities purchased.
- E. **Hold Harmless.** Only to the extent allowed by law, the Investor hereby agrees to indemnify and hold harmless FSAM, as well as any of its officers, directors, shareholders, affiliates, general partners, employees, agents and trustees, from (i) charges incurred by FSAM on the Investor's behalf and (ii) for any and all market losses arising with respect to the Portfolio.
- F. **Return on the Portfolio.** The City expressly affirms and acknowledges that FSAM has not promised or guaranteed any stated or specified return on, or performance of, the City's Funds, and FSAM is not responsible for any market losses arising with respect to the Funds.

III. Representations

- A. FSAM represents that it is registered as an investment advisor under the Investment Advisers Act of 1940 (the "**Advisers Act**") and is authorized and empowered to enter into this Agreement.
- B. The City represents and confirms that (1) the City has full power and authority to enter into this Agreement; (2) the terms hereof do not violate any obligation by which the City is bound, whether arising by contract, operation of law, or otherwise; and (3) this Agreement has been duly authorized by and will be binding on the City according to its terms.
- C. The City shall allow FSAM to rely upon all information regarding schedules or other information pertaining to the Funds as provided to it by the City as being true and accurate. FSAM shall have no responsibility to verify, through audit or investigation, the accuracy or completeness of such information and FSAM will not undertake to authenticate any such Information and FSAM will not undertake to authenticate any such information.
- D. The City recognizes that there may be loss or depreciation of the current liquidation, immediate and ongoing value of any investment due to the fluctuation of market values. The City represents that no party to this Agreement has made any guarantee, either oral or written, that the City's investment objectives will be achieved. FSAM shall not be liable for any error in judgment and/or for any investment losses in the Funds in the absence of willful malfeasance, gross negligence, or violation of applicable law. Nothing in this Agreement shall constitute a waiver or limitation of any rights that the City may have under applicable state or federal law including without limitation, the state and federal securities laws.

- E. City represents and acknowledges that City has reviewed and understands the risk factors and fees associated with the Funds.

IV. Fees and Costs of FSAM

As consideration for the services provided by FSAM under this Agreement, FSAM will be entitled to a fee (the “**Advisor Fee**”) determined in accordance with the schedule set forth in the fee schedule (“**Schedule A**”), a copy of which is attached hereto, is incorporated herein for all purposes and is being delivered to the City simultaneously with the execution, and as an integral part, of this Agreement. The obligation of FSAM to pay or incur expenses shall not include any costs incident to litigation, mandamus action, regulatory investigation, test case or other similar legal actions. The Advisor Fee will be payable quarterly in arrears. In the event this Agreement is terminated prior to the end of a quarter, the Advisor Fee shall be prorated and paid within 30 days of termination.

V. Reporting and Account Statements

FSAM will deliver or cause to be delivered to the City confirmation of investment and monthly statements for the Funds invested as set forth in this Agreement. The monthly statement will reflect all investments, including date of investment, purchase price, current price, date of maturity, profit or loss and cash balances. FSAM will also provide the City with an annual valuation of the City’s Funds and any additional statements that may be required by applicable law, including the reporting provisions of the Public Funds Investment Act, or other applicable state law, with respect to transactions effected under this Agreement.

VI. Other Services

The investment advisory services provided hereunder by FSAM to the City are exclusive of any other services that FSAM may provide to the City.

VII. Execution of Investment Transactions

- A. **Affiliated Broker.** FSAM is affiliated through common ownership and control with Hilltop Securities Inc. (“HTS”), a registered broker/dealer with the Financial Industry Regulatory Authority (“**FINRA**”), the U.S. Securities and Exchange Commission (“**SEC**”), and various state and territorial regulatory authorities. The City hereby authorizes FSAM to effect transactions for its Funds by execution through HTS. Where transactions are effected through HTS, HTS may act on an agency or principal basis to the extent permitted by law. Pursuant to Rule 206(3) of the Advisers Act, FSAM will obtain the City’s consent on each investment transaction to allow HTS to act as a principal in acquiring a security to facilitate a trade.
- B. **Bundling of Investment Transactions.** Transactions for each client account generally will be effected independently unless FSAM decides to purchase or sell the same securities for several of its clients at approximately the same time. FSAM may (but is not obligated to) combine or “batch” such orders to obtain best execution. Under this procedure, transactions will be averaged as to price and will be allocated among FSAM’s clients included in the “batch” group in proportion to the purchase and sale orders placed for each client in batch transactions.

VIII. Selection of Brokers

The City agrees that when FSAM effects or places orders for the execution of transactions for the Funds (other than situations where the City specifically instructs otherwise in writing), FSAM may allocate such transactions to such brokers and dealers for execution on such markets, at such prices as in the judgment of FSAM will be in the best interests of the City, taking into consideration, in the selection of such brokers and dealers, the available prices and rates of brokerage commissions and other relevant factors, without having to demonstrate that such factors are of a direct benefit to the City. Subject to the foregoing, FSAM will arrange for the execution of securities transactions for City Funds through brokers or dealers that FSAM reasonably

believes will provide best execution. All investment transactions made for the City shall be performed on a competitive, best execution basis with non-affiliated brokers/dealers. FSAM shall have no other business affiliations that will affect its investment management or performance. FSAM shall not pay any finders' fees or share any revenues with other firms. FSAM shall not receive any soft-dollar compensation for the services provided under this Agreement.

IX. Non-Exclusive Relationship

The City hereby acknowledges that FSAM's services under this Agreement are nonexclusive, and that FSAM shall be free to render the same or similar services to other clients. The City further acknowledges that FSAM's advice is specific to each individual City's investment objectives, limitations and financial condition. Therefore FSAM, in the performance of its investment advisory duties, may give advice to, and take action on behalf of, other clients that may differ from the advice given, or the timing and nature of the action taken, with respect to the City's Funds. Nothing in this Agreement shall be deemed to impose upon FSAM any obligation to purchase or sell, or to recommend for purchase or sale for the City's Funds, any security that FSAM or its affiliates may purchase or sell, for their own account or for the accounts of any other client if, at the sole discretion of FSAM, it is for any reason undesirable or impractical to take such action or make such recommendation for the City's Funds. The City also acknowledges that FSAM has varying fee structures and arrangements with other clients and may charge other clients different fees, which may be higher or lower than the fees charged with respect to the City's Funds for similar services.

X. Instructions from the City

FSAM may rely on all instructions (whether oral or written) given by the City or its agents that FSAM believes to be genuine. Instructions may be given to FSAM by any officer or agent authorized by (1) the investment policy; (2) a duly executed "Authorization to Trade Public Funds" form provided by FSAM; or (3) a resolution of the governing body of the City. FSAM may rely on such authorization until written notice to the contrary is delivered to FSAM by the City; and if the City does not deliver appropriate authorizing documentation, FSAM may accept instructions from any person reasonably believed by FSAM to be an officer of the City.

XI. Transactions Subject to Industry Regulations and Standards

All transactions shall be subject to the regulations of all applicable government authorities and self-regulatory agencies including, but not limited to, the constitutions and rules of the clearing agent, exchange, or market where executed. The City understands that FSAM is registered as an investment advisor under the Advisers Act, and as such is obligated to comply with all applicable laws and regulations, including those of the SEC and other regulatory and self-regulatory agencies, and agrees that FSAM shall not be liable to the City as a result of any action taken by FSAM to comply with any ruling, interpretation, or directive of such organizations. Further, the City understands and agrees that FSAM will not accept any instructions from the City which would require a violation of any such rules or regulations.

XII. Assignment

Neither FSAM nor the City may assign any of its rights, authorizations, or obligations under this Agreement without the prior written consent of the other party.

XIII. Term and City's Right of Cancellation

This Agreement shall become effective as of the date hereof and continue for a period of two (2) years. This Agreement may be extended for additional two (2) year periods upon approval by the City. Either party may terminate this Agreement upon delivering to the other party thirty (30) calendar days' prior written notice. In addition, the City may terminate this Agreement without penalty for a period of five (5) business days after the date it is executed by the City. The City may exercise this right by giving written notice to FSAM within the required time period. In the event of termination, it is understood and agreed that only the amounts due to FSAM for services provided and expenses incurred to and including the date of termination, plus those costs and expenses incurred or sustained as a result of the termination, will be due and payable. No penalty will be assessed

for termination of this Agreement. In addition, the parties hereto agree that upon termination of this Agreement FSAM shall have no continuing obligation to the City regarding the investment of funds or performing any other services contemplated herein.

XIV. Custodial Arrangements

Custody of the Funds' invested assets will be maintained with a custodian selected by the City and identified to FSAM (the "Custodian"). FSAM will not have custody, control or possession of any assets in the Funds. The City will be solely responsible for paying all fees or charges of the Custodian. The City authorizes FSAM to give Custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the Funds.

XV. Miscellaneous

- A. **Notices to the City.** All written communication to the City shall be sent to the City's address set forth on the signature page hereof or as directed in writing to FSAM by the City. Any notice, statement, or other communication mailed to the City by FSAM in accordance with this section will be deemed to be given to the City personally on the date it so mailed, whether or not it is actually received by the City.
- B. **Notices to FSAM.** Any notice, statement, or other communication from the City to FSAM under this Agreement must be in written form and will be deemed to be given to FSAM upon actual receipt thereof by FSAM whether such notice was mailed, personally delivered, or telecopied to:

FirstSouthwest Asset Management, LLC
300 West Sixth Street, Suite 1940
Austin, Texas 78701
Attention: Mr. Scott McIntyre
Fax Number: (512) 481-2020

- C. **Confidential Relationship.** All of the information and advice furnished by either party to the other under this Agreement, including their respective agents and employees, will be treated as strictly confidential by each party and will not be disclosed to third parties under any circumstances except as required by law.
- D. **Limitations of Liability.** Federal and state securities laws impose liabilities under certain circumstances on persons who do not act in good faith and, therefore, nothing in this Agreement shall in any way constitute a waiver or limitation of any rights that the City may have under federal and state securities laws.
- E. **Indemnity.** Only to the extent authorized by law, the City will indemnify FSAM for any loss, liability, or expense (including attorney's fees) which FSAM may incur as a result of, or arising from, any claims asserted by any third party with respect to the Funds or the services rendered by FSAM under this Agreement, except in cases of gross negligence or willful misconduct by FSAM in managing the City's Funds.
- F. **Inconsistent Provisions; Agreements.** If any provisions of this Agreement should become or be found to be inconsistent with laws, rules, or regulations of any government or regulatory body having jurisdiction over the subject matter herein, such provisions shall be deemed modified or rescinded in accordance with any such laws, rules, or regulations. To the extent that the provisions of this Agreement are inconsistent with the provisions of any account agreement or clearing agreement with FSAM or its clearing agent, as the case may be, then FSAM shall provide notice to the City to resolve the conflict.
- G. **Invalid Provisions.** If any provision or condition of this Agreement shall be held to be invalid or unenforceable by any Court, or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected, and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein.

- H. **Waiver of Terms.** FSAM's failure to insist at any time upon strict compliance with any terms of this Agreement shall not constitute a waiver of any of FSAM's rights as described herein.
- I. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Texas, without regard to its principles of conflicts of laws.
- J. **Extraordinary Events.** Neither FSAM nor any of its officers, directors, shareholders, affiliates, general partners, employees, agents, or trustees shall be liable for losses caused directly or indirectly by government restrictions, securities exchange or market actions, suspensions of trading, wars, strikes, delays in the transmission of orders due to breakdown or failure of transmission or communication facilities, or any other causes beyond FSAM's reasonable control or anticipation.
- K. **Written Disclosure Statement.** Simultaneously with the execution of this Agreement, FSAM has delivered to the City Part II of its Form ADV as filed with the SEC, or a similar disclosure document, as its brochure pursuant to Rule 204.3 of the Advisers Act. The City's execution of this Agreement shall be deemed acknowledgment of receipt thereof.
- L. **Verification of Information.** The City represents and warrants to FSAM that all information furnished to FSAM in connection with the Agreement (and all documents supplied by the City in this regard, including financial statements) are true, complete, and correct. FSAM is entitled to rely on this information until FSAM receives written notice of any change, which the City agrees to furnish promptly should any material changes occur.
- M. **Audit.** In addition to and without limitation on the other audit provisions of this Agreement, the City may conduct an audit or investigation of FSAM or any other entity or person receiving funds from the City directly under this Agreement or indirectly through a subcontract under this Agreement. The acceptance of funds by FSAM or any other entity or person directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the City to conduct an audit or investigation in connection with those funds. FSAM further agrees to cooperate fully with the City in the conduct of the audit or investigation, including providing all records requested. Participant shall ensure that this paragraph concerning the authority to audit funds received indirectly by subcontractors through FSAM and the requirement to cooperate is included in any subcontract it awards. The City shall at any time have access to and the right to examine, audit, excerpt, and transcribe any pertinent books, documents, working papers, and records of FSAM related to this Agreement.
- N. **Insurance.** FSAM shall procure and maintain insurance in compliance with the requirements and in the minimum amounts acceptable to the City of Denton.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK. THE NEXT PAGE IS A SIGNATURE PAGE.]

By signing this Agreement, the undersigned City official acknowledges receipt of a copy of this Agreement, including Schedule A.

**CITY OF DENTON, TEXAS
215 E McKinney
Denton, TX 76201**

DocuSigned by:
Todd Hileman
B776C711BA0B454...
City Manager

Todd Hileman

(Name)

8/28/2018

Date

FIRST SOUTHWEST ASSET MANAGEMENT, LLC

DocuSigned by:
Scott McIntyre
BUC4EAC4FC7441E...
Signature of Officer

Scott McIntyre

8/23/2018

Date

Scott McIntyre
DocuSigned by:
Scott McIntyre
Managing Director

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms.

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: DocuSigned by:
Jennifer Walters
C5BFAFC1821946D...

DocuSigned by:
Antonio Puente Antonio Puente
E3760944C2BF4B5...
SIGNATURE PRINTED NAME

Director of Finance

APPROVED AS TO LEGAL FORM:
AARON LEAL, CITY ATTORNEY

BY: DocuSigned by:
Mack Peinward
7F9D328BF0204E5...

TITLE

Finance

DEPARTMENT

SCHEDULE A

FEE SCHEDULE AND EXPENSE ITEMS

In consideration for the services rendered by FirstSouthwest Asset Management, LLC (“FSAM”) in connection with the investment of the Portfolio for the City, it is understood and agreed that its fee will be at fixed quarterly rate of \$7,500 for investment management services.

The fees due FSAM shall be due and payable 30 days following the conclusion of each calendar quarter. Said fee includes all costs of services related to the investment services provided under this Agreement. Any other fees earned by FSAM relating to City transactions, shall be disclosed to the City.

Exhibit 1

House Bill 89 - Government Code 2270

VERIFICATION

I, Scott McIntyre, the undersigned representative of First Southwest Asset Management Company or Business name (hereafter referred to as company), being **an adult over the age of eighteen (18) years of age, verify that the company named-above, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270:**

- 1. Does not boycott Israel currently; and**
- 2. Will not boycott Israel during the term of the contract the above-named Company, business or individual with City of Denton.**

Pursuant to Section 2270.001, Texas Government Code:

- 1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and*
- 2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.*

Scott McIntyre

Name of Company Representative (Print)

DocuSigned by:
Scott McIntyre

Signature of Company Representative

8/23/2018

Date

Exhibit 2
Senate Bill 252 -Government Code 2252
CERTIFICATION

I, Scott McIntyre, the undersigned representative of First Southwest Asset Management, LLC (Company or business name) being an adult over the age of eighteen (18) years of age, pursuant to Texas Government Code, Chapter 2252, Section 2252.152 and Section 2252.153, certify that the company named above is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153. I further certify that should the above-named company enter into a contract that is on said listing of companies on the website of the Comptroller of the State of Texas which do business with Iran, Sudan or any Foreign Terrorist Organization, I will immediately notify the City of Denton's Materials Management Department.

Scott McIntyre
Name of Company Representative (Print)

DocuSigned by:
Scott McIntyre
Signature of Company Representative

8/23/2018
Date

Certificate Of Completion

Envelope Id: 4D9A7E3A986841A499611F3842BC08C8	Status: Completed
Subject: City Council DocuSign Item - 6695 Investment Advisory Service	
Source Envelope:	
Document Pages: 11	Signatures: 8
Certificate Pages: 6	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Jamie Cogdell
Time Zone: (UTC-06:00) Central Time (US & Canada)	901B Texas Street
	Denton, TX 76209
	Jamie.Cogdell@cityofdenton.com
	IP Address: 129.120.6.150

Record Tracking

Status: Original	Holder: Jamie Cogdell	Location: DocuSign
8/23/2018 10:11:26 AM	Jamie.Cogdell@cityofdenton.com	

Signer Events

Signer Events	Signature	Timestamp
Jamie Cogdell jamie.cogdell@cityofdenton.com Senior Buyer City Of Denton Security Level: Email, Account Authentication (None)	Completed Using IP Address: 129.120.6.150	Sent: 8/23/2018 10:19:58 AM Viewed: 8/23/2018 10:20:04 AM Signed: 8/23/2018 10:20:42 AM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		

Scott McIntyre scott.mcintyre@hilltopsecurities.com First Southwest Asset Management, LLC Security Level: Email, Account Authentication (None)	<p>DocuSigned by: <i>Scott McIntyre</i> B0C4EAC4FC7441E...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 204.109.42.22</p>	Sent: 8/23/2018 10:20:44 AM Viewed: 8/23/2018 1:21:13 PM Signed: 8/23/2018 1:22:06 PM
Electronic Record and Signature Disclosure: Accepted: 8/23/2018 1:21:13 PM ID: 47b35e44-3cfb-4bc1-84bb-cd017da4a856		

Antonio Puente antonio.puente@cityofdenton.com Director of Finance Security Level: Email, Account Authentication (None)	<p>DocuSigned by: <i>Antonio Puente</i> E3780944C2BF4B5...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 129.120.6.150</p>	Sent: 8/23/2018 1:22:08 PM Viewed: 8/23/2018 1:39:59 PM Signed: 8/23/2018 1:44:04 PM
Electronic Record and Signature Disclosure: Accepted: 8/23/2018 1:39:59 PM ID: 48390e97-219d-4e0f-98dc-557c6fa3b2d1		

Mack Reinwand mack.reinwand@cityofdenton.com City of Denton Security Level: Email, Account Authentication (None)	<p>DocuSigned by: <i>Mack Reinwand</i> 7F9D328BF0204E5...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 129.120.6.150</p>	Sent: 8/23/2018 1:44:06 PM Viewed: 8/23/2018 2:22:55 PM Signed: 8/23/2018 2:23:35 PM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		

Signer Events	Signature	Timestamp
<p>Tabitha Millsop tabitha.millsop@cityofdenton.com City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p>Completed</p> <p>Using IP Address: 129.120.6.150</p>	<p>Sent: 8/23/2018 2:23:38 PM Viewed: 8/29/2018 10:20:27 AM Signed: 8/29/2018 10:22:42 AM</p>
<p>Todd Hileman todd.hileman@cityofdenton.com City Manager City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Accepted: 7/25/2017 11:02:14 AM ID: 57619fbf-2aec-4b1f-805d-6bd7d9966f21</p>	<p>DocuSigned by: <i>Todd Hileman</i> B776C711BA0D454...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 129.120.6.150</p>	<p>Sent: 8/29/2018 10:22:46 AM Viewed: 8/29/2018 10:41:55 AM Signed: 8/29/2018 10:42:02 AM</p>
<p>Jennifer Walters jennifer.walters@cityofdenton.com City Secretary City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p>DocuSigned by: <i>Jennifer Walters</i> C5BF4FC1821946D...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 129.120.6.150</p>	<p>Sent: 8/29/2018 10:42:05 AM Viewed: 8/29/2018 4:16:54 PM Signed: 8/29/2018 4:18:01 PM</p>

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
<p>Sherri Thurman sherri.thurman@cityofdenton.com City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	COPIED	<p>Sent: 8/23/2018 1:44:06 PM</p>
<p>Jane Richardson jane.richardson@cityofdenton.com Assistant City Secretary City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	COPIED	<p>Sent: 8/29/2018 10:22:45 AM Viewed: 8/29/2018 11:21:36 AM</p>

Carbon Copy Events	Status	Timestamp
Jennifer Bridges jennifer.bridges@cityofdenton.com Procurement Assistant City of Denton Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 8/29/2018 4:18:04 PM
Jane Richardson jane.richardson@cityofdenton.com Assistant City Secretary City of Denton Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 8/29/2018 4:18:05 PM
Kevin Mullen kevin.mullen@cityofdenton.com Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 8/29/2018 4:18:06 PM

Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	8/29/2018 4:18:06 PM
Certified Delivered	Security Checked	8/29/2018 4:18:06 PM
Signing Complete	Security Checked	8/29/2018 4:18:06 PM
Completed	Security Checked	8/29/2018 4:18:06 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, City of Denton (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact City of Denton:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: purchasing@cityofdenton.com

To advise City of Denton of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at melissa.kraft@cityofdenton.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from City of Denton

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Denton

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> •Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify City of Denton as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by City of Denton during the course of my relationship with you.