

REQUEST FOR APPLICATION FOR BANK CONTRACT
SAMPLE DEPOSITORY CONTRACT FOR REGISTRY FUNDS
HELD BY THE DISTRICT CLERK

THIS AGREEMENT, made and entered by and between SUCCESSFUL BANK, a national banking corporation, hereinafter called "Bank," and TARRANT COUNTY, a body corporate and politic under the laws of the State of Texas, hereinafter called "Depositor,"

WITNESSETH:

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

WHEREAS, the Commissioners Court of TARRANT COUNTY, sitting as the governing body of the Depositor, has selected the Bank as the operating bank depository for registry funds held by the District Clerk of the Depositor; and

WHEREAS, the Bank desires to qualify as the operating bank depository for registry funds held by the District Clerk of the Depositor;

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

I.

The Bank agrees to maintain collateral for funds deposited under this depository contract pursuant to the Security Agreement - Pledge of Securities (the "Pledge") executed by Bank in favor of the District Clerk of Depositor contemporaneously with this depository contract. Securities as collateral will be equal to 102% of the Registry checking account, and the certificates of deposit of the District Clerk of the Depositor on deposit with the Bank from day to day. To afford the Bank a reasonable time to adjust the amount of collateral, the District Clerk of the Depositor agrees to notify the Bank prior to any expected increase in deposited funds that would require an increase in the amount of collateral. Collateral will be priced to market once monthly. All collateral will be backed by the full faith and credit of the United States government, have a final maturity of less than 5 (five) years from the date of the pledge, and must be deposited with a third party financial institution approved by the District Clerk (such as the Federal Reserve Bank) subject to a fully executed tri-party collateral agreement (or subject to the terms of Operating Circular 7 in the case of the Federal Reserve Bank, whereas Tarrant County agrees to the custodial agreement terms set forth in the Federal Reserve Bank's Operating Circular 7, Appendix C, as amended from time to time). The Bank will provide additional collateral necessary to equal 102% of the trust checking account and the certificates of deposit of the District Clerk of the Depositor within one (1) business day after the Bank becomes aware of any deficiency in the amount of collateral.

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II.

The conditions of this contract are such that whereas the Bank has been duly and legally chosen by the Commissioners Court of TARRANT COUNTY as the operating bank depository for the registry funds held by the District Clerk of the Depositor under Texas law for a period beginning with the date of this instrument and ending 60 days after the second Tuesday in April 2023, by reason of the Bank's having agreed to act as the operating bank depository for the registry funds held by the District Clerk of the Depositor and by reason of the Bank's having bid and agreed to the following:

- A. The Bank agrees to pay interest to the District Clerk of the Depositor on Certificates of deposit in the depository at the Bank's then-current two-year stated set rate plus a minimum of 15 basis points for time deposits. A comprehensive description of the method used to determine the interest rate for the invested accounts will be expected. Upon the request by the District Clerk, the District Clerk will have the option, at each account's annual anniversary date and at each account's maturity date, to reset the rate at the then prevailing two-year stated Certificate of Deposit rate plus a minimum of 15 basis points. In the event of any unauthorized withdrawal of funds will be immediately restored by bank within 1 (one) banking day of notification. Interest is accrued daily, calculated on a 365 -day simple interest basis. Interest shall be credited to the respective certificates of deposit monthly. The Bank shall send a single monthly summary report, via computer file, itemizing the detail of the beginning balance, interest rate, and the ending balance for each invested deposit including accrued interest during the month, within 10 business days after the close of the preceding calendar month. Individual certificate of deposit transactions are validated promptly with the District Clerk separate from the monthly summary report. Rates shall at no time exceed the maximum rate permitted under all applicable law. For all new Tarrant County District Clerk controlled certificates of deposit opened under a minor's name and Social Security Number, the District Clerk's Office will provide Bank with the W-9 if the Minor is a US Citizens or Resident Alien (i.e., if he or she has a "Legal Permanent Resident Card") or a W-8 if the Minor is a Non-Resident Alien. If no W-9 or W-8 is provided, the certificate of deposit will be opened under the District Clerk's name and Tax Identification Number for the benefit of the Case or Cause Number, with the option to convert from the District Clerk's name and Tax Identification Number to the minor's name upon obtaining the W-9 or W-8. Since the funds used to open the certificates of deposit are controlled by Tarrant County District Clerk and housed in the District Clerk demand deposit account with Bank, a signature card is not required for a Tarrant County Court-Ordered certificate of deposit. However, Bank will require and keep filed a copy of the court order and authorization letter directing the District Clerk to open the certificate or deposit. For any new Tarrant County Court-Controlled demand deposit accounts, Bank must maintain all required documents (W-9 or W-8, signature card, and court ordered or authorization letter).

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- B. The District Clerk of the Depositor may at any time during the term of this Agreement make recurring and/or periodic additional deposits to any existing invested deposits without cost or penalty. Likewise, the District Clerk of the Depositor may at any time during the term of this Agreement request and receive recurring and/or periodic disbursements from existing invested deposits without cost or penalty for early withdrawal.
- C. The Bank is never obligated to pay any item or permit any transaction that would cause an overdraft in the applicable account. The Bank reserves all rights and remedies it has under its Terms and Conditions of Deposit Accounts or otherwise with respect to overdrafts. The Bank expects that the Depositor will conduct its affairs so as to avoid overdrafts in its accounts, and that the Depositor will fund any account that has a negative collected balance on the same day that the Depositor is notified of the situation.

Overdraft interest will be charged any time the collected balance in any individual account of the Depositor is negative at the end of a banking day at a rate equal to the Bank's standard overdraft interest charge as it changes from time to time. The Bank's current overdraft interest charge is the Earnings Credit Rate. Additionally, if the Depositor's accounts are in an aggregate overdraft position during the banking day, the Bank reserves the right to pass on to the Depositor any amount the Federal Reserve Bank charges the Bank for daylight overdraft positions in the Bank's reserve accounts.

- D. The Bank will provide the supplies and services required by the District Clerk of the Depositor in connection with the depository service as described and at the charges specified in the Bank's Application to Provide Depository to Tarrant County dated March 7, 2019 (the "Bank Response"). In reply to RFA No. 2019-081.

The Bank may be willing to provide additional bank services and products to the District Clerk of the Depositor that are not requested in the Depositor's request for proposal but which the District Clerk of the Depositor later determines would be beneficial. Additional services and products will be subject to the terms of the Bank's Treasury Management Service Agreement or other standard agreements, as applicable, and pricing will be as specified in the Bank's applicable published price schedules, unless the Bank and the Depositor otherwise agree in writing. No charge shall be made by the Bank for any service, unless specified above or provided by written amendment signed by both parties.

- E. The Bank will provide account balances and transaction information to the District Clerk of the Depositor each banking day via computer terminal. The District Clerk of the Depositor will make deposits to the accounts at various times during the banking

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day and the Bank will give same-day ledger credit on deposits the Bank receives before 3:00 p.m. The level of available funds in all accounts will be determined on the following schedule:

	DEPOSITORY ITEMS	AVAILABILITY
1	Cash, items drawn on the depository, wire transfers, ACH deposits, letters of credit	SAME DAY
2	Encoded items drawn on Direct Clearing institutions that meet at the local clearinghouse check exchange and received by bank by noon	SAME DAY
3	Items on local institutions (other than those listed in #2 above)	NEXT DAY
4	Other items	FEDERAL RESERVE AVAILABILITY SCHEDULE

- F. The Bank will provide to the District Clerk of the Depositor a statement at least annually for each certificate of deposit, including a statement as of the last business day of each year. The statement or statements collectively will include the interest earned, early withdrawal penalty (if any), and the ending balance as of the closing date for the statement. The 1099 and interest statements will be delivered electronically to the District Clerk of the Depositor in account number order. These statements will be provided to the District Clerk of the Depositor no later than 15 days after the end of the calendar year.

III.

In the event that this contract is terminated, whether voluntarily or involuntarily or by selection of the successor depository, Bank agrees to pay interest on all time deposits from the date of purchase to the date the time deposits are paid to the District Clerk of the Depositor, at the market rate plus 15 basis points at the date of purchase, without penalty for early withdrawal, except as required by law.

IV.

Any suit arising out of or in any way connected with this contract shall be tried in TARRANT COUNTY in a court of proper jurisdiction. Texas law shall govern this contract and its terms. In the event that other venue provisions may apply to this Agreement, and specifically II.S. of the Bank's Treasury Management Service Agreement, this venue provision shall control over all others.

V.

The volume of funds deposited under this contract will vary from time to time. In order that the deposits may be at all times amply secured by pledged securities pursuant to this contract and the depository laws of the State of Texas, the District Clerk of the Depositor

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shall have the right, upon twenty-four hours written notice, to require an increase in the value of the pledged securities hereunder. Likewise, upon notice, the Bank shall have the right to decrease the value of the pledged securities that are in excess of 102% of the deposits. Deposit of additional securities, and withdrawals of excess securities, shall be, for convenience, in units of \$25,000 or more.

VI.

The Bank shall have the right to substitute or withdraw any part of the collateral with any type of securities collateral backed by the full faith and credit of the United States government.

When an exchange is desired by the Bank, it shall make application to the District Clerk of the Depositor and submit a list of the securities proposed to be exchanged and the securities that it desires to withdraw. If the securities so proposed and tendered for substitution are of the kind and character described above and of the required amount and value, the District Clerk of the Depositor will grant the application and permit a substitution or withdrawal, as allowed by law. If permission is granted and securities are substituted, the substituted securities shall thereafter be subject to all of the terms and conditions of this contract as fully as if originally pledged hereunder.

VII.

The Bank shall discharge all of the duties required by law in the care, safekeeping and custody of the investment securities placed with/pledged to the District Clerk of the Depositor. When any securities owned by the District Clerk of the Depositor are placed in the Bank, the Bank shall provide for the care, safekeeping and custody of such other securities.

The Bank will deliver transaction advices for any transaction affecting the securities of the District Clerk of the Depositor.

On a monthly basis, the Bank will deliver a complete listing of all securities held at the beginning of the month and any received during the month. The report shall report any security sold or matured and the market value of any security held at the end of the month.

Market value shall be obtained from a nationally recognized source, acceptable to the District Clerk and the County Auditor of the Depositor.

VIII.

Not later than 8:00 a.m. of each banking day, the Bank shall make available to District Clerk of the Depositor via computer terminal the daily ending ledger and collected balances of each account for the banking day immediately preceding. Not later than 10:00 a.m. of each banking day, the Bank shall make available to the District Clerk of the Depositor the dollar amount of checks deposited by the District Clerk of the Depositor with the Bank that

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were charged back to the District Clerk of the Depositor's account during the banking day immediately preceding. Not later than 10 banking days after the end of each calendar month, the Bank will furnish the District Clerk of the Depositor a separate monthly statement for each account showing overall activity to the account in the calendar month. The Bank will provide the District Clerk of the Depositor with a full reconciliation for each account as requested by the District Clerk of the Depositor. The Bank will furnish the statement in electronic file format acceptable to the District Clerk of the Depositor. The bank will provide cancelled checks in electronic form. An account analysis of the Bank's charges for operating the District Clerk of the Depositor's accounts shall also be provided by the Bank to the District Clerk of the Depositor each month not later than 15 banking days after the end of each calendar month.

IX.

The Bank will accept wire transfer deposits made by or on behalf of the District Clerk of the Depositor. Such deposits will be made to such accounts only upon advanced approval by the District Clerk, as the District Clerk of the Depositor may direct by computer or in writing. Any deposit instructions given by the District Clerk of the Depositor will be confirmed by letter electronically mailed or deposited in First Class U.S. mail within 48 hours to the addresses provided in paragraph XI. below.

X.

It is expressly understood that the District Clerk of the Depositor shall have the right pursuant to court order to withdraw funds, without penalty except as required by law, from time to time, any amount of funds of the District Clerk of the Depositor that are deposited in the Bank and to invest those funds in direct debt securities of the United States, Certificate of Deposit or deposits in other depositories and other investments that the District Clerk of the Depositor may now or hereafter be authorized to make under the laws of Texas. Bank expressly agrees to pay interest on all time deposits from the date of purchase to the date the time deposits are paid to the District Clerk of the Depositor, at the market rate plus 15 basis points at the date of purchase, without penalty for early withdrawal, except as required by law.

XI.

Any written notice permitted or required to be given by the District Clerk of the Depositor to the Bank shall be mailed electronically, hand-delivered or mailed via certified mail, return receipt requested to any officer of the Bank, between the hours of 9:00 a.m. and 5:00 p.m. on any day other than a Saturday, Sunday or legal Bank holiday, to the following address:

Successful Bank's Address

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Such written notice shall be deemed received when handed to any officer of the Bank. District Clerk of the Depositor recognizes that the Bank's lobby closes at 4:00 p.m. Monday through Thursday. While Bank Officers are generally present until 5:00 p.m., notification should be received by the Bank during normal business hours.

The local customer service representative for Bank at "street address" who is assigned to respond to daily operational inquiries and difficulties experienced by the District Clerk of the Depositor has been communicated to District Clerk of the Depositor and contact information will be updated as applicable.

Any notice permitted or required to be given by the Bank to the Depositor shall be hand-delivered, mailed electronically or mailed via certified mail, return receipt requested to the District Clerk of the Depositor at:

100 N. Calhoun Street, 2nd Floor
Fort Worth, Texas 76196

AND to the County Auditor at:

100 East Weatherford Street, Room 506
Fort Worth, Texas 76196

Between the hours of 9:00 a.m. and 5:00 p.m. on any day other than a Saturday, Sunday, legal Bank holiday, County holiday or when the Courthouse is closed.

XII.

All of the provisions and requirements of the laws governing county depositories shall be a part of this contract.

XIII.

Chapter 2270 Texas Government Code Verification

In compliance with Chapter 2270 of the Texas Government Code Vendor warrants, represents, and by its execution of this Contract hereby verifies that (1) Vendor does not boycott Israel; and (2) Vendor will not boycott Israel during the term of this Contract. For the purposes of this Contract, and in compliance with the Texas Government Code, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict harm on, or limit commercial relationships specifically with Israel, or with a person or entity doing business in Israel or in an Israel-controlled territory, but does not include an action made for ordinary business purposes.

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In compliance with Chapter 2252, Section 2252.151 et seq. of the Texas Government Code Vendor warrants, represents, and by its execution of this Contract hereby verifies that (1) Vendor does not engage in scrutinized business operations in Sudan; (2) Vendor does not engage in scrutinized business operations in Iran; and (3) Vendor does not engage in scrutinized business operations with designated foreign terrorist organizations. "Scrutinized business operations in Sudan" shall have the meaning ascribed to that term as set forth in Section 2270.0001 et seq. of the Texas Government Code. "Scrutinized business operations in Iran" shall have the meaning ascribed to that term as set forth in Section 2270.0101 et seq. of the Texas Government Code. "Scrutinized business operations with designated foreign terrorist organizations" shall have the meaning ascribed to that term as set forth in Section 2270.0151 et seq. of the Texas Government Code.

XIV.

A. Pricing

Pricing for all services is valid through the stated end of the bid term. The Bank reserves the right to adjust pricing for any services provided after the end of the stated bid term.

B. Positive Pay

Every depositor has an obligation to take reasonable steps to prevent fraud on its accounts. For that reason, the Bank offers customers a "Positive Pay" service, which allows customers to notify the Bank of certain information regarding issued checks for comparison with checks presented to the Bank for payment. Under applicable provisions of the Uniform Commercial Code, courts will assess liability for losses between the bank and bank customers based on the degree to which each party's failure to exercise ordinary care contributed to the loss. The Bank believes that ordinary care requires all public fund customers to use positive pay to help prevent third-party fraud on their accounts.

C. Courier Services

Courier services used by the District Clerk of the Depositor to deliver currency, checks, or other items to the Bank must meet the requirements for courier services specified in the Bank's applicable Service Agreement.

D. Third-Party Service Providers

In the normal course of its business, the Bank may engage certain third party vendors to provide or assist in providing all or part of certain services. The Bank has no obligation to specifically disclose the existence of these arrangements to the

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District Clerk of the Depositor or to obtain the District Clerk of the Depositor's consent to these arrangements unless the third party is engaged solely for the purpose of serving the District Clerk of the Depositor's business.

E. Other Agreements

All services are subject to the terms of the Bank's standard agreements applicable to the products and services provided. To the extent of any conflict between this Agreement and the Bank's standard agreements, this Agreement will control.

F. No Oral Agreements

THIS AGREEMENT AND OTHER DOCUMENTS SIGNED BY THE BANK AND THE DEPOSITOR REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

G. Additional Documents Required

In connection with establishing the Accounts and providing services to Depositor, the Bank will require additional documentation. Those documents include the following:

- (1) A certified resolution of the governing body of the Depositor, containing substantially the same provisions as those in the Certificate Regarding Accounts, establishing the authority of persons to act on behalf of the Depositor and to effect appropriate contractual relationships; and
- (2) Signature cards for each of the Accounts.

H. Termination of Services

Notwithstanding the stated term of this bid, either party may terminate all or particular services at any time during the bid term for the reasons stated in the Treasury Management Service Agreement or any other agreement that governs those services, so long as Bank's termination of services is in accordance with the provisions of Chapters 116 & 117, Texas Local Government Code. Any termination of services by Bank must be provided at a minimum of 90 days notice to ensure continued operational capability for the Clerks.

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I. Secretary's Certificate

Prior to execution of this contract by either party, a proper secretary's certificate certifying that the individual signing this contract on behalf of the Bank has been duly appointed by the Bank through its Board of Directors to act on behalf of the Bank for purposes of this Contract. Said Certificate shall be marked as "Exhibit B" and attached hereto, and incorporated herein for all purposes.

XV.

Analysis Statement Credits: The analysis statement will consist of the District Clerk of the Depositor's registry funds accounts. In the event that the District Clerk's activity in said accounts would entitle the District Clerk to more credit than the applicable service charges, then the bank shall apply the excess credit to the costs generated by the Depositor's accounts.

EXECUTED in triplicate originals this the _____ day of _____, 2019.

**COUNTY OF TARRANT
STATE OF TEXAS**

SUCCESSFUL BANK

By: _____
County Judge

By: _____
Bank Official

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APPROVED:

District Clerk

County Auditor

APPROVED AS TO FORM:*

Assistant Criminal District Attorney

* By law, the Tarrant County Criminal District Attorney's Office may only advise or approve contracts and other legal forms on behalf of its clients. It may not advise or approve contracts or other legal forms on behalf of other parties and/or entities. Our review of the attached legal forms was conducted solely from the legal perspective of our client, Tarrant County and the Tarrant District Clerk. Other parties and/or entities should not rely on the attached forms without seeking review and approval by their own respective attorney(s).