

1 AGREEMENT

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3 THIS AGREEMENT is made and entered, in duplicate, as of January 31,
4 2012, for reference purposes only, pursuant to a minute order adopted by the City
5 Council of the City of Long Beach at its meeting on July 12, 2011, by and between
6 UNION BANK, N.A., a national banking association, with a place of business at 530 "B"
7 Street, Suite 535, San Diego, California 92101, ("Bank"), and the CITY OF LONG
8 BEACH, a municipal corporation ("City").

9 WHEREAS, City requires general bank account, cash management and
10 related comprehensive banking services for its daily operations; and

11 WHEREAS, City further desires to increase access to banking services in
12 underserved areas of the City; and

13 WHEREAS, City has selected Bank in accordance with City's administrative
14 procedures using a Request for Proposals ("RFP"), attached hereto as Exhibit "A-1," and
15 an Addendum to RFP, attached hereto as Exhibit "A-2," attached to this Agreement and
16 incorporated herein by this reference, and City has determined that Bank and its
17 employees are qualified, licensed, if so required, and experienced in performing these
18 services; and

19 WHEREAS, as a material inducement to selection by the City, Bank has
20 agreed to provide for the installation and maintenance of automated teller machines
21 ("ATMs") at agreed-upon locations in the City, at no cost to the City; and

22 WHEREAS, City desires to have Bank perform these services, and Bank is
23 willing and able to do so on the terms and conditions in this Agreement;

24 NOW, THEREFORE, in consideration of the mutual terms, covenants, and
25 conditions in this Agreement, the parties agree as follows:

26 1. SCOPE OF WORK OR SERVICES.

27 A. Bank shall furnish all banking services more particularly
28 described in Exhibit "B", attached to this Agreement and incorporated by this

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 reference, in accordance with the standards of the profession, and City shall pay
2 for these services in the manner described below, not to exceed Two Hundred
3 Seventy-Five Thousand Dollars (\$275,000), at the rates or charges shown in
4 Exhibit "C". Bank shall further furnish, install and maintain ATMs in the City of
5 Long Beach as set forth in Exhibit "D", attached hereto and incorporated herein by
6 this reference.

7 B. For complete and satisfactory performance of the terms of this
8 Agreement, City will pay Bank, at City's option, either by compensating balances
9 or cash in accordance with Exhibit "C," following receipt from Bank and approval
10 by City of a monthly consolidated analysis showing the services or tasks
11 performed. This payment represents the total compensation to be paid by City to
12 Bank for services performed pursuant to this Agreement. Settlement will be
13 quarterly via account charge. Bank shall certify on the monthly consolidated
14 analysis that Bank has performed the services in full conformance with this
15 Agreement and is entitled to receive payment.

16 C. Bank represents that Bank has obtained all necessary
17 information on conditions and circumstances that may affect its performance and
18 has conducted site visits, if necessary.

19 D. By executing this Agreement, Bank warrants that Bank (a) has
20 thoroughly investigated and considered the scope of services to be performed, (b)
21 has carefully considered how the services should be performed, and (c) fully
22 understands the facilities, difficulties and restrictions attending performance of the
23 services under this Agreement. If the services involve work upon any site, Bank
24 warrants that Bank has or will investigate the site and is or will be fully acquainted
25 with the conditions there existing, prior to commencement of services set forth in
26 this Agreement. Should Bank discover any latent or unknown conditions that will
27 materially affect the performance of the services set forth in this Agreement, Bank
28 must immediately inform the City of that fact and may not proceed except at

1 Bank's risk until written instructions are received from the City.

2 E. Bank must adopt reasonable methods during the life of the
3 Agreement to furnish continuous protection to the work, and the equipment,
4 materials, papers, documents, plans, studies and other components to prevent
5 losses or damages, and will be responsible for all damages, to persons or
6 property, until acceptance of the work by the City, except those losses or damages
7 as may be caused by the City's own negligence.

8 F. CAUTION: Bank shall not begin work until this Agreement
9 has been signed by both parties and until Bank's evidence of insurance has been
10 delivered to and approved by City.

11 2. TERM. The term of this Agreement shall commence at midnight on
12 September 1, 2011, and shall terminate at 11:59 p.m. on August 31, 2014, unless sooner
13 terminated as provided in this Agreement; provided, however, that the City shall have the
14 option to extend the term of this Agreement on the same terms and conditions for seven
15 (7) additional one-year periods by giving the Bank notice of extension on or before
16 September 1, 2014 and or on before September 1 of each year of any extension period.

17 3. PARTICULAR RESPONSIBILITIES OF BANK. Bank shall perform
18 the work referenced in Section 1 above as such work is more particularly described in
19 Exhibits "C" and "D". In addition, Bank agrees to the following:

20 A. ATMs. Bank agrees to furnish, install and maintain three (3)
21 new full-service ATMs, at no cost to the City, in the following areas in the City of
22 Long Beach:

23 i. one (1) ATM in the lobby area of Long Beach City Hall
24 (the "City Hall ATM"), as depicted on the Site Map attached hereto as
25 Exhibit "F";

26 ii. one (1) ATM in Council District 7 (the "CD 7 ATM"), as
27 depicted on the Site Map attached hereto as Exhibit "F";

28 iii. one (1) ATM in Council District 9 (the "CD 9 ATM"), as

1 depicted on the Site Map attached hereto as Exhibit "F". "Full service
2 ATMs" are those which, at a minimum, dispense cash, accept deposits and
3 permit account balance inquiries.

4 iv. ATM Locations. Exact location of ATMS within the
5 three (3) areas described in Section 3A above will be mutually agreed upon
6 by City and Bank. In the event the CD 7 and CD 9 ATMs are located in City
7 facilities or on City-owned property, City agrees to provide Bank with
8 physical space for the placement of the ATMs at no charge.

9 B. City Hall ATM. City agrees to provide Bank with physical
10 space for the placement of the ATM at no charge. City will determine the exact
11 placement of the ATM in its sole discretion.

12 C. Completion of ATM Installations. All three (3) ATMs will be
13 sited, installed and operational within ninety (90) days of the date of this
14 Agreement. Bank agrees to maintain the ATMs in the agreed-upon locations for
15 the term of this Agreement and any optional extensions. Failure to install and
16 maintain the ATMs as set forth herein shall constitute a material breach on the part
17 of Bank, unless prior written approval is first obtained from the City, and may result
18 in termination of this Agreement.

19 D. Change to ATM Locations. City or Bank may propose a
20 change in the location of the CD 7 ATM or the CD 9 ATM within the boundaries of
21 the respective districts, subject to the advance written approval of the other party.

22 E. Additional ATMs. City may propose to Bank additional
23 locations for ATMs in the City of Long Beach, subject to the approval of Bank, in
24 its sole discretion.

25 F. ATM Commitment Term. Bank and City agree that the term of
26 the ATM Commitment is coextensive with the term of this Agreement. The
27 termination or expiration of this Agreement will terminate Bank's commitment to
28 maintain the three (3) ATMs. Bank will remove ATMs from City facilities within

1 thirty (30) days of termination or expiration of this Agreement.

2 G. No Performance Penalties. Bank's commitment to provide
3 ATMs as described above will be at no cost to City. There will be no penalties to
4 the City for lack of profitable operations at any of the three (3) ATMs.

5 H. ATM Site License Agreement. City agrees to execute the
6 ATM Site License Agreement, substantially in the form attached as Exhibit "G", for
7 the City Hall ATM and any ATM located on City-owned property or in a City facility.
8 As of the effective date of this Agreement, Bank hereby represents and warrants
9 that it has entered into that certain ATM Site License Agreement with Mehrdad
10 Khoshbin, Sami Khoshbin and Behnam & Roya Rodd Trustee of the Behnam &
11 Roya Rodd Trust Dated April 9, 2007 doing business as Century Holdings, LLC,
12 for the operation of one or more ATMs to be located at 2001 E. South Street, Long
13 Beach, CA 90805. The terms and conditions set forth in such ATM Site License
14 Agreement meet the requirements set forth in this Section 3 of this Agreement.

15 I. No Check Cashing Fees at Branches. There will be no check
16 cashing fees for any City check at any branch of Bank for the term of this
17 Agreement, including all subsequent optional extensions.

18 J. Free City Employee Checking. Bank will provide free
19 checking accounts for all City employees who deposit their payroll checks at Bank
20 via direct deposit.

21 K. Direct Deposit. Bank will use its best efforts to help City
22 market the use of direct deposit to Bank by City employees.

23 L. Retention Incentive. Bank will provide City with fifteen
24 thousand dollars (\$15,000) as a credit against fees as a retention incentive.

25 4. COORDINATION AND ORGANIZATION.

26 A. Bank shall coordinate its performance with City's
27 representative, if any, named in Exhibit "E", attached to this Agreement and
28 incorporated by this reference. Bank shall provide detailed account information,

1 analysis and reporting as requested by City, as further set forth in Exhibit "B". City
2 shall furnish to Bank information or materials, if any, described in Exhibit "B",
3 attached to this Agreement and incorporated by this reference, and shall perform
4 any other tasks described therein.

5 B. The parties acknowledge that a substantial inducement to City
6 for entering this Agreement was and is the reputation and skill of Bank's key
7 employee Randy Ungersma. City shall have the right to approve any person
8 proposed by Bank to replace that key employee.

9 C. City's representatives shall at all times have access to the
10 work for purposes of inspecting same and determining that the work is being
11 performed in accordance with the terms of this Agreement.

12 5. FACSIMILE SIGNATURES. City shall provide to the Bank a certified
13 copy of a resolution of the City which authorizes the Bank to accept facsimile signatures
14 of the City Treasurer and the City Auditor.

15 6. INSURANCE.

16 A. As a condition precedent to the effectiveness of this
17 Agreement, Bank shall procure and maintain, at Bank's expense for the duration of
18 this Agreement, from insurance companies that are admitted to write insurance in
19 California and have ratings of or equivalent to A:V by A.M. Best Company or from
20 authorized non-admitted insurance companies subject to Section 1763 of the
21 California Insurance Code and that have ratings of or equivalent to A:VII by A.M.
22 Best Company, the following insurance:

23 i. Commercial general liability insurance (equivalent in
24 scope to ISO form CG 00 01 11 85 or CG 00 01 10 93) in an amount not
25 less than \$1,000,000 per each occurrence and \$1,000,000 general
26 aggregate, and Follow Form Umbrella liability limit of \$1,000,000. This
27 coverage shall include but not be limited to broad form contractual liability,
28 cross liability, independent contractors liability, and products and completed

1 operations liability. City, its boards and commissions, and their officials,
2 employees and agents shall be named as additional insureds by
3 endorsement (on City's endorsement form or on an endorsement equivalent
4 in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85), and this
5 insurance shall contain no special limitations on the scope of protection
6 given to City, its boards and commissions, and their officials, employees
7 and agents. The insurer shall waive its right of subrogation against City, its
8 boards and commissions, and their officials, employees and agents.

9 ii. Workers' Compensation insurance as required by the
10 California Labor Code and employer's liability insurance in an amount not
11 less than \$1,000,000. The insurer shall waive its right of subrogation
12 against City, its boards and commissions, and their officials, employees and
13 agents.

14 iii. Errors and Omissions Liability insurance coverage with
15 limits of at least \$5 million must be provided to afford protection for errors
16 and omissions arising out of the banking services provided.

17 iv. Financial Institution Blanket Bond must be provided to
18 afford protection for employee dishonesty, forgery or fraudulent alteration of
19 securities, and electronic and computer crime exposures. This bond must
20 include Premises and Transit Coverage to afford coverage for physical loss
21 or securities while being held on premises or while being transported by
22 employees or messengers.

23 v. Property insurance including electronic data processing
24 on Bank's equipment at replacement cost new,

25 vi. Commercial automobile liability insurance (equivalent
26 in scope to ISO form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto)
27 in an amount not less than \$500,000 combined single limit per accident.

28 vii. Deposit insurance as required by the Federal Deposit

1 Insurance Corporation ("FDIC").

2 B. Any self-insurance program, self-insured retention, or
3 deductible must be separately approved in writing by City's Risk Manager or
4 designee and shall protect City, its officials, employees and agents in the same
5 manner and to the same extent as they would have been protected had the policy
6 or policies not contained retention or deductible provisions.

7 C. Coverage shall not be reduced, non-renewed or canceled
8 except after thirty (30) days prior written notice to City, and coverage maintained
9 by City shall be excess to and shall not contribute to insurance or self-insurance
10 maintained by Bank. Bank shall notify City in writing within five (5) days after any
11 insurance has been voided by the insurer or cancelled by the insured.

12 D. If this coverage is written on a "claims made" basis, it must
13 provide for an extended reporting period of not less than one hundred eighty (180)
14 days, commencing on the date this Agreement expires or is terminated, unless
15 Bank guarantees that Bank will provide to City evidence of uninterrupted,
16 continuing coverage for a period of not less than three (3) years, commencing on
17 the date this Agreement expires or is terminated.

18 E. Bank shall require that all sub-contractors that Bank uses in
19 the performance of these services maintain insurance in compliance with this
20 Section unless otherwise agreed in writing by City's Risk Manager or designee.

21 F. Prior to the start of performance, Bank shall deliver to City
22 certificates of insurance and the endorsements for approval as to sufficiency and
23 form. In addition, Bank shall, within thirty (30) days prior to expiration of the
24 insurance, furnish to City certificates of insurance and endorsements evidencing
25 renewal of the insurance. City reserves the right to require complete certified
26 copies of all policies of Bank, at any time. Bank shall make available to City's Risk
27 Manager or designee all books, records and other information relating to this
28 insurance, during normal business hours.

1 G. Any modification or waiver of these insurance requirements
2 shall only be made with the approval of City's Risk Manager or designee. Not
3 more frequently than once a year, City's Risk Manager or designee may require
4 that Bank change the amount of coverages required in this Section if, in his or her
5 sole opinion, the amount, scope or types of coverages are not adequate.

6 H. The procuring or existence of insurance shall not be
7 construed or deemed as a limitation on liability relating to Bank's performance or
8 as full performance of or compliance with the indemnification provisions of this
9 Agreement.

10 7. ASSIGNMENT AND SUBCONTRACTING. This Agreement
11 contemplates the personal services of Bank and Bank's employees, and the parties
12 acknowledge that a substantial inducement to City for entering this Agreement was and is
13 the professional reputation and competence of Bank and Bank's employees. Bank shall
14 not assign its rights or delegate its duties under this Agreement, or any interest in this
15 Agreement, or any portion of it, without the prior approval of City, except that Bank may
16 with the prior approval of the City Manager of City, assign any moneys due or to become
17 due Bank under this Agreement. Any attempted assignment or delegation shall be void,
18 and any assignee or delegate shall acquire no right or interest by reason of an attempted
19 assignment or delegation. Furthermore, Bank shall not subcontract any portion of its
20 performance without the prior approval of the City Manager or designee, or substitute an
21 approved sub-contractor without approval prior to the substitution; provided, however,
22 that, notwithstanding any other provision of this Section 7, Bank may, without City's
23 approval, subcontract for services in the normal course of delivering services to its
24 customers generally. Nothing stated in this Section shall prevent Bank from employing
25 as many employees as Bank deems necessary for performance of this Agreement.

26 8. CONFLICT OF INTEREST. Bank, by executing this Agreement,
27 certifies that, at the time Bank executes this Agreement and for its duration, Bank does
28 not and will not perform services for any other client which would create a conflict,

1 whether monetary or otherwise, as between the interests of City and the interests of that
2 other client.

3 9. MATERIALS. City will make available to Bank such materials from
4 its files as be necessary to or used in the performance of Bank's obligations under this
5 Agreement, except as stated in Exhibit "C". Such materials shall remain the property of
6 the City while in Bank's possession and shall be returned to the City upon request, and in
7 no event later than completion of work contemplated by this Agreement. Bank shall return
8 to City any property of City in its possession on completion of work, or when requested by
9 City.

10 10. OWNERSHIP OF DATA. All materials, information and data
11 prepared, developed or assembled by Bank or furnished to Bank in connection with this
12 Agreement, including but not limited to documents, estimates, calculations, studies,
13 maps, graphs, charts, computer disks, computer source documentation, samples,
14 models, reports, summaries, drawings, designs, notes, plans, information, material and
15 memorandum ("Data") shall be the exclusive property of City. Data shall be given to City,
16 and City shall have the unrestricted right to use and disclose the Data in any manner and
17 for any purpose without payment of further compensation to Bank. Copies of Data may
18 be retained by Bank but Bank warrants that Data shall not be made available to any
19 person or entity for use without the prior approval of City. This warranty shall survive
20 termination of this Agreement.

21 11. TERMINATION.

22 A. Termination for Convenience. Either party shall have the right
23 to terminate this Agreement for any reason or no reason at any time by giving
24 ninety (90) calendar days prior notice to the other party. In the event of
25 termination under this Section, City shall pay Bank for services satisfactorily
26 performed and costs incurred up to the effective date of termination for which Bank
27 has not been previously paid. The procedures for payment in Section 1.B. with
28 regard to invoices shall apply. On the effective date of termination, Bank shall

1 deliver to City all Data developed or accumulated in the performance of this
2 Agreement, whether in draft or final form, or in process. Bank acknowledges and
3 agrees that City's obligation to make final payment is conditioned on Bank's
4 delivery of the Data to City.

5 B. Termination for Cause. Either party may terminate this
6 Agreement upon written notice to the other party if:

7 i. the other party fails to pay any sums due hereunder
8 and does not cure such failure within ten (10) days after notice thereof is
9 given by the non-defaulting party;

10 ii. the other party attempts an assignment or transfer of
11 this Agreement or any of its rights or obligations hereunder in violation of
12 Section 7;

13 iii. the other party files a petition in bankruptcy, or files a
14 petition or otherwise seeks relief under or pursuant to any bankruptcy,
15 insolvency, or reorganization statute or proceeding, or a petition in
16 bankruptcy is filed against the other party, or the other party becomes
17 insolvent or makes an assignment for the benefit of its creditors, or a
18 custodian, receiver, or trustee is appointed for all or a substantial portion of
19 its business or assets;

20 iv. Bank fails to perform the furnishing, location and
21 installation of ATMs as required by Section 3A of this Agreement;

22 v. without limiting clauses A and B of this Section, the
23 other party breaches any material term of this Contract and does not cure
24 such breach within thirty (30) days after notice of the breach is given by the
25 non-breaching party (or, if the default is not susceptible of cure within such
26 thirty-day period, cure is not commenced within such period and thereafter
27 prosecuted diligently to completion).

28 12. CONFIDENTIALITY. Bank shall keep all Data confidential and shall

1 not disclose the Data or use the Data directly or indirectly, other than in the course of
2 performing its services, during the term of this Agreement and for five (5) years following
3 expiration or termination of this Agreement. In addition, Bank shall keep confidential all
4 information, whether written, oral or visual, obtained by any means whatsoever in the
5 course of performing its services for the same period of time. Bank shall not disclose any
6 or all of the Data to any third party, or use it for Bank's own benefit or the benefit of others
7 except for the purpose of this Agreement.

8 13. BREACH OF CONFIDENTIALITY. Bank shall not be liable for a
9 breach of confidentiality with respect to Data that: (a) Bank demonstrates Bank knew
10 prior to the time City disclosed it; or (b) is or becomes publicly available without breach of
11 this Agreement by Bank; or (c) a third party who has a right to disclose does so to Bank
12 without restrictions on further disclosure; or (d) must be disclosed pursuant to subpoena
13 or court order.

14 14. LEGAL REQUIREMENTS. Bank shall secure and maintain all
15 insurance, licenses or permits required by law and shall comply with all federal, state and
16 local ordinances, laws, orders, rules, and regulations.

17 15. RETENTION OF FUNDS. Bank authorizes the City to deduct from
18 any amount payable to Bank (whether or not arising out of this Agreement) any amounts
19 the payment of which may be in dispute or that are necessary to compensate the City for
20 any losses, costs, liabilities or damages suffered by the City, and all amounts for which
21 the City may be liable to third parties, by reason of Bank's acts or omissions in
22 performing or failing to perform Bank's obligations under this Agreement. In the event
23 that any claim is made by a third party, the amount or validity of which is disputed by
24 Bank, or any indebtedness exists that appears to be the basis for a claim of lien, the City
25 may withhold from any payment due, without liability for interest because of the
26 withholding, an amount sufficient to cover the claim. The failure of the City to exercise
27 the right to deduct or to withhold will not, however, affect the obligations of Bank to
28 insure, indemnify and protect the City as elsewhere provided in this Agreement.

1 16. AMENDMENT. This Agreement, including all Exhibits, shall not be
2 amended, nor any provision or breach waived, except in writing signed by the parties
3 which expressly refers to this Agreement.

4 17. LAW.

5 A. This Agreement shall be governed by and construed pursuant
6 to the laws of the State of California (except those provisions of California law
7 pertaining to conflicts of laws). Bank shall comply with all laws, ordinances, rules
8 and regulations of and obtain all permits, licenses and certificates required by all
9 federal, state and local governmental authorities. Jurisdiction of any litigation
10 arising from the Agreement will be in Los Angeles County, California.

11 B. If any part of this Agreement is found to be in conflict with
12 applicable laws, that part will be inoperative, null and void insofar as it is in conflict
13 with any applicable laws, but the remainder of the Agreement will remain in full
14 force and effect.

15 18. ENTIRE AGREEMENT. This Agreement, including all Exhibits,
16 constitutes the entire understanding between the parties and supersedes all other
17 agreements, oral or written, with respect to the subject matter in this Agreement.

18 19. INDEMNITY. Except for Claims caused by the sole negligence or
19 willful misconduct of the City, Bank shall, with respect to services performed in
20 connection with this Agreement, defend, indemnify and hold harmless City, its Boards,
21 Commissions, and their officials, employees and agents (collectively in this Section, "City"
22 from and against any and all liability, claims, allegations, demands, damage, loss, causes
23 of action, proceedings, penalties, costs and expenses (including attorneys' fees, court
24 costs, and expert and witness fees) (collectively, "Claims" or individually, "Claim") arising,
25 directly or indirectly, in whole or in part, out of any negligent act or omission of Bank, its
26 officers, employees, agents, sub-contractors or anyone under Bank's control (collectively
27 "Indemnitor"), breach of this Agreement by Indemnitor, misrepresentation or willful
28 misconduct by Indemnitor, and Claims by any employee of Indemnitor relating in any way

1 to workers' compensation. Except for banking transactions that are governed by Division
2 3: Negotiable Instruments, Division 4: Bank Deposits and Collections, and Division 11:
3 Funds Transfers of the California Commercial Code, the duty of the Bank to defend,
4 indemnify and hold harmless the City shall apply. No finding of negligence, fault,
5 breach, or the like on the part of the Indemnitor shall be required for the duty to defend to
6 arise. Bank shall notify City of any Claim within ten (10) days. Likewise, City shall notify
7 Bank of any Claim, shall tender the defense of the Claim to Bank, and shall assist Bank
8 at Bank's sole expense, as may be reasonably requested, in the defense.

9 20. FORCE MAJEURE. If any party fails to perform its obligations
10 because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain
11 labor or materials or reasonable substitutes for labor materials, governmental restrictions,
12 governmental regulations, governmental controls, judicial orders, enemy or hostile
13 governmental action, civil commotion, fire or other casualty, or other causes beyond the
14 reasonable control of the party obligated to perform, then that party's performance will be
15 excused for a period equal to the period of such cause for failure to perform.

16 21. AMBIGUITY. In the event of any conflict or ambiguity between this
17 Agreement and any Exhibit, the provisions of this Agreement shall govern.

18 22. COSTS. If there is any legal proceeding between the parties to
19 enforce or interpret this Agreement or to protect or establish any rights or remedies under
20 it, the prevailing party shall be entitled to its costs, including reasonable attorneys' fees.

21 23. NONDISCRIMINATION.

22 A. In connection with performance of this Agreement and subject
23 to applicable rules and regulations, Bank shall not discriminate against any
24 employee or applicant for employment because of race, religion, national origin,
25 color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or
26 disability. Bank shall ensure that applicants are employed, and that employees
27 are treated during their employment, without regard to these bases. These actions
28 shall include, but not be limited to, the following: employment, upgrading, demotion

1 or transfer; recruitment or recruitment advertising; layoff or termination; rates of
2 pay or other forms of compensation; and selection for training, including
3 apprenticeship.

4 B. It is the policy of City to encourage the participation of
5 Disadvantaged, Minority and Women-Owned Business Enterprises in City's
6 procurement process, and Bank agrees to use its best efforts to carry out this
7 policy in its use of sub-contractors to the fullest extent consistent with the efficient
8 performance of this Agreement. Bank may rely on written representations by
9 subcontractors regarding their status. City's policy is incorporated herein by this
10 reference as if fully set forth. Bank shall report to City in May and in December or,
11 in the case of short-term agreements, prior to invoicing for final payment, the
12 names of all sub-contractors hired by Bank for this Project and information on
13 whether or not they are a Disadvantaged, Minority or Women-Owned Business
14 Enterprise, as defined in Section 8 of the Small Business Act (15 U.S.C. Sec.
15 637).

16 24. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in
17 accordance with the provisions of the Ordinance, this Agreement is subject to the
18 applicable provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the
19 Long Beach Municipal Code, as amended from time to time.

20 A. During the performance of this Contract, Bank certifies and
21 represents that it will comply with the EBO. Bank agrees to post the following
22 statement in conspicuous places at its place of business available to employees
23 and applicants for employment:

24 "During the performance of a Contract with the City of Long Beach,
25 the Contractor/Consultant will provide equal benefits to employees with
26 spouses and its employees with domestic partners. Additional information
27 about the City of Long Beach's Equal Benefits Ordinance may be obtained
28 from the City of Long Beach Business Services Division at 562-570-6200."

1 B. The failure of the Bank to comply with the EBO will be
2 deemed to be a material breach of this Agreement by Long Beach.

3 C. If Bank fails to comply with the EBO Long Beach may cancel,
4 terminate or suspend the Agreement, in whole or in part, and monies due or to
5 become due under the Agreement may be retained by Long Beach. Long Beach
6 may also pursue any and all other remedies at law or in equity for any breach.

7 D. Failure to comply with the EBO may be used as evidence
8 against Bank in actions taken pursuant to the provisions of Long Beach Municipal
9 Code 2.93 et seq., Contractor Responsibility.

10 E. If the City determines that Bank has set up or used its
11 contracting entity for the purpose of evading the intent of the EBO, Long Beach
12 may terminate the Agreement on behalf of the City. Violation of this provision may
13 be used as evidence against Bank in actions taken pursuant to the provisions of
14 Long Beach Municipal Code section 2.93 et seq., Contractor Responsibility.

15 25. NOTICES. Any notice or approval required by this Agreement shall
16 be in writing and personally delivered or deposited in the U.S. Postal Service, first class,
17 postage prepaid, addressed to Bank at the address first stated above, and to City at 333
18 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager, with a copy to
19 the City Clerk at the same address. Notice of change of address shall be given in the
20 same manner as stated for other notices. Notice shall be deemed given on the date
21 deposited in the mail or on the date personal delivery is made, whichever occurs first.

22 26. WAIVER. The acceptance of any services or the payment of any
23 money by City shall not operate as a waiver of any provision of this Agreement or of any
24 right to damages or indemnity stated in this Agreement. The waiver of any breach of this
25 Agreement shall not constitute a waiver of any other or subsequent breach of this
26 Agreement.

27 27. CONTINUATION. Termination or expiration of this Agreement shall
28 not affect rights or liabilities of the parties which accrued pursuant to Sections 7, 10, 11,

1 18, 21 and 28 prior to termination or expiration of this Agreement.

2 28. TAX REPORTING. As required by federal and state law, City is
3 obligated to and will report the payment of compensation to Bank on Form 1099-Misc.
4 Bank shall be solely responsible for payment of all federal and state taxes resulting from
5 payments under this Agreement. Bank shall submit Bank's Employer Identification
6 Number (EIN), or Bank's Social Security Number if Bank does not have an EIN, in writing
7 to City's Accounts Payable, Department of Financial Management. Bank acknowledges
8 and agrees that City has no obligation to pay Bank until Bank provides one of these
9 numbers.

10 29. ADVERTISING. Bank shall not use the name of City, its officials or
11 employees in any advertising or solicitation for business or as a reference, without the
12 prior approval of the City Manager or designee.

13 30. AUDIT.

14 A. Bank shall be responsible for ensuring accuracy and propriety
15 of all billings and shall maintain all supporting documentation for the period
16 specified below.

17 B. City will have the right to audit Bank's monthly analysis and all
18 supporting documentation for purposes of compliance with this Agreement for a
19 period of three years following the completion of services under this Agreement.

20 C. Upon reasonable notice from City, Bank shall cooperate fully
21 with any audit of its billings conducted by City and shall permit access to its books,
22 records and accounts as may be necessary to conduct such audits.

23 D. City shall have the right at all reasonable times during the
24 term of this Agreement and for a period of five (5) years after termination or
25 expiration of this Agreement to examine, audit, inspect, review, extract information
26 from and copy all books, records, accounts and other documents of Bank relating
27 to this Agreement.

28 31. THIRD PARTY BENEFICIARY. This Agreement is not intended or

1 designed to or entered for the purpose of creating any benefit or right for any person or
2 entity of any kind that is not a party to this Agreement.

3 32. INTERPRETATION. The terms of this Agreement should be
4 construed in accordance with the meaning of the language used and should not be
5 construed for or against either party by reason of the authorship of this Agreement or any
6 other rule of construction that might otherwise apply.

7 33. BANK'S AUTHORITY TO EXECUTE. The persons executing this
8 Agreement on behalf of the Bank warrant that (1) the Bank is duly organized and existing;
9 (2) they are duly authorized to execute this Agreement on behalf of the Bank; (3) by so
10 executing this Agreement, the Bank is formally bound to the provisions of this Agreement;
11 and (4) the entering into this Agreement does not violate any provision of any other
12 Agreement to which the Bank is bound.

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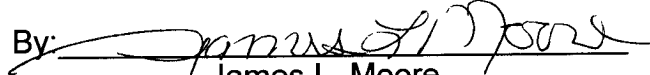
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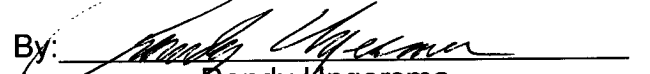
1 IN WITNESS WHEREOF, the parties have caused this document to be duly
2 executed with all formalities required by law as of the date first stated above.

3 UNION BANK, N.A., a national banking
4 association

5 2-25, 2012

By: 
James L. Moore
Senior Vice President


6
7 2-28, 2012

By: 
Randy Ungersma
Vice President

8
9 "Bank"

10 CITY OF LONG BEACH, a municipal
11 corporation

12 2.8, 2012

By: 
Assistant City Manager
City Manager

13
14 "City"

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

15 This Agreement is approved as to form on Feb. 28, 2012.

16 ROBERT E. SHANNON, City Attorney

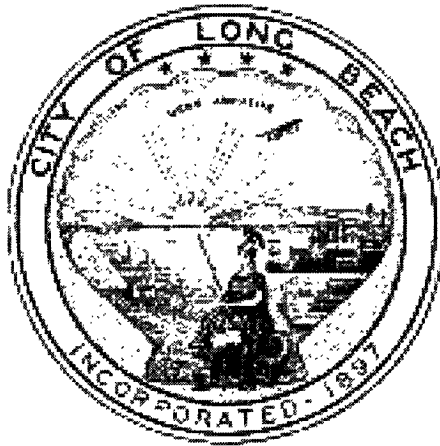
By: 
Deputy

17 OFFICE OF THE CITY ATTORNEY
18 ROBERT E. SHANNON, City Attorney
19 333 West Ocean Boulevard, 11th Floor
20 Long Beach, CA 90802-4664

EXHIBIT “A-1”

Request for Proposal

**Request for Proposal
Comprehensive Banking Services**



**City of Long Beach
Department of Financial Management
City Treasurer's Office
333 West Ocean Blvd., 6th Floor
Long Beach, CA 90802**

CITY OF LONG BEACH, CALIFORNIA
REQUEST FOR PROPOSALS ("RFP")
FOR
COMPREHENSIVE BANKING SERVICES

Section

- I. Introduction**
- II. Scope of Services**
- III. Information Requested**
- IV. Evaluation and Award Criteria**

Appendices

- A. Intention to Submit a Proposal**
- B. City Locations Serviced by Armored Car**
- C. Collateral Requirements**
- D. Sample Utility Invoice**
- E. Expected Volume Levels**
- F. Bank on San Francisco Program**

SECTION I
INTRODUCTION

The City of Long Beach intends to select one or more financial institutions to provide the required services. To facilitate the evaluation of proposals, the services have been divided into 5 Service Groups as listed below. Firms may propose to provide **one or more** of these services.

- Service Group 1: General Banking
- Service Group 2: Bill Printing & Mailing Services
- Service Group 3: Investment Custody Services
- Service Group 4: Payroll Card Program
- Service Group 5: Operation of On-Site ATM Locations

Each proposing firm should clearly state in a cover letter to the proposal the Service Group(s) it is proposing to provide.

A. SCHEDULE OF PROPOSAL

Issue RFP	June 24, 2010
Written Questions Due	July 13, 2010 at 5:00 p.m.
Responses to Questions	July 27, 2010 at 5:00 p.m.
Pre-Proposal Conference Call	July 29, 2010 at 9:30 a.m.
Proposals Due	August 19, 2010 at 11:00 a.m.
Finalist Presentations	September 30, 2010
Award bid - Selection	Approximately October 22, 2010
Implementation / Go-live	March 1, 2011

B. INTENTION TO SUBMIT PROPOSALS

If your institution is interested in receiving updates to this Request for Proposal, including responses to submitted questions from all participating firms, please complete Appendix A: Intention to Submit a Proposal. This will allow the City to provide timely information to interested parties.

C. SUBMISSION OF WRITTEN QUESTIONS

All questions about the RFP shall be submitted by e-mail by 5:00 p.m. Pacific Time on or before July 13, 2010 to:

David Nakamoto, City Treasurer	david.nakamoto@longbeach.gov
Eugene Fong, Cash Manager	eugene.fong@longbeach.gov

The City will provide written responses to questions from prospective Proposers no later than July 27, 2010 by 5:00 p.m.

D. OPTIONAL PRE-PROPOSAL CONFERENCE CALL

The City will hold an optional pre-proposal conference call, on July 29, 2010, at 9:30 a.m., Pacific Time. The City will answer any additional follow-up questions at this time. No questions or inquiries will be allowed after the pre-proposal conference. A call-in number will be provided to all individuals returning Appendix A: Intention to Submit a Proposal.

E. PREPARATION OF PROPOSAL

Careful attention must be paid to all requested items contained in this Request for Proposal. Please read the entire package before bidding.

Each proposal shall be prepared simply and economically avoiding the use of elaborate promotional materials beyond what is sufficient to provide a complete, accurate, and reliable presentation. For ease of review, the proposals must follow the outline in Section III of this request for proposal.

Each response should be clearly numbered and the full question listed. Each page of the proposal must be sequentially numbered.

F. SUBMISSION OF PROPOSALS

Proposals twelve (12) complete physical originals and two electronic copies (CD-ROM or USB drive) will be accepted until 11:00 a.m. on August 19, 2010. Proposals received after the above date and time will not be considered. The City is under no obligation to return proposals.

It is the sole responsibility of the submitting firm to see that its proposal is received before the submission deadline. Any proposal received after the scheduled deadline for receipt of proposals may, at the City's sole discretion, be rejected. No corrected or resubmitted proposals will be accepted after the proposal submission deadline. No faxed copies of the proposal will be accepted.

City of Long Beach
Purchasing Division
Attn: Yvonne A. Lucas
333 West Ocean Blvd., 7th Floor
Long Beach, CA 90802

Phone: (562) 570-6200

G. TIME AND LOCATION OF PROPOSER'S PRESENTATION

The City intends to invite selected financial institutions to meet with the evaluation team on September 30, 2010.

H. EFFECTIVE PERIOD OF PROPOSALS

Proposals must state the period for which the proposal shall remain in effect (i.e. how much time does the City have to accept or reject the proposal under the terms proposed.) Such period shall not be less than 180 days from the proposal date.

I. BID RESERVATIONS

Notwithstanding any other provisions of this RFP, the City reserves the right to award this contract to the financial institution(s) that best meet the requirements of the RFP, and not necessarily, to the lowest cost Proposer. Further, the City reserves the right to reject any or all bids, to award in whole or part, and to waive minor immaterial defects in bids. The City may consider any alternative bid that meets its basic needs.

J. CONTRACT NEGOTIATIONS

After a review of the proposals, and in-person presentations, the City intends to enter into contract negotiations with the selected financial institution(s) reasonably susceptible of award. These negotiations could include all aspects of services and fees. If a contract is not finalized in a reasonable period of time, the City will open negotiations with the next ranked firm(s).

K. AWARD OF CONTRACT

The City reserves the right to award by Service Group or as a whole; whichever is deemed most advantageous to the City.

The selected firm(s) shall be required to enter into a written contract or contracts with the City in a form approved by legal counsel for the City. This RFP and the proposal, or any part thereof, may be incorporated into and made a part of the final contract(s). The City reserves the right to negotiate the terms and conditions of the contract(s) with the selected Proposer(s).

L. CONTRACT TERM

It is the intent to award the contract(s) for an initial three-year period with the option to renew it for seven, one-year periods for a possible total contract term of ten years. The decision to renew the contract(s) will be at the sole discretion of the City.

Proposers must agree to fix contract fees for the first three years. If the vendor intends to revise its fee schedule after the initial 3 year period, it must give written notice to the City 90 days in advance of any fee change. Fees may be changed only on the contract anniversary date. These fees are subject to negotiation and approval by the City and may not exceed the annual consumer price index-urban (CPI-U) for the West census region for the most recently available 12 month trailing period.

M. DISPOSITION OF PROPOSALS

All materials submitted in response to this RFP will become the property of the City. All information submitted is considered public and discloseable.

N. COST INCURRED IN RESPONDING

This solicitation does not commit the City to pay any costs incurred in the preparation and submission of proposals or in making necessary studies for the preparation thereof, nor to procure or contract for services.

O. ASSIGNMENT

The successful proposer shall not assign, transfer, convey, or otherwise dispose of the contract, or right, title of interest, or power to execute such a contract to any person, firm, or corporation without the previous consent in writing by the City of Long Beach.

P. CAUSES FOR TERMINATION

Causes for termination of the agreement may include any of the following: Failure to promptly and faithfully provide the services required at the prices indicated in the Proposal; violation of any law governing any public government depositories; failure to cooperate upon receiving any reasonable request for information or service; or improper actions of the officers or employees, which in the opinion of the City, would adversely affect its interest, or endanger the structure of the banking institution such as a spin off or merger which materially affects the terms of this agreement. The City may terminate the agreement without penalty on 90 days notice.

SECTION II
SCOPE OF SERVICES

Service Group 1: General Banking

- A. **General Requirements:** The City requires that the bank have a local branch network in order to meet the organization's cash management needs and to serve its employees.

Requirements include:

1. The bank must be a Federal or State of California chartered commercial banking institution with at least two full-service branches located within the city limits of the City of Long Beach.
2. The bank must be a qualified depository for public funds pursuant to the applicable State of California codes. It must also be FDIC insured.
3. The bank must establish 11 demand deposit accounts to meet the banking requirements of the City and maintain accurate records of activity in those accounts.
4. The bank must fulfill orders for currency and coin through the City's courier.

- B. **Deposit Services:** The City collects approximately 96,400 checks per month (1.2 million per year) and approximately \$2.3 million of currency and coin per month. Cash and checks are collected at multiple locations throughout the area. A current listing of collection locations is provided in Appendix B of this RFP.

Checks are received over-the-counter and by mail. Checks received by mail are pre-encoded by the City before deposit. These payments account for approximately 95% of all check deposits. The remaining 5% check deposits are collected at payment locations throughout the region.

The City sorts, counts, and deposits coins in bulk. Container bags containing a maximum of \$500 each are sealed and tagged. Partial bags are appropriately tagged as partial bags. Low peak (winter) average coin bags range from 3 to 6 bags per day. High peak (summer) average coin bags range from 10 to 20 bags per day.

All deposits are transported to the bank by armored car service in secured or locked courier bags.

Remote Deposit Capture (RDC): Two City locations are currently processing items by Remote Deposit Capture. These locations process approximately 295 items per month. The City currently uses a Panini My Vision X AT to process items. The City is interested in expanding the use of RDC technology if it is cost advantageous.

Required services include:

1. Process the deposit of approximately 96,400 checks per month at local bank branches or vault locations from multiple depositing locations ,
 2. Differentiate the deposit location with deposit reconciliation,
 3. Image deposited items, and
 4. Provide online access for deposit reconciliation including images of deposited items.
- C. **Disbursement Services:** The City currently disburses approximately 9,300 checks per month from 4 accounts. One account is set up with Controlled Disbursement. Positive Pay services are used on all 4 accounts.

Approximately 80% of employees receive direct deposit of their pay. However, approximately 1,200 employees still receive checks. To accommodate these employees, the City requires that it's banking partner cash employee payroll checks at no charge to the employee.

Required services include:

1. Provide positive pay services with online transmission of check details,
2. Provide positive pay exception item review and correction online,
3. Provide online stop payment services,
4. Provide CD-ROM or alternative electronic archival of cleared checks (images of front and back), and
5. Provide online access to cashed check images.

- D. Electronic Transfer of Funds: The City processes approximately 10,600 ACH Credits and 10,840ACH Debits each month, which includes the direct deposit of payroll. A small number of fed funds wires are also executed or received each month (less than 50 per month), including some international wires.

Required services include:

1. Accept and send ACH transactions,
2. Provide ACH debit blocking services,
3. Provide a secure electronic method to initiate intra-bank transfers, and
4. Provide a secure electronic method with dual authorization for wiring funds.

- E. Reporting: The City requires access to daily balances and transaction reporting information. The City requires access to prior day reporting including ledger balance, available balance, and summary and details of credits/debits posted. Current day reporting requirements include wire transfer activity, controlled disbursement receipts, ACH receipts, and potentially lockbox deposits.

Required services include:

1. Provide online balance reporting services,
2. Allow 20 to 50 the City employees with different levels of authorization to access the bank's online reporting system,
3. Provide daily download of DDA activity and balances in ASCII Text format that can be imported into the City's mainframe environment,
4. Provide account reconciliation services for disbursements and deposits (full, partial or positive pay, depending on account),
5. Provide monthly activity statements and reports for all accounts by the 10th day of the following month,
6. Provide a detailed monthly account analysis statement for each individual account and a consolidated statement showing charges for all account services, and
7. Provide "benchmarked" activity reports and scoring versus service level commitments.

- F. Bank Balances: During the past year, the City maintains an average collected balance of \$12 million. Balances have fluctuated throughout the year from \$3 million to \$60 million. Balances are currently used to offset service fees. In the future, available balances may be used to cover bank charges or the City may choose to invest funds in a sweep or interest bearing account.

Required services include:

1. Provide an overnight investment service (sweep) or interest bearing account for excess cash balances in the demand deposit accounts. A list of securities permitted for overnight investment is provided in Appendix C to this RFP.
2. Collateralize all collected balances, in excess of balances insured by the FDIC, as required by Sections 53530 et. seq. of the California Government Code.

- G. Imprest Accounts:

The City maintains approximately 50 Imprest Accounts. These accounts are set up as DDA checking accounts, but have minimal balances and minimal activity. In total, these accounts had approximately \$200,000 as of December 31, 2009. It is critical to the operation of the City's finances to maintain segregated and separate accounts. The City would like to have online access to these accounts.

H. Community Based Products and Services & Public / Private Partnership

City Council is very interested in having its financial institution make a commitment to the local community and to work closely with the City to achieve local objectives. The City's primary objectives in this regard are for residents to have access to financial education and to use consumer banking services more effectively.

In addition, supporting and promoting local businesses within the City of Long Beach with dedicated resources is a priority. City Council periodically receives requests from local businesses for referrals to financial institutions that can provide needed banking and credit services. It would be preferable for the City to have a dedicated bank officer to which these referral requests can be directed and to have a suite of products/services with bank materials to hand out.

The City considers these to be important factors in the selection process and desires a partnership with its primary financial institution to achieve these objectives. The bank's willingness to work with the City will be weighed heavily as part of this RFP process.

In addition, the City will require that the bank provide a "report card" on an annual basis measuring the bank's ability to mutually agreed upon goals and objectives for this local commitment. The City would like to associate a financial incentive to ensure the bank is striving to meet these goals and objectives.

The City is hoping for the bank to be creative with its proposal. As an example of a public / private partnership is the Bank on San Francisco program where financial institutions, local government, financial regulators, and community-based organizations have worked collaboratively to bank the unbanked. Information about the Bank on San Francisco program is provided in Appendix F.

- I. Retail Lockbox (new service): The City is considering the use of a retail lockbox to process utility payments. The City currently receives an average of 92,000 checks by mail per month. The average dollar amount of each check was \$143.

A copy of a sample remittance document can be found in Appendix D.

If a retail lockbox is implemented, the City would like payment information to be consolidated into a standard daily file (i.e. ASCII Text format) that can be uploaded into the City's accounts receivable system by account number. This information needs to be provided by the bank daily.

Required services include:

- a. Process and imaging checks and remittance documents received,
- b. Provide online access to images of processed items and remittance documents,
- c. Provide online reporting and download of transaction detail and summary including account numbers and payment amounts, and
- d. Provide exception item review and correction.

A list of general banking services currently used by the City is provided in Appendix E (see also Excel version).

Service Group 2: Bill Printing & Mailing Services (Optional)

Presently, the City prepares, prints, and mails bills in-house for its 180,000 customers. Approximately 198,500 bills are prepared monthly (2.4 million annually). Bills are mailed on a daily basis with volume fluctuating between 7,500 and 11,000. The City is considering if a third-party vendor could more efficiently print and mail bills to customers. Specifications are provided below.

A sample bill can be found in Appendix D. If your institution would like an actual physical copy of the sample bill, please e-mail Eugene Fong at eugene.fong@longbeach.gov. Please provide Mr. Fong your contact information and mailing address.

Print Parameters	Description
Number of cycles per month that bills are generated for printing and mailing.	Billing occurs each business day of the month.
Volume of Bills	Currently from 7,500 to 11,000 per day. Daily average = 9,000 per day. Average 198,500 a month.
Daily Transmission Time of File	Files are generated during nightly processing and can be transmitted as early as 9 a.m.
Data file transmission method	FTP or similar secured method
Preferred Time from Transmission Receipt to Bills in the Mail Stream	Physical bills to be mailed are delivered to USPS the same business day printed
Average Number of Pages per Billing.	One (1) page
Portrait or Landscape	Portrait
Simplex or Duplex	Simplex printing
Bill formats/templates	See Appendix D
Minimum Number of Insertions with Bill.	1 (return envelope)
Number of Additional Insertions per Bill or Notice (ie. How many different additional insertions could be managed through one month)	1 - 5
Paper Stock	8.5" x 11" with 1/3 page perforated (no pre-printed paper stock) *NOTE: Open to suggestions and changes for cost savings with regard to the paper stock.
Paper Size	Bills 8.5 x 11
Fold Specifications	Tri-fold

Print Parameters	Description
Remittance Envelope Size	Envelope standard #10 with window

Service Group 3: Investment Custody Services

The City currently maintains 3 separate portfolios totaling \$1.7 billion. These are a total of 130 security holdings with an average of 10 transactions (buy/sell) executed per month. Assets are fixed-income investments, specifically U.S. Treasuries, Federal Agencies, and high-quality Corporate obligations.

The custodian bank will have no responsibility for investing or reinvesting these monies except for providing an overnight investment vehicle.

Required services include the following:

- a. Maintain 3 or more custody accounts in the bank's Trust Department for the cash and securities owned by the City.
- b. Segregate all securities and cash from the assets of others. The custodian shall have only the bare custody thereof and securities shall be and remain the sole property of the City. The securities held by the custodian shall, unless payable to the bearer, be registered in the name of the City, or in the bank's nominee name. Securities delivered to the custodian, except bearer securities and Certificates of Deposit described above, shall be in due form for transfer or already registered as provided above.
- c. Process security trades per instructions received by authorized persons.
- d. Collect all coupons and other periodic income on securities held.
- e. Monitor and record the collection of funds in accounts maintained by the custodian for the City.
- f. Create, maintain and retain all records relating to securities held in custody in City accounts to meet the requirements and obligations under generally accepted accounting principles.
- g. Provide an overnight investment vehicle for cash balances in the custody accounts. A list of securities permitted for overnight investment is provided in Appendix C to this RFP.
- h. Provide on-line reporting of portfolio activity and holdings on a real-time or next day basis.
- i. Provide on-line monthly activity statements and reports including the market value of all portfolio holdings.
- j. Provide monthly activity statements and reports for all accounts. The statement cut off should be the last day of the month. Statements must be sent by no later than the 10th of the following month.

Service Group 4: Payroll Card

The City currently pays employees by either check or direct deposit. The City employs 6,000 individuals. Approximately 20% or 1,200 employees receive physical checks. The City also employs 1,000 seasonal workers.

The City is considering a new program to provide a cost-effective alternative to producing payroll checks for employees who do not have or use a bank account.

The following services are desired:

- a. Accept 100% of City employees and seasonal workers
- b. Provide administrative card management
- c. Allow 100% withdrawal of employees' pay
- d. Support marketing to City employees
- e. Provide written instructional materials when employees sign up
- f. Offer a system linked to a wide range ATM network, e.g. STAR, Cirrus, Plus, Maestro
- g. Provide 24/7 telephone customer service for lost or stolen cards

- h. Allow unlimited daily withdrawals
- i. Prohibit overdrawn accounts
- j. Provide employees with a detailed monthly statement of activities

Service Group 5: Operation of On-Site ATM Locations

As part of the City's current banking relationships, the bank operates an ATM in the lobby of City Hall located at 333 West Ocean Blvd. During the past year, there have been an average of 392 transactions per month.

Two additional locations have inquired if an ATM can be installed include the Police Department located at 400 West Ocean Blvd. and the Harbor Department located at 925 Harbor Plaza.

The following services are needed:

- a. Operate and maintain an ATM at in the lobby of City Hall
- b. Evaluate the feasibility of operating ATMs at other City locations

SECTION III. INFORMATION REQUESTED

A. QUALIFICATIONS AND EXPERIENCE *(All Proposers must respond to this section)*

1. Provide a general overview and brief history of your organization, including parent and/or subsidiary companies and the number of employees.
2. Provide the address of the office location(s) that will service the account,
3. Describe the experience of the financial institution in providing similar services for other governmental agencies.
4. Complete the following table with current credit ratings by Standard & Poor's Rating Services and Moody's Investor Services. If the Proposer is not rated by these rating organizations, provide other evidence of the institution's financial strength.

Firm / Bank

	Standard & Poor's Rating	Moody's Investor Services
Short-Term Unsecured Senior Debt		
Long-Term Unsecured Senior Debt		

Bank Holding Company

	Standard & Poor's Rating	Moody's Investor Services
Short-Term Unsecured Senior Debt		
Long-Term Unsecured Senior Debt		

5. Discuss the firm's current capital structure, adequacy, and coverage. If applicable, provide the firm's risk-based capital classification (Well Capitalized, Adequately Capitalized, Under Capitalized, Significantly Undercapitalized).
6. Include an electronic copy of the most recent audited annual financial statement and the latest 10-k report with the proposal.
7. If the firm received funds under the Troubled Asset Relief Program, detail the amount received. What is the history of repayments to date?
8. Provide the bank's Community Reinvestment Act (CRA) rating.

B. PERSONNEL *(All Proposers must respond to this section)*

1. Provide the name, title, address, phone number, fax number and email address of the primary contact person(s) assigned to this account.
2. Describe your firm's policy on changing the primary contact person on an account.
3. Name the individuals who will work with the City on a day-to-day basis. Please name the individual responsible for each proposed Service Group. Information should include:
 - a. Biographical information
 - b. Experience working with public agencies
 - c. Proposed role with regard to the City's account
 - d. Number of years of experience in this field
 - e. Number of years with your firm
4. Will a specific customer service representative or a customer service department be assigned to handle day-to-day transactions for the City?
 - a. Describe the responsibilities of the customer service personnel, including the chain of command for problem resolutions.
 - b. Is local customer service support available at the bank's local branches?
 - c. If an error is discovered by the City, how would you propose to resolve it (i.e. who should the City contact first, etc.)?

C. SERVICE GROUP 1: BANKING SERVICES

(Only institutions proposing for Service Group 1 should respond to this section)

1. Confirm that the financial institution is a qualified depository for public funds pursuant to California Government Code Section 53648.
2. Deposit Processing
 - a. Provide a map or table showing the location of the bank's branches and ATMs located within the City of Long Beach.
 - b. Please provide the address and distance of the two closest branches to 333 West Ocean Blvd. Please provide the name and telephone number of the branch managers at these two locations.
 - c. Can the bank provide armored car services to the city? If not, can the service be subcontracted through the bank. Do you have a preferred or recommended armored car service (high degree of timeliness)? Please include pricing.
 - d. For deposits collected and transported by armored car, what bank location do you propose for the City's armored car to deposit funds for processing?
 - e. Can a unique deposit identification number be used on deposit tickets to identify the deposit location for reconciliation purposes? Can the bank identify deposit tickets on summary reports?
 - f. What is the ledger cutoff time for deposits?
 - g. What type of deposit bags does the bank allow/require? Does the bank provide these bags? Does the bank charge a fee for these bags? Are there any restrictions on deposit bags provided by the customer?
 - h. Can checks, currency, and coin be included in the same deposit?
 - i. Can you accept canisters of assorted U.S. dollar denominated coins of up to \$500.00 per container to count and credit to individual accounts (canisters will be transported by armored car)?
 - j. Does the bank accept loose and/or rolled coin for deposit at branch locations?
 - k. How are deposits credited? Are items immediately verified? If provisional credit is given, when does verification take place? If the bank corrects a deposit, how will the City be informed of this change?
 - l. Are deliveries of change and currency orders available via the armored courier service? If so, explain timelines and procedures for placing change and currency order requests. If not, please explain procedures for acquiring change and currency.
3. Remote Deposit Capture (RDC)
 - a. Describe the bank's ability to process checks by RDC?
 - b. What equipment would the bank recommend? What is the price for this equipment?
 - c. Can the City continue to use the two terminals (Panini My Vision X AT) it already owns?
 - d. Can checks be automatically endorsed with the bank's RDC service?
 - e. What services charges can be eliminated or avoided with the use of RDC technology?
 - f. Describe the pros and cons for using RDC technology, including additional notification requirements for the City's customers and document handling procedures.
4. Returned Item Processing
 - a. Can returned items be automatically redeposited? If so, how many times?
 - b. Does the bank offer any options that may increase the collection of NSF checks?
 - c. Can the bank provide a detailed return item transmission to the City? Can this report identify the payer's name, depositing location, deposit date, and the type of item being returned?
 - d. Can the bank provide online access to electronic images (back and front) of returned items to the City? How soon after an item is returned can these images be accessed?
 - e. Do you offer check verification or check guarantee services? Can this service be limited to only counter (point-of-sale) transactions? What charges apply for this service?

5. Electronic Business Payments to the City
 - a. Do you offer any specialized solution that enables the City to receive e-transactions with supporting remittance information to update the City's accounting system for corporate and government customers? Please describe.
 - b. Is this a proprietary bank product or an industry clearing mechanism? If it is proprietary, how are businesses making payments to the City enrolled?
 - c. What remittance detail is available for payments made to the City?
 - d. If the City's bank account information changes, how will payments be redirected to the new account? Will individual businesses have to be notified of the account change?

6. Availability of Deposits
 - a. How does the bank determine and calculate availability of deposited items?
 - b. Does the bank give immediate availability for on-us items?
 - c. Does the bank calculate availability by item or formula?
 - d. Provide a copy of the availability schedules the bank proposes to use for the City. Is this the best schedule offered to any customer? If not, quantify the difference and explain how the City may obtain the bank's best availability schedule. Describe the extra charge, if any, for obtaining the bank's best availability schedule.
 - e. Provide a copy of the availability schedule the bank proposes for items deposited through the retail lockbox.

7. Controlled Disbursement
 - a. Describe the bank's ability to provide controlled disbursement services.
 - b. How many controlled disbursement sites do you operate? What site would you propose to use for the City of Long Beach?
 - c. What are the average daily total dollars and total items presented to the bank's proposed controlled disbursement site?
 - d. At what time will the City be notified of presentment items? Specify 1st and 2nd presentment times.
 - e. What is the average percentage of the final presentment available at the 1st presentment time?

8. Deposit Slips / Check Stock
 - a. Name the primary vendor that the bank uses or recommends to provide check stock and deposit slips.
 - b. Can check stock and deposit slips be ordered through the bank and included on the account analysis statement? Is there any mark-up to the cost?
 - c. Provide a cost estimate for standard security check stock and uniquely identified deposit slips in 5,000 unit increments.
 - d. Will the bank assist in placing orders to ensure deposits tickets are properly coded to ensure properly depositing?

9. Positive Pay
 - a. Does the bank offer Positive Pay and Payee Positive Pay?
 - b. How would the City need to transmit check issuance information to the bank?
 - c. What is the deadline for the transmission of check issuance files to the bank?
 - d. How frequently can transmission files be uploaded to the bank for the issuance of additional checks, and/or recently voided items? Is there a limit to the number of files per day?
 - e. Does the bank offer the ability to manually enter one-time check disbursements issued during the day? Please describe.
 - f. How will the City be notified of rejected items? What time will the City receive the information on rejected items? How much time will the City have to review discrepancies and notify the bank to accept or reject?
 - g. Will stale-dated checks be reported as exception items?
 - h. Is Positive Pay required for all demand deposit accounts, even on accounts with no check writing functionality?

- i. Is Teller Positive Pay available? How long does it take for check issuance information to be available to tellers?
10. Stop Payments
- a. How are stop payments orders placed? Can stop payments be placed online?
 - b. Are stop payment requests effective immediately? If not, how long does it take for a stop payment request to be effective?
 - c. How long will the stop payment remain in effect? Are there different term options?
 - d. Can stop payments be automatically renewed? If so, for how long? Is there an associated fee for each renewal?
11. ACH Processing
- a. What ACH file transmission options are available?
 - b. What are the transmission deadlines for ACH files? When does the bank need the file from the City and when are funds debited from the City's accounts?
 - c. How are returned and rejected ACH transactions handled? What information does the bank provide to assist in identifying returned and rejected ACH transmissions? When is this information available?
 - d. Is your bank planning to opt-in and participate in processing same-day ACH debits?
 - e. Describe the financial institution's ability to block unauthorized ACH debits?
 - f. If the bank provides ACH debit blocking, what level of filtering can be applied?
 - g. Does the bank offer ACH Positive Pay (ability to make pay / no pay decisions on unidentified ACH transactions)?
 - h. Does the bank offer Universal Payment Identification Codes (ability to mask visible account numbers to reduce the risk of unauthorized direct debits)?
 - i. Does the bank offer any disaster recovery solutions that can aid in processing payroll and/or other accounts payables if the City is unable to transmit data to the bank?
12. Wire Processing
- a. Describe the process of initiating wire transfers.
 - b. If wire transfers can be initiated online, describe the system's security features. Can varying degrees of authorization be set on (i.e. multiple authorizers, maximum dollar amounts, etc.)?
 - c. Does the bank offer its customers dual control release options (secondary approval levels) for electronically initiated transfers? If so, describe.
 - d. What is the cut-off time for same-day wire transfers?
13. Intra-Bank Account Transfers
- a. Describe the process of initiating an intra-bank account transfer?
 - b. Does the bank offer its customers dual control release options (secondary approval levels) for electronically initiated transfers? If so, describe.
 - c. What is the cut-off time for same-day intra-bank account transfers?
14. Statements & Documents
- a. How soon after the cut-off date are the following items ready?

	Online	By Mail
Bank Statements		
CD-ROMs	n/a	
Partial Reconciliation Information		
Full Reconciliation Information		
Positive Pay Information		

- b. Describe the process of locating a cancelled check on CD-ROMs. What type of indexing capabilities are available to locate checks from prior months?

- c. Are electronic images stored on the bank's online reporting system? If so, how does the bank charge for these service (per item viewed / per item loaded)? Is there a difference in price for deposited items versus disbursement items?
 - d. How long are electronic images for deposited and disbursement items stored on the reporting system and available for customer access?
 - e. What technology would you recommend the City use for archiving historical data (i.e. receive both CD-ROMs and online access, CD-ROMs only, online access only)?
 - f. Please describe how reconciliation data is transmitted to the City?
15. Balance Reporting
- a. Describe the reports that will be available to the City through the bank's balance reporting system. Include sample reports.
 - b. How will the City access the reporting system?
 - c. Can the bank limit access to the bank's online system to known City and selected other IP addresses.
 - d. Are there any limits on the number of the City users that could have access to the bank's online website? (Approximately 20 to 50 employees have online access to the current system.) What levels of authorization (i.e. accounts viewed, transaction capabilities, etc.) can be permitted or turned off for individual users?
 - e. What current day reporting is available through the reporting system (i.e. beginning and ending ledger balances, collected balances, available balances, and float assignment)?
 - f. Are there differences in information available for current day and previous day reporting? If yes, please describe.
 - g. Does the bank's deposit reporting system report electronic transactions (e.g. ACH, wire) as well as paper documents?
 - h. What time (assuming Controlled Disbursement is not used) will the bank be able to report the total amount of the day's check disbursements to the City?
 - i. Can account activity be downloaded and automatically coded for entry into the City's accounting system, KPMG's FAMIS? What formats are available?
 - j. Can electronic reports be customized? Is there an additional charge?
 - k. How many business days of balance history are stored on the reporting system for previous day reporting? If there are differences in information available for current day and previous day reporting, how many business days of balance history are stored on the reporting system for current day reporting?
16. Overnight Investment / Investment Sweep
- a. What short-term investment vehicle(s) does the bank propose to use for the overnight investment or sweep of the City's demand deposit accounts? Does a reserve requirement apply to the proposed option?
 - b. Provide investment return history for the twenty-four month period from April 2008 through March 2010.
 - c. If a sweep is proposed, what time of day is the sweep deadline? Is it end-of-day or next-day sweep?
 - d. What applicable fee (if any) applies for funds swept into this investment vehicle? How is the fee calculated?
 - e. If the bank is proposing a money market mutual fund, provide a copy of the current prospectus and, if multiple classes are offered, identify the class of shares, including ticker symbol or CUSIP, that is being proposed.
17. Earnings Credit Rates
- a. Does the City have the option of compensating the bank on either a fee or balance basis? Is the price the same for either option? If not, what is the difference?
 - b. How is your bank's earnings credit determined, adjusted, and applied? Please include in the explanation the impact of the bank's reserve requirement, the formula for converting service charges to balance requirements.
 - c. Provide rate history for the twenty-four month period from April 2008 through March 2010.
 - d. What time frame does your bank use when reviewing balances for deficiency or excess (e.g. rolling 12 month average, calendar quarter, calendar year, etc.)?

18. Account Analysis Statements
 - a. Please provide a sample analysis statement. How soon after month-end is the analysis statement mailed? Can the account analysis data be sent electronically in Microsoft Excel? Can Association for Financial Professionals ("AFP") Service Codes be included on the analysis statement?
 - b. Will the bank pass on FDIC or FICO charges to the City? If so, what is the current charge for an entire year on a \$1,000,000 balance? How is this charge computed?
19. End-of-Day Overdrafts
 - a. What are the fees and interest charges associated with overdrafts? How are these charges calculated?
 - b. Is there a fee per check or per occurrence when there is an overdraft?
 - c. Is there a daily cap on fees?
20. Daylight Overdrafts
 - a. Describe the bank's policies concerning daylight balance overdrafts. Indicate whether this is applied to each individual account or across all accounts of a client relationship.
 - b. Does the bank establish an intra-day limit per account or per customer? How flexible can the bank be in setting a limit appropriate for the City?
 - c. Is wire transfer processing stopped when the intra-day limit is reached? Explain procedures.
 - d. If the bank incurs a daylight overdraft charge from the Fed, will it pass this charge on to its customers? If so, how (e.g. intra-day loan, daylight overdraft facility fees)? How is the charge allocated among customers?
21. Employee Banking
 - a. Will the bank cash the City's payroll checks without charge to either the City or check payee? If not, what is the charge? Is a check cashing agreement required? If yes, include a copy.
 - b. Describe in detail the package of employee banking services that you propose to provide to the City's employees.
 - c. Does the employee have to enroll for direct deposit of payroll to receive these benefits?
 - d. Provide copies of any marketing literature you would provide to new or existing employees about your services?
 - e. Would your bank be interested in providing seminars or participating in events to promote your bank's services?
22. Imprest Accounts
 - a. Would the fee schedule and interest rates proposed for the City's main depository accounts apply? If not, please specify all charges and interest rates.
 - b. Is there an alternative approach to setting up the accounts to be more cost effective?
 - c. What would be the monthly charge for having online access to these Imprest Accounts?
23. Community Based Products and Services & Public / Private Partnership
 - a. Please discuss the bank's existing community oriented activities, specifically:
 - 1) An explanation of your investment in the Long Beach community.
 - 2) Community outreach programs(s) for hiring and/or contracting (please include documentation)
 - 3) Existing plans for expanding community based banking and financial services in the City of Long Beach.
 - 4) Any public outreach or financial education programs.
 - 5) Support for Long Beach businesses, foundations, charities and residents over the past three (3) years with an explanation of your level of involvement.

- b. Please discuss initiatives the bank is willing to consider if awarded this banking services contract. Specifically:
 - 1) Plans to expand banking services to residents.
 - 2) Plans to address banking and financial service needs in under represented areas of the City.
 - 3) Any public outreach or financial educational program you are willing to host.
 - 4) Partnerships to sponsor community activities
 - 5) Any other creative idea or proposal

- c. Please describe your experience with establishing a public/private partnership with other communities. What benefits may the City and the bank derive from a potential relationship?

- d. Describe the annual "report card" you would provide to the City in which you will highlight the bank's efforts at achieving these initiatives. If the bank fails to meet mutually agreed upon initiatives, would the bank be willing to offer a credit on banking fees paid? Please describe. *(The bank's ability to include a financial incentive to work towards these initiatives will receive close attention by the evaluation committee and will be an important consideration in the selection process.)*

- e. Availability of Bank Services to Local Business
 - 1) Describe the bank's activity and commitment towards local businesses in the City of Long Beach (i.e. hosting conferences, seminars, etc.) Describe your future plans for supporting local businesses.
 - 2) Provide details on the bank's lending activity for local businesses in the City of Long Beach. Indicate the number of loans originated, amount of loans, type of loans, and total number of applicants for calendar years 2007, 2008, and 2009. Statistics should be compiled consistent with State law and in accordance with the requirements of the Community Reinvestment Act (12 CF Part 25).
 - 3) Does the bank have a small business loan target or objective for 2010 and future years within the City of Long Beach? If so, what is it?
 - 4) Is the bank willing to commit to maintaining a minimum level of outstanding local business loans within the City of Long Beach? If so, what level of commitment are you willing to make?
 - 5) If selected as the City's banking partner, is the bank willing to offer a suite of services to support local businesses in the community (i.e. loans, banking services, merchant card services, etc.)? Please describe.
 - 6) What programs does the bank offer or can develop to support new and/or developing local businesses?
 - 7) For local businesses within the City that may be interested in using your bank, can City employees refer the entity to a dedicated contact person at the bank? Please name the individual. Where is the individual located?

24. Retail Lockbox (optional)

- a. Describe the bank's ability and experience in providing lockbox services?
- b. Where will the City's retail lockbox items be processed?
- c. Can a City of Long Beach or Los Angeles County P.O. Box be used? If so, is there an additional cost? Would there be additional mail float time?
- d. What was the average monthly volume for your retail lockbox operation by location during the last twelve months (items, dollars, number of lockboxes and number of customers)?
- e. What is the ledger cut-off time for retail lockbox deposits (Include weekends and holidays)? What is the latest mail pickup to be included in the current day's deposit? Will you process and deposit all of the City's payments on the same ledger day as received? If not, when are these items deposited?

- f. Describe the lockbox department's processing workflow. Highlight your quality control checkpoints and the components that are directly controlled by the lockbox manager. Include a schematic or flow chart of the processing procedures.
- g. How are checks processed for collection? Can checks be converted to ACH? If so, are there any advantages for this option (i.e. lower processing costs, decreased float).
- h. Describe your procedures for the capture and transmissions of remittance details such as account or bill number.
- i. If a payment is misapplied (i.e. a customer brings in a cancelled check, but the payment wasn't applied to their account), how can the bank help or what resources are available to research the payment?
- j. In what standard formats does the bank transmit? Can information be transmitted in this file format? How will this information be transmitted (website, file transfer, etc.)? What time will this information be available to upload to the City's billing system for current day activity?
- k. Are changes to the current remittance documents necessary to process transactions (Appendix D)?
- l. Describe the bank's procedures for processing exception items. Do you offer same-day online decisioning of exception items? Please describe and show a sample screen shot of this feature.
- m. If a payment is received without the remittance document, does the bank offer any technology that can aid in identifying the customer account?
- n. Describe the bank's procedure for processing payments from "bill payer" systems that do not include standard remittance documentation.
- o. Can you provide daily images of all checks and remittance documents? If so, in what formats (e.g., online, PC bank software, CD-ROM). How long are online images accessible?
- p. If correspondence or other non-payment documents included in payment envelopes, how will these documents be transmitted to the City?
- q. For a given day's lockbox activity, at what time of day can you report the total amount that will be credited to the City's account?

D. SERVICE GROUP 2: BILL PRINTING & MAILING SERVICES

(Only institutions proposing for Service Group 2 should respond to this section)

1. Describe your firm's experience and proposed project staffing experience with utility bill printing and mail services? Are any services outsourced to a third-party?
2. How many employees are dedicated to bill printing and mailing services (provide a detailed breakdown on the number of resources dedicated to product activities, including development, testing, training, help desk, professional services, sales and marketing, management)?
3. From what location do you propose to generate bills and invoices? How long has this location been providing bill printing and mail services? How many employees work at this location? How many bills are processed at this location? Can this location handle the City's volumes with existing resources?
4. What time does your firm need to receive billing information to ensure that all bills will be printed and enter the mail stream by the close of business the same day?
5. Do you foresee a secondary location being used for the City's bills (i.e. maintenance, extraordinary volume, etc.)? If yes, what location?
6. To which Post Office will mail be delivered? What is the anticipated delivery time to City of Long Beach customers?
7. What types of file format can you accommodate receiving?
8. Are you capable of consolidating statements with the same customer name and address in the same envelope (i.e. group mailing)? If so, describe.
9. Can selective inserts be included with specifically targeted bills? Describe the process for inclusion. How far in advance does your firm need to receive inserts for inclusion? What is your preferred method of receiving inserts (drop-off, courier, USPS)?
10. What processes are used to ensure that the City receives the lowest postal rates possible? Would these processes be performed by the City or your institution? What is the current best available postage rate per piece? Would this best available postage rate be applicable for all standard bills, are there tiered savings options?
11. If the City desires to make modifications to the billing format in the future, how will this be handled? Will there be additional costs?
12. Can bills be electronically imaged and archived? How will the City access these images?
13. Is there a reconciliation process of confirming the number of bills mailed with the number of records transmitted? How will this information be shared with the City?
14. What performance statistics, such as number of files received, bills sent out, turnaround time, etc., do you provide? How are performance reports provided?

E. SERVICE GROUP 3: INVESTMENT CUSTODY SERVICES

(Only institutions proposing for Service Group 3 should respond to this section)

1. Confirm that the bank will provide custody through the bank's trust department.
2. List the total number and market value of custodian accounts as of December 31 for the following years: 2007, 2008, and 2009.
3. Describe your organization's commitment to providing custody services.
4. What office or location will provide custody services?
5. Provide the cut off times for notification of a transaction settling same day.
 - a. Fed Book
 - b. DTC
6. When does the bank credit interest and dividends?
7. Are security transactions settled on an actual or contractual basis? How will the bank compensate the City for fail float?
8. Describe any sub-custodial arrangements that would be used for **domestic, fixed-income securities** belonging to the City, if applicable. Include a description of the arrangements used for the delivery of physical securities.
9. Reporting
 - a. Describe the frequency and format of custody reports that the bank would provide to the City. Include sample reports.
 - b. Does the bank provide information to clients through an on-line inquiry/reporting service? Are customized reports available at no additional charge through this on-line inquiry/reporting service?
 - c. What source does the bank use for market valuation of securities?
 - d. What is the lag time between trade execution, availability of on-line transaction data, and the settlement of the transaction to the bank's reporting system?
10. Overnight Investment Sweep
 - a. What short-term investment vehicle(s) does the bank propose to use for the overnight sweep in the City's custody accounts?
 - b. Does a reserve requirement apply for the proposed overnight sweep option?
 - c. What time of day is the cash sweep deadline? Is it end-of-day or next-day sweep?
 - d. Provide return history for the twenty-four month period from April 2008 through March 2010.
 - e. What applicable fee (if any) applies for funds swept into this investment vehicle? How is the fee calculated?
 - f. If the bank is proposing a money market mutual fund, provide a copy of the current prospectus and, if multiple classes are offered, identify the class of shares, including ticker symbol or CUSIP, which is being proposed.

F. SERVICE GROUP 4: PAYROLL CARD PROGRAM

(Only institutions proposing for Service Group 4 should respond to this section)

1. Are you proposing a branded card (Visa, MasterCard)? If so, which one? Provide a sample or image of the payroll card.
2. Employee Contact
 - a. Describe the marketing materials you provide.
 - b. Describe the enrollment process including information about training materials provided to employees.
 - c. Once enrolled, how will cards be distributed to employees?
 - d. Do you provide enrollment/change forms directly to employees? Can employees enroll/make changes automatically (using an Internet/Intranet/Interactive Voice Response (IVR) system)?
 - e. Describe the level of customer service provided to employees. Is there a phone number employees can call 24/7?
3. Operational
 - a. Do employees get an individual account number? How will the City get the account number information?
 - b. How can the City pay employees that have lost their cards and not yet received replacement cards (emergency payments)? Will balances from the lost/stolen cards be automatically transferred to the new cards?
 - c. What happens when an employee terminates?
 - d. What happens to inactive cards, or cards held by terminated employees, that have a remaining balance?
4. Reporting
 - a. Identify the kind of management reports that are available (i.e. - Negative Balance Summary, Debit Balance, Days Before Card Expiration, Account Creation, Account Activation, ACH Rejects, Lost/stolen Cards, Non-Activated and Re-Issued Accounts).
 - b. Will the employee get monthly statements? In what format (paper, electronic) are the statements available?
 - c. Will the employee have inquiry access to their account via interactive voice response (IVR) system and/or the Internet?
 - d. Provide sample reports.
5. Payroll Card Functionality
 - a. Can the employee use any ATM? How many ATM locations does your financial institution maintain in the City of Long Beach?
 - b. Can the employee get cash-back from an Interlink merchant (or other similar vendor)?
 - c. Can the employee get a cash advance? If yes, how?
 - d. Can the employee transfer funds from the card into another type of account (or vice-versa)?
 - e. Can the employee have automatic bill payments set up?
 - f. Can the bank ensure that no overdrafts will occur? If yes, how?
 - g. If the bank is unable to prevent overdrafts, who is liable for the overdraft if uncollectible?
6. Do you offer an alternative payroll card solution for one-time or temporary employees?
7. Fee Structure -- Employer
 - a. Describe any fees incurred by the City including:

- Transaction fees
- Administrative Costs
- Software (lease purchase, installation, training, customization)
- Standard Reports
- On-going Technical Assistance
- Related Training
- Web capabilities, including real-time processing of applications

8. Fee Structure – Employee:

- a. How many free withdrawals per month can an employee get from your ATM network?
- b. What other ATM/network can the employee use to get free withdrawals?
- c. Can the City pay for additional withdrawals? If yes, what is the cost?
- d. Provide a listing of networks.
- e. Will the employee be charged any point-of-sale (POS) fees?
- f. Will the employee be charged monthly account fees?
- g. Will the employee be charged monthly statement fees?
- h. Will the employee be charged inquiry fees?
- i. Other fees/costs.
- j. Other than ATM fees, explain how you will collect fees from the employee.

G. SERVICE GROUP 5: OPERATION OF ON-SITE ATM LOCATIONS

(Only institutions proposing for Service Group 5 should respond to this section)

1. Are you willing to setup and operate an ATM in the lobby of City Hall located at 333 West Ocean Blvd?
2. Are you willing to set-up additional ATMs at the Police Department and the Harbor Department?
3. Would you be interested in installing additional ATM locations??
4. What is required by the City to permit the setup of these ATM locations?
5. Would you assess a surcharge on all transactions? If not, what users would not be assessed a surcharge?
6. Are you willing to enter into a revenue share agreement with the City? If so, how would that work?

H. CONTROL *(All Proposers must respond to this section)*

1. Describe the electronic and/or manual system used to provide the proposed services along with backup and recovery capabilities. Who would the City contact to initiate day-to-day banking transactions if online capabilities and functionality are temporarily unavailable?
2. Describe the bank's security procedures for its information reporting system, both for access and information protection.
3. Describe the types of insurance and bonding carried.
4. Include a copy of the bank's most recent reports issued in accordance with the Statement of Auditing Standards-70 (SAS70) for any processes or systems relevant to the services under this RFP.
5. Describe any current or prior professional or personal relations between your firm and any member of the City Council or City staff, or with a company owned or affiliated with any of those individuals during the past five years that might represent an actual or perceived conflict of interest.

I. IMPLEMENTATION/CONVERSION *(All Proposers must respond to this section)*

1. Provide a conversion plan for transitioning each of the proposed Service Groups to your financial institution.
2. Who will be responsible for coordinating the transition for each of the proposed services? If a conversion team is used, how will the City's account be transitioned to the ongoing client service team?
3. Indicate the bank's plans for educating and training City employees in the use of your firm's systems.

J. NEW SERVICES & IDEAS *(All Proposers must respond to this section)*

1. Describe any new services or ideas that will enhance the City's utilization of banking services described in Service Groups 1 – 6.
2. Please provide any additional information that your bank believes to be pertinent but not specifically requested elsewhere in the RFP.

K. REFERENCES *(All Proposers must respond to this section)*

1. Provide at least five references (public agency references, if possible), including client name, contact person, address, phone number, services provided, and the length of time your bank has worked for the entity.

If the bank is proposing to more than one Service Group, please include a minimum of two references for each Service Group.

2. How many public sector clients in California have terminated services in the last three years?

L. SAMPLE CONTRACT *(All Proposers must respond to this section)*

1. Provide a sample of the proposed contract for your bank's services. Please also provide samples of all other documents which will need to be signed/entered into related to the provision of the services requested in this RFP including any documents referenced or incorporated into the contracts/agreements.

2. Would you be willing to agree to sign a contract amendment that incorporates the City's Request for Proposal and your firm's proposal response as part of the overall contract?

M. PRICING AND ACCOUNT ANALYSIS *(All Proposers must respond to this section)*

1. Is the bank willing to guarantee the proposed fees for the entire term of the contract (up to ten years)? If not, for how long are the fees guaranteed?
2. Can invoices be sent on a quarterly basis? Can fees be billed to the City rather than debited directly from the City's accounts?
3. If the City chooses to use compensating balances, are there any charges that could not be paid in this way?
4. Provide a complete fee schedule for all of the services described in your financial institution's proposal using Association of Finance Professionals (AFP) Service Codes, if possible. A list of services currently used with volume levels is provided in Appendix D. For Service Group 1: General Banking, two separate fee proposals are acceptable: one assuming a retail lockbox is not used and another if the retail lockbox is implemented.

Fees related to all services described in the proposal must be listed – even if the service is not shown on the schedule. Also, include any one-time or set-up charges, research fees, minimum fees and all other fees that will be charged. Include any incentives or price breaks offered based on volume, timeliness of payment, rebates or other measures.

5. Are you willing to offer any transition or retention incentives?
6. Are there any additional price breaks or incentives if one or more Service Groups is awarded to your firm?

SECTION IV

EVALUATION AND AWARD CRITERIA

This RFP seeks financial institutions to provide comprehensive banking services to the City. A preliminary evaluation will be conducted identifying the institutions deemed fully qualified and best suited among those submitting proposals on the basis of the evaluation factors listed below (not in priority order):

Criteria
Operational Requirements <ul style="list-style-type: none">▪ Understanding of the needs and operation requirements of the City▪ Bank and Branch Locations▪ Scope of services offered including degree of automation
Firm Experience <ul style="list-style-type: none">▪ The experience, resources, and qualifications of the financial institution and individuals assigned to this account.▪ Relevant experience managing similar account relationships with public institutions and agency clients.
Financial Strength <ul style="list-style-type: none">▪ Financial strength of proposing institution▪ Adequacy of financial controls and protection against loss
Transition <ul style="list-style-type: none">▪ Quality and scope of conversion/implementation plan▪ The value of any new product or service suggestions or other new ideas and enhancements
Public / Private Partnership
Compliance with the requirements of this RFP and quality of proposal
Fees <ul style="list-style-type: none">▪ Proposed fees and compensation (Although fees and compensation will be an important factor in the evaluation of proposals, the City is not required to choose the lowest Proposer.

From this preliminary evaluation, the City will establish a short-list of prospective Proposers that may be invited to make an oral presentation. Scores will be reassessed given information presented or information clarified during the oral presentation.

APPENDIX A

INTENTION TO SUBMIT A PROPOSAL

In order to provide timely updates to this Request for Proposal, including the responses to questions submitted, we ask that potential firms complete the following form and return it by e-mail to Eugene.fong@longbeach.gov or fax by (562) 570-5836.

Business Name: _____

Point of Contact: _____

Contact E-mail: _____

Physical Address: _____

Mailing Address: _____

Phone #: _____

Fax #: _____

- Yes, we plan on submitting a proposal to provide one or more Service Groups.
- Please continue to provide updates to the individual named below.
- No, we do not plan on submitting a proposal.

Reason: _____

APPENDIX B

CITY LOCATIONS SERVICED BY ARMORED CAR

PICK-UP LOCATIONS	FREQUENCY
City of Long Beach 333 W. Ocean Blvd. Long Beach, CA 90803	5 Days Per Week Monday Thru Friday Except Holidays
City of Long Beach Police Department 400 W. Broadway Blvd. Long Beach, CA 90803	5 Days Per Week Monday Thru Friday Except Holidays
City of Long Beach, Parks & Recreation Administration Building 2760 Studebaker Road Long Beach, CA 90815	5 Days Per Week Monday Thru Friday Except Holidays
Belmont Plaza Pool/Aquatics Camp 4000 E. Olympic Plaza Long Beach, CA 90803	5 Days Per Week Monday Thru Friday Except Holidays
Eldorado Regional Park @ Ranger Station 7550 E. Spring Street Long Beach, CA 90808	5 Days Per Week Monday Thru Friday Except Holidays
City of Long Beach/Sports Office 4700 Deukmejian Drive Long Beach, CA 90804	3 Days Per Week Monday, Wednesday, Friday Except Holidays
Queensway Parking Structure 99 Aquarium Way Long Beach, CA 90803	7 Days Per Week Monday Thru Sunday
Pike Parking Structure 65 S. Cedar Avenue Long Beach, CA 90802	7 Days Per Week Monday Thru Sunday
City of Long Beach – Towing Bureau 3111 E. Willow Street Long Beach, CA 90086	6 Days Per Week Monday Thru Saturday Except Holidays
City Place Garage 275 E. 4 th Street Long Beach, CA 90802	7 Days Per Week Monday Thru Sunday

City of Long Beach – Alamitos Bay Marina
205 N. Marina Drive
Long Beach, CA 90803

5 Days Per Week
Monday Thru Friday
Except Holidays

City of Long Beach – Shoreline Marina
450 E. Shoreline Drive
Long Beach, CA 90802

5 Days Per Week
Monday Thru Friday
Except Holidays

City of Long Beach – Civic Center Parking
332 W. Ocean Blvd.
Long Beach, CA 90803

5 Days Per Week
Monday Thru Friday
Except Holidays

APPENDIX C

PERMITTED INVESTMENTS

Investment Type	Maximum Investment	Maximum Maturity
US Treasury Bills, Notes & Bonds	100%	5 years
Federal Agencies (Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), and the Federal National Mortgage Association (FNMA))	100% No more than 10% of the portfolio may be invested in any one Federal Agency issue or government sponsored issue.	5 years
Banker's Acceptance	40% of market value of portfolio 30% of market value of portfolio invested with any one bank	180 days
Commercial Paper (Ranked P1 by Moody's and A1 by S&P. Issued by a domestic corporation having assets in excess of \$5 million and having an A or better rating on its long term indentures.)	25% of market value of portfolio 10% of market value of portfolio invested with any one issuer	270 days
Negotiable Certificates of Deposit	30% of market value of portfolio 10% of market value of portfolio invested with any one bank	5 years
Medium Term Corporate Notes	30% of market value of portfolio. 10% of market value of portfolio invested with any one issuer	5 years
Sell Put Options & Covered Call Options	Not Authorized	Not Authorized
Mutual Funds	20% of market value of portfolio	None
Repurchase Agreements	100%	90 days
Reverse Repurchase Agreements	20% of market value of portfolio	92 days
Local Agency Investment Fund	As permitted by State law	As permitted by State law
Bank Deposits	100% of market value of portfolio	5 years
Mortgage Pass-through Security, Collateralized Mortgage Obligation, Mortgage-backed or Other Pay-through Bond, Equipment Lease-backed Certificate, Consumer Receivable Pass-through Certificate, or Consumer Receivable-backed Bond (maximum five years maturity) (Issuer rated A or better)	20% of the surplus money invested pursuant to state code	5 years
Bonds, Notes, Warrants or Other Evidences of Indebtedness Rated A or Better of Any Local Agency within the State	30% of the surplus money invested pursuant to state code	5 years
Securities Lending with Banks in the U.S. Rated A or Better	20%	5 years

APPENDIX D
SAMPLE UTILITY INVOICE

CITY OF LONG BEACH, CALIFORNIA
GAS, WATER, SEWER, and REFUSE UTILITIES
SEE THE REVERSE SIDE WHEN PAYING BY MAIL and FOR OTHER GENERAL INFORMATION

263
CREDIT BALANCE - NO PAYMENT DUE



TOTAL AMOUNT DUE

ENTER AMOUNT PAID

REGULAR BILL

██████████ C
██████████ C
██████████ E PLYMOUTH ST
LONG BEACH CA 90805-5916

00121231910702 0000000000

PLEASE PRINT MAILING ADDRESS
OR PHONE NO. CHANGES BELOW.



41 82 68-0

Enclosed is a SEPARATE check payable to the Campaign Reform Act for \$

CITY OF LONG BEACH * GAS, WATER, SEWER, and REFUSE UTILITIES * 333 WEST OCEAN BOULEVARD * LONG BEACH * CALIFORNIA 90802-4663

NAME: ██████████ BILL PREPARED: 04/22/10
ADDRESS: ██████████ NEXT METER READ: 05/26/10
YOUR ACCOUNT: 2123 ██████████ BUSINESS OFFICE: (562) 570-8700

SERVICE	BILLING PERIOD		METER READING	USAGE IN	BTU CONV	USAGE	
	FROM	TO					DAYS
GAS READ:	05/25/09	03/29/10	185	8459	8459	0 X 1.0216	0
WATER READ:	01/27/10	03/29/10	61	2198	2198	11	
REFUSE:	01/27/10	03/29/10	61				
SEWER:	01/27/10	03/29/10	61			11	

***** CALCULATION OF TOTAL AMOUNT DUE *****

GAS SERVICE CHARGE:	185 DAYS	@ 0.16440 =	\$30.41
WATER SERVICE CHARGE:	61 DAYS	@ 0.41800 =	25.50
TIER 1 USAGE:	10 USAGE	@ 2.19800 =	21.96
TIER 2 USAGE:	1 USAGE	@ 2.43900 =	2.44
UTILITY USE TAX:	(\$30.41 + \$45.90)	@ 0.05000 =	\$4.02
REFUSE SERVICE CHARGE:	61 DAYS	@ 0.73160 =	\$44.64
SEWER SERVICE CHARGE:	61 DAYS	@ 0.21800 =	13.30
SEWER USAGE:	11 USAGL	@ 0.30300 =	3.33
CURRENT BILL SUBTOTAL:			\$145.50
BALANCE FORWARD:			\$281.76-
CREDIT BALANCE - NO PAYMENT DUE:			\$136.16-

YOUR BILL FOR THIS PERIOD IS BASED ON AN ACTUAL METER READ.

YOUR GAS RATE REFLECTS A RATE CHANGE EFFECTIVE 03/01/10.

SOON NEW METER READERS MAY BE IN YOUR AREA. CORIX UTILITIES, IDENTIFIED BY UNIFORMS & VEHICLES, WILL BEGIN READING A SAMPLE OF CITY GAS & WATER METERS
NEW HOME OWNERSHIP OPPORTUNITY AT OLIVE COURT, 1880 LONG BEACH BLVD. CALL (562) 591-3761 OR GO TO WWW.*880LONGBEACH.COM

Please Return This Part with Your Payment

CITY OF LONG BEACH
P.O. Box 630
Long Beach, CA 90842-0001

Please make sure this return address appears in the window of the enclosed envelope before making your payment.

BILLS	PAYMENTS
-------	----------

If not paid within 15 days after the "bill prepared" date, the bill becomes past due, and your service(s) may be shut off.

Late Payment Charge: A late payment charge will be applied to your bill on the unpaid balance if payment is not posted prior to the late charge applies on date printed on your bill.

Problem: When questioning a bill, contact our office at 333 W. Ocean Blvd, either in person or by telephone 562-570-5700. Office hours are 7:30am to 4:30pm, Monday-Friday, closed on holidays. If, after our investigation and explanation, you still believe the bill is incorrect, you may request an administrative hearing on gas or water usage disputes.

Closing Bills: The closing bill is due within 15 days of presentation. An 11% collection charge (\$14 minimum/\$500 maximum) will be added to the closing bill total if the entire balance owing is not paid by the due date indicated on the closing bill.

Restoration of Services: If your service(s) has been shut off for non-payment, the City of Long Beach, may require payment of said bill, a cash deposit, plus any additional charges authorized by the Long Beach Municipal Code and/or the Long Beach Water Department rules and regulations before service(s) will be restored. Service(s) will be restored on the next available date.

Alternative Bill Formats: This billing information is available in an alternative format by calling (562) 570-5700.

Online Customer Self-Service Center: www.longbeach.gov under City Services, Utilities.

Payment Methods: Cash, cashiers check, money order, check, VISA or MasterCard or ATM card. Easypay for automatic payment program.

By Mail: Make check or money order payable to City of Long Beach, PO Box 630, Long Beach, CA 90842-0001. For your own protection, do not send cash by mail.

In Person: 7:30am-4:30pm Monday-Friday (closed holidays), 333 W. Ocean Blvd., Lobby Level, Long Beach, CA 90802.

Payment Stations: Present complete bill at any authorized payment station. Allow 48 hours for posting.

Returned Payments: If for any reason, a payment is returned unpaid, a special handling fee and security deposit will be added to the balance of your account. A returned payment must be replaced by cash, a money order or a cashier's check. If unpaid, your service(s) may be shut off.

24 Hour Automated Payment Services: VISA or MasterCard via phone or the Internet.

IMPORTANT TELEPHONE NUMBERS	
Utility Billing Questions	562-570-5700
Gas Pilot Light and Appliance Adjustment	562-570-5700
If you Smell Gas	562-570-2143
Gas Conservation	www.lbgc.org
Water Leak Problems	562-570-2393
Sewer Stoppage Problems	562-570-2393
Water Quality Problems	562-570-2477
Refuse, Pick-Up Only	562-570-2873
Refuse Recycling	562-570-2876
Speech & Hearing Impaired Customer(TDD)	562-570-6693
Water Conservation	www.lbwater.org

EXPLANATION OF BIMONTHLY METER READING

City of Long Beach customers receive utility bills each month. Gas and water meters are read every other month. Bimonthly meter reading means that your meter will be read and billed one month and estimated and billed the next month. Estimated meter reads will be based on your prior usage, with the City's computer system calculating usage based on your average daily usage for the same period last year, or the previous month if prior year information is not available. If no history is available, the average usage of similar customers is the basis of billing.

EXPLANATION OF BILLING TERMS	
CCF:	CCF - Cubic feet is the unit of measure of the gas or water passing through your gas or water meter. Gas and water is measured in 100 cubic feet amounts. There are 7.48 gallons of water in 100 cubic feet.
BTU CONVERSION FACTOR:	BTU (British thermal unit) is a measure of the content of gas purchased by Long Beach Gas & Oil. This measure is applied to cubic feet of usage to obtain therms.
THERMS:	A standard unit of heat energy.
SERVICE CHARGES:	Helps pay for customer services such as reading meters, mailing bills, and processing payments.
GAS TIER 1 USAGE:	The amount of gas usage billed at the lowest residential rate.
COST OF GAS:	Cost of gas is calculated monthly and is based on the cost of all gas supplies purchased by Long Beach Energy on behalf of its gas customers.
WATER TIER 1 USAGE:	Water costs are tiered based on the amount of usage with the least expensive rate for the lowest volume of usage.
REFUSE SERVICE CHARGE:	A daily rate based on the size and number of containers serviced by automated pickup or standard daily charges for other types of refuse pickup.
SEWER SERVICE CHARGE:	Sewer service charge is calculated based on the volumetric amount of water used by the customer.
EVALUATE YOUR CONSERVATION EFFORTS:	Comparison of this year's usage with last year's usage is provided to assist in conservation efforts.

APPENDIX E
EXPECTED VOLUME LEVELS

SERVICE GROUP 1

MONTHLY VOLUMES

	Scenario 1 Current Bank Relationship	Change in Expected Volume	Scenario 2 With Lockbox Processing
ACCOUNT MAINTENANCE			
ACCT MAINTENANCE	12		12
CHECK PAID TRUNCATED	5,035		5,035
DAILY PAID REPORT	7		7
OUTSTANDING ONLY REPORT	7		7
OUTSTANDING CHECK REGISTR-ITEM	5,298		5,298
TRANSMISSION OUTPUT- PER FILE	76		76
TRANSMISSION OUTPUT - PER ITEM	9,419		9,419
BANK STATEMENT WEB	3		3
BANK STATEMENT MAIL & WEB	7		7
BANK STATEMENT MAIL & WEB	1		1
BANK STMT - FRONT IMAGES	1		1
ENHANCED FDIC INSURANCE (UNITS IN '000s)	21,823		21,823
FDIC INSURANCE (UNITS IN '000s)	24,838		24,838
FICO INSURANCE (UNITS IN '000s)	62,433		62,433
ZBA MASTER ACCOUNTS	1		1
ZBA SUBSIDIARY ACCOUNTS	6		6
BUSINESS CHECKING			
BRANCH DEPOSIT	184		184
ELECTRONIC CREDIT	332		332
NIGHT DROP DEPOSIT	1		1
PAID CHECK CHARGE	36		36
ELECTRONIC DEBIT	53		53
CONTROLLED DISBURSEMENT			
MONTHLY BASE FEE	1		1
CONTROLLED DISBURSEMENT CHECKS PAID (W/RECON)	3,823		3,823
CHECK DEPOSIT PROCESSING			
PRE-ENCODED COURIER DEPOSIT	58		58
UNENCODED COURIER DEPOSIT	409		409
ON-US CHECKS - BRANCH DEPOSIT	76		76
LOCAL CLR.HSE./BRANCH DEP.	951		951
LOCAL FED DIST 12 - BRANCH DEP	1,231		1,231
OTHER FED - BRANCH DEPOSIT	280		280
ON-US CHECKS SERV. CTR DEPOSIT	3,447	(3,000)	447
LOCAL CLR. HSE./SER. CTR	34,973	(34,500)	473
LOCAL FED DIST 12-SERV CTR DEP	45,902	(45,500)	402
OTHER FED - SERV CTR DEPOSIT	9,572	(9,000)	572
ENCODING FEE - SERV. CTR. DEP.	5,664		5,664
CANADIAN CHECKS IN US\$	2		2
CHECK PROCESSING REJECTS	1,129		1,129
DEBIT ERROR NOTICE	3		3
CREDIT ERROR NOTICE	4		4
DEPOSITD ITEMS RETURN-RECLEAR	326		326
DEPOSITD ITEMS RETURN-CHRGBK	248		248
RI TELEPHONE NOTIFICATION	2		2
REMOTE DEPOSIT CAPTURE SERVICES			
REMOTE DEPOSIT MONTHLY MAINT	1		1
REMOTE DEPOSIT PER DEPOSIT	43		43
REMOTE DEPOSIT ON US	14		14
REMOTE DEPOSIT PER ITEM	281		281

SERVICE GROUP 1

MONTHLY VOLUMES

	Scenario 1 Current Bank Relationship	Change in Expected Volume	Scenario 2 With Lockbox Processing
RECONCILIATION SERVICES			
FULL RECON / POSITIVE PAYMONTHLY MAINT	1		1
POS PAY MONTHLY MAINT	6		6
TRANSMISSION ISSUE INPUT- PER FILE	45		45
TRANSMISSION ISSUE INPUT- ITEM	9,615		9,615
RECORD MAINTENANCE - PER ISSUE	136		136
IMAGE CD - ROM	2		2
IMAGE CHECKS	9,365		9,365
EXPRESS MAIL DELIVERY	7		7
ONLINE IMAGING (PER ACCOUNT)	1		1
ONLINE IMAGING (PER IMAGE UPLOADED)	9,365		9,365
ONLINE IMAGING (PER ITEM VIEWED)	94		94
BILL CONCENTRATION SERVICE			
BCS MONTHLY BASE FEE	1		1
TRANSMISSION FILE	26		26
BCS ITEM	24,544		24,544
RETURN ITEM MANUAL	47		47
CASH SERVICES (BRANCH)			
COIN DEPOSITED - STD BAG	264		264
COIN DEPOSITED NON-STANDARD (PER ROLL)	3,772		3,772
DEPOSIT	57		57
DEPOSIT ADJUSTMENT	2		2
CURRENCY FURNISHED (UNITS IN \$s)	12,377		12,377
DEPOSITED CURRENCY (UNITS IN \$s)	25,300		25,300
CASH VAULT SERVICES			
DEPOSIT-MIXED CASH CHECK	237		237
DEPOSIT - CASH OR COIN ONLY	810		810
CURRENCY DEPOSITED - STRAPPED (UNITS IN \$s)	739,246		739,246
CURRENCY DEPOSITED-UNSTRAPPED (UNITS IN \$s)	1,533,032		1,533,032
DEPOSIT ADJUSTMENT	13		13
TOUCH-TONE AUTOMATED ORDER	4		4
CURRENCY ORDERED - TELLER FIT (UNITS IN \$s)	6,858		6,858
ROLLED COIN (INDIVIDUAL ROLLS)	16		16
HALF-BOX COIN (5, 25,\$1 ONLY)	2		2
FIT CURR FURN_PARTIAL STRP	2		2
WIRE TRANSFER SERVICES			
INCOMING DOMESTIC REPETITIVE	38		38
ELECTRONIC WIRE TRANSFER	-		-
ACCT TRANSFER END-OF-DAY/WEB	10		10
WIRE TRANSFER MONTHLY FEE/WEB	1		1
OUTGOING DOMESTIC WIRE/WEB	64		64
OUTGOING INTL WIRE USD/WEB	1		1
OUTGOING INTL WIRE FOR CUR/WEB	1		1
INTERNAL TRANSFER INTRADAY/WEB	5		5
ACH SERVICES			
ACH BLOCK	2		2
ACH POSITIVE PAY (PER RELATIONSHIP)	1		1
DIRECT SEND MONTHLY BASE FEE	4		4
DIRECT SEND CREDIT TRANSACTION	10,610		10,610
DIRECT SEND DEBIT TRANSACTION	10,841		10,841
DIRECT SEND RETURNS FAX	66		66
DIRECT SEND REJ/REV/DEL	2		2
DIRECT SEND NOC FAX	14		14
INPUT - DATA TRANSMISSION	47		47
SUSPENDS	1		1

SERVICE GROUP 1

MONTHLY VOLUMES

	Scenario 1 Current Bank Relationship	Change in Expected Volume	Scenario 2 With Lockbox Processing
CUSTOMER SERVICE ACTIVITIES			
CASHIERS CHECKS	3		3
DDA AUTO RENEWED STOP PAYMNT	5		5
ELECTRONIC PAYMENT AUTHORIZATION MONTHLY MAINT	2		2
EPA ACTIVITY REPORT	2		2
INSTATAX MAILED RECEIPT	8		8
WEB INSTATAX MONTHLY MAINT	1		1
WEB INSTATAX PAYMENT	8		8
ON-LINE SERVICES			
WEB POS PAY- ACCOUNT MAINTENANCE	7		7
WEB POS PAY- EXCEPTIONS REPORTED	56		56
WEB POS PAY- IMAGES OF EXCEPTIONS	57		57
WEB POS PAY-MANUAL ISSUE	34		34
IOD-IMAGE (<120 DAYS)	30		30
IOD-IMAGE (120-180 DAYS)	4		4
IOD-IMAGE(181 + DAYS)	16		16
WEB PREVIOUS DAY REPORT (RELATIONSHIP)	1		1
WEB PREVIOUS DAY REPORT (PER ACCOUNT)	12		12
WEB PREVIOUS DAY BALANCE / SUMMARY	2,349		2,349
WEB PREVIOUS DAY TRANSACTIONS	11,955		11,955
WEB CURRENT DAY REPORT (RELATIONSHIP)	1		1
WEB CURRENT DAY REPORT (PER ACCOUNT)	11		11
WEB CURRENT DAY BALANCE / SUMMARY	642		642
WEB CURRENT DAY TRANSACTIONS	1,252		1,252
DIRECT TRANSMISSION ITEMS	1,616		1,616
DIRECT TRANSMISSION	21		21
WEB STOP MAINTENANCE ACCOUNTS	8		8
WEB STOP PAYMENT RENEWAL	75		75
COMMERCIAL CUSTOMER SUPPLIES			
CASH VAULT BAGS-LARGE (BOX OF 100)	-		-
CASH VAULT BAGS-SMALL (BOX OF 100)	8		8
CURRENCY STRAPS (PER PACKAGE)	1		1
COIN BAGS-PLASTIC (BOX OF 100)	45		45
CHECK DEPOSIT BAGS-SMALL (BOX OF 100)	6		6
RETAIL LOCKBOX			
MONTHLY MAINTENANCE		1	1
TRANSMISSION - MONTHLY MAINTENANCE		1	1
TRANSMISSION - PER FILE		22	22
ITEMS PROCESSED		92,000	92,000
DEPOSIT PROCESSING FEE (PER LOCKBOX ITEM)		92,000	92,000
DEPOSITS PROCESSED		22	22
PARTIAL PAYMENTS (ESTIMATED)		3,680	3,680
MULTIPLE ITEMS (ESTIMATED)		3,680	3,680
NON-PROCESSABLE ITEMS (ESTIMATED)		460	460
ITEMS TRANSMITTED		92,000	92,000
SAME DAY DECISIONING		50	50
BILL PAYER SYSTEM (MONTHLY MAINTENANCE)		1	1
BILL PAYER SYSTEM (PER ITEM)		-	-
IMAGE ARCHIVE (MONTHLY MAINTENANCE)		1	1
IMAGE ARCHIVE (PER DOCUMENT)		184,000	184,000

Service Group 2: Bill Printing Services

	Monthly Volume
--	----------------

Implementation Fee

**Additional Programming or Customization
Required in the Future**

Statement Processing 198,500

- (1) First Page, includes full data laser printing
- (2) Printing, variable fonts, logos, customized messaging
- (3) Folding, insertion, and mailing

Generic Materials Fees

- (1) 8.5" X 11" paper stock, with appropriate tear-off stub
- (2) #10 Envelope Double window mailing envelope
- (4) #10 Single window remittance envelope

Best Available Postage Per Piece

Imaging of Invoices

- (1) Monthly Maintenance Charge
- (2) Per Invoice

Cost of Inserts

E-Bill Services (delivery of invoices by e-mail)

Service Group 3: Investment Custody Services

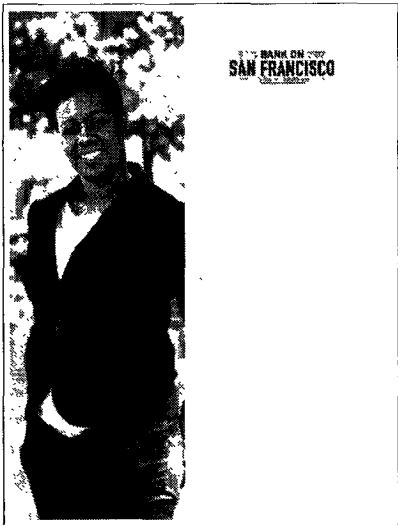


Asset Based Fee	\$ 1,700,000,000
Monthly Account Fee	3
# of Transactions (per month)	
Purchases	10
Sales	10
Maturities / Calls	10
Coupons	15

APPENDIX F
BANK ON SAN FRANCISCO PROGRAM

Bank on San Francisco
Catalog of Print Marketing Materials

==== **BANK ON** ====
SAN FRANCISCO
=====



THE BANK ON 2007
SAN FRANCISCO

A MESSAGE FROM THE MAYOR AND TREASURER OF SAN FRANCISCO



Carlos Meneses
Mayor

On September 26, 2006, we launched the Bank on San Francisco program as the first comprehensive program in the country to work collaboratively with financial institutions, local government, financial regulators and community-based organizations to help the unbanked.

Over the last six months, we have spent a tremendous amount of money that we are proud to have provided. In addition to building the network of qualified call centers across the program, we have been working on the following projects for many people who are in financial need. Some of the most important ones are the help of people like the National League of Cities (the Mayor) & State Treasurer, the US Department of the Treasury and the AFDL. We are working to expand all our services. We have also acquired a financial institution to bring low-income consumers into the banking system and to help improve the accuracy of their credit records. If you're a banker or a financial institution, this has been a great year for us. We are excited for the future of Bank on San Francisco and, most importantly, an opportunity to improve the lives of us all or our program partners who have contributed so much to this unique initiative.

We have been provided a great year for us. We are excited for the future of Bank on San Francisco and, most importantly, an opportunity to improve the lives of us all or our program partners who have contributed so much to this unique initiative.

Jim Johnson
Mayor

BANK ON SAN FRANCISCO BY THE NUMBERS SEPTEMBER 2006 – AUGUST 2008

Currently open and active	24,753
Total accounts opened	31,081
Percentage of accounts currently active	79%
Average account balance	\$576
Financial institutions participating	77
Participating financial institutions	194
Financial education grant recipients	34
Financial education clients	640
Cities and states requesting technical assistance	60
National organizations providing Bank on SF as a model	5
Awards won	3
Estimated annual revenue to San Francisco	\$16,802,400

CUSTOMER PROFILES

Most recent Community Federal Credit Union customer
Mrs. Virginia Johnson, a San Francisco resident since 1962, spent the majority of her life "unbanked." Each month, she would spend nearly \$200 a month in fees just to have her Social Security checks cashed in order to pay bills for herself and her disabled grandson. The astronomical fees drove her to the bank. The location of these institutions made Johnson feel unsafe. Each time she visited a check-cashing store she feared she would be robbed — or worse.
When Johnson contacted Roy Miller, introduced her to the Bank on San Francisco program, Johnson was required with the program as well as the courtesy of the staff. Thanks to the Bank on San Francisco program, Johnson is able to pay her bills with ease and, thanks to her ability to save, even able to treat herself and her grandson to dinner at a restaurant every so often.
Bank of the West customer
Brothers Julian and Louis were among San Francisco's "unbanked" population for years. Louis worked for the bank and began using a check-cashing store to get his money. Julian, who had a ton of bank credit and was unable to open an account, was also at the mercy of the check-cashers.
Not only did the brothers have negative experiences with the fees they encountered at check-cashers and the general lack of the institutions, but one, Louis, never cashed his checks. He had almost 1000 in back of their money (Julian was keeping all of his spending money in various drawers while his savings were kept under the mattress. There was no way to count it — no way to really keep track of where the money was).
Julian and Louis were a part of the program when they visited the admin office in SF Weekly, but became a customer of the program when they walked into the Bank of the West Building. The staff there was very accommodating and made the brothers feel as though they were at home. Thanks to their ability to save money — and track how their savings are growing — Julian and Louis have clear goals of what they want to do with their money and how to best spend it when they do.

THE BANK ON 2007
SAN FRANCISCO

PROGRAM PRAISE AND RECOGNITION

Johns Hopkins Foundation 2008 Leadership Award
Government Finance Officers Association — Leadership Award for Innovation in Community Finance
Harvard University — 2006 Harvard Business School Innovation Award

New York Times, November 2008 — Check Cashers Reformed
Philadelphia Inquirer, October 2008 — No-fee program is alternative to costly banking
Massachusetts Eye, September 2008 — MA Line, the unbanked line of mutual concern
Wall Street Journal, January 2008 — Awarded Award for Innovation by William J. Clinton and Paul M. Schwabinger
San Francisco Chronicle, January 2008 — Low income bank accounts proposed
San Francisco Examiner, January 2008 — SF banking program to be copied by state
National Public Radio (NPR), January 2008 — Low income San Francisco get access into banking
BCT News, December 2007 — New Rules for Bay Area Bankers
San Francisco Chronicle, December 2007 — Program helps low income SF residents start bank accounts
San Francisco Examiner, October 2007 — Raising Check Cashing in Carlan Year
AMP Bulletin, June 2007 — Opening Up the Bank
Business Week, May 2007 — Cutting the Cost of Poverty
San Francisco Chronicle, October 2006 — Banking program for low income workers
Mayor Treasures offer alternative to check-cashing businesses
MSB National Public Radio, October 2005 — The City Banked

Acknowledgements

The City and County of San Francisco would like to thank the following partners and supporters for their contributions to Bank on San Francisco:

Federal Reserve Bank of San Francisco
Federal Deposit Insurance Corporation
Office for Financial Empowerment
Office of Consumer Affairs & Information Services
US Department of the Treasury

AAAP
National League of Cities
United States Conference of Mayors
William J. Clinton Foundation

Founding Institution
Center for Financial Service Innovation
CFED
New America Foundation
Doc. C. Kauffman Trust

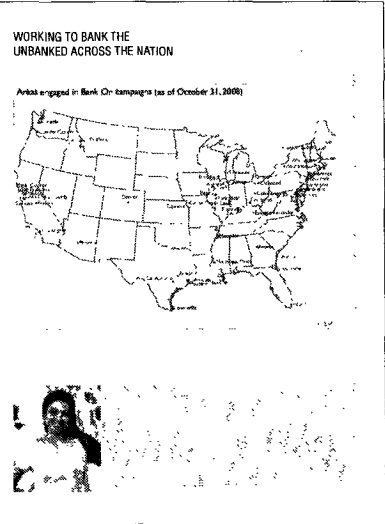
Bank of America
Bank of the West
Citibank
Mission SF Federal Credit Union
Nation National Bank
The Office of Community, Technical Credit Union
Patrol Credit Union
Reelwood Credit Union
San Francisco Federal Credit Union
Spectrum Federal Credit Union
Spring Bank and Trust
Union Bank of California
United Commercial Bank
US Bank
Washington
Washington Mutual
Wells Fargo

EARN
Check 21
United Way of the Bay Area

As Cana Workshop
PCRE

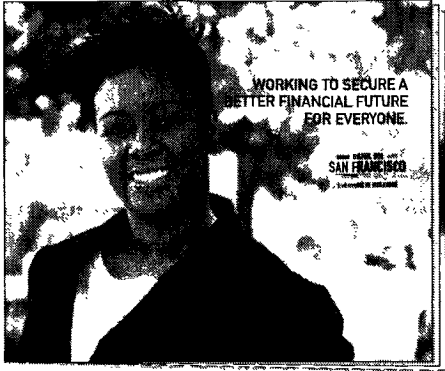
American Internet email Group
The Bank of America
Bank of the West
California
Charles and Walter Mason & Fund
James Irvine Foundation
Invest Cities
ARC Loan Workshop
Northern California Federal Credit Union
Rox-Kit Credit Union
Spectrum Federal Credit Union
Union Bank of California
US Bank

Wahwa
Udell and Elmer Mason, Sonnet & Co.
Washington Mutual
Wells Fargo
U.S. Suburban Foundation



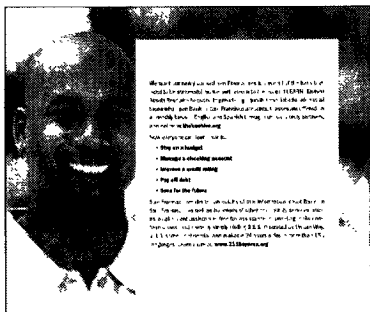
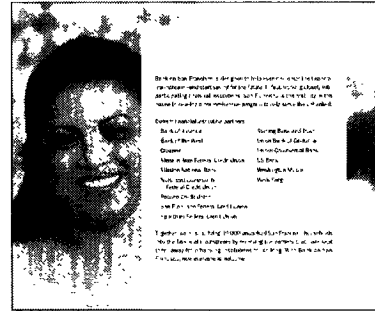
Program Highlights 2006–2008

Partner 8-page Brochure

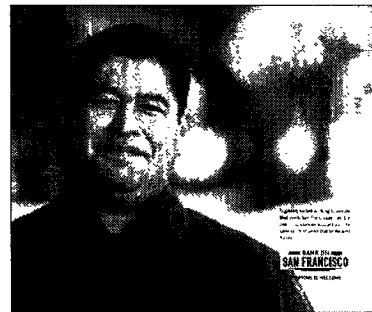


As a San Francisco partner in the program, you have access to a network of financial experts who can help you secure a better financial future for you and your family. Our experts can help you understand your current financial situation and provide you with personalized advice on how to improve it. This includes helping you understand your credit score, how to manage your debt, and how to save for retirement. Our experts can also help you understand the benefits of various financial products and services, such as mutual funds, annuities, and life insurance. Our goal is to help you make informed decisions that will help you achieve your financial goals.

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Find a participating bank in your neighborhood. Check the list of partner banks and credit unions in the brochure, or look for Bank on San Francisco signs at a

bank or credit union near you.

Ask them about opening an account.

through Bank on San Francisco. Our partner banks and credit unions have

special products that are designed just for you. They'll answer your questions

and help you open an account that works best for you.

Remember to bring some identification. You'll need a Social Security Number, a

March card, or California ID. Make sure you bring a second form of ID, such as a

utility bill.

at the bank or credit union will walk you through the entire process. And they

can even sign you up for free money management training classes to help

you get the most from your account.

To get the participating bank or credit union nearest to you, visit www.bankon.org. Or, if you prefer to speak to a person, call 2-1-1 and be connected to an operator.

SAN FRANCISCO BANK ON US
FINANCIAL PARTNERSHIP
SAN FRANCISCO
OPENING A NEW
www.bankon.org



YES,
YOU CAN OPEN
A BANK ACCOUNT

Customer Trifold Brochure

OUR PARTNERS ARE HERE FOR YOU

HAY EN ELA, TODOS PUEDEN TENER UNA CUENTA BANCARIA.

A continuación se mencionan algunos bancos y credi- tos que son socios del programa y las cuentas de crédito participativas que pueden abrir.

Abrir una cuenta de cheques **gratita** o de bajo costo para pagarle a ahorros más de su dinero. Nuestra asociación con socios que ofrecen algunas cuentas de cheques **gratitas** o de bajo costo para pagarle a ahorros más de su dinero.

Redondear sus cheques al más alto monto. Nuestra asociación con socios que ofrecen algunas cuentas de cheques que redondean el monto de cada cheque al más alto monto.

Abrir una cuenta de ahorros. Tiene con un representante de una cuenta de ahorros. Este con un representante de un banco asociado podrá le ofrecer que tiene

un banco asociado. Este con un representante de un banco asociado podrá le ofrecer que tiene

MAXIMO SU DINERO. Bank on San Francisco cuenta con muchos programas para ayudar a encontrar su banco. Llame al 2-1-1 o visite www.bankon.org para averiguar cómo podemos ayudarle.

Adaptar sus cuentas de cheques. Adaptar sus cuentas de cheques

Mejorar sus condiciones crediticias. Mejorar sus condiciones crediticias

Pagar menos. Pagar menos



Bank on San Francisco has partnered with 15 banks and credit unions all over the City to help you open your own bank account. Our partners are:

- Bank of America
- Bank of the West
- Chime
- Mission Area Federal Credit Union
- National Community Federal Credit Union
- Petaluma Federal Credit Union
- San Francisco Federal Credit Union
- Spectrum Federal Credit Union
- Udell Bank and Trust
- United Community Bank
- Urbank
- Washington Mutual
- Wells Fargo

To find a participating branch near you, look for a "Bank on Us" sign at the bank or credit union.

SAN FRANCISCO BANK ON US
FINANCIAL PARTNERSHIP
SAN FRANCISCO
OPENING A NEW

EVERYONE IS WELCOME.

TODAY, EVERYBODY CAN GET A BANK ACCOUNT.



Open a free or low-cost checking account— Our partners are offering special free or low-cost products to help you keep more of your money.

Keep an account open with no minimum balance— Our partners will keep your account open even if you need to spend all your money each month.

Open an account where if you have had trouble with an account before—that is responsible at a partner bank or credit union about your options.

Open an account without a Social Security number—Partner banks accept California ID, Mexican Abacuba cards, and California Driver Identification cards.

Learn to make the most of your money.

Bank on San Francisco has programs to help you learn to manage your money. Call 2-1-1 or visit www.bankon.org to make and credit unions are working together to make as possible.

If you have any questions, problems, or comments, please contact Bank on San Francisco. Call 2-1-1 or visit www.bankon.org.

Manage a checking account. Manage a checking account

Pay off debt. Pay off debt

WE'D LIKE TO HEAR FROM YOU.

If you have any questions, problems, or comments, please contact Bank on San Francisco. Call 2-1-1 or visit www.bankon.org.

Bank on San Francisco and participating banks and credit unions are working together to make as possible.

If you have any questions, problems, or comments, please contact Bank on San Francisco. Call 2-1-1 or visit www.bankon.org.

KEEP YOUR MONEY. GET A BANK ACCOUNT.

**BANK ON
SAN FRANCISCO**

EVERYONE IS WELCOME

Don't let check cashiers take a penny of your hard-earned money. Even if you've had problems with an account in the past, have never had an account before, or don't have a Social Security number, you can open a bank account in San Francisco.

Find out how you can start depositing money in your own bank account by visiting one of the participating banks or credit unions listed below:

For more information, simply dial 2-1-1 and we'll connect you. From your cell phone, call (415) 808-HELP. Or visit: www.bankonsf.org

MANTENGA SU DINERO. OBTENGA UNA CUENTA BANCARIA.

No deje que los centros de cambios de cheques le quiten un centavo del dinero que usted se ha ganado con esfuerzo. Aunque usted haya tenido problemas con una cuenta en el pasado, o no tiene una licencia de manejar o tarjeta de Seguro Social, usted puede abrir una cuenta bancaria en San Francisco.

Averigüe como comenzar a depositar dinero en su propia cuenta bancaria al visitar uno de los bancos participantes o uniones de crédito mencionadas a continuación:

Para saber cómo hacerlo, simplemente marque 2-1-1 y nosotro lo conectaremos. Desde su teléfono celular llame al: (415) 808-HELP. O visite: www.bankonsf.org

保管好你的錢開立一個銀行帳戶

不要讓支票兌換處拿走你辛苦掙得的一分錢。即使在過去開立帳戶時遇到麻煩，或你沒有駕駛執照或社會保險卡，你仍可在三藩市開立銀行帳戶。

查詢怎樣開始把錢存到你自己的銀行帳戶上，請訪問以下所列的任何一家參加銀行或信用聯盟：

查詢怎樣開立帳戶，只需撥打 2-1-1，我們將會與您聯絡。使用手機號碼打：(415) 808-HELP，或登錄：www.bankonsf.org

Buckslip

Referral Card

WWW.BANK ON WWW
SAN FRANCISCO
EVERYONE IS WELCOME

Please help:
open a new Bank on San Francisco account

Referred by:

Organization:

Language preference:

**To learn more about opening a low-
or no-cost checking account:**

Ask for:

At:

Or call:

If you need assistance, please call Helplink by dialing 2-1-1 or (415) 808-HELP

Referral Card

≡≡≡ BANK ON ≡≡≡
SAN FRANCISCO


EVERYONE IS WELCOME

CALL 2-1-1

www.bankonsf.org

Window Cling

I DON'T HAVE A SOCIAL SECURITY CARD. AND I OPENED A BANK ACCOUNT.



Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call (855) 808-HELP or visit [http://ny.gov/banknow!](http://ny.gov/banknow)

SAN FRANCISCO
EVERYONE IS WELCOME

NO TENGO TARJETA DE SEGURO SOCIAL Y CONSEGUÍ UNA CUENTA BANCARIA.



Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call (855) 808-HELP or visit [MY MONEY IS SAFE BECAUSE I OPENED A BANK ACCOUNT.

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Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call \(855\) 808-HELP or visit \[MI DINERO ESTÁ SEGURO PORQUE CONSEGUÍ UNA CUENTA BANCARIA.

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Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call \\(855\\) 808-HELP or visit \\[I SAVED OVER \\\\$800 BECAUSE I OPENED A BANK ACCOUNT.

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Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call \\\(855\\\) 808-HELP or visit \\\[I SHOWED MY BROTHER HOW A BANK CAN GIVE HIM A SECOND CHANCE.

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Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call \\\\(855\\\\) 808-HELP or visit \\\\[I HAVE MORE MONEY FOR MY KIDS BECAUSE I OPENED A BANK ACCOUNT.

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Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call \\\\\(855\\\\\) 808-HELP or visit \\\\\[我有更多的錢留給我的孩子，因為我有一個銀行帳戶。

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Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call \\\\\\(855\\\\\\) 808-HELP or visit \\\\\\[因為我開了一個銀行帳戶，我就有更多的錢留給我的孩子。

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Don't let lack of Social Security card stop you. Get your own Social Security card at New York City's Social Security Office. For more information, call \\\\\\\(855\\\\\\\) 808-HELP or visit \\\\\\\[Posters\\\\\\\]\\\\\\\(http://ny.gov/banknow!</small></p>
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EVERYONE IS WELCOME</p>
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CHECK CASHING
SHRINKS YOUR PAYCHECK

DON'T LET THEM TAKE ANY MORE OF YOUR MONEY.
Now you can open a bank account. Find out how at 415-556-4409 or sfgov.org/bankonsf

BANK ON
SAN FRANCISCO
EVERYONE IS WELCOME

CHECK CASHING
RIPS YOU OFF

DON'T LET THEM TAKE ANY MORE OF YOUR MONEY.
Now you can open a bank account. Find out how at 415-556-4409 or sfgov.org/bankonsf

BANK ON
SAN FRANCISCO
EVERYONE IS WELCOME

Bus Cards

CHECK CASHING
SHRINKS YOUR PAYCHECK

NOW YOU CAN OPEN A BANK ACCOUNT. **BANK ON**
SAN FRANCISCO

CHECK CASHING
RIPS YOU OFF

NOW YOU CAN OPEN A BANK ACCOUNT. **BANK ON**
SAN FRANCISCO

Billboards



MY MONEY IS SAFE
BECAUSE I
OPENED A
BANK
ACCOUNT.

Don't let check cashers take your money. Get your own bank account. To find out how, simply dial **2-1-1** and we'll connect you. From your cell phone, call: **(415) 808-HELP**. Or visit: banksf.org

BANK ON
SAN FRANCISCO

EVERYONE IS WELCOME



I SAVED OVER \$800
BECAUSE I
OPENED A
BANK
ACCOUNT.

Don't let check cashers take your money. Get your own bank account. To find out how, simply dial **2-1-1** and we'll connect you. From your cell phone, call: **(415) 808-HELP**. Or visit: banksf.org

BANK ON
SAN FRANCISCO

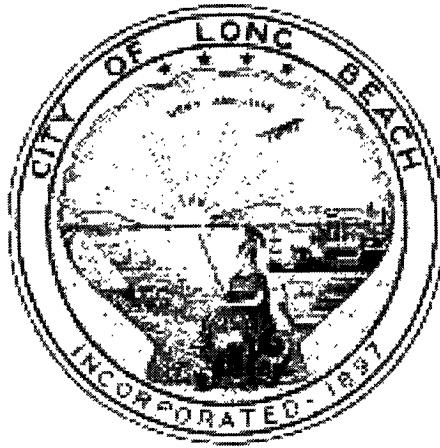
EVERYONE IS WELCOME

Black and White Ad

EXHIBIT “A-2”

Addendum to Request for Proposal

**Request for Proposal for
Comprehensive Banking Services
Addendum No. 2011-01**



**City of Long Beach
Department of Financial Management
City Treasurer's Office
333 West Ocean Blvd., 6th Floor
Long Beach, CA 90802**

CITY OF LONG BEACH, CALIFORNIA
REQUEST FOR PROPOSALS ("RFP")
FOR
COMPREHENSIVE BANKING SERVICES
Addendum No. 2011-01

Section

- I. Introduction**
- II. Scope of Services**
- III. Evaluation and Award Criteria**

Appendices

- A. Estimated Volume Levels**

SECTION I

INTRODUCTION

The City of Long Beach intends to select one financial institution to provide General Banking services. Firms are to respond to RFP Addendum no. 2011-01.

A. SCHEDULE OF PROPOSAL

Issue RFP Addendum no. 2011-01	May 16, 2011
Written Questions Due	May 18, 2011
Responses to Questions	May 23, 2011
Addendum Responses Due	May 31, 2011
Award - Selection	Approximately July 12, 2011

B. SUBMISSION OF WRITTEN QUESTIONS

All questions about the RFP addendum shall be submitted by e-mail by 3:00 p.m. Pacific Time on or before May 18, 2011 to:

David Nakamoto, City Treasurer	david.nakamoto@longbeach.gov
Eugene Fong, Treasury Operations Officer	eugene.fong@longbeach.gov

Responses to the questions will be posted on the City's website purchasing.longbeach.gov under the "Bids/RFPs" tab no later than May 23, 2011 at 3:00pm. All proposers are recommended to visit the above mentioned City website on a regular basis as the responses may be posted earlier than the date above.

C. PREPARATION OF ADDENDUM RESPONSE

Careful attention must be paid to all requested items contained in this Addendum. Please read the entire package before responding.

Each Addendum Response shall be prepared simply and economically avoiding the use of elaborate promotional materials beyond what is sufficient to provide a complete, accurate, and reliable presentation. For ease of review, the Addendum Response must follow the outline in Section III of this Addendum.

Each response should be clearly numbered and the full question listed. Each page of the Addendum Response must be sequentially numbered.

Addendum Responses are limited to **three pages**, including graphs and diagrams, if any, but not including the cover letter, table of contents, and pricing template. Attachments are limited to six pages. Failure to comply with this provision will result in disqualification of the proposal or deductions in scoring.

Include a brief one page cover letter transmitting the Addendum Response and indicating the name, address and telephone number of the person (s) authorized to sign for and make representations on behalf of the firm

Include a table of contents of the material presented in the Addendum Response showing the applicable page number.

D. SUBMISSION OF ADDENDUM RESPONSE

Addendum Responses should consist of two (2) complete physical originals and two electronic copies (CD-ROM or USB drive) and will be accepted until the close of business on May 31, 2011. Addendum Response received after the above date and time will not be considered. The City is under no obligation to return proposals.

It is the sole responsibility of the submitting firm to see that its Addendum Response is received before the submission deadline. Any Addendum Response received after the scheduled deadline for receipt of Addendum Response may, at the City's sole discretion, be rejected. No corrected or resubmitted Addendum Responses will be accepted after the proposal submission deadline. No faxed copies will be accepted.

City of Long Beach
Department of Financial Management
City Treasurer's Office
Attn: Eugene Fong, Treasury Operations Officer
333 W. Ocean Blvd., 6th Floor
Long Beach, CA 90802

Phone: (562) 570-5023

E. EFFECTIVE PERIOD OF PROPOSALS

Proposals must state the period for which the original proposal and addendum shall remain in effect (i.e. how much time does the City have to accept or reject the proposal under the terms proposed.) Such period shall not be less than 180 days from the addendum date.

F. BID RESERVATIONS

Notwithstanding any other provisions of this RFP, the City reserves the right to award this contract to the financial institution(s) that best meets the requirements of the RFP, and not necessarily, to the lowest cost Proposer. Further, the City reserves the right to reject any or all bids, to award in whole or part, and to waive minor immaterial defects in bids. The City may consider any alternative bid that meets its basic needs.

G. CONTRACT NEGOTIATIONS

After a review of the proposals, and in-person presentations, the City intends to enter into contract negotiations with the selected financial institution(s) reasonably susceptible of award. These negotiations could include all aspects of services and fees. If a contract is not finalized in a reasonable period of time in the City's sole discretion, the City will open negotiations with the next ranked firm(s).

H. AWARD OF CONTRACT

The City reserves the right to award by Service Group or as a whole, whichever is deemed most advantageous to the City.

The selected firm(s) shall be required to enter into a written contract or contracts with the City in a form approved by legal counsel for the City. The RFP and the proposal, this Addendum and the Addendum Response or any part thereof, may be incorporated into and made a part of the final contract(s). The City reserves the right to negotiate the terms and conditions of the contract(s) with the selected Proposer(s).

I. CONTRACT TERM

It is the intent to award the contract(s) for an initial three-year period with the option to renew it for seven, one-year periods for a possible total contract term of ten years. The decision to renew the contract(s) will be at the sole discretion of the City.

Proposers must agree to fix contract fees for the first three years. If the vendor intends to revise its fee schedule after the initial 3 year period, it must give written notice to the City 90 days in advance of any fee change. Fees may be changed only on the contract anniversary date. These fees are subject to negotiation and approval by the City and may not exceed the annual consumer price index-urban (CPI-U) for the West census region for the most recently available 12 month trailing period.

J. DISPOSITION OF PROPOSALS

All materials submitted in response to this RFP will become the property of the City. Proposal will become public record after the award of a contract unless the proposal or specific parts of the proposal can be shown to be exempt by law. Proposers may clearly label a portion of a proposal as "CONFIDENTIAL" provided that the proposer thereby agrees to indemnify and defend the City for honoring such a designation. The failure to so label any information that is released by the City shall constitute a complete waiver of any and all claims for damages caused by any release of the information.

K. COST INCURRED IN RESPONDING

This solicitation does not commit the City to pay any costs incurred in the preparation and submission of proposals or in making necessary studies for the preparation thereof, nor to procure or contract for services.

L. ASSIGNMENT

The successful proposer shall not assign, transfer, convey, or otherwise dispose of the contract, or right, title of interest, or power to execute such a contract to any person, firm, or corporation without prior consent in writing by the City of Long Beach.

M. CAUSES FOR DISQUALIFICATION OF ADDENDUM RESPONSE

The City is seeking Addendum Responses on a limited number of issues supplemental to the original RFP. With the exception of responses under Service Group 1: General Banking – Addendum, all previous responses are deemed firm. Addendum Responses must be in writing and submitted as part of this Addendum process and submitted as indicated in paragraph D as part of this Addendum process. Verbal responses, emails, faxes or other transmissions will not be considered and may be cause for disqualification of proposals.

N. CAUSES FOR TERMINATION

Causes for termination of the agreement may include any of the following: Failure to promptly and faithfully provide the services required at the prices indicated in the Proposal; violation of any law governing any public government depositories; failure to cooperate upon receiving any reasonable request for information or service; or improper actions of the officers or employees, which in the opinion of the City, would adversely affect its interest, or endanger the structure of the banking institution such as a spin off or merger which materially affects the terms of this agreement. The City may terminate the agreement without penalty for any reason or no reason on 90 days advanced written notice.

SECTION II

SCOPE OF SERVICES – Addendum No. 2011-01

Service Group 1: General Banking - Addendum

- 1) General requirements: Provide an annual savings of at least \$50,000 over the City's current annual average banking relationship cost of \$350,000. With the exception of responses under Service Group 1: General Banking – Addendum, all previous responses are deemed firm.

Requirements include:

- a) No increase from the respondent's best and final proposal in fees, minimum compensating balance requirements, or other subsidy.
 - b) No decrease in proposed service levels from the respondent's best and final proposal.
 - c) Provide Additional Banking Services of, at minimum consisting of a full-service ATM in each of two areas, North and West Long Beach. Banking institutions may be creative in their offers of enhanced banking services that might include up to full service branches.
 - d) The relocation of a current Banking Service from another part of the City, or removing a Banking Service from another part of the city will be deemed non-responsive.
- 2) Definition:
 - a) Additional Banking Services (Banking Service): at a minimum a full-service ATM, with creative offers up to and including a full service branch.

SECTION III

EVALUATION AND AWARD CRITERIA

This RFP seeks financial institutions to provide comprehensive banking services to the City. A preliminary evaluation will be conducted identifying the institutions deemed fully qualified and best suited among those submitting proposals on the basis of the evaluation factors listed below (not in priority order):

Criteria
Operational Requirements <ul style="list-style-type: none">▪ Understanding of the needs and operation requirements of the City▪ Bank and Branch Locations▪ Scope of services offered including degree of automation
Firm Experience <ul style="list-style-type: none">▪ The experience, resources, and qualifications of the financial institution and individuals assigned to this account.▪ Relevant experience managing similar account relationships with public institutions and agency clients.
Financial Strength <ul style="list-style-type: none">▪ Financial strength of proposing institution▪ Adequacy of financial controls and protection against loss
Transition <ul style="list-style-type: none">▪ Quality and scope of conversion/implementation plan▪ The value of any new product or service suggestions or other new ideas and enhancements
Public / Private Partnership <ul style="list-style-type: none">• Understanding and willingness to provide Additional Banking Services
Compliance with the requirements of this RFP addendum and quality of proposal
Fees <ul style="list-style-type: none">▪ Proposed fees and compensation. Although fees and compensation will be an important factor in the evaluation of proposals, the City is not required to choose the lowest Proposer.

APPENDIX A

ESTIMATED VOLUME LEVELS

Monthly Volumes

BANK Pricing Template	Volume Levels	Unit Cost	Monthly Cost
ACCOUNT MAINTENANCE			
ACCT MAINTENANCE	12	\$	-
CHECK PAID TRUNCATED	5,035	\$	-
DAILY PAID REPORT	7	\$	-
OUTSTANDING ONLY REPORT	7	\$	-
OUTSTANDING CHECK REGISTR-ITEM	5,298	\$	-
TRANSMISSION OUTPUT- PER FILE	76	\$	-
TRANSMISSION OUTPUT - PER ITEM	9,419	\$	-
BANK STATEMENT WEB	3	\$	-
BANK STATEMENT MAIL & WEB	7	\$	-
BANK STATEMENT MAIL & WEB	1	\$	-
BANK STMT - FRONT IMAGES	1	\$	-
FDIC INSURANCE (UNITS IN '000s)	24,838	\$	-
FICO INSURANCE (UNITS IN '000s)	62,433	\$	-
ZBA MASTER ACCOUNTS	1	\$	-
ZBA SUBSIDIARY ACCOUNTS	6	\$	-
BUSINESS CHECKING			
BRANCH DEPOSIT	184	\$	-
ELECTRONIC CREDIT	332	\$	-
NIGHT DROP DEPOSIT	1	\$	-
PAID CHECK CHARGE	36	\$	-
ELECTRONIC DEBIT	53	\$	-
ACH Received Item	-	\$	-
CONTROLLED DISBURSEMENT			
MONTHLY BASE FEE	1	\$	-
CONTROLLED DISBURSEMENT CHECKS PAID (W/RECON)	3,823	\$	-
CD-ROM Check Images - Maintenance	1	\$	-
Check Images	3,823	\$	-
Check Safekeeping	3,823	\$	-
Returned Items	-	\$	-
Stop Payments	-	\$	-
Exceptions	-	\$	-
DB Direct Internet Monthly Maintenance	1	\$	-
DB Direct Internet IDs	2	\$	-
Controlled Disbursement - Credit Funding		\$	-
CEO Controlled Disb Subscription		\$	-

BANK Pricing Template	Volume Levels	Unit Cost	Monthly Cost
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CHECK DEPOSIT PROCESSING			\$ -
PRE-ENCODED COURIER DEPOSIT	58	\$	-
UNENCODED COURIER DEPOSIT	409	\$	-
ON-US CHECKS - BRANCH DEPOSIT	76	\$	-
LOCAL CLR.HSE./BRANCH DEP.	951	\$	-
LOCAL FED DIST 12 - BRANCH DEP	1,231	\$	-
OTHER FED - BRANCH DEPOSIT	280	\$	-
ON-US CHECKS SERV. CTR DEPOSIT	3,447	\$	-
LOCAL CLR. HSE./SER. CTR	34,973	\$	-
LOCAL FED DIST 12-SERV CTR DEP	45,902	\$	-
OTHER FED - SERV CTR DEPOSIT	9,572	\$	-
ENCODING FEE - SERV. CTR. DEP.	5,664	\$	-
CANADIAN CHECKS IN US\$	2	\$	-
CHECK PROCESSING REJECTS	1,129	\$	-
DEBIT ERROR NOTICE	3	\$	-
CREDIT ERROR NOTICE	4	\$	-
DEPOSITD ITEMS RETURNED-RECLEAR	326	\$	-
DEPOSITD ITEMS RETURNED-CHRGBK	248	\$	-
RI TELEPHONE NOTIFICATION	2	\$	-
Returned Item Maintenance For First	1	\$	-
Returned Item Maintenance for Over 1	-	\$	-
Returned Item Fax Notification	2	\$	-
REMOTE DEPOSIT CAPTURE SERVICES			\$ -
REMOTE DEPOSIT MONTHLY MAINT	1	\$	-
REMOTE DEPOSIT PER DEPOSIT	43	\$	-
REMOTE DEPOSIT ON US	14	\$	-
REMOTE DEPOSIT PER ITEM	281	\$	-
Remittance Item	295	\$	-
FTPS Transmission-Per Trans	22	\$	-
Remote Deposit Scanner Maintenance	1	\$	-
RECONCILIATION SERVICES			\$ -
FULL RECON / POSITIVE PAYMONTHLY MAINT	1	\$	-
POS PAY MONTHLY MAINT	6	\$	-
TRANSMISSION ISSUE INPUT- PER FILE	45	\$	-
TRANSMISSION ISSUE INPUT- ITEM	9,615	\$	-
TRANSMISSION OUTPUT	76	\$	-
Full/Pos Pay-Per Item	1,000	\$	-
Positive Pay Only -Per Item	8,615	\$	-
RECORD MAINTENANCE - PER ISSUE	136	\$	-
IMAGE CD - ROM	2	\$	-
IMAGE CHECKS	9,365	\$	-

BANK Pricing Template	Volume Levels	Unit Cost	Monthly Cost
EXPRESS MAIL DELIVERY	7	\$	-
ONLINE IMAGING (PER ACCOUNT)	1	\$	-
ONLINE IMAGING (PER IMAGE UPLOADED)	9,365	\$	-
ONLINE IMAGING (PER ITEM VIEWED)	94	\$	-
Payee Positive Pay Fixed	6	\$	-
Payee Positive Pay (Per item)	9,365	\$	-
Monthly Maintenance-Per Account	1	\$	-
Stale Date Feature (Currently used)	7	\$	-
Stale Date Items (actual volume)	1,917	\$	-
Positive Pay (with full recon) Checks Paid _est	720	\$	-
Exceptions (with full reconciliation)	-	\$	-
Exception Image	-	\$	-
Exception Item Return	-	\$	-
Positive Pay Exceptions Pending -Courtesy call	-	\$	-
BILL CONCENTRATION SERVICE		\$	-
BCS MONTHLY BASE FEE	1	\$	-
TRANSMISSION FILE	26	\$	-
BCS ITEM	24,544	\$	-
RETURN ITEM MANUAL	47	\$	-
Setup Fee	-	\$	-
CASH SERVICES (BRANCH)		\$	-
COIN DEPOSITED - STD BAG	264	\$	-
COIN DEPOSITED NON-STANDARD (PER ROLL)	3,772	\$	-
DEPOSIT	57	\$	-
DEPOSIT ADJUSTMENT	2	\$	-
CURRENCY FURNISHED (UNITS IN \$s)	12,377	\$	-
DEPOSITED CURRENCY (UNITS IN \$s)	25,300	\$	-
CASH VAULT SERVICES		\$	-
DEPOSIT-MIXED CASH CHECK	237	\$	-
Cash Deposited- Per \$100	253	\$	-
DEPOSIT - CASH OR COIN ONLY	810	\$	-
CURRENCY DEPOSITED - STRAPPED (UNITS IN \$s)	739,246	\$	-
CURRENCY DEPOSITED-UNSTRAPPED (UNITS IN \$s)	1,533,032	\$	-
DEPOSIT ADJUSTMENT	13	\$	-
TOUCH-TONE AUTOMATED ORDER	4	\$	-
CURRENCY ORDERED -TELLER FIT (UNITS IN \$s)	6,858	\$	-
ROLLED COIN (INDIVIDUAL ROLLS)	16	\$	-
HALF-BOX COIN (5, 25,\$1 ONLY)	2	\$	-
FIT CURR FURN_PARTIAL STRP	2	\$	-
Currency Furnished	1,500	\$	-

BANK Pricing Template	Volume Levels	Unit Cost	Monthly Cost
WIRE TRANSFER SERVICES			
INCOMING DOMESTIC REPETITIVE	38	\$	-
ELECTRONIC WIRE TRANSFER	-	\$	-
ACCT TRANSFER END-OF-DAY/WEB	10	\$	-
WIRE TRANSFER MONTHLY FEE/WEB	1	\$	-
OUTGOING DOMESTIC WIRE/WEB	64	\$	-
OUTGOING INTL WIRE USD/WEB	1	\$	-
OUTGOING INTL WIRE FOR CUR/WEB	1	\$	-
INTERNAL TRANSFER INTRADAY/WEB	5	\$	-
ACH SERVICES			
ACH BLOCK	2	\$	-
ACH POSITIVE PAY (PER RELATIONSHIP)	1	\$	-
DIRECT SEND MONTHLY BASE FEE	4	\$	-
DIRECT SEND CREDIT TRANSACTION	10,610	\$	-
DIRECT SEND DEBIT TRANSACTION	10,841	\$	-
DIRECT SEND RETURNS FAX	66	\$	-
DIRECT SEND REJ/REV/DEL	2	\$	-
DIRECT SEND NOC FAX	14	\$	-
INPUT - DATA TRANSMISSION	47	\$	-
SUSPENDS	1	\$	-
ACH-Return Per Itm	66	\$	-
CEO Return/ NOC Reporting		\$	-
CEO Return/ NOC Per Item Reported		\$	-
CEO Return/ NOC Info Reporting Advice		\$	-
CUSTOMER SERVICE ACTIVITIES			
CASHIERS CHECKS	3	\$	-
DDA AUTO RENEWED STOP PAYMNT	5	\$	-
ELECTRONIC PAYMENT AUTHORIZATION MONTHLY MAINT	2	\$	-
EPA ACTIVITY REPORT	2	\$	-
INSTATAX MAILED RECEIPT	8	\$	-
WEB INSTATAX MONTHLY MAINT	1	\$	-
WEB INSTATAX PAYMENT	8	\$	-
ON-LINE SERVICES			
WEB POS PAY- ACCOUNT MAINTENANCE	7	\$	-
WEB POS PAY- EXCEPTIONS REPORTED	56	\$	-
WEB POS PAY- IMAGES OF EXCEPTIONS	57	\$	-
WEB POS PAY-MANUAL ISSUE	34	\$	-
IOD-IMAGE (<120 DAYS)	30	\$	-
IOD-IMAGE (120-180 DAYS)	4	\$	-
IOD-IMAGE(181 + DAYS)	16	\$	-

BANK Pricing Template	Volume Levels	Unit Cost	Monthly Cost
WEB PREVIOUS DAY REPORT (RELATIONSHIP)	1	\$	-
WEB PREVIOUS DAY REPORT (PER ACCOUNT)	12	\$	-
WEB PREVIOUS DAY BALANCE / SUMMARY	2,349	\$	-
WEB PREVIOUS DAY TRANSACTIONS	11,955	\$	-
WEB CURRENT DAY REPORT (RELATIONSHIP)	1	\$	-
WEB CURRENT DAY REPORT (PER ACCOUNT)	11	\$	-
WEB CURRENT DAY BALANCE / SUMMARY	642	\$	-
WEB CURRENT DAY TRANSACTIONS	1,252	\$	-
DIRECT TRANSMISSION ITEMS	1,616	\$	-
DIRECT TRANSMISSION	21	\$	-
WEB STOP MAINTENANCE ACCOUNTS	8	\$	-
WEB STOP PAYMENT RENEWAL	75	\$	-
First DDA Statement	1	\$	-
Ach Filter Rejected Item RPT	2	\$	-
ACH Filter Authorization RPT	2	\$	-
Positive Pay per Item	4,315	\$	-
Positive Pay Checks Paid Surcharge	720	\$	-
Positive Pay Exception Item Return		\$	-
Manual Issues/Voids Input		\$	-
Correct Rejected Issues/Voids		\$	-
Invalid Issue Fiel		\$	-
Transactions Report	7,201	\$	-
COMMERCIAL CUSTOMER SUPPLIES		\$	-
CASH VAULT BAGS-LARGE (BOX OF 100)	-	\$	-
CASH VAULT BAGS-SMALL (BOX OF 100)	8	\$	-
CURRENCY STRAPS (PER PACKAGE)	1	\$	-
COIN BAGS-PLASTIC (BOX OF 100)	45	\$	-
CHECK DEPOSIT BAGS-SMALL (BOX OF 100)	6	\$	-
RETAIL LOCKBOX		\$	-
MONTHLY MAINTENANCE		\$	-
TRANSMISSION - MONTHLY MAINTENANCE		\$	-
TRANSMISSION - PER FILE		\$	-
ITEMS PROCESSED		\$	-
DEPOSITS PROCESSED		\$	-
PARTIAL PAYMENTS (ESTIMATED)		\$	-
MULTIPLE ITEMS (ESTIMATED)		\$	-
NON-PROCESSABLE ITEMS (ESTIMATED)		\$	-
ITEMS TRANSMITTED		\$	-
SAME DAY DECISIONING		\$	-
Same Day Monthly Maintenance		\$	-
BILL PAYER SYSTEM (MONTHLY MAINTENANCE)		\$	-

BANK Pricing Template	Volume Levels	Unit Cost	Monthly Cost
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BILL PAYER SYSTEM (PER ITEM)		\$	-
IMAGE ARCHIVE (MONTHLY MAINTENANCE)		\$	-
Image Look Maintenance		\$	-
Image Look Items		\$	-
Image Pages		\$	-
Additional Usser >5		\$	-
DVD Charge		\$	-
IMAGE ARCHIVE (PER DOCUMENT)		\$	-
IMAGE ARCHIVE (PER CHECK)		\$	-
Matched-High Speed		\$	-
Unmatched-High Speed		\$	-
Matched-Low Speed		\$	-
Unmatched- Low Speed		\$	-
Multi		\$	-
Check Only		\$	-
Return Non Financial Item		\$	-
Return Non-processable		\$	-
Check and list		\$	-
express Mail		\$	-
Cash		\$	-
On-Site Destruction-Remittances		\$	-
Image Archive-Maintenance		\$	-
Image Capture		\$	-
Records Transmission-Outbound		\$	-
Records Transmission-Outbound Maintenance		\$	-
OCR Scanline Repair (EST. @15%)		\$	-
Data Entry (EST. @4%)		\$	-
USPS P.O. Box Rental		\$	-
Stop List-Monthly		\$	-
Stop List Items		\$	-
Data Entry (estimated keystrokes)		\$	-
Data Transmission/Media		\$	-
Stop List-Monthly		\$	-
Stop List - Items		\$	-
Batch Preparation		\$	-
Wholesale Lockbox Deposit		\$	-
CD ROM Media Produced		\$	-
CD ROM Check Image Storage		\$	-
Same Day Decisioning (Web Access Items)		\$	-

Monthly Cost		\$	-
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EXHIBIT “B”

Scope of Work

Scope of Services – Addendum No. 2011-01

Service Group 1: General Banking – Addendum

- 1) **General requirements: Provide an annual savings of at least \$50,000 over the City’s current annual average banking relationship cost of \$350,000. With the exception of responses under Service Group 1: General Banking – Addendum, all previous response are deemed firm.**

Requirements include:

- a) **No increase from the respondent’s best and final proposal in fees, minimum compensating balance requirements, or other subsidy.**
- b) **No decrease in proposed service levels from the respondent’s best and final proposal**
- c) **Provide Additional Banking Services of, at minimum consisting of a full-service ATM in each of two areas, North and West Long Beach. Banking institutions may be creative in their offers of enhanced banking services that might include up to full service branches.**
- d) **The relocation of a current Banking Service from another part of the City, or removing a Banking Service from another part of the city will be deemed non-responsive.**

2) **Definition**

- a) **Additional Banking Services (Banking Service): at a minimum a full-service ATM, with creative offers up to and including a full service branch.**

Responses to General Requirements.

Union Bank is proposing additional annual savings of \$81,500 over the current annual average banking costs as presented in the “Union Bank Pricing Template” that was provided with the City’s Addendum No. 2011-01. The revised template bid sheet reflects a monthly reduction in costs from \$22,112.21 down to \$15,320.62, for an annual reduction of \$81,500.00. The magnitude of savings resulting from this revised addendum proposed pricing will be in excess of \$800,000 over the life of the contract. We agree to fix contract fees for the first three years and limit any proposed fee increases in subsequent renewal periods to not exceed the annual consumer price index-urban (CPI-U) for the West census region for the most recently available 12 month trailing period.

- a) There are no increases from the Best and Final proposal in fees, minimum compensating balance requirements, or \$15,000 retention incentive and .60% ECR minimum interest rate. Our Best and Final proposal was previously delivered to the City in letter format dated November 10, 2010.
- b) There are no decreases in the proposed service levels from the Best and Final proposal dated November 10, 2010.
- c) Union Bank will be contractually committed to providing Additional Banking Services, at a minimum consisting of a full-service ATM in each of two areas, North and West Long Beach. These additional Banking Service commitments are for a minimum of three (3) ATM installations to be completed within six (6) months of an agreed upon site by Bank and City. There are no performance penalties or rebates associated with delivery of Additional Banking Services commitments such as ATMs and other creative offers up to and including a full service branch. Union Bank’s branch expansion into the 7th or 9th districts is dependent upon a mutually agreeable location and level of participation from the City and/or Redevelopment Agency. Public financial support is fundamental to UB building a branch.
- d) Union Bank will not relocate a current Banking Service from another part of the City, or remove a Banking Service from another part of the City in order in response to the commitments for two new full-service ATMs.

Additional Banking Services to Expand Access to Financial Services, particularly in underserved communities.

Union Bank greatly values our business relationship – as the primary banking services provider - and community partnerships with the City of Long Beach. It is our goal to maintain and elevate our partnership with the City to develop innovative solutions to expand access to financial services, particularly in underserved communities.

To date, we have discussed the following innovative solutions to serve Long Beach communities with Mayor Foster, City Council members, City Manager and other City staff:

- **Bank on Long Beach** – building upon the success of “Bank on California,” Union Bank would be the lead industry partner working with the City of Long Beach in launching an aggressive marketing campaign targeted at low income communities to educate on existing products and services available at banks and credit unions across the city.
- **Student Banking** – Union Bank will assess opportunities to open a part-time branch in a local high school training students as tellers and providing financial education to students, teachers and administrators. Initial focus would be Cabrillo HS in west and Jordan HS in north Long Beach. Union Bank has established the first “Student Bank” with the Fresno Unified School District.
- **Mobile Banking** – Union Bank is assessing options to provide banking services at specific locations in underserved communities on a scheduled basis via a “mobile bank” – a vehicle staffed with Union Bank team members who can open accounts, dispense limited cash and provide basic banking services.
- **Financial Education** – Union Bank is prepared to immediately initiate an expansion of financial education workshops in partnership with the City and community-based organizations. Workshops to provide education on a variety of financial issues including basic checking and savings, credit, mortgage, small business lending and others.
- **Economic Opportunity Mortgage** – Union Bank has launched a new mortgage product focused on serving the needs of LMI census tracts. We will partner with the City to leverage “first-time homebuyer” and other housing assistance programs to provide low cost mortgages to LMI families
- **Banking Services Expansion** – Union Bank has aggressively searched for additional branch and ATM locations, particularly in underserved communities. We have held initial meetings and site tours in June 2010. We are ready to work with City officials to discuss specific locations for “additional banking services” that at a minimum include a full service ATM in both the 7th & 9th Districts.

The proposals above to expand access to financial services, particularly in underserved communities, is contingent upon the continuation of the contractual agreement between the City of Long Beach and Union Bank as the primary banking services provider.

Renaissance Branch (6th District)

- Union Bank has been an active and engaged partner with the communities surrounding the central Long Beach branch. We have provided a variety of financial, small business and health awareness programs at the branch and in the neighborhood center located on the second floor, many in partnership with Councilman Dee Andrews. Continuing branch operations and delivery of financial services to the citizens of District 6 is made possible by the continued support of the City through our banking partnership.

Community Business Opportunities

- There are over 34 HOAs in the Long Beach area. We wish to conduct a HOA workshop or a workshop series for the leadership of these HOAs. Union Bank is a recognized leader in the HOA banking services field. We understand that there is minimal direction given to these HOAs and they can use our help. We can work with the City and the Neighborhood Resource Center (NRC) to pilot a HOA workshop series for Long Beach.
- Many of the Neighborhood Associations need to establish banking relationships to service the deposit and investment needs for federal grant money received for various projects. We wish to establish a referral program to enable the NRC to efficiently direct banking inquiries to our business bankers in our local branches.

Operation Hope

- We have an existing partnership with Operation Hope and conduct numerous financial education workshops. Union Bank has existing Cash and Save operation in the City of Long Beach. We work with these clients and migrate them to transitional banking. The bank offers full service banking for consumer and business banking clients including free checking for City of Long Beach employees.

The Bank is very serious about supporting and promoting community based services to both the residents and business in Long Beach. We have a number of key management personnel who are willing to work with the City to maximize the value of our investments of time and money. In order to sustain long term effectiveness of the many great ideas in this proposal it will be important for the City to identify the key people who will be available to communicate and meet with the Bank on an ongoing basis. We look forward to partnering with the City to implement these exciting community based services.

Following is just a small list of additional ideas for the community.

- Financial education (competition) for high school students (stock market game)
- Financial education for seniors (elder abuse in partnership with law enforcement)
- Pastorpreneur Training for ministers
- MBE/WBE workshops
- Partnership with the Long Beach Bar Association for Community Law Day – Free legal advice to people in low-to-moderate income communities
- Expand our Giving Back Program to include bank clients
- Conduct home loan seminars

EXHIBIT “C”

Rates/Charges

PLEASE CONTACT CITY TREASURER'S
OFFICE FOR INFORMATION
REGARDING THESE PAGES

City Treasurer
City of Long Beach
333 W. Ocean Blvd., 6th Floor
Long Beach CA, 90802
(562) 570-6845

EXHIBIT “D”

EXHIBIT "D"

Comprehensive Banking & Treasury Management RFP FM 10-053: Union Bank ATM Commitments:

Union Bank will be contractually committed to providing 3 free full-service ATMs.

- One new full-service ATM in City Hall lobby.
- One new full-service ATM in District 7, and
- One new full-service ATM in District 9

These additional Banking Service commitments are for a minimum of three (3) ATM installations to be completed within ninety (90) days of an agreed upon site by Bank and City. There are no performance penalties or rebates associated with delivery of Additional Banking Services commitments such as ATMs and other creative offers up to and including a full service branch. The Bank will not charge the City for lack of profitable operations of the three proposed ATMs.

Union Banks' commitments for new full-service ATMs are based on the following agreements:

- a) The term of the ATM Agreements will be co-terminus with the Comprehensive Banking Services agreement. The termination of one will automatically terminate the other.
- b) The City provides Union Bank with exclusive license to install, maintain and operate the ATM at the City Hall.
- c) The City will provide Union Bank with physical space for placement of the City Hall and West Police Substation ATMs at no charge.
- d) The agreements call for no form of revenue sharing between Union Bank and the City.
- e) Union Bank will consider the City's suggestions to add additional ATMs at designated locations but reserves the right to do so, in its sole discretion.
- f) The City is in agreement with the basic context and details outlined in the attached ATM Site License Agreement (some sections of the agreement will need to be customized to address the terms of this agreement)

EXHIBIT “E”

City’s Representative:






Eugene Fong, Treasury Operations Officer

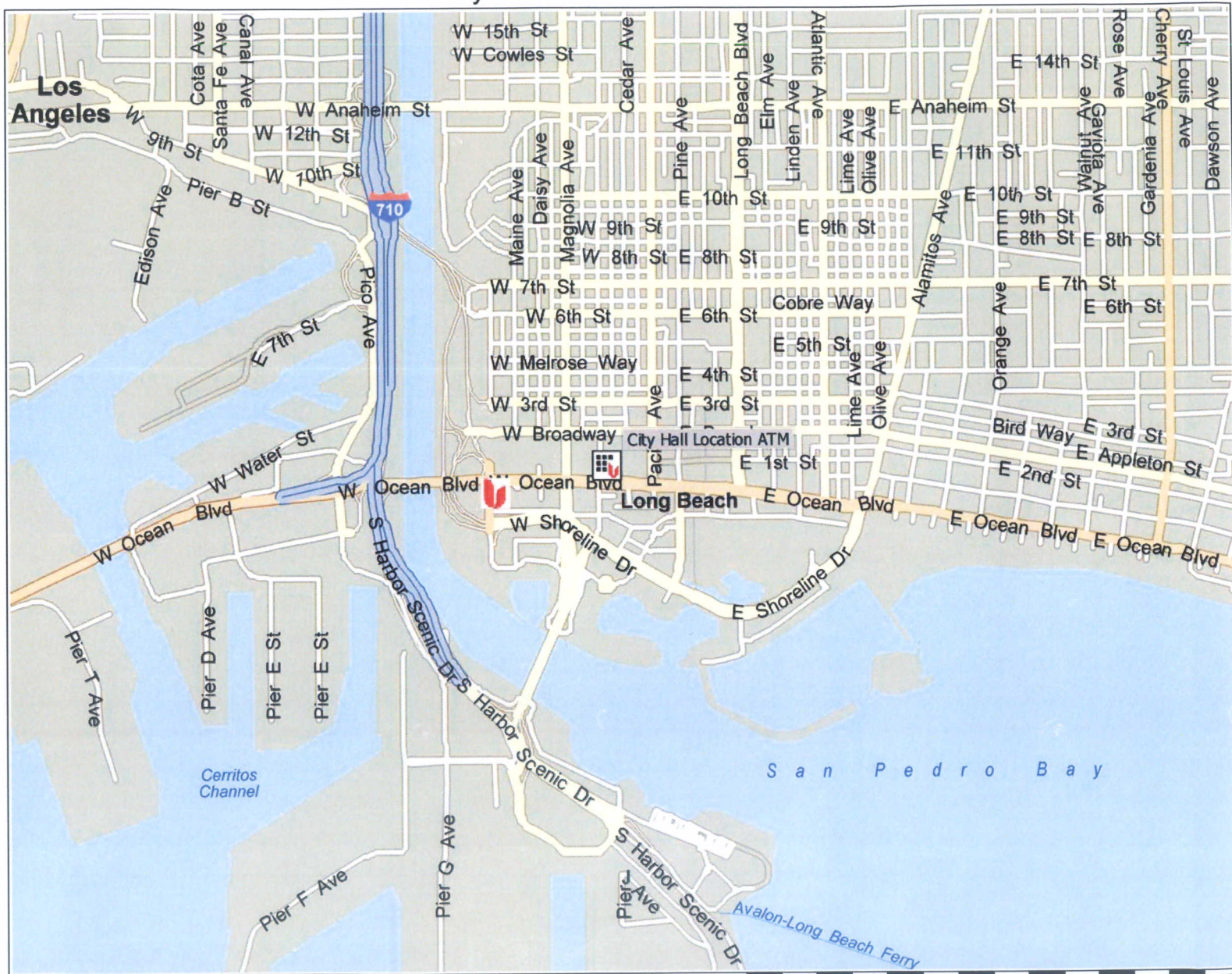
EXHIBIT “F”

Site Maps

City Hall ATM

Pushpins






-  My pushpins
-  UB Retail
-  UB Off-Site ATM
-  UB Private
-  UB Commercial

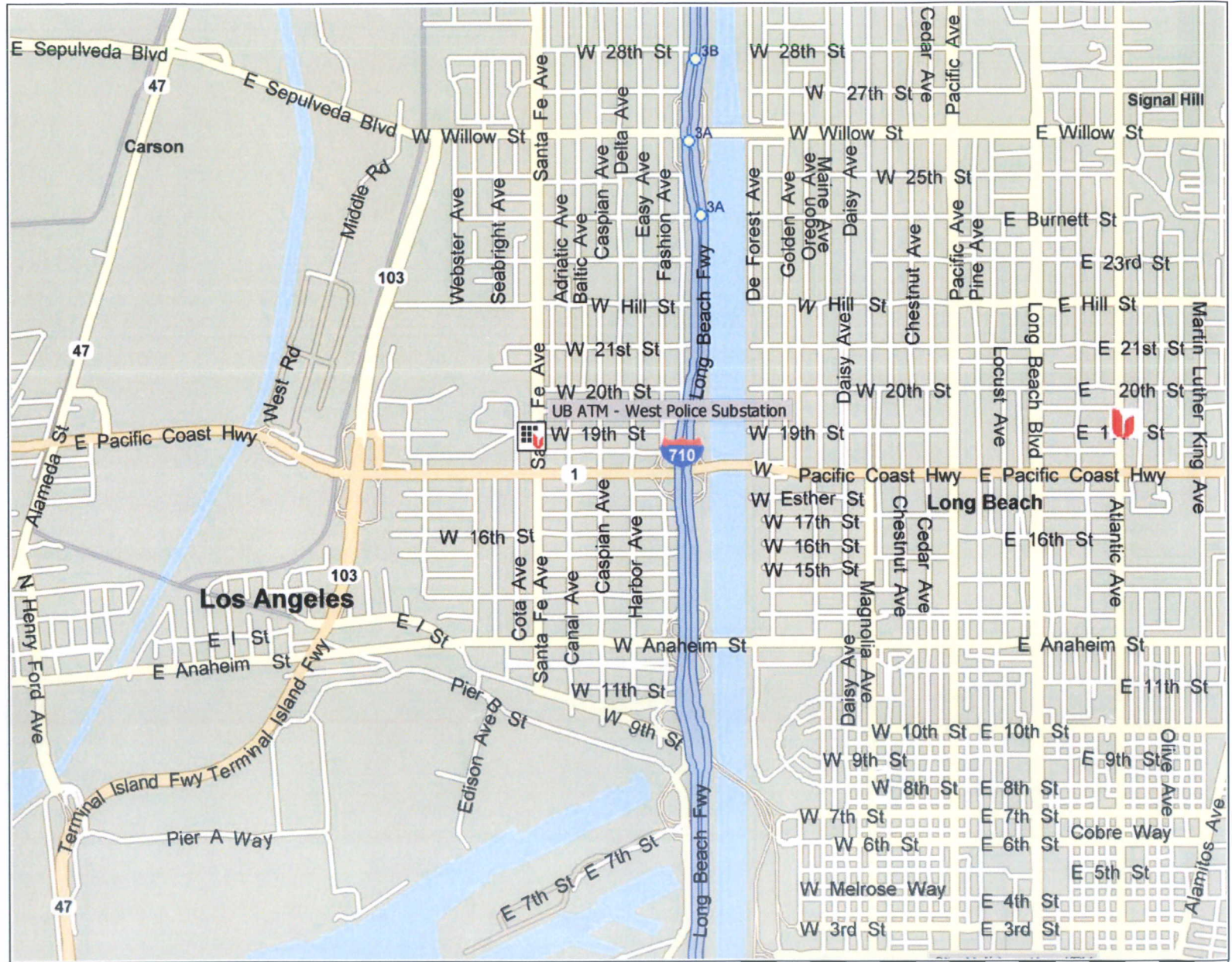


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West Police Station

Pushpins






-  My pushpins
-  UB Retail
-  UB Off-Site ATM
-  UB Private
-  UB Commercial



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Cherry Avenue & E. South Street

Pushpins

-  My pushpins
-  UB Retail
-  UB Off-Site ATM
-  UB Private
-  UB Commercial

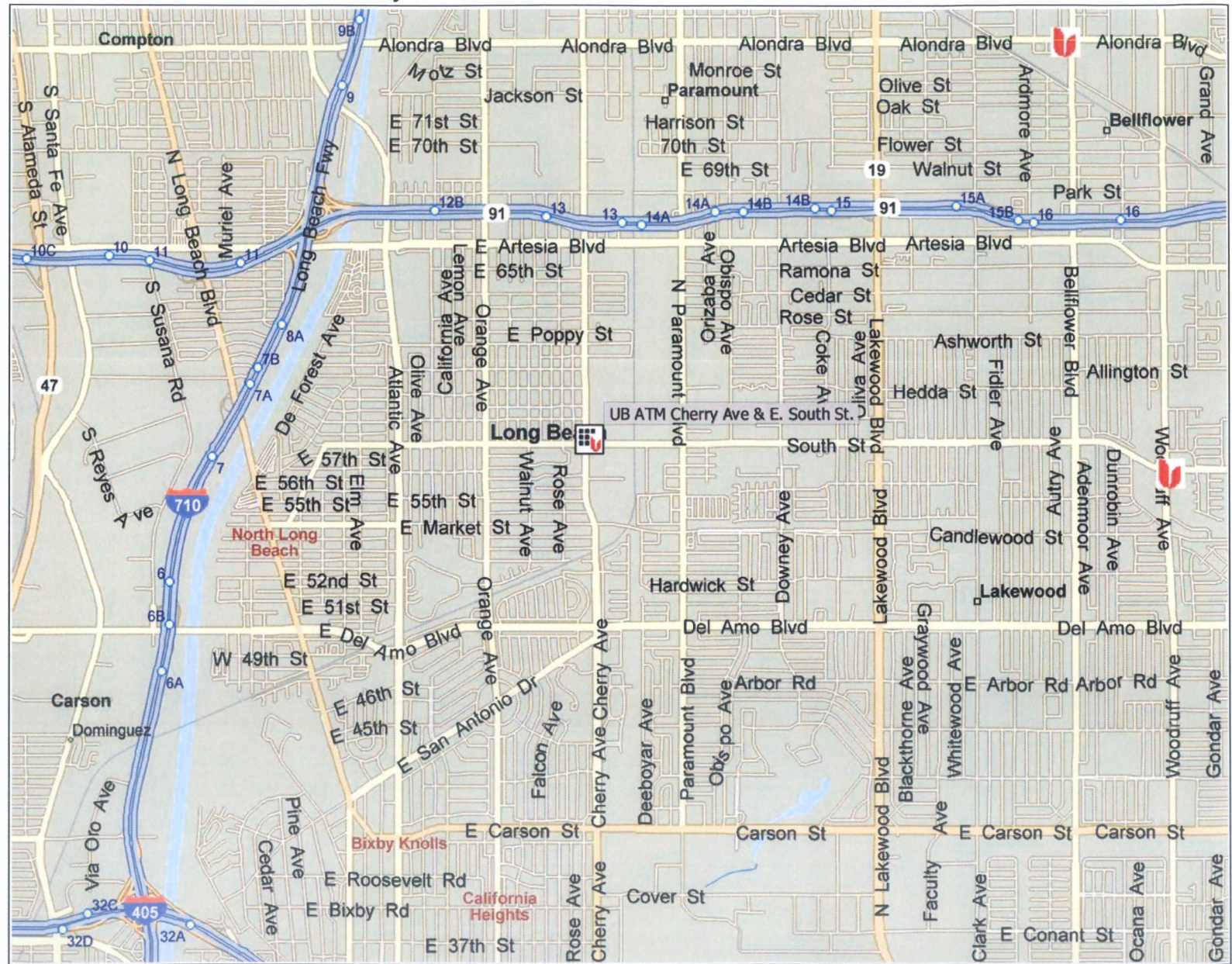


EXHIBIT “G”

ATM License Agreement

ATM SITE LICENSE AGREEMENT

This ATM SITE LICENSE AGREEMENT ("Agreement") is entered into this ___ day of January, 2012, by and between City of Long Beach, a City ("Licensor"), and Union Bank, N.A., a national banking association ("Bank"), having its principal place of business at 400 California Street, San Francisco, CA 94104.

WHEREAS, Licensor and Bank have entered into that certain General Banking Services Agreement dated _____, through which Bank shall provide to Licensor general commercial banking services; and

WHEREAS, as a material inducement to the award of the General Banking Services Agreement to Licensor, Bank agreed to install, operate and maintain full-service automated teller machines ("ATMs") in designated locations in the City of Long Beach at no cost to Licensor; and

WHEREAS, Licensor desires that a full-service ATM providing cash-dispensing and related services be installed, maintained and operated on premises of Licensor located at City Hall lobby and West Police Substation (collectively, the "Premises"); and

WHEREAS, Bank installs, maintains and operates ATMs providing cash-dispensing services and related services and desires to install, maintain and operate one or more ATMs on the Premises; and

WHEREAS, Licensor is willing to grant to Bank an exclusive license to install, maintain and operate one or more ATMs at mutually agreeable sites (the "Sites") on the Premises for the term specified below.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and covenants herein contained, and for other good and valuable consideration, the parties agree as follows:

1. **LICENSE AND TERM.** Licensor hereby grants to Bank an exclusive non-revocable license to install, maintain and operate the ATMs at the Sites for a term of five (5) years beginning on the date of execution of this Agreement ("Initial Term"). Notwithstanding the foregoing, if at any time the General Banking Services Agreement shall terminate, then this Agreement shall also terminate.

2. **RENEWAL.** This Agreement will automatically renew for successive one (1) year periods, unless either party notifies the other of its determination not to renew in writing pursuant to Section 15 of this Agreement not less than sixty (60) days prior to the end of the Initial Term or of the subsequent term then in effect.

3. **SERVICES.** Bank shall install one or more new full service ATMs at the Sites to provide cash dispensing, account-inquiry and transfer services to holders of ATM cards with compatible network affiliations. At the agreement of Bank and Licensor, the ATMs may accept deposits. The ATMs shall be accessible to ATM users at all times when the Premises are open for business.

3.1 Licensor acknowledges the ATMs are owned by, or under an exclusive lease to, Bank. Licensor shall make no alterations, modifications, or changes to the ATMs.

3.2 Licensor shall provide Bank with a telephone number for the security office of the Premises to permit investigation in the event the alarm for an ATM activates and shall provide

immediate unhindered access to the ATM in such event. Bank shall provide Licensor with a telephone number to call in the event of an ATM-related security problem.

3.3. Licensor agrees to provide unhindered access to the ATMs during the hours the Premises are open for business for Bank's personnel, outside vendor's servicing the ATMs and authorized armored couriers.

3.4. Licensor shall provide, without additional charge to Bank, heat, air conditioning, electricity, at least one electrical duplex for dedicated power to each ATM, and conduit from main point of the phone room to an ATM location for the Site to the same extent as for the common areas of Premises.

3.5 Licensor shall provide reasonable security for the Site to the extent as for the Premises and, in the event of an alarm, shall provide immediate and unhindered access to the ATM for, and cooperate with, Bank's security personnel and law-enforcement agencies.

3.6 Bank shall, at its sole expense, provide all signage for the ATMs located at the Sites or on the ATMs. Signage shall be subject to the advance approval of Licensor, which approval shall not be unreasonably withheld, conditioned or delayed. Licensor shall, at its sole expense, provide all signs in the Premises indicating the location of the ATMs.

3.7 Bank reserves the right to select the type of ATMs used at the Sites and the third-party vendors, if any, it uses to service the ATMs.

3.8 Bank shall, at its sole expense, install, maintain and operate the ATMs.

3.9 If an ATM is removed, Bank agrees to return the Site to its previous condition, normal wear and tear excepted (i.e., Tenant shall not have to restore the area around the Site for normal weathering and related discoloration or fading of such area).

3.10 Bank and Licensor shall cooperate to establish a mutually acceptable marketing program to promote usage of the ATMs.

3.11 Bank may demonstrate and promote use of the ATMs at mutually agreeable times and locations on the Premises.

4. LOCATION.

4.1. Licensor shall at all times maintain the Premises in a clean, secure, safe and business-like condition, including but not limited to providing roofing, waterproofing, protection from the elements, lighting and site safety as required by law, and shall take all reasonable steps to prevent damage due to plumbing leakage or other casualties.

4.2. Bank shall maintain the Sites in a clean, secure, safe and business-like condition, including such trade fixtures and other personal property (collectively, "Bank Property") as it deems reasonably necessary for the operation of the ATMs. The ATMs and all Bank Property shall be, and remain, the property of Bank regardless of the manner in which it is affixed or installed at the Sites.

5. CONFIDENTIALITY. Bank has or shall identify as "CONFIDENTIAL" certain information and documents disclosed by Bank to Licensor, or which come to Licensor's

attention during the course of its performance of services under this Agreement, are confidential and proprietary to Bank. Licensor shall not disclose, either directly or indirectly, to any person or other entity any such documents or information unless required by law or court order. The covenants and undertakings of Licensor with respect to such information and documents shall survive the termination of this Agreement.

6. REPRESENTATIONS AND WARRANTIES. Each party represents and warrants to the other that its undersigned officers have full corporate authority to enter into this Agreement and to bind it to perform its duties hereunder and, by doing so, does not violate any provision of its charter, articles incorporation, by-laws or agreement as to its organizational structure, nor any law, regulation, judgment, decree, injunction or court order to which it is subject.

6.1 Licensor represents that it is lawfully in possession of the Premises and that it will deliver to Bank quiet use and enjoyment of the Sites. Licensor further warrants the Premises are now, and will continue to be, in compliance with all state, federal, and local laws, ordinances and regulations applicable to Bank's installation and operation of the ATMs at the Sites, including but not limited to building codes, regulations of the California State Architect, the Americans with Disabilities Act, and the state and federal Occupational Safety and Health Acts.

6.2 Bank represents and warrants that its installation and operation of the ATMs will be in compliance with all applicable state, federal and local laws, ordinances and regulations, including but not limited to the California Financial Code and Regulation E of the Board of Governors of the Federal Reserve System.

7. DEFAULT. With respect to this Agreement and not to the General Banking Services Agreement, upon the default of either party, the non-defaulting party may, at its sole discretion and in addition to any other remedies it may have at law or in equity, notify the party in default of such default in writing pursuant to the provisions of Section 15 of this Agreement. If the party in default has not cured such default within thirty (30) days thereafter, the non-defaulting party may terminate this Agreement upon thirty (30)-days' prior written notice pursuant to such provisions. Alternately, if the party in default has not cured such default within such thirty (30)-day period, the non-defaulting party may, at its sole discretion and in addition to its other remedies, cure such and shall be entitled to reimbursement from party in default for its reasonable costs, expenses, and disbursements in effecting such cure.

8. INDEMNITY. Each party hereby covenants and agrees to indemnify, defend, and hold harmless the other from and against any losses, costs, expenses, damages or claims arising out of, or related to, the negligence, willful misconduct or breach of the covenants, promises or other provisions of this Agreement by the indemnifying party or any of its officers, employees, agents or representatives.

8.1. Licensor covenants and agrees to indemnify, defend, and to hold Bank harmless from any losses, costs, expenses, damages, or claims of loss, arising from or related to the condition of the Sites, including but not limited to any common areas, access ramps,

doors, passageways, or steps, except to the extent caused by the negligence or willful misconduct of Bank or any of its officers, employees, agents or representatives.

8.2. Bank covenants and agrees to indemnify, defend, and to hold Licensor harmless from and against any losses, costs, expenses, or claims of loss arising from or related to the operation of the ATMs, or cash dispensing services in connection therewith, except to the extent caused by the negligence or willful misconduct of Licensor or any of its officers, employees, agents or representatives.

8.3 The indemnity obligations of the parties under this Section 8 shall survive the termination of this Agreement.

9. SURCHARGE. Bank may charge a surcharge (“Fee”) for each cash withdrawal completed by network (non-Union Bank) users who withdraw cash from the ATM. The Fee shall be in addition to any charge assessed by the cardholders' own financial institution for such withdrawal. The Fee will be disclosed on the ATM screen and in the transaction record issued to such network users. The Fee will not apply to Bank's own account holders.

10. TERMINATION. Notwithstanding anything herein to the contrary, Bank may, at its option, terminate this Agreement if at any time, Licensor fails to provide reasonable security and protections for the ATM and cardholders who use it. In the event of such a termination, Licensor shall cooperate with Bank in Bank's removal of the ATMs from the Sites and restoration of the Sites to their original condition, reasonable wear and tear excepted.

11. RELOCATION.

11.1 Request by Licensor. Licensor may at any time request Bank to relocate an ATM from an original Site to either a new location in the Premises or another location owned or controlled by Licensor. Such request shall be made in writing and delivered to Bank pursuant to Section 15 of this Agreement. Bank shall then have thirty (30) days within which to provide written notice to Licensor (pursuant to Section 15 hereof) that it consents to such proposed relocation. In the event that (a) Bank consents to such relocation, then Bank shall relocate the ATM to the new location at Licensor's sole cost and expense, and the terms, covenants, and conditions otherwise shall remain in full force and effect and thereupon be deemed applicable to the new location, or (b) Bank rejects such request, then the ATM shall remain in the original Site until the termination of this Agreement. Notwithstanding the foregoing, if in connection with any rejection Bank proposes a different location that is agreeable to Licensor, then Bank shall relocate the ATM at Licensor's sole cost and expense, and the terms, covenants, and conditions otherwise shall remain in full force and effect and thereupon be deemed applicable to the new location.

11.2 Request by Bank. Bank may at any time request Licensor to relocate an ATM from an original Site to (a) a new location in the Premises, or (b) another location owned or controlled by Licensor, or (c) a location owned or controlled by a third party. Such request shall be made in writing and delivered to Licensor pursuant to Section 15 of

this Agreement. Licensor shall then have thirty (30) days within which to provide written notice to Bank (pursuant to Section 15 hereof) that it consents to such proposed relocation. In the event that (a) Licensor consents to such relocation, then Bank shall relocate the ATM to the new location at Bank's sole cost and expense, and the terms, covenants, and conditions otherwise shall remain in full force and effect and thereupon be deemed applicable to the new location, or (b) Licensor rejects such request, then the ATM shall remain in the original Site until the termination of this Agreement. Notwithstanding the foregoing, if in connection with any rejection Licensor proposes a different location that is agreeable to Bank, then Bank shall relocate the ATM at Bank's sole cost and expense, and the terms, covenants, and conditions otherwise shall remain in full force and effect and thereupon be deemed applicable to the new location.

12. SELF-INSURANCE AND WAIVER OF SUBROGATION. Licensor is permitted to self-insure exposure required in this Agreement provided its total net asset value is greater than \$1,000,000,000. "Self-Insure" shall mean that Licensor is itself acting as though it were the insurance company providing insurance required under the insurance provisions and Licensor shall pay any amounts due in lieu of insurance proceeds which would have been payable if the insurance policies had been carried. Licensor and Bank agree that, if a loss occurs due to any of the perils for covered by insurance or self-insurance, each party shall look solely to such insurance covering such loss or risk for recovery. Licensor and Bank hereby grant to each other, on behalf of any insurer providing insurance to either of them with respect to the Premises or Sites, a waiver of any right of subrogation which any such insurer of one party may acquire against the other by virtue of payment of any loss under such insurance. The obligations of both parties under this Section 12 shall survive the termination of this Agreement.

13. INDEPENDENT CONTRACTOR. Bank is acting as an independent contractor in its installation, maintenance and operation of the ATMs and delivery or related services pursuant to this Agreement, and not as an officer, employee, agent, or joint venture of Licensor. Neither party shall provide any compensation to, or other benefits including but not limited to social-security payments for, or any federal, state, or local income tax withholding, to or on behalf of personnel employed by the other party.

14. ASSIGNMENT. Neither party may assign its rights, nor delegate its duties hereunder without the prior written consent to the other, which shall not be unreasonably withheld. Bank may, at its own discretion, assign its rights at any time to a corporate successor by reorganization, merger or acquisition, provided such successor is authorized by applicable state, federal and local laws, ordinances and regulations to operate the ATM. The respective benefits and obligations of the parties under this Agreement shall inure to and be binding upon their permitted successors and assigns. The foregoing notwithstanding, no such assignment shall relieve any party from its contractual duties under this Agreement.

15. NOTICES. All notices, requests and approvals required by this Agreement (i) shall be in writing; (ii) shall be addressed to the parties as indicated below unless notified in writing of a change in address and (iii) shall be deemed to have been given either when

delivered personally or by means of a recognized overnight courier service or, if sent by the U. S. Postal Service, three (3)-business days after postmarked, in which event it shall be sent postage prepaid, or, if sent by telecopy, facsimile or electronic mail (e-mail) with confirmation of receipt, upon the next business day after confirmed receipt thereof. The addresses of the parties are as follows:

To Bank:

Union Bank, N.A.
ATM Services Administration
8128 Mercury Court, Suite A
San Diego, CA 92111

To Licensor:

City of Long Beach
Treasurer's Office
333 West Ocean Blvd., 6' Floor
Long Beach, CA 90802

16. AMENDMENT. This Agreement may not be amended except in writing, specifically providing for amendment of this Agreement, signed by each of the parties hereto.

17. FORCE MAJEURE. Neither party shall be liable for any delay or failure to perform, in whole or in part, any of its duties under this Agreement by reason of contingencies beyond its reasonable control, including but not limited to, acts of God, earthquake, storm, fire, strike, lockout or other labor disturbance, acts of war or other armed conflict, electrical-supply or telecommunications failure, except to the extent such delay, or failure to perform was proximately caused by failure of such party to reasonably anticipate the risk thereto and to take reasonable actions to prevent or insure against damage or disruption therefrom.

18. HEADINGS. The headings used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or any of its provisions.

19. CONSTRUCTION. The construction, enforcement, and interpretation of this Agreement shall be governed by the law of the State of California. This Agreement is the product of negotiation between the parties. In the event of any claim of ambiguity in the terms hereof, neither party shall to be charged with such ambiguity as the drafter of this Agreement. There are no third-party beneficiaries to this Agreement.

20. ATTORNEY'S FEES. In any action to enforce, construe, or interpret the terms of this Agreement; the prevailing party shall be entitled to its reasonable attorney's fees and costs of suit, including the allocated cost for the services of in-house counsel.

21. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof, specifically superseding any and all prior agreements, commitments, negotiations, understanding or course of dealing.


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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

LICENSOR:

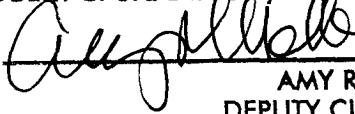
City of Long Beach, a City

By: 
Name: Patrick H. West
Title: City Manager

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

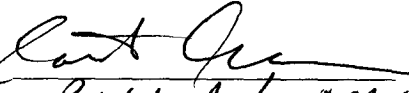
Assistant City Manager

APPROVED AS TO FORM

2-23, 2012
ROBERT E. SHANNON, City Attorney
By: 
AMY R. WEBBER
DEPUTY CITY ATTORNEY

BANK:

UNION BANK, N.A.,
a national banking association

By: 
Name: Ralph A. Lindsay
Title: SVP