

TRANSMITTAL OF ADDENDUM 1

INSTRUCTIONS:

1. ACKNOWLEDGE RECEIPT OF ADDENDUM IN PROPOSAL, ON OUTER ENVELOPE OF BID.

**I Acknowledge the receipt of Addendum No. 1
City of Coppel**

PROJECT NAME:

DEPOSITORY SERVICES

July 29, 2020

Justin Havins, Relationship Manager
Contractor's Signature

Frost Bank
Company Name

**CHARLES ELLIS
PROCUREMENT SERVICES DEPARTMENT
(972) 304-3643**

August 11, 2020

City of Coppel
Procurement Services Department
255 Parkway Blvd
Coppell, TX 75019

Dear Procurement Services Department:

Frost is offering to continue providing banking services for the City of Coppel, for the period beginning on November 30, 2020 effective until November 30, 2025. I am confident that our response details the exceptional resources, experience and product offerings that you have come to expect from Frost.

Like all administrations, you are charged with the skillful balance of revenue inflow and the delivery of increasingly carried and complex services to your staff and community. Emerging technologies, the economic and legal environment, shifting population patterns, and citizens' expectations and lifestyle demands can place pressures on your ability to maintain - and increase - the quality and level of services; manage debt, financial risks and cash flows; and meet legislative mandates and your public's requirement.

My role as your trusted adviser and financial guide is to provide comprehensive and proven solutions that can manage those pressures by simplifying your operations, increasing efficiencies and opportunities, and maximizing your financial resources. I will continue to serve as your primary contact, and Sybil Daniels, with Treasury Management Services, will continue to assist with your depository and treasury needs.

We are determined to help you achieve business outcomes most important to you. Frost's tailored solutions and expertise in helping other government clients means you have a powerful partner on your side, no matter what your business issues may be now or in the future.

One component of this proposal is the competitive bottom- line pricing discount of **55 percent**, on all non-balance related bank fees associated with Frost performed services.

Upon award of this contract to Frost, we would like to offer the City of Coppel **waived analysis fees for the first 3 months**. Additionally, Frost would like to offer deposit bags and endorsement stamps at no charge through Frost's vendor/ supplier.

We look forward to the opportunity to continue working with you and greatly appreciate this opportunity to be your deposit bank yet again. Please call should you have any questions after you have reviewed the proposal.

Sincerely,

Justin Havins
Assistant Vice President

RFP #177

CITY OF COPPELL

DEPOSITORY SERVICES

(SCOPE OF WORK)

TWO (2) PAPER COPIES AND ONE (1) DIGITAL COPY ON DIGITAL MEDIA MUST BE RETURNED TO THE PROCUREMENT SERVICES DEPARTMENT NO LATER THAN 2:00 p.m. CENTRAL TIME, TUESDAY, AUGUST 11, 2020. THE MEDIA MUST BE INCLUDED WITH THE PROPOSAL PACKET.

1. INTRODUCTION

The City of Coppel, Texas is seeking competitive responses to a Request for Proposal ("RFP") for Depository Services from eligible and qualified financial institutions. This RFP provides sufficient information for interested parties to prepare and submit proposals for consideration by the City.

All qualified financial institutions (as specified in this RFP) are invited to submit a proposal. Holding companies and individual banks responding to this RFP must be and remain in good standing with the Texas State Comptroller in accordance with Section 2252.903 of the Texas Government Code, must be insured through the Federal Deposit Insurance Corporation (FDIC), and must be able to demonstrate a capacity to meet the City's requirements as stated in this RFP.

2. OBJECTIVES OF THE PROPOSAL

The City wishes to communicate the primary objectives of the depository agreement, an important component of the overall treasury program of the City of Coppel:

- 2.1. To seek a bank capable of providing superior banking services and willing to be attentive to the City's financial matters at the best possible value;
- 2.2. To seek a bank which meets the legal qualifications and the terms and conditions specified in this Request for Proposal;
- 2.3. To develop a foundation for a good working relationship with the depository bank;
- 2.4. The banking institution must exhibit a strong financial position;
- 2.5. To maximize the total dollars earned by the City on accounts balances in order to be prudent and effective custodians of the financial resources;
- 2.6. To fully comply with the requirements of Texas Local Government Code Chapter 105, as amended, and
- 2.7. Must have the ability to provide sufficient collateral for deposits.

3. CRITERIA FOR EVALUATION

The City will review the submitted proposals carefully. The recommendations will be based on the proposal determined to be best on behalf of the City and the taxpayers. As an indication of what will be considered in the evaluation of the proposals, the following areas are listed:

<u>CRITERIA</u>	<u>WEIGHTED PERCENTAGE</u>
<ul style="list-style-type: none">• Ability to perform the requested services, capabilities of automated services, internal controls and security offered, and additional services proposed	40%
<ul style="list-style-type: none">• Cost of required banking services and earnings potential for funds in depository	30%
<ul style="list-style-type: none">• Financial condition & ability to meet collateral requirements	15%
<ul style="list-style-type: none">• Experience and continuity of institution along with its officials	15%

4. ACCOUNT INFORMATION

The City intends to initially establish the following bank accounts. Other accounts may be set up as needed during the term of the contract.

4.1. Operating Account

The Operating Account will constitute almost all of the City's banking business. Intra-bank transfers to reimburse money to other City accounts and most wire transactions will occur in this account. Most securities clearance and safekeeping activity of investments will be debited or credited against the account. Copies of deposit tickets shall be sent or downloadable to the City.

4.2. Payroll Account

The Payroll Account will be set up to clear only personnel related checks for the City. Automatic transfers from the operating account to the payroll account will be used to fund checks and bring the balance back to zero. One check stock will be clearing through this account. The City has approximately a 480-person payroll paid bi-weekly with an approximate amount of \$1.5 million per payroll. The City requires its employees to be paid by direct deposit. The ACH file is prepared and transmitted to the bank, usually on Wednesday, before payday on Friday. The City will require Direct Deposit service, copies of all checks returned to the City in numerical order, be sent or downloadable to the City.

4.3. Self-Funded Health Plan Account

The Self-Funded Health Plan Account will be set up to receive deposits from the Operating account for the purpose of making payments on the City's self-funded health insurance claims. The City will require Direct Deposit service, copies of all checks returned to the City in numerical order, be sent or downloadable to the City.

4.4. ACH Account

The ACH Account is utilized to process all incoming and outgoing transfers: including credit card debit and credits to the account, Safe Light credits to the account, E911 payment from the State, ACH and wire transactions.

The City will require a copy of all checks returned to the City in numerical order, be sent or downloadable to the City. Should the Federal Reserve Bank or any other regulatory agency request changes or termination of this service, the City will alter its check clearing arrangement accordingly.

The bank will be required to notify the City each morning no later than 10:00 a.m. of the total amount of checks clearing for that day. This notification should be made available by an Internet reporting system.

GENERAL BANKING SERVICES

5. DESCRIPTION OF SERVICES

The following identifies and discusses the services to be provided and the requirements to be met. Any service that does not have a fee indicated on this form will be considered to be free of charge in the Depository Contract. Please attach copies of reports and separate agreements that apply to each service, if applicable.

5.1. Controlled disbursement service with totals given to the City to be received no later than 10:00 a.m. each morning available on an Internet based reporting system.

Frost receives two presentments each banking day from the Federal Reserve. The first presentment is reported by 9:30 a.m. Central time, and the second presentment is typically reported by 11 a.m. Central time. Frost's experience is that the majority of checks are reported in the first presentment.

Frost uses its Parkdale financial center location in Corpus Christi as the controlled disbursement endpoint.

Frost response in blue above is acceptable to the City.

5.2. The City requires an Internet based reporting system which will provide the previous day balance report, current day balance report, a detail of the prior day's debits and credits, current day controlled disbursement report, stop payment status report, current day ACH report and positive pay activity, returned items, monthly bank statements, and exception reports. In addition, the bank will provide all software required to access/use these services and produce the required reports.

Treasury Connect is Frost's Commercial online banking service that provides access to your account information and transaction functions wherever and whenever you need it—24 hours a day, seven days a week. You need only a personal computer with an Internet connection; Google Chrome, Internet Explorer, Firefox or Safari browser software; and a Frost-provided security token to access a world of data, reporting and services for your organization.

All services listed are available through one portal. Available modules include the following:

Payments and Transfers Module:

- Wire transfers may be initiated online. The organization can create one or more templates from which they can initiate repetitive wire payments. Domestic and foreign wires may be initiated online. We also provide an intra-day wire report updated every 20 minutes throughout the day that provides details about incoming and outgoing wire transfers, including Fed reference numbers.
- ACH transactions can be initiated online through manual entry or imported from a file produced by your accounting software.
- Account transfers enables real-time transfer of available funds between your Frost accounts.
- Stop Payments enables the real-time initiation of stop pays. Stop pays initiated online remain in effect for 12 months.
- Stop Inquiry enables inquiries for specific checks paid in the past 365 days.
- IPAY is a service that is a fast, easy and secure way to make payments electronically or through paper checks to anyone in the domestic U.S.

Fraud / Risk Management Module:

- Positive Pay enables the organization to import a file of paid checks and voided items or input them one-by-one. The organization may review exceptions with images and communicate "pay/no pay" decisions.

Reporting Module:

- Balance and Transaction Reporting provides for information on all transactions (previous day and intra-day) which is updated on a real time 24/7 basis. This data will be retained up to 540 days.
- Legacy Reports available include DDA e-Statements (with images), Account Analysis Statements, ACH activity, Positive Pay file updates, Sweep confirmations and statements, Same day wire reports and FEDI information.

Administration and Settings

- There is a customer designated System Administrator who sets up new users, grants access to features and accounts, resets passwords or disables a user. The audit log functionality allows the administrator to monitor user activities.

Other Services Module:

- Lockbox reporting Same day images of all remittance items processed through Frost's lockbox facilities are available online for a standard period of 45 calendar days. Optionally, image storage can be extended to either 180 calendar days or a seven-year, long-term archive.
- Remote Deposit Capture enables the use of a desk top scanner to capture and send an electronic deposit throughout the day with a final deadline of 9:00 pm.

Treasury Connect is Frost's Commercial online banking service that provides access to your account information and transaction functions. Treasury Connect can be accessed through Bank's web page at frosttreasuryconnect.com. To access the Services online, Customer must own or have access to equipment and software (including web browser software) that allows Customer to access the Internet (collectively, the "Computer"). The web browser used by Customer must support, at a minimum, Secure Socket Layer ("SSL") technology and 128-bit encryption, and must be the current version or within two (2) versions prior of Microsoft Internet Explorer, Safari, Firefox, and Chrome. Or possibly, other browsers that support SSL. Customer understands that if a web browser is used that does not support SSL and 128-bit encryption, the security of Customer's transactions related to any Service may be compromised and thus not in compliance with the Security Procedures required by Bank. Customer further understands that installation, maintenance, and operation of Customer's Computer are Customer's sole responsibility. Bank is not responsible for any errors or failures of Customer's Computer, including but not limited to, any virus or Internet related problems that may be associated with Customer's access and use of the Services online. Bank reserves the right as encryption technology develops to impose further reasonable restrictions or requirements to maintain the appropriate level of security for the transactions contemplated hereunder and Customer agrees to abide by such restrictions or requirements or discontinue the Service or Services hereunder. The information provided by Frost in blue above meet the requirement noted in 5.2.

Note: The City is currently not using the IPAY, Lockbox, or Remote Deposit Capture services.

- 5.3. Processing of all deposited items of checks and cash to include encoding services, credit and debit advices given to the City within three business days of the debit or credit, clearing returned items twice, and return of stamped duplicate deposit slips to the City within one business day of the deposit. All checks deposited by the City that did not clear the first time, should be submitted a second time before returning them to the City.

Advices will be mailed and will have all the deposit detailed information stating the nature of the credit/debit. Upon customer's instructions a copy of the advice can be sent via secure email. The image of the advice will be available the next business day via Treasury Connect.

Frost can re-clear checks when they are returned the first time. Checks returned a second time are forwarded to you or your collecting agent. Frost's in-house collections department can also present unpaid checks to a drawee bank for collection over a variable time period (i.e. sight, 14-day, 30-day, etc.).

Foreign checks are also cleared through this collections process.

For same day notification you will be notified by email or phone. Return item images are available in Treasury Connect on a next day basis. The information provided by Frost in blue is acceptable to the City except that the duplicate deposit slips need to be returned to the City the next day when new deposits are dropped off as is currently being done for the City by Frost.

6. ACCOUNT SERVICES

The City will process its own reconciliation but requires the following data:

The City shall receive statements electronically for all accounts within five (5) working days after the close of the calendar month. Statements shall include transaction activity made on the last day of the period. The City requires that within 5 days copies of cleared checks (front and back) be sent or downloadable to the City. This process should allow the City to search for cleared checks and print the image of a cleared check. Include any software cost associated with this service in the fee schedule section. The City may require a demonstration by the Depository of this service. All other account statements should include debit/credit advices.

The bank will provide research assistance on transactions (ACH trace and others) as requested by the City.

Account statements are available for online viewing the first business day after the cycle's end and are available for 365 days. Paper statements are mailed the third business day after month-end.

Transaction history may be downloaded and exported via Treasury Connect.

Check and deposit slips images are available in Balance Reporting via Treasury Connect and may be downloaded and exported. Frost response in blue above is acceptable to the City.

7. ACCOUNT ANALYSIS STATEMENTS

The City intends to pay for all account services provided by the bank as set forth in the Request for Proposal. The City shall require account analysis each month with all accounts grouped to obtain maximum credit for balances which shall clearly show volume counts, fees charged, and total prices for servicing the accounts. The account analysis shall also show average ledger balances, average collected balances, interest rates, and earnings credit calculations. Fees charged to the City directly by the bank are not subject to change for the length of this contract. (Please attach a sample account analysis statement).

All Frost banking services will be billed through account analysis. In this context, the organization may choose to reduce balances and pay fees, or maintain a compensating balance to offset accrued fees at its discretion with no notice to the bank. Noted by City.

Generally, fees for third-party services (i.e., bank card acceptance processing, payroll card, armored courier services) are passed through by the vendor directly as a hard charge (Currently, this statement is not applicable to the City.)

Checking and savings accounts designated as "public funds" are automatically analyzed, so any positive collected balances from Non-Interest Bearing Accounts in this relationship will generate an earnings allowance and will be applied toward the offset of accrued analyzed charges. (Noted by City.)

Account analysis statements are generated on the fifth business day of the following month and targeted to be mailed on the fifth business day. Account analysis statements are available via the Treasury Connect portal and can be implemented during and/or after initial setup. (This paragraph is acceptable to City)

Typically, Frost will require a monthly settlement of fees by processing a charge to the designated relationship account on the 12th business day of the following month. Non-monthly settlement for bank fees are subject to a review and approval by the relationship manager.(City agrees that fees shown on the account analysis are to be removed from the City's operating account each month)

Safekeeping fees for the City's investments shall also be described on an account analysis statement. All charges for securities clearance and safekeeping, including fees passed on from the Federal Reserve Bank, must be on the account analysis.

The Frost standard process is to assess Safekeeping charges via a monthly account analysis. However, if necessary Safekeeping charges can be hard charged or an invoice can be provided.(City prefers inclusion of safekeeping fees on monthly account analysis.)

8. EARNINGS CREDIT

The City intends to pay for all account services provided by the Depository as set forth in the Fee Schedule. The method expected to be used for the payment of these services shall be to compensate the depository if earnings on its account balances are not adequate to offset calculated charges shown by account analysis. The City shall require computer statement analysis each month which shall clearly show volume counts, fees charged, and total price for servicing the account. The account analysis shall also show average ledger balances, average collected funds, average collected balances, interest rates, and the amount of interest paid or credited to the account. (Please attach a sample account analysis with your RFP).

The earnings credit rate (ECR) will be a tiered bank managed rate which increases as combined analyzed deposits increase. The earnings allowance will be applied against analyzed charges accrued for services delivered to you. All Bank-performed service fees will be assessed through account analysis for a simplified accounting of expenses. City accepts earnings allowance being applied against analyzed charges

Each month's earnings allowance from analyzed balances is calculated as indicated below:

Average Positive Collected Balance X ECR / Days in Year X Days in the Month.

Please see Tab C for a sample Account Analysis Pro-forma. (Calculation acknowledged by the City.)

9. WIRE TRANSFERS

The City shall submit all outgoing wire transfers to the Depository according to its published cutoff times established for current customers. The Depository shall maintain wire transfer facilities to the Federal Reserve Bank for investment purchases

or sales and other transactions with financial institutions. Written confirmation of such transactions will be provided to the City. Notification to the City of incoming wire transfers or problems with outgoing transfers shall be made within one (1) hour of the transaction. The City requires that all outgoing wire transfers be released within one hour of secondary approval. Since the posting of security transactions may not occur until overnight processing, a facility (such as line of credit) to ensure wire transfers are released within one hour may be necessary. It is extremely important that debt service payments are released by 8:00 a.m. of the day due. These transfers are input the prior day as future dated wires to meet this deadline.

The Director of Finance, Assistant Director of Finance, or Chief Accountant will authorize all wire transfers on behalf of the City. The City requires that wire transfers (both repetitive and non-repetitive) and secondary authorizations be made available via an Internet based system from the Finance Department staff offices. All wires and transfers require initiation by an authorized user of the portal with secondary approval by the Director of Finance, Assistant Director of Finance, Chief Accountant, or Accountant.

the City also requires the ability to verify incoming and outgoing wire transfers via an Internet based system as well. In the event of computer problems or other unexpected difficulties, the Depository shall use whatever means necessary to ensure that the City's outgoing wire transfers are completed on the date specified through City initiated instructions. The City agrees to advise the Depository of any changes in the name of the City employees authorized to initiate wire transfers on behalf of the City.

Frost offers wire transfer initiation options that are designed to provide maximum convenience and efficiency for your organization's specific needs, online or by telephone.

The easiest and most efficient way to initiate and manage wire transfers is through Frost's online commercial banking and treasury management service, Treasury Connect, which also offers reporting of all outgoing and incoming wires.

Through Treasury Connect, you set up wire profiles—formats for entering and submitting wire information—with security features to match your needs. Your own system administrator grants access to these profiles and the ability to create repetitive profiles to your staff members as appropriate. Wires can be initiated using these profiles from any personal computer that has secure Internet access.

Available security features deliver the protection and management capabilities that you require for wire transfers:

- All users must log in to Treasury Connect using a Frost-provided security token.
- You set entitlements for each user that allow different levels of access.
- You have significant flexibility with limits. You may set limits on the wire profile and on the user.
- All wire transfers also require a second use of the security token at the time of approval.
- All outgoing wires require two people in your organization, one to input the wire information and another to approve it. As an option, you may set multiple levels of approval by wire value for your profiles.

- You use separate profiles for domestic wires, wires in U.S. dollars sent outside the United States, wires in other currencies and tax payment wires.
- You may allow wires that are future-dated by as many as 14 days.

Wires must be inputted and approved before the wire cutoff time to be transmitted the same day.

- Online wire cutoff times are 4:45 p.m. CT
- Tax wires - 1 p.m. CT
- Foreign wires - 3:00 p.m. CT

(City acknowledges Frost's response in blue here and in 5.2 satisfy requirements of this item.)

10. DEPOSIT SLIPS

The City uses three-part encoded deposit slips. The City requires the Depository to validate and return on a daily basis, to the Finance Department, a copy of each deposit slip. Telephone notification is required for discrepancies in deposits and the City will designate a contact person.

Advices will be mailed and will have all the deposit detailed information stating the nature of the credit/debit. Upon customer's instructions a copy of the advice can be sent via secure email. The image of the advice will be available the next business day via Treasury Connect. By signing the agreement, Frost's agrees to continue providing the City the duplicate validated deposit slip the next day when a new deposit is delivered to the bank. This must continue for internal control purposes at the City.

11. RETURNED ITEMS

All checks deposited by the City that do not clear the first time, should be submitted a second time before returning them to the City. Returned checks that do not clear on the second attempt shall be returned to the City within two business days. The City shall receive same day telephone notification of all return items in excess of \$5,000.

Frost can re-clear checks when they are returned the first time. Checks returned a second time are forwarded to you or your collecting agent. Frost's in-house collections department can also present unpaid checks to a drawee bank for collection over a variable time period (i.e. sight, 14-day, 30-day, etc.).

Foreign checks are also cleared through this collections process.

For same day notification you will be notified by email or phone. Return item images are available in Cash Manager on a next day basis.

Frost response in blue above is acceptable to the City.

12. STOP PAYMENTS

The City will require the Depository to issue stop payments upon telephone or via Internet based system notification (at the City's option) from authorized City personnel.

The City will provide all required confirmation documentation. The Depository will provide the City with written or computerized confirmation of each stop payment. Stop payment requests, renewals, extensions and cancellations may be made either manually by contacting Frost's telephone customer service group or electronically through Treasury Connect, Frost's online commercial banking and treasury management service. Stop payment orders are

effective for six months when they are initiated manually. By comparison, stop payment orders initiated through Treasury Connect are valid for 12 months.

No matter which initiation option you choose—manually or through Treasury Connect—a stop payment is effective immediately upon your notification to us.

The deadline for same day acceptance of manual stop payment requests is 4 p.m. on banking days, and stop payment requests initiated online through Treasury Connect may be entered until 6 p.m. on banking days.

Electronic confirmation of a stop payment is provided through Treasury Connect the next business day.

Frost response in blue above is acceptable to the City.

13. GENERAL ACH SERVICES

The City requires a robust ACH system with the capability to create ACH credits for direct deposit of payroll and vendor payments, and to direct debit customer accounts for Utility Billing charges and Cemetery charges.

Frost's ACH services deliver a dependable collection and payment system with speed, cost savings and efficiency. Like all of our online services, the system offers customized permissions and authorities by user, including dual or multiple approval options. Robust reporting includes daily ACH activity reports detailing notices of change (NOC), ACH returns, and prior day totals for originated files.

You may choose from three transmission methods:

Create ACH refund entries using Treasury Connect, our online commercial banking and treasury management service, for initiation.

Import ACH files into Treasury Connect for initiation.

Transmit ACH files to our secure file transfer protocol site (FTP) for initiation.

We accept a number of ACH transaction types, including the ability to originate consumer and corporate debits and credits. Among other Frost ACH services which could be of benefit to you are:

- cash concentration debits, quick transfer of funds from other financial institutions to your Frost account;
- disbursements, quick transfer of funds from your Frost account to another financial institution; and
- tax payments, electronic disbursements to federal and state agencies for taxes owed.

Frost recommends that ACH direct deposit of payroll transmissions be received by us no later than 6 p.m. Central time, two banking days before the effective date of the payroll. For example, if Friday were the pay date, the direct deposit file should be received at Frost no later than 6 p.m. the previous Wednesday to meet the deadline. Please note that the ACH network does not use Saturday, Sunday, or any holiday in the calculation of processing dates.

The two-day recommendation ensures ample time to process a file through the ACH network so the payroll amount is memo-posted to the employee's account at the receiving financial institution and available for withdrawal at the opening of business on the pay date. Frost will still accept ACH credit

files one banking day before the payroll effective date. The one-day process does not allow sufficient time for us to ensure an 8 a.m. memo-posting on the effective date, but funds will post to the employee's account at the receiving financial institution before close of business that day.

Frost response in blue above is acceptable to the City and appears to align with current service to the City..

14. FUNDS AVAILABILITY SCHEDULE

Attach the bank's availability schedule and an explanation of how funds will be credited to the City's account. Please explain any method the City could utilize to improve our availability of funds.

Frost accepts incoming wires from the Fed until 5:00 p.m. Central time each banking day, and those wired funds are immediately available in your account. In other words, you receive same-day credit for them. We do not provide end-of-day time extensions for processing beyond our 5:00 p.m. daily cutoff.

All in-branch transactions occurring during business hours, Monday - Friday, receive same-day posting.

Frost Lobbies 9:00 a.m. to 5:00 p.m. Central time, Monday through Friday

Motor Bank 8:00 a.m. to 6:00 p.m. Central time, Monday through Friday

9:00 a.m. to 1:00 p.m. Central time, Saturday

Saturday transactions are considered to be included in the business activity of the following Monday (or Tuesday if Monday is a federal holiday).

All deposits you make using Frost's remote deposit solution receive same-day credit as long as they are made by 9:00 p.m. Central time, Monday through Friday.

Digital Deposits all day until 9:00 p.m. Central time, Monday through Friday

Frost does not utilize an availability schedule. Checks deposited at Frost which are drawn on another Frost account (on-us items) receive same-day availability and are considered collected funds on the date of deposit. All other checks—that is, checks drawn on accounts at other financial institutions (non-on-us items)—are subject to fractional float assignment.

To assign float on a fractional basis, Frost uses historical data from check clearings associated with non-on us activity from hundreds of government clients with whom we have a relationship. For all non-on-us check deposits you make with Frost, we assign a one-day float to at least 85 percent of the total dollar amount of those deposits and a two-day float to the remaining amount.

Frost response in blue above is acceptable to the City.

15. POSITIVE PAY

The bank shall provide positive pay reconciliation services, where the bank electronically compares each check presented for payment against the database provided by the City. The bank shall notify the City of all exceptions by 10:00 A.M.

Positive pay is available to you online through Treasury Connect, Frost's commercial banking and treasury management service. Issued and voided checks can be submitted as a file import or by online manual entry.

Exception information is reported at 9 a.m. each business day.

The deadline to respond to exception items is 3 p.m. Central time.

If no decision is made, the default is to automatically return items presented.

All checks are verified against positive pay records before processing, including those received by tellers.

Positive pay records are available to tellers throughout the day, but the database is updated every 15 minutes during the business day. Frost response in blue above is acceptable to the City.

16. OPTIONAL SERVICES REQUESTED

This is an option to the depository proposal request. Any bank that is unwilling or unable to provide this service will not be excluded from the depository evaluations. Banks responding to the “optional services requested” section should provide a fee schedule for the indicated services, and any additional information to assist the City in evaluating the service.

16.1. Lockbox Services;

WHOLESALE LOCKBOX

Frost offers customers a fully automated, image-based lockbox service processing system. We provide both wholesale and retail lockbox processing services and traditional paper processing, as well as image Internet delivery of remittance information on a same-day basis.

We process lockbox items in one of three centers located throughout the state—San Antonio, Dallas/Fort Worth, or Houston. Each provides a secure environment and an experienced, stable and bonded processing staff. All three processing centers operate on the same technology platform with exceptional contingency and backup systems, ensuring that processing is never compromised by equipment failure or a natural or manmade disaster. Frost has offered both wholesale and retail lockbox services for more than 45 years.

The wholesale lockbox process begins at the post office with scheduled pickups made by a bonded contract courier. Mail is delivered to Frost’s processing facility where employees begin a two-step sorting process, during which incoming wholesale and retail lockbox mail is separated. Employees then organize mail into bins and box shelving by individual customers.

Equipment specially designed for wholesale lockbox processing cuts slits on individual mail envelopes. Employees extract checks and accompanying documents, and manually examine materials to ensure correct box number and payee and a signature on all checks, and to comply with any other instructions agreed upon by Frost and the customer. Checks, remittance advices, other enclosures, and if requested, envelopes are prepared and moved to high-speed scanner equipment for image capture.

Once documents are batched and scanned, all data entry is completed from check images. Remittance advices and other non-check documents are stored in customer bins until the appropriate time for package preparation. In two separate data entry keying passes, individual check amounts are captured and compared. (Batch keying is completed by two separate employees to ensure accuracy). If keyed amounts differ for a check, the system assigns it to a third keying pass to reconcile the discrepancy. With keying successfully completed, Frost prints check photocopies and a journal listing report. A second review verifies that check amounts are keyed accurately, the payee is correct, and all checks include a signature.

Check copies are matched with remittance advices, other enclosures, and if requested, envelopes. Then, to meet our customers' operational needs, Frost employees prepare a remittance package that includes the lockbox report, check photocopies, original invoices, any materials that are unrelated to a check payment (for example, general correspondence), and if requested, envelopes. This package is mailed or delivered by other means to customers, according to their instructions. For organizations that use Treasury Connect, Frost's online commercial banking and treasury management service, images of checks, payment advices and other materials as well as the daily lockbox report are available for online viewing each day by early afternoon. If the customer requests an earlier deadline, these images and the lockbox report can be ready for viewing to meet that deadline.

To complete the process, an image cash letter is transmitted to Frost's item processing area for availability assignment and collection, and processed funds are credited to customers' accounts. All paper checks are taken to the Frost check vault for storage at the end of each processing day.

RETAIL LOCKBOX

The retail lockbox process, which is semi-automated, actually begins at the post office with scheduled pickups made by a bonded contract courier. Mail is delivered to Frost's processing facility where Frost employees begin a two-step sorting process that separates incoming wholesale and retail lockbox mail and then organizes it into bins and box shelving by individual customers.

Employees prepare and place retail mail on either the OPEX 5.0 or OPEX 51 mail extractors to open and remove the contents of envelopes. In most cases, retail lockbox mail consists of a paper check and scannable payment coupon or coupons. The OPEX 5.0 extractor is used primarily for high-volume, window-envelope customer transactions. By comparison, the OPEX 51 extractor is used for smaller volume and windowless envelope customer transactions. It is also used for mail rejected by the OPEX 5.0 that includes nonstandard items, such as correspondence, additional invoices, and other miscellaneous materials.

After extraction, checks and payment coupons are moved onto high-speed IBML scanners where images of checks and coupons are automatically captured. This equipment also reads and validates the MICR (magnetic ink character recognition) line of each check and the OCR (optical character recognition) information on payment coupons.

Once documents are imaged and MICR and OCR information is captured, payment batches are systematically available for data entry and balancing. Checks remain on the capture

transport until they are ready for storage, while operators retrieve batches of captured lockbox work at their PC workstations. In three separate data entry keying passes to maximize accuracy, they key check amounts and complete any necessary MICR and OCR repair for missing information. Transactions and batches are balanced, and checks are then run through a second pass of the IBML scanners for automatic check amount encoding.

After data entry is complete and batches are reconciled, lockbox employees generate image cash letters to be sent to Frost's item processing area for availability assignment and collection, and crediting to customers' accounts.

Completing the process, employees prepare customer remittance packages for delivery and transmit online data. For organizations that use Treasury Connect, Frost's online commercial banking and treasury management service, images of checks, payment coupons and other materials, and the daily lockbox report are available for online viewing each day by early afternoon, or if requested, an earlier deadline.

City is currently not interested in lock box service.

16.2. Credit/debit card processing and Telecheck (Merchant Credit Card Acceptance);

We support your acceptance of credit, debit and stored-value card payment options by offering a full slate of merchant services—card authorization, processing and settlement—through First Data, a global technology leader in information commerce.

The partnership between Frost and First Data satisfies your needs for multiple card payment options with end-to-end solutions for card acceptance requirements, whether payment is made at your place of business, by phone or through the Internet.

First Data supports any current form of electronic payment desirable, including Visa, MasterCard, Discover, American Express, and PIN-less and PIN-based debit cards.

Through our partnership with First Data, your organization's credit and debit card payments can be in your Frost account as soon as the next business day as long as you batch your transactions by 10:00 p.m. CST. The funds should be available in your Frost account the following day.

We offer a full range of point-of-sale (POS) terminals and peripherals, wireless/mobile terminal solutions, integrated payment systems, POS software, as well as eCommerce gateway solutions. With industry-leading security technology, we have a POS solution that will provide your customers with the convenience they demand.

Our core credit card processing offers a true single solution and does not require third-party services once data is received from merchants. However, we work with third-party payment processing solution providers to provide a diverse breadth of solutions for our clients. Specifically, we support any third-party solution that is certified for usage on First Data's platforms.

With more than 250 Internet gateways, third-party application service providers and payment vendors across a variety of communication interfaces, we are able to process payments for almost any terminal, POS or eCommerce solution. These third-party service providers are Payment Card Industry (PCI) compliant and connect to First Data via a First Data-managed Authnet Multiprotocol Label Switching (MPLS) network.

In addition to a First Data-supplied network configuration, we also support a large number of traditional Internet gateways, including VeriSign and Cybersource, PayFlow Pro and Authorize.net. Enterprise integration partners, including Micros (Merchant Link), Shift4 and Elavon provide centralized payment processing and reconciliation interfaces, and are also supported. We have interfaces into our network from secure, network service providers like IP Merchant Solutions, New Edge Networks and First Data's Secure Transport (formerly Datawire) to provide a full range of services and communication interfaces. A full list of certified gateways and third-party payment processing solutions is available upon request.

City is under contract with other vendors for the services listed in 16.2

16.3. Payment Kiosks System;

Frost partners with MasterCard RPPS to offer a remote payment and presentment service that enables you to process bill payments as ACH transactions instead of receiving paper checks by mail. The service provides a single point of connectivity to virtually every consumer in the United States who is paying bills online through a financial institution's website. We believe this service may well meet your requirements stated above.

However, because electronic lockbox means different things to different organizations, we welcome the opportunity to explore whether or not the service describe above fits your needs and what features and functionality you are looking for in the future.

City notes this as an optional service.

16.4. Any Enhanced Positive Pay Solutions;

Positive Pay with Payee Review follows the process described for Positive Pay, but also includes a review of the Payee's name for each check against that contained in the customer-generated issued file. Positive matches are automatically paid, and any non-matched items are rejected for customer instructions (i.e. pay or return). If no instructions are received by the Bank, then the default decision would be applied.

Transaction records are also available through Treasury Connect, Frost's online commercial banking and treasury management service. Using Treasury Connect may eliminate your need to purchase information through the traditional reconciliation service. An additional benefit: Data obtained from Treasury Connect can be exported to software applications that accommodate most organizations' reporting and forecasting requirements.

Deadline times are contained in Tab A. For its account reconciliation service, Frost uses standard file formats for incoming issue files as well as outgoing paid item files.

Reconciliation data is also available through Treasury Connect, Frost's online commercial banking and treasury management service. Using Treasury Connect eliminates your need to purchase information through the traditional reconciliation service. An additional benefit: Data obtained from Treasury Connect can be exported to software applications that accommodate most organizations' reporting and forecasting requirements.

The City currently uses this service listed in 16.4 and wishes to continue utilizing this service.

16.5. ATM Equipment at various locations;

Frost currently operates more than 1,200 ATM's statewide – including each of our financial centers, Valero Corner Stores and HEB Grocery Stores. Frost is always open to discussing placement of additional ATM's, and coordinates the installation and support for these machines through the Bank's contracted vendor. The preferred locations considered for ATM placement are easily accessible to the public, well-lit and with high traffic.

City notes 16.5 as optional service. Service is not needed by the City at this time.

16.6. Accept Electronic Deposits;

You need a convenient, low-cost and flexible way to make payments and receive funds. Frost delivers with a suite of swift, reliable and cost-effective automated clearing house (ACH) services that enable you to move money electronically. Whether the transactions are consumer or corporate, debits or credits, Frost's ACH services offer you the practical advantages of convenience, certainty and cost savings. *City acknowledges this service*

16.7. Purchasing Card Program;

Frost underwrites and issues our commercial card program on the VISA payment network. Your organization can utilize our online platform to issue cards, close cards, manage limits, update cardholder information and much more. Individual card holders also have the ability to utilize our online platform to view transactions and statements.

Frost's card solution is a pay in full product requiring automatic debit from a checking account. Billing frequency can be set to weekly with a 3-day grace period, bi-weekly with a 5-day grace period or monthly with a 25-day grace period.

Rebates are offered on a monthly basis paid 3 months in arrears. Below are the rebates on purchasing for standard VISA transactions. Other transaction may have lower rebates applied. *The City is under contract with another vendor for its Purchasing Card Program.*

- Weekly – 1.25%
- Bi-Weekly – 1%
- Monthly – 0.75%

16.8. ACH Blocking/Filtering Capabilities;**FILTERS AND BLOCKS AVAILABILITY**

Today, organizations like yours who participate in ACH activities are vulnerable to the growing risks of electronic fraud and significant financial losses that result when unauthorized payments post to their accounts. ACH blocks and filters offer defenses against fraudulent and altered transactions.

Using these tools, you may block all incoming ACH debits, credits, or both debits and credits from posting to your account. Or you may specify that all incoming ACH transactions be blocked except for those generated with company IDs that you designate. And you may easily add and delete authorizations through voice requests to Frost.

FRAUD FILTER OPTIONS

Frost also offers ACH filter with review, a secure and powerful online tool that gives you the fraud protection and information management capabilities of a positive pay system to help you monitor and control your ACH activity. ACH filter with review blocks all ACH items throughout a business day if they exceed the dollar amount threshold you have set.

CUSTOMIZED AUTHORIZATIONS

The next business day, you receive a report of blocked transactions through Treasury Connect, Frost's online commercial banking and treasury management service. While reviewing each transaction in the report, you may either approve it (the transaction posts

to your account), or you may reject it (the transaction is returned to the originator as unauthorized). The City utilizes the various ACH blocking/filtering capabilities offered by Frost.

16.9. Pay Cards/Debit Cards as payroll option;

Frost understands that many organizations like yours have unique payroll issues that can make creating and distributing payroll checks difficult, costly, and unsafe. For organizations with employees who are geographically dispersed or employees who do not traditionally have checking accounts, a periodic payroll check may be an unsuitable payment option. That is why Frost offers the Money Network Paycard, a debit card that is issued to employees by their employer instead of the traditional payroll check.

An employer who chooses this payment alternative receives a supply of welcome packets that contain the Money Network Paycard and issues the card directly to the employee.

Money Network's payroll distribution solution also gives employees access to their pay with a Money Network Check, a paper check for "pay-to-the-penny" (100%) access to net pay. Benefits of the Money Network Check include free check cashing at participating locations, access to funds if the paycard is lost or stolen, and a bill payment tool.

City acknowledges this as an optional service, However, it is not needed at this time, but may be explored later.

16.10. Remote Electronic check acceptance.

Frost Remote Deposit Capture is a service hosted by our vendor National Cash Register (NCR). As a service user you can access this service via Treasury Connect, our online commercial banking and treasury management service, to make deposits from the convenience and security of your own workplace.

An extended deadline of 9 p.m. Central time enables you to scan checks and transmit deposits to Frost well past traditional banking hours. When you complete a deposit, you receive a system message "received at Frost," confirming that the deposit has been received by Frost.

If your organization typically deposits larger numbers of checks monthly and those deposits total higher dollar amounts, one of two service options delivered through Treasury Connect may be more appropriate. These two options also enable you to grant permissions and authorities to others in your organization, providing valuable control for your deposit function. As part of product deployment, Frost sends you a desktop scanner appropriate for your organization's needs, although you may use one of your own organization's scanners if it is certified by Frost for the service. Once you have a scanner in place, you download a driver to operate the scanner and follow user-friendly instructions to process and complete your deposits.

By accessing Frost Remote Deposits through Treasury Connect, you also benefit from other features that include online check image retention for 65 calendar days as well as virtual check endorsement, duplicate check detection, intraday and end-of-day reports, automated data capture with optional data files, and customer administration and user entitlements. You may also take advantage of data export functions to facilitate your organization's own analysis.

If your organization accesses service through Treasury Connect, our online commercial banking and treasury management service, you will receive a desktop scanner appropriate for your organization's more complex needs as part of our product deployment. Or you may

choose to use one of your own organization's scanners if it is certified by Frost for making remote digital deposits.

Please refer to Tab A for additional Product Information for the services above.

City acknowledges this as an optional service, However, it is not needed at this time, but may be explored later.

17. OTHER CONSIDERATIONS

17.1. Regulation Notices

The successful Depository shall notify the City in writing within ten (10) days of any changes in Federal or State regulations or laws that would thereafter affect the Depository Agreement. The Depository shall also notify the City of any service that becomes available to the City throughout the contract period.

Acknowledged.

17.2. Right to Cancel Contract

In the event it would be ruled illegal under the provisions of any Federal Statute or Regulation for the Depository to pay interest in the manner outlined in the RFP, the City expressly reserves the right and privilege to cancel the contract and re-advertise the RFP for Depository services.

Acknowledged.

17.3. Right to Audit Records

The Depository's records relating to the City of Coppell's accounts shall be open to review by either City staff members or City appointed independent auditors during normal business hours.

Acknowledged.

17.4. Contract Term

The term of the contract shall be the period beginning November 30, 2020 and ending November 30, 2025, or thereafter until a successor Depository has been selected. This contract shall be automatically extended up to ninety (90) days if the City is actively proceeding with re-proposal procedures but, for whatever reasons, cannot finalize the selection process by the end of the contract period. All fees shall be fixed for the term; however, any FDIC premium increases may be passed through to the City upon thirty (30) day notice.

Depository agrees to honor and continue any investments made during the term of this contract that will mature after the expiration date at the same rate of interest.

This contract is governed by the laws of the State of Texas. Venue for any action related to this contract shall be exclusively in Dallas County, Texas.

Acknowledged.

17.5. Contingent Merger

Notwithstanding any other provision of this agreement which may be to the contrary, this agreement and the respective rights and obligations of the parties hereunder shall remain in full force and effect and not otherwise affected by a merger of the Depository.

[Acknowledged.](#)

17.6. Continued Information Requirement

During the term of this contract, the Depository shall provide to the City annual financial reports to the shareholders and any public information concerning changes in the ownership, management, or financial position of the Depository or its parent.

<https://www.snl.com/Cache/IRCache/515fad53-6a6e-f1e2-b7b0-d24f4f4e4c47.PDF?O=PDF&T=&Y=&D=&FID=515fad53-6a6e-f1e2-b7b0-d24f4f4e4c47&iid=100196>

<https://www.snl.com/Cache/IRCache/c4ae3c3d8-ba6b-5770-f770-9df16c248df9.html>

17.7. Non-Performance

The City may void the Depository's contract if in the City's sole discretion, the Depository is not satisfactorily meeting its service requirements as specified herein. The City will provide written notice of areas of non-performance and allow the Depository up to 60 days to remedy the problems. If after this sixty (60) day period the Depository has not rectified all problems in a manner satisfactory to the City, the City may, at its option, terminate the contract by providing the Depository of written notice of its intention to terminate.

[Acknowledged.](#)

GENERAL SERVICE DESCRIPTION

18. Operating/Demand Account

18.1. Demand Deposit Account

This account will receive all daily deposits, ACH transactions, wires, investment activities and disbursement transactions. The Bank will initiate all transfers to the zero balance accounts daily. Please indicate the method for determining the rate of interest per annum which the Depository Bank will use is calculating interest to be paid on this account. This rate shall be applied to the collected balance of the accounts at the end of each business day. The City is requiring an overnight investment sweep account for our operating account.

Frost recommends sweeping directly into an investment vehicle authorized for public funds.

Please refer to Tab E for a rate history and prospectus.

Using ZBA services will reduce the cost of sweeping from multiple and separate individual accounts, because the fee for ZBA subsidiary accounts is significantly less than separate sweep services. However, if accounting for earnings on funds associated with multiple accounts is the greater priority, separate sweep services can and should be established.

Please refer to Tab D for the fee schedule.

Frost uses the Invesco Treasury Fund Personal Class as the target investment. This fund is listed on Bloomberg under ASTGARE and the CUSIP is <<Resource825252869Personal825252844>>.

Please refer to Tab E for details.

The City agrees to the use of the Invesco Treasury Portfolio instead of the the current Repo for the sweep vehicle.as it is a "government money market fund" as defined in Rule 2a-7 under the 1940 Act and seeks to maintain a stable or constant NAV of \$1.00 per share using an amortized cost method of valuation.

18.2. Deposit Availability

The City desires to receive same day credit for all funds deposited and expects to receive the best availability on deposits as well as any future improvements to the availability schedule. (Please enclose an availability schedule with the RFP). Please give the name and address of the deposit location that will receive the City's deposits:

Frost accepts incoming wires from the Fed until 5:00 p.m. Central time each banking day, and those wired funds are immediately available in your account. In other words, you receive same-day credit for them. We do not provide end-of-day time extensions for processing beyond our 5:00 p.m. daily cutoff.

All in-branch transactions occurring during business hours, Monday - Friday, receive same-day posting.

Frost Lobbies 9:00 a.m. to 5:00 p.m. Central time, Monday through Friday

Motor Bank 8:00 a.m. to 6:00 p.m. Central time, Monday through Friday

9:00 a.m. to 1:00 p.m. Central time, Saturday

Saturday transactions are considered to be included in the business activity of the following Monday (or Tuesday if Monday is a federal holiday).

All deposits you make using Frost's remote deposit solution receive same-day credit as long as they are made by 9:00 p.m. Central time, Monday through Friday.

Digital Deposits all day until 9:00 p.m. Central time, Monday through Friday

Frost does not utilize an availability schedule. Checks deposited at Frost which are drawn on another Frost account (on-us items) receive same-day availability and are considered collected funds on the date of deposit. All other checks—that is, checks drawn on accounts at other financial institutions (non-on-us items)—are subject to fractional float assignment.

To assign float on a fractional basis, Frost uses historical data from check clearings associated with non-on us activity from hundreds of government clients with whom we have a relationship.

For all non-on-us check deposits you make with Frost, we assign a one-day float to at least 85 percent of the total dollar amount of those deposits and a two-day float to the remaining amount. Response to item 18.2 is acceptable to the City.

The nearest location for the city is:

Coppell Financial Center
102 N. Denton Tap Road
Coppell, TX 75019

19. Zero Balance Account

19.1. Payroll Account

This account will receive deposits transferred from the Operating Account for payment of the City's payroll.

Frost provides a comprehensive zero balance account (ZBA) system for both concentration and disbursement purposes. The system permits a maximum of nine levels, with as many as 99 sublevel accounts per level. A target balance can be maintained in lieu of a zero balance for a sublevel account if an organization desires to do so. Transfer data is easily accessed through Treasury Connect, Frost's Internet-based commercial banking service.

Many sweep clients also use Frost's Zero Balance Account (ZBA) service to concentrate funds to ease the burden of monitoring multiple accounts, and in the process, ensure that they minimize idle funds and administrative expenses. The account automatically concentrates (or gathers) funds into a primary funding or disbursement account from separate accounts you maintain for your organization's individual locations or units, freeing you from making manual transfers between a number of accounts. Although you still maintain separate deposit and payment records.

ZBA transfers funds between your primary concentration account and secondary accounts based on target balances you establish for each secondary account. The result: you simplify your cash and liquidity management, improve control and audit trail for cash gathering processes and ensure that funds are available to pay disbursements, reduce debt or invest.

The City requires the Payroll account to be a Zero Balance Account that is funded by the City's Operating account.

20. Other Accounts

20.1. Self-Funded Health Plan

This account will receive deposits transferred from the Operating Account for payment of the City's health insurance claims.

20.2. ACH Account

This account will process all incoming and outgoing transfers: including credit card debit and credits to the account, Safe Light credits to the account, E911 payment from the State, ACH and wire transactions.

21. Interest Rate on Loans to the City

Please state the method/index to be utilized for calculating the interest rate the City would be charged for securing a short-term loan from the Depository for operating and/or non-operating expenditures

Frost would welcome the opportunity to review any short term loan requests from the City of Coppell. Requests are reviewed and evaluated on a case by case basis. Final decisions and approvals would be based upon following the due diligence policies of the bank. Terms and conditions are subject to the bank's standard credit policies and procedures.

We would also be interested in reviewing long-term loan requests from the City of Coppell including leases.

Our current Repurchase Rate are as follows:

Sweep Amount	<\$100,000	0.01%
	\$100,000 to \$999,999.99	0.05%
	\$1,000,000+	0.05%

Terms and conditions, including the interest rate, are subject to the bank's standard credit policies and procedures.

City acknowledges this is available.

22. Bank Services to be Provided

The bank agrees to provide the following materials and services without charge unless otherwise stated in this proposal:

Frost would welcome the opportunity to review any short term loan requests from the City of Coppell. Requests are reviewed and evaluated on a case by case basis. Final decisions and approvals would be based upon following the due diligence policies of the bank. Terms and conditions are subject to the bank's standard credit policies and procedures.

We would also be interested in reviewing long-term loan requests from the City of Coppell including leases. Acknowledged by City.

22.1. Provide bank money orders, traveler's checks, cashier checks, and VISA gift cards as required by the City.

Available at the Bank's charge at the time of request. Acknowledged by City

22.2. Provide a night depository, locking depository bags and plastic tamper resistant bags.

Frost is offering to provide plastic, single-use, tamper-evident deposit bags through the Bank's provider at no charge for the term of the contract. City confirms the plastic, single-use, tamper-evident deposit bags will be acceptable and will not require the locking bags.

Frost does not use locking deposit bags, but can explore getting these for the City to use internally. The charge for locking bags would be determined by the vendor providing them at the time of request and purchase.

22.3. Provide coin wrappers and accept bulk coins for deposit.

Supplies are made available of the vendor's price at the time of request and purchase.

City acknowledges response by Frost.

22.4. Provide fireproof safekeeping and storage of magnetic media for Data Processing.

Frost offers the City one (1) medium sized safe deposit box without charge – this offer is subject to the availability of safe deposit boxes. If available, additional boxes are available at the Bank's standard price. City acknowledges response by Frost.

22.5. Supply deposit slips according to quality, quantity, design, and specifications established by the City.

Deposit Slips are offered through the Bank's vendor, Harland-Clarke, at the vendor's price at the time of order submission. Deposit slips are **not** offered without charge.

City acknowledges response by Frost.

22.6. Provide courtesy cashing of City employees' payroll checks.

Frost will cash payroll checks and other checks issued by the City at no charge to the presenter. The Bank will take reasonable steps to verify the identity of the individual presenting the check at the time of the transaction.

City acknowledges response by Frost.

22.7. Provide free checking accounts for City employees.

Frost offers to provide Frost at Work to employees of the City. This program makes accounts and services available to employees at reduced charge – and in some cases at no charge. Please refer to the description located in Tab A. City finds features & ways to avoid monthly charge are consistent with program offered in 2015.

22.8. Please describe other banking services and benefits available to City employees.

As a full service financial institution, Frost is able to provide an array of banking, lending, investing and insurance services. Our specialists are available to visit with, and assist individuals in addressing their financial needs. Acknowledged by City.

22.9. Positive Pay Reconciliation Services including payee comparison.

Frost offer Positive Pay with Payee Review. The price for this service is included in the Bank's published fee schedule included with this proposal. Acknowledged by City.

22.10. Check Imaging of all cleared checks sorted in numerical order be sent or downloadable to the City in a format that is searchable and has the ability to download the data into Excel.

Records and images of posted transactions are available online through Treasury Connect at no additional charge. Automated file access via secure FTP may accrue service fees as referenced in the Bank's published fee schedules. Acknowledged by City.

23. Overnight Investment Sweep Service

Please describe your bank's ability to provide this service and the method for calculating the rate of interest.

Frost offers a variety of investment options for the public sector – from collateralized deposit accounts with Bank managed interest rates (Interest on Checking and Money Market Savings Accounts), to certificates of deposit and automated investment sweep.

Frost also maintains an in-house Capital Markets group who is able to provide access to an array of non-bank financial instruments. This area consists of knowledgeable and experienced investment professionals who are familiar with Chapter 2256 of the Government Code (a.k.a. the Public Funds Investment Act) and accustomed to working with clients investing larger amounts.

Acknowledge services provided.

24. Overdrafts

The City does not intend to have an overdraft position on any of its bank accounts throughout the course of this depository contract. However, in the event a check is presented on any City account where there exist insufficient funds available for payment, the City will require the Depository to pay said checks if they are determined to be valid checks based on the positive pay file provided by the City. In addition, the Finance Department will be promptly notified regarding the overdraft position. Please describe the bank's policy regarding the payment of such checks. Also, define in the Bid Form whether the bank would consider an overdraft to be a negative balance in any individual City account or a negative balance in all City accounts collectively. The City would expect the depository to view all City accounts together for purposes of any charges on overdrawn collected balances.

Frost does not encourage or expect this type of activity to be a routine business practice. As a result, Frost does not charge for this activity. In the isolated instances when a daylight overdraft is a possibility, Frost generally strives to pay disbursements once the amount, source, type and timing of a covering deposit is confirmed.

Overdrafts are considered at the account level and not collectively.

Frost response in blue above is acceptable to the City.

25. Collateral Securities for Deposits

The undersigned shall furnish to the City a bond in the amount and conditioned as provided by the laws of Texas, or in lieu thereof, pledge securities as provided by the laws of Texas (Article 2560, Revised Civil Statutes of Texas, as amended) as required by the City. Please state the maximum amount of collateral the bank will pledge to the City. The City will accept as collateral for its certificates of deposits and other evidences of deposit the following securities: (All securities should be rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent). (The pledged securities must conform with the City's Investment Policy and any subsequent amendments, which includes but is not limited to the following).

- 25.1. Obligations of the United States of America, its agencies, and instrumentalities.
- 25.2. Direct obligations of the State of Texas or its agencies and instrumentalities.
- 25.3. Other obligations, the principal of and interest on which are unconditionally guaranteed by the State of Texas or United States of America.

25.4. Obligations of the State, agencies thereof, Counties, Cities, and other political subdivisions of any state having been rates as investment quality by a nationally recognized investment rating firm, and having received a rate of not less than "A" or its equivalent.

Certificates of Deposit and other evidences of deposit shall be collateralized at market or par, whichever is lower, for U.S. Treasury Bills, Notes and Bonds with a remaining maturity of three years or less and at 105% of market or par, whichever is lower, for other securities.

The financial institution with which the City invests and/or maintains other deposits shall provide monthly, and as requested by the City, a listing of the City's certificates of deposit and other deposits at the institution and a listing of the collateral pledged to the City marked to current market prices. The listing shall include total pledged securities itemized by:

Name

Type/Description/CUSIP number

Par Value

Current Market Value at month end

Maturity Date

Moody's or Standard and Poor's rating

The City and the financial institution shall assume responsibility for ensuring that all collateral is sufficient.

Frost proposes to pledge collateral from the Bank's existing portfolio of Municipal Bond securities maintained with the Bank's primary contracted third-party custodian, The Bank of New York Mellon Trust Company, N.A. These securities comply with Chapter 2257 of the Government Code (a.k.a. the "Public Funds Collateral Act", or "PFCA") and when accepted without further restrictions there is NO CHARGE. Any restrictions that exclude any PFCA-permitted securities, by type or by maturity, or that exclude any of the Bank's contracted collateral custodians may result in a Restricted Collateral Interest Fee of 0.25% of the amount pledged. Additionally, any requirements for a minimum amount of collateral more than that required by the PFCA may result in an Excess Collateral Interest Fee of 0.25% of the amount pledged. By signing the agreement, Frost agrees to provide collateral at 105% of market or par, whichever is lower, at no at no charge for this service.

Please note that Frost is prepared to track and compare relationship balances against the amount of pledged collateral on a daily basis, but we are only able to monitor balances resulting from postings through the prior business day, so we request advance notification of any deposits that are being made "today" (i.e. same day) that may approach or exceed pledged collateral levels. The deadline is 3:00 P.M. City acknowledges the information in this paragraph.

Additionally, the proposed collateral custodian will be The Bank of New York Mellon Trust Company, N.A. This custodian offers an automated pledging program with online access to daily and monthly historical reports. The "third-party" arrangement of this process does not enable real-time pledging. But daily collateral positions are made early in the morning based on current day's opening balance (i.e. previous day's closing balance). City acknowledges the information in this paragraph.

Please refer to Tab G for sample Collateral reports on flash drive.

25.5. Collateral Substitution

The Depository may substitute approved securities in the pledge account so long as the total value of securities pledged meets the required levels. Substitutions may be made after obtaining written authorization from the Director of Finance of the City of Coppell or designated representative. The Depository may also request permission to release securities whenever the total amount pledged is in excess of the City's requirements. All securities pledged are subject to approval by the City of Coppell. Any state or local government securities (municipals) pledged to the City shall have a rating of "A1" or better by a major bond rating agency.

Releases of pledged collateral does not occur without a signed written authorization. Because The Bank of New York Mellon Trust Company, N.A. (BNY) system is automated, a standing release is signed with the agreements are executed. BNY also enables Frost clients to view online reports of pledged securities which are marked to market daily. Acknowledged - City agreed to when entered Third Party Custodian Agreement in 2019.

Under the Collateral Provision of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA), it is required that a Third-Party Custodial Agreement between the City, the Depository, and the approved custodian be signed by all parties. The City will require the depository bank to attach to the contract certified resolutions of the board of directors or board authorized committee that set forth the City's security interest in the collateral supporting City deposits. The certification must meet all of the requirements of FIRREA and FDIC policies which apply to the City's security interest in the pledged collateral and must specify the officers of the bank who are authorized to sign agreements with the City.

A sample copy of the bank's document that clearly shows that the bank's Board or designated committee has accepted the depository contract and authorized the pledge of collateral, with a permanent record of this action to be maintained in the minutes of the bank. Frost will provide board certification following the first regularly scheduled board meeting held after award of the contract and execution of the bank's depository and security agreements. Acknowledged by the City.

26. Safekeeping of Collateral

Securities pledged as collateral for certificates of deposit or other evidence of deposit and for repurchase agreements shall be retained in safekeeping in a third-party safekeeping bank in the State of Texas or in the Federal Reserve Bank of Dallas. The investments purchased by the City, may be retained in a third-party safekeeping bank or in the depository bank's trust department in the City's name. The City, the financial institution, and the safekeeping bank(s) shall operate in accordance with a master safekeeping agreement signed by all three parties. Please submit a copy of the safekeeping agreement with the safekeeping bank or Federal Reserve Bank to be used in the event you are awarded the depository bank contract. The safekeeping agreement shall clearly state the Federal Reserve Bank or the safekeeping bank is instructed to release the collateral to the City of Coppell if the City has determined that the bank has failed to pay on any accounts, has been closed by a regulatory authority,

or is in default of this agreement, and if the instructions for release have been formally requested by the City Council by ordinance or resolution. The City shall always hold the original safekeeping receipt for its investments and for pledged collateral. The City's designated official(s) must approve release of collateral in writing prior to its removal from the safekeeping account.

The safekeeping agreement shall have the signatories from the Federal Reserve Bank as trustee, the depository bank, and the City of Coppel.

Frost offers an automated sweep service into the Invesco Treasury Fund, Personal Class. This fund meets the requirements of Chapter 2256 of the Government Code (a.k.a. the Public Funds Investment Act or PFIA). ZBA services can also be used to consolidate funds for a sweep into one of these overnight investments. This will reduce the cost of sweeping from individual accounts, as the fee for ZBA subsidiary accounts is much less than separate sweep arrangements. Funds are swept to a target balance in \$1,000 increments.

Please refer to Historical Rates and Prospectus in Tab E. [City acknowledges services noted in Frost's response.](#)

27. Investments

The City of Coppel intends to manage its own investment portfolio. Therefore, the City reserves the right to withdraw, from time to time, any amount of funds of the City on deposit in any City account to invest those funds in accordance with the City's investment policy.

27.1. Investments – General

All investment decisions shall be approved by the City before execution. The City may order investments either by phone or by written notification.

All investments purchased by the City shall be purchased "delivery versus payment." That is, the City shall authorize the release of its funds only after it has received notification from the safekeeping bank that a purchased security has been received in the City's safekeeping account. This notification may be oral but will be followed up in writing with the original safekeeping receipt.

The City must have confirmation from its safekeeping bank that collateral pledged from a financial institution is in the City's account before investing in Certificates of Deposit or other evidence of deposit at the financial institution. The confirmation may be oral but must be followed up in writing with the original safekeeping receipt.

The undersigned agrees that the City reserves the right to invest the City's funds in lawful securities other than depository issued certificates of deposit with full cooperation of the depository bank. If requested by the City, depository bank agrees to assist the City in investing funds which are not invested in depository bank issued certificates of deposit.

Frost offers a variety of investment options for the public sector – from collateralized deposit accounts with indexed interest rates (Interest on Checking and Money Market Savings Accounts), to certificates of deposit and automated investment sweep.

Frost also maintains an in-house Capital Markets group who is able to provide access to an array of non-bank financial instruments. This area consists of knowledgeable and experienced investment professionals who are familiar with Chapter 2256 of the Government Code (a.k.a. the Public Funds Investment Act) and accustomed to working with clients investing larger amounts. By signing the depository and security agreements, Frost acknowledges that no changes are occurring with the Bank's procedures associated with Investment Safekeeping/Custody Services from what the City is currently receiving.

27.2. Investment - Repurchase Agreements

The financial institution agrees to sell those U.S. Securities in which the City can legally invest its excess demand deposit balances to the City, on or before 3:00 p.m. each regular day of the City's business to provide overnight and weekend investments to the City through the use of an automated sweep to a "repurchase agreement," and simultaneously, with the sale agrees to repurchase on or before 11:00 a.m. on the next following day of business, the same securities at the same price as sold, with interest calculated on the invested amount. Bank holidays falling on Friday or Monday will be included in the weekend "Repurchase Agreement" and the interest calculation for a weekend "Repurchase Agreement," including bank holiday will be calculated on the invested amount.

Interest earnings resulting from each repurchase agreement shall be paid to the City on the day of repurchase by providing deposit slips showing each account and the amount of interest deposited to the account.

Please state the method for calculating the rate of interest to be paid on the overnight automated sweep investment. The City reserves the right to enter into repurchase agreements for periods of time longer than overnight and weekends as may be agreed upon by the financial institution and the City.

Frost does not offer Repurchase Agreements as an investment for public sector accounts.

The City acknowledges the sweep vehicle provided by Frost is the Invesco Treasury Portfolio as it complies with the Texas Public Funds Investment Act,

28. Time Deposit Maturities Occurring Subsequent to Depository and Banking Services Agreement Termination Date

All time deposits or certificates of deposit or other investment securities which have not matured on the termination date of the finally approved depository contract shall remain on deposit with the same depository under the same terms and conditions in effect during said contract until the date such time deposits have matured.

Acknowledged.

29. Secondary Depository

The City pledges to the depository that all funds over which the City has control will be deposited in the depository bank. However, a secondary depository bank may be chosen to be used only in the case of a natural disaster or bank failure.

Acknowledged.

30. Internet Based Reporting System

The City requires an Internet based reporting system which will provide the previous day balance report, current day balance report, a detail of the prior day's debits and credits, current day controlled disbursement report, stop payment status report, current day ACH report and positive pay activity, monthly bank statements, and exception reports. Please provide sample reports and indicate if the information can be downloaded into Excel.

Please refer to Tab G for sample reports on flash drive. Reports may be downloaded and exported in Excel format. City is using Treasury Connect which appears to be meeting the City's needs.

31. Additional Optional Services

The City continues to investigate new services for inclusion under its depository services contract. Please provide information, including costs, of additional services currently available or will be made available during the term of the contract period.

32. Banking Service Questions

The proposer shall provide a description of services proposed, specifically covering the following areas:

32.1. Automated Clearing House

Describe your institution's services for electronic file transmission of disbursements.

To use Treasury Connect for ACH services, you need only a personal computer, Internet browser software, an Internet service provider, and a Frost-provided security token.

If you opt to use FTP for ACH services, you need FTP client software of your choosing or an Internet browser with Java 6.1 or later.

Frost requires out-of-band security authentication that includes accuracy components for all ACH transactions. Once you select Frost as your ACH service provider, we will share more specific details about the procedures that are in place to protect your financial and data resources. Acknowledged by the City.

32.2. Balance Reporting

Describe the system(s) available to access account transactions and balances. Include specifications for hardware and software needed for the proposed system(s).

Treasury Connect is Frost's Commercial online banking service that provides access to your account information and transaction functions. Treasury Connect can be accessed through Bank's web page at frosttreasuryconnect.com. To access the Services online, Customer must own or have access to equipment and software (including web browser software) that allows Customer to access the Internet (collectively, the "Computer"). The web browser used by Customer must support, at a minimum, Secure Socket Layer ("SSL") technology and 128-bit encryption, and must be the current version or within two (2) versions prior of Microsoft Internet Explorer, Safari, Firefox, and Chrome. Or possibly, other browsers that support SSL. Customer understands that if a web browser is used that does not support SSL and 128-bit encryption, the security of Customer's transactions related to any Service may be compromised and thus not in compliance with the Security Procedures required by Bank. Customer further understands that installation, maintenance, and operation of Customer's Computer are Customer's sole responsibility. Bank is not responsible for any errors or failures of Customer's Computer, including but not limited to, any virus or Internet related problems that may be associated with Customer's access and use of the Services online. Bank reserves the right as encryption technology develops to impose further reasonable restrictions or requirements to maintain the appropriate level of security for the transactions contemplated hereunder and Customer agrees to abide by such restrictions or requirements or discontinue the Service or Services hereunder.

Auto negotiation is to TLS 1.2.

Non TLS SSL protocol connections are not allowed. Also, selected encryption ciphers are chosen to negotiate the highest current connection standards. Internal and External application security scans, as well as, penetration tests are performed monthly by various partners. Vulnerability fixes are prioritized by risk exposure and typically patched within 60 days.

City acknowledges Frost's response above.

32.3. Customer Service

Describe your institution's customer service philosophy. How, specifically, is this integrated into your day-to-day customer service?

Frost's 150 years of experience and expertise are directed toward developing and offering new financial opportunities that will help our customers succeed in their own endeavors. Although we offer a full slate of financial products and services to businesses, government entities, nonprofits, trusts and individuals, our real strength is our commitment to develop and sustain long-term customer relationships.

More than a financial services partner that focuses on relationships, Frost is a safe and sound place to do business. During the financial crisis of 2008-2009, we demonstrated our continuing commitment to soundness by maintaining strong liquidity and capital, and turning down Troubled Asset Relief Program (TARP) funding, the first bank in the nation to publicly do so. In fact, we expanded our business throughout the recession, growing assets and deposits and increasing the dividend we pay to our shareholders. Since that time, our unique approach

to business has enabled Frost to grow significantly, and today our capital is stronger than ever.

City acknowledges Frost's response above.

32.3.1. How many individuals does the bank have in the local bank? How will the bank provide relationship support for banking services? What approach or service program functions will be instituted to provide the best service? Does the bank have a dedicated customer service line for business accounts?

Customer Service Specialists

(800) 513-7678

Available to assist you 24 hours a day, seven days a week with all account issues.

Spanish-Speaking Bankers

Call (800) 513-7678 to speak with a Spanish-speaking Frost Representative or to find one at a location near you.

Treasury Management Customer Service

(888) 481-0336

Available Monday – Friday

7:00 AM until 6:00 PM

Our customer service support centers are located in San Antonio, Texas and are in the Central Time Zone.

If selected, Frost will have a primary relationship officer assigned to your account relationship. In addition, there will be a lead administrative assistant assigned as well. The Treasury Management Sales officer responsible for this market area will also play an important role with implementations and relationship support.

Please refer to Tab B for Relationship Team information.

City acknowledges Frost's response above.

32.3.2. How is local service and overall contract performance monitored at the bank and holding company levels?

Quality is extremely important to Frost. From an IT perspective, the availability of Frost IT networks, systems, and applications is reviewed on a monthly basis as part of the overall IT QA process including presenting on key findings to the executive management team on a monthly basis. Additionally, key risk indicators (KRIs) are tracked and reviewed on a quarterly basis including system capacity and performance.

Treasury Management operations reviews their performance on a regular basis, focusing on system performance, customer inquiries as well as monitoring basic volume statistics. The Treasury Management customer service teams tracks incoming call volumes and documents those calls into a central database.

Treasury Management product managers monitor bank performance as well as they monitor industry standards and developments to insure that feature functionality of services meet current needs with an eye on the future for new service enhancements.

The purpose of these is to monitor performance, identify areas for improvement and addressing in a manner that is consistent with the Bank's desire and ability to meet the expectations of our customer as well as the bank's performance expectations.

City acknowledges Frost's response above.

32.3.3. How do the local employees and bank support the community and the City?

The Frost philosophy encourages and supports community engagement and volunteerism. Our goal is be engaged in our communities, and be actively involved in the economic growth and development of the markets in which we have a presence across the State. Our teams of knowledgeable, professional bankers share their expertise and leadership through their ongoing participation and involvement with the boards and committees of a variety of local organizations.

The Community Development team assist the bank in assessing the needs in the community with special focus on the low-moderate income markets. They also facilitate and implement outreach activities to provide information and tools for small businesses and consumers that include outreach seminars, hands-on events and financial education at all levels.

Our employees also connect in a very "hands on" and personal way through participation in our corporate employee volunteer team, the A-Team, as we assist and work with a number of non-profit organizations in the fulfilling of their mission for local service. Statewide Frost employees participate in over 6,000 volunteer hours. Acknowledged by the City.

32.3.4. What is distinctive about the bank's approach to its automation of services? Are there any new services planned which may impact the City?

Frost's Integrated Payables Solution allows our customers to send one payment file for processing that will utilize multiple payment rails to transmit the funds to their vendors.

The implementation window is between 10-12 weeks. During this time we will work to customize the process to fit your needs.

Frost is able to leverage our network of over 4000 members to match your vendor with alternate payment rails allowing Frost to identify vendors that your organization may still be sending a check to who will take a commercial card payment. Making these conversions can help increase commercial card spend which will increase the amount of rebate your organization can earn.

Check – Print and mail a standard paper check with remittance information. This process is fully customizable to the customer's specifications all the way down to how the check looks and what data is provided for remittance information.

ACH – Transactions will be sent by sending a NACHA file through Frost to originate these payments via the ACH network. These payments will be sent with the included EDI information for the vendor.

Wire Transfer – Wires originated via Frost and sent to the vendor.

vCard – Transactions will be sent by utilizing a onetime use VISA card number. This card number can only be used by the appropriate vendor and will expire after the payment is processed. The card information is transmitted securely via our portal. These transactions will appear on the standard commercial card statement

T R A N S M I S S I O N , P R I N T I N G A N D M A I L I N G P R O C E S S

Files can be transmitted for processing via the online portal with a secondary approval or directly sent to a secure file transfer site (FTP). When sending to the FTP site this process can be automated should your organization choose to do so.

Once the file is received it is loaded for processing. The checks are printed, mailed via USPS First Class Mail, and a positive pay file is generated for issuance into the reconciliation system for fraud prevention. The ACH file is generated for processing and lastly any vCard payments are sent securely to the vendors so that they can process those transactions.

REQUIREMENTS AND TURN-AROUND TIME FOR RELEASE OF SAME DAY AND NEXT DAY CHECKS

Files will need to be submitted and approved by 10 PM CT in order to be processed and mailed out the following business day by 8 PM CT. Frost does not offer a same day submit and release for check printing with our standard product. We can discuss alternative accommodations if your organization feels it will need same day submit and release of checks.

LOCATION OF PRINTED AND MAILED CHECKS

Frost prints and mails checks out of San Antonio TX. There are three additional sites around the country which are used as back-up sites if needed.

COMMERCIAL CARD PROGRAM

Frost underwrites and issues our commercial card program on the VISA payment network. Your organization can utilize our online platform to issue cards, close cards, manage limits, update cardholder information and much more. Individual card holders also have the ability to utilize our online platform to view transactions and statements.

Frost's card solution is a pay in full product requiring automatic debit from a checking account. Billing frequency can be set to weekly with a 3-day grace period, bi-weekly with a 5-day grace period or monthly with a 25-day grace period.

REBATE AVAILABILITY

Rebates are offered on a monthly basis paid 3 months in arrears. Below are the rebates on purchasing for standard VISA transactions. Other transaction may have lower rebates applied.

- Weekly – 1.25%

- Bi-Weekly – 1%
- Monthly – 0.75%

City does not currently use this service, but may consider in the future.

32.3.5. The City requires the right to use a third-party auditor to review the City's accounts and transactions and the bank's records regarding the City and its transactions at any reasonable time. Confirm agreement with this condition.

Acknowledged.

32.4. Conversion Plan

Describe the conversion plan your institution would use to ensure a seamless and smooth transition from the City's current provider.

An Implementation guideline template is included for your review. As your current Treasury and Depository services provider there may be some modifications or changes to be made. If necessary, we would recommend that a formal meeting is coordinated to document the entire implementation process tailored specific to your unique requirements and needs.

Please refer to Tab B for Proposed Implementation Plan. Frost is the City's current depository, so a timeline for only new services would need to be considered, and no new services are being requested at this time.

32.4.1. Emergency Preparedness and Disaster Recovery Plan: Describe your institution's disaster recovery procedures. How quickly will your backup facilities be active? What support will the bank be able to offer the City in a disaster situation to maintain stable banking functions? Focus on systems, telecommunications and power, operational facilities, and transportation.

We stay alert to possible disaster situations to keep our customers' trust as a safe and sound place to do business. Frost has a fully documented, regularly updated and tested business continuity plan.

Our business continuity services department protects Frost's core business processes, people, assets, and resources to prepare for and survive a range of disruptive events. Business continuity services has a 24/7 state of readiness for any emergency that could impact Frost's day-to-day operations. Disaster recovery testing exercises validate our ability to restore and recover equipment, applications, data files and system functionality.

Frost's planning encompasses risk identification and mitigation, risk impact analysis, contingency planning, employee awareness and training, testing, crisis communication, coordination with external agencies, and emergency response and operations. We follow best-practice standards established by the Disaster Recovery Institute International and the Federal Financial Institutions Examination Council.

Frost's new technology center is a state-of-the-art facility that enhances the security of our data processing systems and customer information, and it ensures our capacity to meet future data and information technology needs as the company grows. Frost has a separate established, off-site data recovery facility if unusual circumstances inhibit or interrupt technical operations.

City reviewed and acknowledges response from Frost for this item: 32.4.1

32.4.2. What differentiates your service from other providers' service?

At Frost, everyone is significant, and that shows in the way we treat customers, prospective customers and one another. Our focus on relationship is based on outstanding service, high ethical standards and conservative management to ensure organizational efficiency, and the safety and security of financial assets. That means that we look at business from a different perspective—from our customer's point of view. And we offer excellence at a fair price, giving our customers superior value for the services they receive.

Because long-term relationships are at the core of Frost's business, we are selective about the partnerships we form, basing new alliances on our judgment of character. Once made, we nurture these relationships by doing what is right rather than by just doing what is required by policies and procedures.

Response to 32.4.2 is acknowledged by the City.

32.4.3. Please provide your most recent Federal Reserve Call Report.

<https://www.snl.com/Cache/IRCache/c4ae3c3d8-ba6b-5770-f770-9df16c248df9.html>

Response to 32.4.3 is acknowledged by the City.

32.4.4. Please provide a schedule of fees using the form provided with this

Request for Proposal. (SEE ATTACHED FEE SCHEDULE). Volumes indicated on this form are actual amounts for the month of March 2020. For services not specified on the form, the proposer shall provide a description of the service and the proposed fee structure.

Please refer to Tab C for the Fee Schedule and Account Analysis Pro-Forma.

Included Fee Schedule in this Attachment A to the Depository Agreement.

32.5. Fraud Prevention

Provide information on the bank's fraud protection and detection measures for ensuring the integrity of all City funds and transactions, such as:

32.5.1.1. Layered security (FOB keys, mobile tokens, OTP's, etc.)

32.5.1.2. Data encryption methods

32.5.1.3. Credential protection

32.5.1.4. Session management (pop-up windows, session time-outs, etc.)

32.5.1.5. Universal Payment Identification Codes (UPIC)

32.5.1.6. Transaction limits

32.5.1.7. Dual authorization

32.5.1.8. Back-office fraud detection and monitoring

32.5.1.9. Critical alert notifications

32.5.1.10.Advanced monitoring technology

32.5.1.11.Industry partnerships (anti-phishing, anti-trojan, fraud forensic data)

32.5.1.12.Law enforcement coordination

If not listed above, please detail any additional fraud protection and detection measures or services that could be beneficial to the City of City of Coppel.

Please refer to Tab A for product information regarding ACH Fraud Protection and Positive Pay with Payee Review and Tab F for Technology Specifications. **Noted by City.**

FEE SCHEDULE

Frost is including the Bank's published fee schedules with this submission and considers them to be part of this form. Please refer to these fee schedules for a complete list of available services, options and associated unit prices. The published fee schedules represent the Bank's official pricing offer, and will resolve any discrepancies which may inadvertently exist between them and responses manually entered onto this form.

FEE SCHEDULE					
SERVICE PROVIDED	VOLUME MARCH 2020	PROPOSED FEE <i>(Price appearing on Account Analysis Statement)</i>	Effective Unit Price <i>(net of 55% Discount)</i>	Projected Monthly Charge <i>(using Discounted pricing)</i>	Comments by Bidder
Checking Services					
Account Maintenance	6	20.000	9.000	54.00	
Statements Rendered	6	0.000	0.000	0.00	No Charge
Credits Posted	431	1.000	0.450	193.95	
ACH Incoming Credits	372	0.200	0.090	33.48	
Debits Posted	517	0.200	0.090	46.53	
ACH Incoming Debits	43	0.200	0.090	3.87	
ON US Items	142	0.000	0.000	0.00	No Charge
Deposited Items	2,427	0.150	0.068	163.82	LINE ITEM ADDED BY BIDDER. Volume presented is the total of "Deposited Items" categories which are no longer used
Local City Items	29	No longer used	No longer used	No longer used	This line item is no longer used; Renamed "Deposited Items"
Local RCPC	1	No longer used	No longer used	No longer used	This line item is no longer used; Renamed "Deposited Items"
Local Statewide Clearings	85	No longer used	No longer used	No longer used	This line item is no longer used; Renamed "Deposited Items"
Other 11th Fed City	103	No longer used	No longer used	No longer used	This line item is no longer used; Renamed "Deposited Items"
Other 11th Fed RCPC Items	195	No longer used	No longer used	No longer used	This line item is no longer used; Renamed "Deposited Items"
11th Fed Country Items	27	No longer used	No longer used	No longer used	This line item is no longer used; Renamed "Deposited Items"
Transit Clearing	1,987	No longer used	No longer used	No longer used	This line item is no longer used; Renamed "Deposited Items"
Special Signature Req - Base	2	15.000	6.750	13.50	
Special Signature Req - Items	29	0.500	0.225	6.53	
Returned Items	1	10.000	4.500	4.50	
Reclear Items		5.000	2.250		LINE ITEM ADDED BY BIDDER.

FEE SCHEDULE

SERVICE PROVIDED	VOLUME MARCH 2020	PROPOSED FEE <i>(Price appearing on Account Analysis Statement)</i>	Effective Unit Price <i>(net of 55% Discount)</i>	Projected Monthly Charge <i>(using Discounted pricing)</i>	Comments by Bidder
Vault Services					
Cash Processing – Deposit Total	19	1.000	0.450	8.55	Charge is assessed "per \$1,000 cash verified" in deposits cumulative over the month
Minimum Change Order	4	5.500	2.475	9.90	Charge is assessed only if the aggregate "per strap" and "per roll" charges of the change order are less than the "minimum" charge
Positive Pay Services					
Positive Pay - Items	404	0.000	0.000	0.00	No Additonal Charge
Positive Pay Paid Reject Items	15	5.000	2.250	33.75	No charge for Positive Pay rejects which are NOT paid
Positive Pay with Payee Review	3	65.000	29.250	87.75	per account per month
ACH Origination Services			0.000		
ACH Origination	1	15.000	6.750	6.75	Treasury Connect ACH Origination Module; Charge is assessed "per relationship per month"
ACH Origination Items	4,648	0.150	0.068	313.74	
Return Items ACH	7	5.000	2.250	15.75	
Wire Transfer Services					
Incoming Wire Transfers	2	12.000	5.400	10.80	
Treasury Connect Wire Transfer Module	1	15.000	6.750	6.75	LINE ITEM ADDED BY BIDDER. Per relationship per month
Online Banking Intrabank Transfers	2	4.000	1.800	3.60	
Online Banking Wire Transfers	7	12.000	5.400	37.80	Treasury Connect Domestic Outgoing Wire Transfer
Wire Transfer Notice Phone	2	20.000	9.000	18.00	
Cash Manager Wire Transfers	12	12.000	5.400	64.80	Duplicate of a previously quoted line item Treasury Connect Domestic Outgoing Wire Transfer
Wire Transfer Notice Phone	4	20.000	9.000	36.00	Duplicate of a previously quoted line item
Wire Advices Mailed		5.000	2.250		This charge can be avoided with use of Treasury Connect "alerts" of wire transfer activity at no addition charge

FEE SCHEDULE

SERVICE PROVIDED	VOLUME MARCH 2020	PROPOSED FEE <i>(Price appearing on Account Analysis Statement)</i>	Effective Unit Price <i>(net of 55% Discount)</i>	Projected Monthly Charge <i>(using Discounted pricing)</i>	Comments by Bidder
Commercial Online Banking Services					
Previous Day Reporting	1	35.000	15.750	15.75	Treasury Connect Access; Charge is assessed "per relationship per month"; This charge includes the first account accessed
Treasury Connect Accounts	5	20.000	9.000	45.00	LINE ITEM ADDED BY BIDDER. Per additional account per month after the first account
Previous Day Reporting Detail Items	11,328	0.100	0.045	509.76	
Commercial Online Banking Transfers	28	0.000	0.000	0.00	No Charge
Commercial Online Banking Stop Payments	6	20.000	9.000	54.00	
Financial EDI Items	52	0.060	0.027	1.40	
Image Archive Services					
Image Archive Discs	1	No Longer Offered	No Longer Offered	No Longer Offered	CD/ROM Image Archive is no longer offered. Transaction images are accessible, viewable and downloadable for up to seven (7) years via Treasury Connect at NO ADDITIONAL CHARGE.
Image Archive Items	741	No Longer Offered	No Longer Offered	No Longer Offered	CD/ROM Image Archive is no longer offered. Transaction images are accessible, viewable and downloadable for up to seven (7) years via Treasury Connect at NO ADDITIONAL CHARGE.
ZBA Services					
Zero Balance Accounting Transfers	13	No longer used	No longer used	No longer used	This line item is no longer used; the transfers are subject to previously stated "Credits Posted" and "Debits Posted" charges
Zero Balance Accounting - Sub	1	30.000	13.500	13.50	LINE ITEM ADDED BY BIDDER. Charge is assessed "per sub-account per month"
Sweep Services					
Investment Sweep	1	175.000	78.750	78.75	NOTE: Based upon current market rates, this services is not suggested or recommended at this time

FEE SCHEDULE

SERVICE PROVIDED	VOLUME MARCH 2020	PROPOSED FEE <i>(Price appearing on Account Analysis Statement)</i>	Effective Unit Price <i>(net of 55% Discount)</i>	Projected Monthly Charge <i>(using Discounted pricing)</i>	Comments by Bidder
Special Services					
BAI2 Reporting	6	50.000	22.500	135.00	NOTE: This charge is <i>avoidable</i> since Treasury Connect enables downloading of transaction records in various formats (including BAI2) at no additional charge
Balance Related Charges					
Regulatory Balance Fee	Analyzed Average Ledger Balances <i>(in 000's)</i>	0.125	0.125	Calculated Charge	LINE ITEM ADDED BY BIDDER. Charge is assessed "per \$1,000 average analyzed ledger balances"; Discount is not applied to this line item



CITY OF COPPELL (BID)

Statement Date: 07/31/2020
 Relationship ID: F XXXXX
 Relationship Manager: JUSTIN HAVINS
 Customer Service: 888-481-0336

PRO FORMA A/A STATEMENT (Proposed)
using services and volumes from RFP

Settlement Account: XXXXXXXXXXXX

Consolidated Account Analysis Statement

07/01/2020 through 07/31/2020

Number of Accounts: 6 Accounts included in this summary:
 01010101 02020202 03030303 04040404
 05050505 06060606

Balance and Earnings Allowance Information

Average Ledger Balance	212,000.00
Less: Average Float	98,500.00
Average Collected Balance	113,500.00
Positive Collected Balance Available for Earnings	113,500.00
Earnings Allowance (0.15%) <i>Tiered rate based on presumed collected balances</i>	14.42
Current Period Activity Charges <i>(net of discount)</i>	1,575.58
Total Amount Due	1,561.16

You received \$1893.19, a 55% discount on Activity Charges from Frost for this statement period.

Volume Activity and History

Service Description	Volume	Unit Price	Price
Checking Services			
Account Maintenance	6	20.0000	120.00
Credits Posted	513	1.0000	513.25
ACH Incoming Credits	372	0.2000	74.48
Debits Posted	591	0.2000	118.27
ACH Incoming Debits	42	0.2000	8.30
On Us Deposited Items - no charge	130	0.0000	0.00
Deposited Items	2,218	0.1500	332.74
Special Signature Requirement	2	15.0000	30.00
Special Sign Requirement Items	51	0.5000	25.50
Return Items	4	10.0000	35.83
Reclear Items	3	5.0000	12.92
Subtotal Checking Services			1,271.29
Vault Services			
Cash Processing - Deposit Total	28	1.0000	28.00
Minimum Change Order	5	5.5000	27.96
Subtotal Vault Services			55.96
Positive Pay Services			
Positive Pay Paid Reject Item	8	5.0000	40.00
Positive Pay with Payee Review	3	65.0000	195.00
Subtotal Positive Pay Services			235.00
ACH Origination Services			
TC Payments ACH	1	15.0000	15.00
ACH Origination Items	4,925	0.1500	738.70
Return Items ACH	9	5.0000	43.33
Subtotal ACH Origination Services			797.03
Wire Transfer Services			
Incoming Wire Transfers	2	12.0000	24.00
TC Payments Wire Transfers	1	15.0000	15.00
Online Banking Intrabank Transfers	2	4.0000	8.67

Service Description	Volume	Unit Price	Price
Online Banking Wire Transfers	9	12.0000	106.00
Wire Transfer Notice Phone	1	20.0000	21.67
Subtotal Wire Transfer Services			175.34
Commercial Online Banking Services			
Treasury Connect Access (includes 1st account)	1	35.0000	35.00
Treasury Connect Accounts	5	20.0000	100.00
TC Previous Day Items	1,519	0.1000	151.90
Commercial Online Banking Stop Payment Init	2	20.0000	41.67
Financial EDI Items	68	0.0600	4.08
Subtotal Commercial Online Banking Services			332.65
Image Archive Services			
Image Archive Discs	1	25.0000	25.00
Image Archive Items	898	0.0500	44.89
Subtotal Image Archive Services			69.89
Safekeeping Services			
Clearance - physical items		75.0000	
Clearance - called bonds	0	10.0000	
Clearance - FED ABS/MBS	0	25.0000	
Clearance - BNY ABS/MBS	0	35.0000	
Clearance - FED NON-ABS/MBS	0	20.0000	
Clearance - BNY NON-ABS/MBS	0	30.0000	
Collateral fee		50.0000	
Custody - monthly maintenance	0	10.0000	
Custody - safekeeping online	0	50.0000	
Custody - OTC coupon collection		20.0000	
Custody - OTC bond collection		20.0000	
Custody - assets per \$10M PHYS		0.1000	
Custody - assets per \$10M BE	0	0.0200	
Custody - fixed income receipts	0	0.6000	
Custody - interest payments	0	1.0000	
Custody - pledges/releases		6.0000	
Custody - maturity payments	0	10.0000	
Custody - account statements		2.5000	
Custody - late/change delivery		25.0000	
Custody - equity receipts	0	1.5000	
Custody - physical item receipts	0	2.0000	
Custody - P&I paydown payments	0	8.0000	
Subtotal Safekeeping Services			0.00
ZBA Services			
Zero Balance Accounting	1	30.0000	30.00
Subtotal ZBA Services			30.00
Automated Sweep			
Investment Sweep	1	175.0000	175.00
Subtotal Automated Sweep			175.00
Special Services			
BAI2 Reporting	6	50.0000	300.00
Subtotal Special Services			300.00
Balance Related Expenses			
Regulatory Balance Fee		0.1250	26.50
Interest Paid (IOC) <i>Based on average collected balances</i>		0.01%	0.11
Subtotal Balance Related Expenses			26.61

Balance Related Expenses (<i>not eligible for discount</i>)		26.61
Applicable Activity charges		3,468.77
Discount	55%	1,893.19



COMMERCIAL BANKING AND TREASURY MANAGEMENT SERVICES SCHEDULE OF FEES FOR CITY OF COPPELL

Until Depository is designated, offered Pricing is valid for 180 days from August 11, 2020

The total monthly charge for non-balance related services performed by Frost will be reduced by 55% off the following standard Commercial Banking and Treasury Management Service Fees.

Checking Services	
Account Maintenance	\$20.00/account/month
Inactive Account Maintenance	\$5.00/account/month
Hold Statement Service	\$10.00/account/month
Credits Posted (does not include ACH, Lockbox or Digital Deposits credits)	\$1.00/credit
ACH Incoming Credits	\$0.20/item
Debits Posted (does not include ACH debits)	\$0.20/debit
ACH Incoming Debits	\$0.20/item
On Us Deposited Items	No charge
Deposited Items	\$0.15/item
ICL Frost On Us Deposited Items	No charge
ICL Frost Partners Deposited Items	\$0.04/item
ICL Frost Premium Deposited Items	\$0.06/item
Image Duplicate Items	\$1.00/item
Image Compliance Reject	\$1.00/item
Image Code Line Repair	\$1.00/item
Forward/Return Items Image Compliance	\$5.00/item
Return Items	\$10.00/item
Reclear Items	\$5.00/item
Return Item Notification	\$10.00/notice
Special Signature Requirements	\$15.00/account/month + \$0.50/item
Audio Account Transfers	\$0.50/item
Account Transfers - Intra bank	\$2.00/item
Standing Order Transfers	\$0.15/item
Stop Payments	\$30.00/item
Check and Draft Collections	\$20.00/item
Collection Items	\$12.00/item
Insufficient Funds Items	\$35.00/check
Overdraft Items	\$35.00/check (maximum of 5 per day)

Deposit Control Agreement Accounts	
Deposit Control Account Setup	\$750.00/account
Deposit Control Account Setup Non-standard agreement	\$1,500.00 - \$3,000.00/account
Deposit Control Account Maintenance	\$200.00/account/month

Remote Deposit Capture Services	
Low Check Volume (less than 300 items per month)	
Customer-owned scanner	\$50.00/workstation/month
Frost procurement – Ideal Single Feed Scanner	\$50.00/workstation/month
Frost procurement – CX30 Single Feed Scanner	\$75.00/workstation/month
High Check Volume	
Customer-owned scanner	\$50.00/workstation/month
Frost procurement– TS240 Scanner	\$110.00/workstation/month
Frost procurement– Cannon High Speed Scanner	\$200.00/workstation/month
Credits Posted - Digital Deposits	\$0.80/item
RDC – On Us Deposited Items	No charge
RDC – Deposited Items	\$0.09/item
RDC – Information Reporting Items	\$0.12/image

Lockbox Receivables Management Services	
Credit Posted - Lockbox	\$1.00/item
Image Color Capture	\$0.12/item
MICR Capture	\$0.10/line
Data Entry – Keystroke	\$0.01/keystroke
On-line Exceptions	\$0.25/item
Download Image File	\$100.00/month
Data Transmission	\$125.00/box/month
FTP Customer Report	\$50.00/month
Postage	<i>Actual charge by third party discount not applied</i>
Courier/Express Mail	<i>Actual charge by third party discount not applied</i>
Branch Delivery	\$60.00/box/month

Wholesale Lockbox Processing Services	
Wholesale Lockbox Setup	\$100.00/box
Wholesale Monthly Maintenance (includes one address)	\$175.00/box/month
Wholesale Items	\$0.47/item
Remote Lockbox Monthly Maintenance	\$75.00/box/month
Remote Lockbox Items	\$0.40/item
Wholesale Cash Processing	\$1.00/item
Credit Card Processing	\$0.35/item
Wholesale Special Handling or Stapling	\$0.06/item
Wholesale Return Envelope	\$0.06/item
Wholesale Detail Sorting	\$0.10/item
Wholesale Reassociation	\$0.06/item
Wholesale Unprocessable	\$0.30/item
LB Image Capture – Non-financial	\$0.10/item
Wholesale Image Delivery - Internet	\$125.00/box/month
Wholesale Image Capture – Check or Invoice	\$0.10/item
Lockbox Image Extended Storage (up to 180 days)	\$25.00/month
Wholesale Image Archive – Check or Invoice (up to 7 years)	\$0.03/item
Wholesale Box Rental	<i>Actual charge by third party discount not applied</i>
Multiple Mailing Address	<i>Actual charge by third party discount not applied</i>

Retail Lockbox Processing Services	
Retail Lockbox Setup	\$100.00/box
Retail Monthly Maintenance (includes one address)	\$200.00/box/month
Retail Items	\$0.22/item
Retail Check Only	\$0.35/item
Retail Multiples (checks and/or coupons)	\$0.28/item
Retail Cash Processing	\$1.00/item
Retail Unprocessable	\$0.25/item
Retail Coupon Reject	\$0.10/item
Retail Reassociation	\$0.06/item
Retail Envelope Capture	\$0.10/item
Retail Return Envelope	\$0.05/item
Retail Image Delivery - Internet	\$125.00/box/month
Retail Image Capture - Check or Coupon	\$0.01/item
Retail Image Archive - Check or Invoice (up to 7 years)	\$0.03/item
Retail Box Rental	<i>Actual charge by third party discount not applied</i>

Remote Payment and Presentment Services	
RPPS	\$35.00/month + \$0.08/item
RPPS Reversals	\$2.00/item

Vault Services	
Currency Processing - Deposit Total	\$1.00/thousand
Partial Bag of Loose Coin Deposits	\$5.00/bag
Full Bag of Loose Coin Deposits	\$2.50/bag
Strapped Currency Furnished	\$0.55/strap
ATM Fit Currency Furnished	\$1.50/strap
Rolled Coin Furnished	\$0.12/roll
Change Order Minimum	\$5.50/order
Strapped Currency Furnished OTC	\$0.60/strap
Rolled Coin Furnished OTC	\$0.12/roll
Courier Expense	<i>Actual charge by third party discount not applied</i>
Deposit Correction Notice	\$10.00/notice
Deposit Processing Supplies	<i>Actual charge by third party discount not applied</i>
Detailed Reporting	\$15.00/hour
Maintenance - Safe Deposits	\$250.00/safe/month

Integrated Payables Services	
Virtual Card Setup	No charge
IP First Service Setup (Check Print or ACH)	\$1,000.00/account
IP Second Service Setup	\$300.00/account
IP Wire Transfer Setup	\$1,500.00/account
Integrated Payables	\$300.00/account/month
IP Check Print and Mail	\$1.50/check
IP Same Day Check Print and Mail	\$2.50/check

Integrated Payables Services, continued	
IP Special Handling	\$5.00/check (more than 5 pages printed)
IP Express Mail	\$7.50/check
IP Custom Mailer	\$0.25/item
IP Postage	<i>Actual charge by third party discount not applied</i>
IP Eliminate Check	\$12.00/check

Controlled Disbursement Services	
Controlled Disbursements	\$120.00/account/month

Account Reconciliation Services	
Partial Reconciliation	\$25.00 setup
Paid Item Output—Transmission	\$60.00/account/month + \$0.05/item
Statement All Items Report	\$60.00/account/month + \$0.05/item
Site Reconciliation	\$25.00 setup, \$50.00/account + 0.05/item
Full Reconciliation	\$25.00 setup, \$75.00/account + 0.07/item

Positive Pay Services	
Positive Pay	\$40.00/account/month
Positive Pay (with Full Reconciliation)	Positive Pay monthly fee waived
Positive Pay with Payee Review	\$65.00/account/month
Positive Pay with Payee Review (with Full Reconciliation)	\$25.00/account/month
Paid Reject Items – Positive Pay or Payee Review	\$5.00/item

ACH Fraud Prevention Services	
SEC Blocking	\$10.00/account/month
ACH Blocking	\$15.00/account/month
ACH Block or Filter with Review	\$20.00/account/month
ACH Filters	\$1/filter/month

ACH Origination Services	
ACH Origination	\$15.00/month
TC Payments ACH	\$15.00/customer/month
Cash Manager ACH Module	\$15.00/customer/month
Same Day ACH Origination Items	\$0.50/item
ACH Origination Items	\$0.15/item
Frost Tax Payment Transaction	\$3.00/item
NACHA Operating Rules and Guidelines (online access)	\$30.00 + tax
ACH Reversal	\$12.00/item
ACH File Maintenance	\$30.00/item
Return Items ACH	\$5.00/item
Return ACH Notice Fax	\$5.00/fax
ACH Reclears	\$2.00/item

Wire Transfer Services	
Incoming Wire Transfers	\$12.00/transfer
TC Payments Wire Transfers	\$15.00/customer/month
Cash Manager Wire Module	\$15.00/customer/month
Intrabank Transfers	\$5.00/transfer

Wire Transfer Services, continued	
Online Banking Intrabank Transfers	\$4.00/transfer
Batch Wire Intrabank Transfers	\$1.00/transfer
Standing Instructions	\$25.00/transfer + wire fee
Outgoing Domestic Wire Transfers	\$26.00/wire
Online Banking Domestic Wire Transfers	\$12.00/wire
Batch Wire Domestic Wire Transfers	\$12.00/wire
Outgoing Foreign Wire Transfers	\$45.00/wire
Online Banking Foreign Wire Transfers in US Dollars	\$30.00/wire
Online Banking Foreign Wire Transfers	\$15.00/wire
Wire Data File Setup	\$100.00
Wire Data File	\$50.00/account/month
Foreign Currency Account	\$50.00/account
Wire Transfer Statement	\$5.00/statement
Wire Transfer Notice Phone	\$20.00/call

Commercial Online Banking Services	
Security token	\$25.00/token shipped
Treasury Connect Access	\$35.00/month
Treasury Connect Accounts	\$20.00/account/month (1 st account free)
TC Previous Day Items	\$0.10/item
TC Return Item Images Access	\$15.00/month
Cash Manager Access	\$35.00/month
Cash Manager Accounts	\$20.00/account/month (1 st account free)
Previous Day Items	\$0.10/item
Return Item Images Access	\$15.00/month
Commercial Online Banking Stop Payments	\$20.00/stop
Financial EDI (Electronic Data Interchange) Items	\$0.06/item
Financial EDI Report	\$1.25/page
Financial EDI Report Fax	\$5.00/fax
Data Exchange - Incoming	\$75.00/account/month, + \$0.03/item
Data Exchange - Outgoing	\$75.00/account/month, + \$0.05/item

Image Archive Services	
Image Archive	\$25.00/file + \$0.05/item
Software for Image Archive	Software for Image Archive

ZBA (Zero Balance Accounting) Services	
Zero Balance Accounting	\$30.00/month/secondary account

Sweep Services*	
Investment Sweep	\$175.00/account/month
Credit Line Sweep	\$200.00/account/month
Credit and Investment Sweep	\$250.00/account/month
* Securities products are NOT FDIC insured * NOT guaranteed by Frost * NOT products of Frost and may involve risk to principal amount invested.	

Special Services	
BAI2 Reporting by FTP	\$50.00/account/month
File Translation Services	\$500.00/month
Special Programming	\$175.00/hour (2-hour minimum)

Balance Related Expenses <i>(the discount is not applied to the following items)</i>	
Earnings Credit Rate	Managed rate, subject to change at any time
Regulatory Balance Fee	Average ledger balance/\$1,000 x \$0.125
Expense on Negative Collected Balance	Frost Prime Rate + 3%
Interest Paid on Analyzed Accounts	Amount charged as an expense through Account Analysis
Collateral Fee to secure public entity deposits <ul style="list-style-type: none"> • No charge for securities listed under chapters 2256 & 2257 of the Government Code and TEA 45.201 & 45.208 (if applicable) without restrictions • Frost reserves the right to charge a Restricted Collateral Interest Fee of 0.25% of the amount pledged for restrictions disallowing PFCA-permitted securities or any of the Bank's contracted collateral custodians • Frost reserves the right to charge an Excess Collateral Interest Fee of 0.25% of the amount pledged for required collateral levels in excess of those mandated by the PFCA. 	

SAFEKEEPING SERVICES

SCHEDULE OF FEES FOR CITY OF COPPELL

Until Depository is designated, offered Pricing is valid for 180 days from August 11, 2020

The total monthly charge for non-balance related services performed by Frost will be reduced by 55% off the following standard Safekeeping Service Fees.

Safekeeping Services	
Account Maintenance	\$10.00/account/month
Safekeeping Online (Safekeeping Docs, Messenger, Safekeeping Extract)	\$50.00/month – 3 services No charge for basic service

Per Item Charges	
Fixed income book entry per receipt	\$0.60/item
Equity book entry per receipt	\$1.50/item
Physical per receipt	\$2.00/item
Book entry per \$10,000 at par at month-end	\$0.02/month
Physical entry per \$10,000 of par at month-end	\$0.10/month

Receipt Fees		
Security receipt and clearance fees	On-Frost Transactions	Not On-Frost Transactions
FRB non-ABS/MBS	–	\$20.00 each
FRB ABS/MBS	–	\$25.00 each
Non-FRB, non-ABS/MBS	–	\$30.00 each
Non-FRB, ABS/MBS	–	\$35.00 each
Physical items	–	\$75.00 each
Late delivery instructions	–	\$25.00 each
Change delivery instructions	–	\$25.00 each

Transactional Fees	
Interest payment – credit to account	\$1.00 each
Principal payment – credit to account	\$8.00 each
Called bond redemptions – credit to account	\$10.00 each
Maturities – credit to account	\$10.00 each
Wire fee	\$26.00

Pledging of customer-owned securities to another entity	
Pledge	\$6.00 each
Release	\$6.00 each
Substitution	\$12.00 each

Other Services	
Registrations and re-registrations	\$35.00 each
Physical examination of securities	\$25.00/hour
Reorganizations – tenders and exchanges	\$35.00 each
Treasury auctions	\$50.00 each
Account verification statements (free monthly)	\$2.50 each
Account research	\$25.00/hour
Indirect inquiries for lost or stolen securities:	
Semiannual charge	\$25.00 each
Inquiry	\$3.00 each
Over-the-counter collections:	
Coupons	\$20.00/envelope
Bonds	\$20.00/corpus plus postage and insurance
Proxies/Annual statements	\$3.00 each
Special handling (manual intervention)	\$20.00 additional/transaction