BANKING SERVICES AGREEMENT BETWEEN
THE CITY OF SOUTH SAN FRANCISCO AND
JPMorgan Chase Bank, N.A.
(this "Agreement")

THIS AGREEMENT is made by and between the City of South San Francisco ("City") and JPMorgan Chase Bank, N.A. ("Consultant") (together sometimes referred to as the "Parties") as of September 1, 2024 (the "Effective Date").

Section 1. **SERVICES**. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work described in **Exhibit A,** attached hereto and incorporated herein, and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement, **Exhibit A**, and any other documents comprising the Agreement, the order of precedence shall be as stated in Section 10.12. It is expressly recognized and agreed that merchant processing services component of the services requested under City's Request for Proposals – Banking Service and Merchant Services distributed September 21, 2023 (the "RFP") are not included within the Scope of Work governed by this Agreement. Rather such services, which have been awarded to Consultant by City, shall be governed by the Select Government Merchant Payment Card Processing Agreement – US Government Agreement as the same may be further negotiated between City and Paymentech, LLC.

1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on August 31, 2029, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8.

1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in accordance with the standard of "ordinary care," as such term is defined in the Uniform Commercial Code.

1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to serve as members of its Relationship Team assigned to oversee services performed for City under this Agreement. In the event that City, in its reasonable discretion, objects to any person assigned to such Relationship Team serving in such capacity at any time during the term of this Agreement, it may provide written notice of its concerns to Consultant and the latter shall promptly endeavor to correct any performance deficiencies noted with such person to City's reasonable satisfaction or otherwise endeavor to replace such person with a replacement who is reasonably satisfactory to the City.

1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Sections 1.1 and 1.2 above and to satisfy Consultant's obligations hereunder.

Section 2. **COMPENSATION.** City hereby agrees to pay Consultant service fees at the rates specified in Exhibit B, notwithstanding any contrary indications that may be contained in Consultant's proposal in response to the RFP (the "Proposal"). In the event of a conflict between this Agreement and

the Proposal, the rates set forth in Exhibit B shall prevail. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified in Exhibit B shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including overhead and salaries and benefits of employees and subcontractors of Consultant. Consequently, the Parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 **Invoices.** Consultant shall submit invoices, in the form of an account analysis statement in the format of the sample account analysis statement set forth in Tab X of the Proposal, not more often than once per month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date.

2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred, net of the application of any Earned Credit Rate (the "ECR") against deposited balances, as described in the Proposal. Absent its receipt of written notice of any discrepancies in the services listed, fees charged and ECR earned for such period, Consultant shall auto debit any fees not otherwise covered by the ECR against City's designated account on the fifteenth (15th) day of the following month, and, in the event of insufficiencies therein, City shall pay the balance within thirty (30) day ECR's shall be applied to the period in which they are earned and will not carry over for subsequent periods. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant. City shall have no obligation to pay invoices submitted ninety (90) days past the performance of work or incurrence of cost.

2.3 ***Intentionally omitted.***

2.4 **Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

2.5 ***Intentionally omitted.***

2.6 **Reimbursable Expenses.** Reimbursable expenses of Consultant are included in the total amount of compensation provided under Section 2 of this Agreement that shall not be exceeded.

2.7 **Payment of Taxes, Tax Withholding.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes. To be exempt from tax withholding, Consultant must provide City with a valid California Franchise Tax Board form 590 ("Form 590"), as may be amended and such Form 590 shall be attached hereto and incorporated herein as Exhibit D. Unless Consultant provides City with a valid Form 590 or other valid, written evidence of an exemption or waiver from withholding, City may withhold California taxes from payments to Consultant as required by law. Consultant shall obtain, and maintain on file for three (3) years after the termination of this Agreement, Form 590s (or other written evidence of exemptions or waivers) from all subcontractors. Consultant accepts sole responsibility for withholding taxes from any non-California resident subcontractor.

2.8 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for work performed prior to the effective date of termination, at the rates set forth in Exhibit B.

2.9 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

2.10 ***Intentionally omitted.***

Section 3. **FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to enable it to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. **INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Consultant, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Consultant shall

provide Certificates of Insurance, attached hereto and incorporated herein as **Exhibit C**, indicating that Consultant has obtained or currently maintains insurance that meets the requirements of this section. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s).

4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS ($1,000,000) per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator (as defined in Section 10.9). The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General requirements.** Consultant, at its own cost and expense, shall maintain commercial general ("CGL") and business automobile liability ("AL") insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS ($1,000,000.00) per occurrence on the CGL and combined single limit coverage on the AL with coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting there from, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 00 01. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90).

4.2.3 **Additional requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy for coverages listed in this Section 4.2:

a. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

b. Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

4.3 Professional Liability Insurance.

4.3.1 General requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement banker's professional liability insurance for professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS ($1,000,000) covering the professionals' errors and omissions.

4.3.2 Claims-made limitations. The following provisions shall apply if the banker's professional liability coverage is written on a claims-made form:

a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

b. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A- (minus): VII.

4.4.2 Verification of coverage. Prior to beginning any work under this Agreement, Consultant shall furnish City with a certificate of insurance.

4.4.3 Additional insured; primary insurance. The Commercial General Liability and Business Auto Liability policies shall list City and its officers, employees, and volunteers as additional insureds as their interests may appear with respect to each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant, as applicable; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by the Consultant in the course of providing services pursuant to this Agreement.

The Commercial General Liability and Business Auto Liability policies shall be primary insurance with respect to the City and its officers, officials, employees and

volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

4.4.4 **Wasting Policy.** The Commercial General Liability policy shall not include a "wasting" policy limit.

4.4.5 **Variation.** The City may approve a variation in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that the City's interests are otherwise fully protected.

4.5 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

a. Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or

b. Terminate this Agreement.

Section 5. **INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.** To the fullest extent permitted by law, Consultant shall indemnify, defend with counsel selected who is not reasonably objectionable to the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to physical property, or any violation of any federal, state, or municipal law or ordinance, to the extent directly caused by the willful misconduct or negligent acts or omissions of Consultant or its employees, subcontractors, or agents.. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code, subject to the limitations of this Section 5. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages, as described herein, whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration. Notwithstanding the foregoing, neither party shall be liable to the other for any indirect, incidental, consequential, exemplary, punitive or special damages, including lost profits, regardless of the form of action or theory of recovery, even if that party has been advised of the possibility of those damages or the same are reasonably foreseeable. Consultant's liability for indemnified claims relating to damage to physical property under this Agreement shall not exceed, in the aggregate, an amount equal to two times the average annual fees paid or payable to Consultant under the Agreement

Section 6. STATUS OF CONSULTANT.

6.1 **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits, as a consequence of performing services under this Agreement.

6.2 **Consultant No Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent or to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement, except to the extent pre-empted by federal law, in which case the latter shall control.

7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws binding upon Consultant in the performance of the work hereunder.

7.3 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals, including from City, of what-so-ever nature that are legally required to perform the services under this Agreement. Consultant and any subcontractors it engages in the performance of services hereunder, shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required in order to perform such services.

7.4 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal and state laws related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

8.1 **Termination.** City may cancel this Agreement at any time and without cause upon written notification to Consultant.

Consultant may cancel this Agreement for cause upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed prior to the effective date of termination at the rates set forth in Exhibit B.

8.2 **Extension.** City may, in its sole and exclusive discretion and subject to the concurrence of Consultant, which may be conditioned upon adjustments in pricing and other terms and conditions, extend the end date of this Agreement beyond that provided for in Subsection 1.1 for one (1) renewal period of two (2) years' duration.

8.3 **Amendments.** The parties may amend this Agreement only by a writing signed by all the Parties.

8.4 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates banking services by Consultant and is based upon a determination of Consultant's competence, experience, and banking knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not assign or subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator. Notwithstanding the foregoing, Consultant may assign this Agreement without the prior written consent of City to a successor in interest in connection with a merger, reorganization, consolidation, or a disposition of a particular business to which this Agreement relates, and may assign this Agreement to an affiliate or subsidiary. In the event of such an assignment, Consultant shall notify City and, if City objects to such assignment, it shall have the right to immediately terminate this Agreement. For all purposes under this Agreement, inclusive of all attachments hereto, "subcontractor" and "subcontract" shall refer to a third party or an agreement with such third party, if any and as applicable, engaged by Consultant to specifically aid in the performance of its obligations under this Agreement, but shall not include any third party engaged by Consultant, from time to time, in the performance of certain operational, technological, incidental, or back office functions that assist Consultant in its performance of services, on a common basis, for all or most of its customers utilizing

such services, such latter category of third parties being referred to as Third Party Service Providers. Consultant will obtain prior consent to its use of any "subcontractors" in the performance of services, to the extent and in the manner required under this Agreement, but shall not be required to notify or obtain written consent from City or any other party to its engagement of Third Party Service Providers

8.5 **Survival.** Sections 2.8, 5, 9.2, 9.3, 9.4, 10.1, 10.2, 10.5, and 10.14 shall survive the termination of this Agreement.

8.6 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

8.6.1 Immediately terminate the Agreement;

8.6.3 Retain a different consultant to complete the work described in **Exhibit A** not finished by Consultant; or

8.6.4 Exercise its remedies at law for breach of contract, subject to the limitations of Section 5.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 ***Intentionally omitted.***

9.2 **Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement; provided that no records shall be required to be retained for a period longer than Consultant's standard record retention period for such category of records.

9.3 **Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS ($10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement, subject to the following. Contractor will allow, at City's expense, City's auditors and independent public accountants, including where state or federal assistance is involved, state and federal auditors identified by City, reasonable access during normal working hours to City's bank records as is reasonably required in connection with their examination specifically pertaining to the City's accounts, and use of funds and services provided by Consultant to City. Any access or examination will be:

requested in writing; specifically describe the scope and records required; mutually agreed upon as to time and scope; and subject to Consultant's security procedures and record retention policies. Consultant may impose reasonable restrictions on the number of individuals allowed access, the frequency and length of access, and the scope of the records made available. City shall reimburse Consultant for the reasonable cost of copying, collating, researching and producing archived information.

9.4 **Records Submitted in Response to an Invitation to Bid or Request for Proposals**. All responses to a Request for Proposals (RFP) or invitation to bid issued by the City become the exclusive property of the City. At such time as the City selects a bid, all proposals received become a matter of public record, and shall be regarded as public records, with the exception of those elements in each proposal that are defined by Consultant and plainly marked as "Confidential," "Business Secret" or "Trade Secret."

The City shall not be liable or in any way responsible for the disclosure of any such proposal or portions thereof, if Consultant has not plainly marked it as a "Trade Secret" or "Business Secret," or if disclosure is required under the Public Records Act.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City may not be in a position to establish that the information that a prospective bidder submits is a trade secret. If a request is made for information marked "Trade Secret" or "Business Secret," and the requester takes legal action seeking release of the materials it believes does not constitute trade secret information, by submitting a proposal, Consultant agrees to indemnify, defend and hold harmless the City, its agents and employees, from any judgment, fines, penalties, and award of attorneys fees awarded against the City in favor of the party requesting the information, and any and all costs connected with that defense. This obligation to indemnify survives the City's award of the contract. Consultant agrees that this indemnification survives as long as the trade secret information is in the City's possession, which includes a minimum retention period for such documents.

Section 10 MISCELLANEOUS PROVISIONS.

10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including arbitration or an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County San Mateo or in the United States District Court for the Northern District of California.

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect to the extent consistent with effectuating the Parties' intentions. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 **No Implied Waiver of Breach**. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the permitted successors and assigns of the parties.

10.6 **Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.

10.7 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.* Notwithstanding the foregoing, City acknowledges that Consultant provides financial services to numerous customers throughout the globe, some of which may be located within the City and whose interests may be adverse to those of City and that providing financial services to such other persons does not constitute a "conflict of interest under the California Government Code nor the terms of this Agreement. Further, City acknowledges that Consultant is a wholly owned subsidiary of a publicly traded entity, JPMorgan Chase & Co., and City officers or other public officials of California or its political subdivisions and agencies may be shareholders of Consultant's parent.

Consultant shall not employ any City official as a Relationship Team member assigned to oversee the services provided for the City under this Agreement. Subject to the foregoing disclosure relative to indirect ownership interests in Consultant's parent, no officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

10.8 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials; provided that nothing herein shall prohibit Consultant from providing information and/or materials to the City or its designee, relative to additional products or services that Consultant offers which may be beneficial to the City, provided that, in the event that the City has released a solicitation for competitive bidding on any services, Consultant will not violate any resultant cone of silence relative to the offering of such services.

10.9 **Contract Administration.** This Agreement shall be administered, on the City's behalf, by the Director of Finance ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

10.10 **Notices.** All notices and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given (i) when received if personally delivered; (ii) when received if transmitted by telecopy, if received during normal business hours on a business day (or if not, the next business day after delivery) provided that such facsimile is legible and that at the time such facsimile is sent the sending Party receives written confirmation of receipt; (iii) if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); and (iv) upon receipt, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to the respective Parties as follows:

Consultant:

J.P. Morgan Chase Bank, N.A.
560 Mission Street, 4th Floor
San Francisco, CA 94105

City:

City Clerk
City of South San Francisco
400 Grand Avenue
South San Francisco, CA 94080

10.11 **Integration.** This Agreement is comprised of this executed document ("Agreement in Chief"), Exhibits A and B attached hereto, and applicable Global Account and Consolidated Service terms referenced in Consultant's Proposal. In the event of inconsistencies between the documents comprising this Agreement, the following order of precedence shall apply, in which each listed document supersedes and replaces inconsistent provisions of the document that follows it in the listing below:

a. Agreement in Chief
b. Exhibit B – Pricing Schedule
c. Exhibit A – Statement of Work
d. Global Account Terms
e. Applicable Service Terms

These documents represent the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral pertaining to the matters herein.

10.12 **Counterparts.** This Agreement may be executed in counterparts and/or by facsimile or other electronic means, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterpart, shall constitute one Agreement, which shall be binding upon and effective as to all Parties..

10.13 **Construction.** The headings in this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Agreement. The parties have had an equal opportunity to participate in the drafting of this Agreement; therefore any construction as against the drafting party shall not apply to this Agreement.

10.14 **Use of term "Consultant."** The use of the term "Consultant" in referencing JPMorgan Chase Bank, N.A., in no manner whatsoever shall be construed as any admission by the latter that it is a "consultant" as such term is used under the California Government Code, including, without limitation, provisions relative to consultant's adherence to conflicts of interest requirements applicable to government or public officials. No advisory services are to be provided under this Agreement and none of the obligations of or services provided by JPMorgan Chase Bank, N.A. under this Agreement would result in the latter exercising the governmental functions of a public official or influencing any public official's exercise of its governmental functions.

The Parties have executed this Agreement as of the Effective Date.

CITY OF SOUTH SAN FRANCISCO

_____
City Manager

JPMORGAN CHASE BANK, N.A.

_____
NAME:

TITLE:

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney

2729962.1

EXHIBIT A

SCOPE OF SERVICES

[See attached Exhibit A which includes TABS D –T and V-Y]

Tab D - Demand Deposit Accounts

The City currently uses five (5) accounts. The accounts are described below. The payroll and disbursement accounts have checks issued.

Please describe in detail the ability of the bank to provide the services for the accounts named below:

1. **City of South San Francisco-General Deposit Account (Main Account that transfers funds to and from ZBA Accounts). This account sweeps nightly. Outgoing wire transfers are recorded in this account.**
2. **City of South San Francisco-Payroll (ZBA Account) (checks and direct deposit/positive pay)**
3. **City of South San Francisco-AP Disbursement Account (ZBA Account) (checks and EFT/positive pay)**
4. **City of South San Francisco-Credit Card Accounts to track bank card activities (ZBA Account) Bank card transactions are in person, online, and over the phone) (Terminal ID for each settlement transaction to help reconcile credit card transaction and settlement)**
5. **City of South San Francisco –Ambulance Lockbox Account (ZBA Account)**

Acknowledged. The City can continue to use the accounts and solutions you enjoy today. Solutions and offerings for the following are described throughout this proposal:

- J.P. Morgan Access
- Account transfers
- Wire transfer origination
- ACH origination
- Positive pay and fraud solutions
- Chase Merchant Services
- Lockbox and Remote Deposit Capture

In addition we describe our zero balance and commercial checking accounts below:

Zero balance accounts

Continue to concentrate physical cash using our zero and target balance accounts.

Sweeping between single-entity owned accounts as well as multi-entity owned accounts using our fully automated sweep service. Accounts can be set to concentrate at either a zero or target balance level.

Concentration can be set up with two primary options:

- **Zero/target balance**: On a daily basis, automated cash concentration transfers occur to bring participating accounts to a zero or target balance at end-of-day.
- **Customized transfers**: Options include one-way transfers, intraday concentration and date specific transfers. We also offer fixed and percentage-driven instructions.

Through J.P. Morgan's ability to provide a completely automated end-of-day concentration process, late-posted or back-valued items are included in the zero balance or target balance transfer.

Commercial Checking accounts

The City can continue to use either Commercial Checking or Commercial Checking with Interest accounts, also known as a demand deposit account (DDA). The Commercial Checking DDA will continue to provide the option of paying an earnings credit rate (ECR), a “soft dollar” interest on balances which are applied against bank fees. The Commercial Checking with Interest DDA pays a “hard dollar” interest. Both accounts are fully liquid with no restrictions on withdrawals.

The offered rates—on the standalone interest-bearing DDA and Hybrid DDA—are bank managed rates which are reviewed and updated periodically by J.P. Morgan after considering a range of factors, including the market rate environment. Using a managed rate helps to maintain pricing flexibility while helping to protect you from the short-term rate volatility that could result from using an indexed rate.

The earnings credit rate is a bank managed rate which is reviewed and updated periodically by J.P. Morgan after considering a range of factors, including the market rate environment. Using a managed rate helps to maintain pricing flexibility while helping to protect you from the short-term rate volatility that could result from using an indexed rate.

Tab E - Deposit Compensation

The City compensates for bank services primarily with compensating balances and is charged for any deficiencies based on monthly account analysis.

1. List the bank's Earnings Credit Rate (ECR), and how it is calculated and applied.

The earnings credit rate is a bank managed rate that we review and update periodically after considering a range of factors, including the market rate environment. Using a managed rate helps to **maintain pricing flexibility** while helping **to protect you from the short-term rate volatility** that could result from using an indexed rate.

The earnings credit allowance is calculated based on the average daily positive collected balances in the non-interest bearing accounts less the reserve requirement (currently 0%) using the following calculation:

Monthly earnings credit allowance calculation

$$\frac{\text{(Average monthly investable balance x ECR x actual number of days in month)}}{\text{Actual number of days in year}}$$

We will continue to accept compensation based on fees and/or balances, with no difference in unit prices.

- **Fee Compensation**: If you choose a fee compensation plan, balances are not used to offset any service charges. Total service charges are debited from a designated account, generally monthly.
- **Balance Compensation**: If you choose a balance compensation plan, eligible balances are used to calculate an earnings credit allowance to offset service charges.

If eligible balances are sufficient, the earnings credit allowance offsets the service charge. Should the level of eligible balances not fully cover the fees, remaining service charges are debited from a designated account, usually on a monthly basis.

2. List the bank's actual ECR for the past 12 months (August 2022 to July 2023), on compensating balances, net of any management spread, if any.

Historical ECR rates

Month and year	Rate	Month and year	Rate	Month and year	Rate
August 2022	0.45%	**September 2022**	0.75%	**October 2022**	0.75%
November 2022	1.05%	**December 2022**	1.35%	**January 2023**	1.35%
February 2023	1.55%	**March 2023**	1.65%	**April 2023**	1.65%
May 2023	1.70%	**June 2023**	1.75%	**July 2023**	1.75%

3. Explain, in detail, how and when the FDIC assessment is computed and charged.

We charge a balance based charge (BBC), which is a monthly administrative fee assessed to address various regulatory and other charges affecting the bank. The rate is set by the bank and subject to periodic review and adjustment.

The following formula is used to calculate the BBC:

Balance-based charge calculation (monthly)
$\frac{\text{Average positive ledger balance} \times \text{charge rate} \times \text{number of calendar days in the month}}{\text{Actual number of days in the year}}$

Since January 2, 2010, our BBC rate has been 0.13%.

As with other eligible fees, the monthly Balance Based Charge may be offset by earnings credit provided by J.P. Morgan. This charge is included in the monthly account analysis statements.

4. Detail exactly which types of items and services can be applied against the City's account analysis in addition to standard bank services, i.e., merchant bankcard processing, armored car service, bank courier service, etc.

Please see Tabs V and W – Banking Services Fee Form for a customized price schedule and our pricing pro forma analysis included in Tab W which includes any one-time or set up charges, research fees and all other fees that may be charged.

Merchant processing and armored car service fees will not be assessed to the City's account analysis.

5. Does the City have the option of compensating on a fees or balances basis or, a combination of both? Describe any differences in related costs to the City with either option.

Yes, J.P. Morgan offers a demand deposit account (DDA) with the option of either paying a "hard dollar" interest or an earnings credit allowance ("soft dollar"). Pricing information is available in *Tabs V and W*.

J.P. Morgan offers an earnings credit–a soft dollar value calculation–on cash balances in non-interest bearing accounts. This earnings credit can be used to offset certain banking service fees and may enable the City to realize greater value for your cash compared to other alternatives. The account analysis statement automatically applies the earnings credit to offset service fees for an analysis period.

To the extent that earnings credits are not sufficient to offset all service charges, the City will pay hard dollars for the balance. J.P. Morgan will debit your account of choice monthly for this payment. Balances required to offset service charges will vary based on fluctuations in the earnings credit rate and account activity. The earnings credit allowance is automatically credited to your monthly billing statement.

6. What procedure is used to make any adjustments to Account Analysis statements and how long does it take for adjustments to take effect?

Details of adjustments to prior periods are provided in separate sections of the current analysis statement and labeled as such in the Financial Recap section.

The City should notify J.P. Morgan in writing of any errors or not receiving an account analysis statement within 60 calendar days after the statement is made available.

Errors are researched thoroughly so appropriate adjustments can be applied to the account.

Should there be a billing error and adjustments not completed prior to the direct debit, J.P. Morgan will post the difference between the original and corrected service charge as a separate transaction.

Tab F – ACH, Wire and Other Transfers

Describe the bank's online transfer service capability and what specifically is recommended for the City's use and consideration.

1. **Indicate what the funding requirement is for ACH payments and whether same-day payments are possible. In addition, indicate if it is possible to schedule payments in advance. Include deadlines for same and next day payments. Describe the acknowledgement you provide and timeline when (a) you receive file transmission, and (b) when a file transmission fails. Is there support available to assist if an electronic transfer fails? What are the customer service hours?**

Funding for ACH credits is required by 1:00 p.m. PT on the date of settlement. In its discretion, J.P. Morgan may require a customer to prefund the amount of ACH credit entries on the transmission date or prior to the settlement date. ACH items can be future dated. ACH payments through J.P. Morgan Access are warehoused for up to 60 days in advance of the value date.

Same-day payments

We offer same-day ACH. We worked together with the Clearing House and other key Nacha members to design, develop and champion the same-day ACH rule change.

Deadlines for next- and same-day payments

Below are the bank's cutoff times (in PT), relative to settlement date, for customer initiation of ACH transactions. There are no exceptions based on file type.

Initiation method	Next-day ACH	Same day ACH
Direct transmission (1,2)	7:00 p.m.	12:15 p.m.
Online banking portal (1)	7:00 p.m.	12:00 p.m.

(1) ACH PPDs must be received two business days in advance of settlement.

(2) If you require later deadlines, discuss with your relationship team.

Acknowledgement and customer service

We provide file receipt acknowledgements. To confirm the receipt of your direct transmission files, you may choose to receive any of the following acknowledgement files:

- **ACH File Receipt Notification Service**: Available to clients who provide us with Direct Send ACH files. You will get an email notification that your submitted ACH file was either successfully received by the ACH back office and validated or rejected for further processing. We can send email notifications to a maximum of 10 corporate email addresses (personal email addresses are not supported), and do not include notification of successful ACH processing of client files.
- **ACH Acknowledgement File**: Automatically transmits a copy of your original File Header (1) record and File Control (9) record allowing you to reconcile back to your original ACH file processing records.
- **ACH Companion (Mirror) File**: Provides a complete copy of the original incoming ACH Nacha detail payment file received by us. This re-confirms the individual payment instructions being processed and is often used as a reconcilement file. The file reports any ACH rejects or returns back to you within one to three business days.
- **ACH Transaction Summary Report (Journal)**: Created post-processing and summarizes the settlement results and totals for either an individual file or for the entire business day. We sent the report to you through secure email or direct transmission delivery within 90 minutes of receipt of the ACH initiation file. The acknowledgement includes item count and dollar amount.

We provide back up to help you feel more confident

We help you implement auto-acknowledgements for receipts of the transmission. If you fail to receive an acknowledgement within 15 minutes of the transmission, contact our Transmission Services Group for status and next steps. If the transmission fails, we work with you to have the ACH or wire released in a timely manner, making sure adjustments will not need to be made to the account.

Contact your assigned CSA if you're unable to transmit data to us. He may be able to provide you a solution on a case-by-case basis. You may also contact the ACH Transmission Services Group by phone at (813) 432-3800.

Operating hours for ACH processing

	Monday-Friday	Saturday	Sunday
Customer Service	4:00 a.m. to 4:00 p.m. PT	Closed	
ACH Operations Center	4:00 a.m. PT Monday to 11:00 p.m. PT Friday		1:00 p.m. Sunday to 10:00 a.m. PT Sunday
ACH Transmission Services Group	12:00 p.m. PT Sunday to 12:00 a.m. PT Saturday		
ACH file inputs accepted	24/7/365		

2. Confirm if the City has the ability to change, add or delete an item after transmitting ACH files. If yes, describe the procedure and cut-off times.

Yes. You can continue to modify a transaction before it's released it to the ACH operator. You have the ability to make modifications to transactions that have been sent to the bank but not released to the ACH operator using our ACH File Warehouse service. ACH File Warehouse provides you with a full, secure online access to delete and modify transactions—including dollar amount, account and routing numbers and a deadline of 1:00 p.m. PT, the day prior to settlement.

Request deletion, reversal or reclamation of ACH items through Access Transaction Services. Keep in mind requests may be made only by individuals authorized by your company and security is provided through technologies, depending on the method of transmission, such as HTTPS and secure file transfer protocol (SFTP). A Deletion (Stop Payment), Reversal and Reclaim Guide will be provided when you get started that explains the procedures

3. Describe the bank's online wire transfer capabilities and process for creating and approving new wire templates, modifying existing templates, and approving wire transfers. Indicate cut-off time (Pacific Standard Time) for initiating wire transfers to ensure same-day execution.

J.P. Morgan Access offers a complete range of funds transfer services supporting U.S. dollar and multicurrency payments, using both predefined (repetitive) templates and free-form formats. The City can easily create beneficiary templates with lockable and editable fields to set up recurring/repetitive payments.

- **The City establishes user entitlements**: The City's security administrators can authorize users to add, modify, delete, approve and/or release wire transactions, as well as add, modify, delete, approve and activate predefined templates.
- A J.P. Morgan client confirmation number is provided immediately upon release to the funds transfer processing platform and confirmation codes are accessible using cash reporting features.

Payment/receipt processing operates from 6:00 p.m. PT each Sunday through 4:00 p.m. PT each Friday, excluding U.S. Federal holidays. By actively participating in the extended CHIPS and Fedwire operating hours, J.P. Morgan provides clients with generous cutoff times to enable same-day execution of their payment instructions.

USD clearing opens on Saturdays at 7:00 p.m. PT for Monday value date processing of book transfers initiated through the weekend and Monday, if also a holiday. Clients will have the ability to process their U.S. dollar book transfer straight through payments during these additional hours; however, repaired payments are delayed until the normal operating hours of the FED and CHIPS.

The cutoff time for Fedwire transfers originated via our online portal is 3:15 p.m. PT, book or internal transfers initiated via the portal offer a cutoff time of 4:15 p.m. PT.

4. Describe the financial institution's incoming and outgoing electronic money transfer services. Include safeguards and security measures offered by your service.

With just a few clicks, you can continue to initiate key transactions (wire transfers, ACH and account transfers) from a single page. It is fully customizable which means you can create your own filters or templates with locked fields for added security. Payment Tracking allows you to track and trace their payments via the search feature for all your payments initiated via the online portal**.**

Please see Appendix 5 for detailed information on J.P. Morgan Access' security features.

5. Provide a description or sample of the bank's funds transfer agreement. How are authorization levels established for transfers?

Please see *Tab Y* for sample account service terms.

The City establishes user entitlements. The City's security administrators can authorize users to add, modify, delete, approve and/or release wire transactions, as well as add, modify, delete, approve and activate predefined templates.

6. Is your bank both a sending and receiving bank of the National Automated Clearing House Association (NACHA)?

The City can be confident that J.P. Morgan, both a sending and receiving bank, is experienced and capable in processing all of your ACH needs. J.P. Morgan has provided ACH solutions to clients and has ranked consistently as a top originator of ACH transactions since the founding of the ACH network in 1972.

7. Describe your file transmission options for electronic transfers. Indicate if there any restrictions on the software we should know about in order to prepare our payroll and vendor payments to be compatible with your direct deposit service. Confirm if transmissions can be initiated and monitored online.

For the City's large ACH batch originations, J.P. Morgan recommends secure file transfer protocol (SFTP) transmission. Transmissions can be initiated and monitored online.

To originate through batch file transmissions, using any one of industry standard Nacha file formats (e.g., ARC, CCD or PPD), the City can send and receive ACH files using SSL session encryption, browser-based file exchange (HTTPS), SFTP with PGP (Pretty Good Privacy) or GNUPG (GNU Privacy Guard) file encryption or AS2 (Applicability Statement 2). Our delivery methods leverage the internet and readily available software packages to make transferring files simple and secure without the added cost of proprietary software installation.

VPN (virtual private network) is also a supported file transfer solution.

8. Indicate assistance you provide in establishing a new ACH transmission. Confirm if access is provided to a database of ACH member institutions and ABA transit routing codes?

We will work with the City during the implementation phase to establish the pre-agreed file format interface between your ERP system and our electronic banking channels. To establish a smooth migration to J.P. Morgan's platforms, our Technical Service Group will also provide training and assistance to the City's staff to make sure that users are familiar with the functionality of the system.

Upon request we provide a complete database of ACH member institutions. Access this database directly from J.P. Morgan though transmission each month. This information is also available online through J.P. Morgan Access, where you easily search by institution name or ABA number. You can also download an Excel file directory.

9. Describe your system security in general and explain how it will guard against unauthorized ACH debits to the City's accounts.

Continue to use ACH Transaction Review to review and confirm ACH debit and credit transactions that post to your account and return unauthorized transactions on a case-by-case basis. A self-serve option allows you to choose either a "pay" or "return" decision default on your ACH Filter Profiles. ACH Transaction Review applies to both credit and debit profiles.

10. Articulate what safeguards and security measures does the bank have in place to protect the City, especially against unauthorized use of the system. Indicate whether there are daily limits on wire transfers?

Continue to restrict your eligible users by dollar amount and function. Dollar amounts may be either single transaction, daily aggregate or both. By separating duties, accounts and approval workflows, the City can help reduce the risk of fraud or compromised data. The City's security administrators are the only individuals able to assign users with transaction initiation privileges.

Please see Appendix 5 for additional information about our online portal's security.

11. With regards to your ACH and wire services, describe the bank's contingency plans in the event of a system failure and whether these services are available by means other than a computer system. Describe any backup processes if internet transmission lines are unavailable. Indicate if the City will be immediately notified of any changes or problems and the ability to re-send a file or delete a file.

We have established policies and assigned responsibilities to make certain that appropriate contingency plans are developed and maintained for each business area that supports J.P. Morgan Access. The intent of these contingency plans is to assure the continued operation of critical systems in the event of a disaster, emergency or other unforeseen events threatening interruption of these systems.

Your client service associate will remain in constant contact with you in a contingency situation.

12. Please describe the bank's electronic bill payment, e-payable, EFT, ACH services as they relate to Accounts Payable.

Virtual cards at J.P. Morgan provide an electronic, credit card-based payment method that helps clients like the City more efficiently manage your payment process. Virtual cards also help reduce costs and transform traditional areas of expense into potential revenue generators.

We offer a true virtual card solution. Each virtual card has a credit limit equal to the approved payment amount. With a design that creates just **one account per payment**, the merchant only has access to approved funds for a specific payment.

When all **four key elements of purchase** payments to transactions match—account number, dates, dollar amount and merchant category code (MCC)—reconciliation occurs automatically. A reconciliation file is then delivered to the City's ERP system.

We offer various integration options for virtual cards—**API, batch and online**—that leverage PaymentNet. Several of our clients leverage API and batch for specific use cases. These clients enjoy a cohesive/consistent experience with the robust capabilities that PaymentNet offers.

AUTOMATED RECONCILIATION

Reconciliation of virtual cards is based on matching four key elements:

- Account number
- Validity dates
- Dollar value (including tolerances)
- Merchant category code

Tab G – Deposit Transmittal Process

The City currently utilizes an armored car service for 7 locations. The armored car picks up either 2 or 3 times per week.

1. Provide the cut-off times for deposits at the bank's Processing Center to ensure same day credit. Indicate where the Processing Center/cash vault is located.

The following provides cutoff times for same-day ledger credit on deposits.

City (1)	State	Full-service vaults	Cash-only deposit (2)	Mixed (cash and check) and check-only deposit (2)
Oakland	CA	Y	4:00 p.m.	4:00 p.m.

(1) We regularly review vault activity as a business practice, which may result in openings, closings and changes to cutoff times.

(2) Coin deposits greater than $10.00 may be credited to your account on a delayed basis.

2. Provide the cut-off times for deposits at the bank's local branch to ensure same day credit. Confirm if there is an additional charge for after banking hours processing fee.

The following provides cutoff times for same-day ledger credit on deposits. J.P. Morgan has branches and ATMs in 48 states, as well as Washington, D.C. There is no additional charge for after banking hours processing.

ATM and branch deposits	
ATM deposits	8:00 p.m. PT. Deposit cutoff times are clearly posted at each ATM. • more than 15,660 ATMs are currently available in the U.S. for commercial deposits
Branch deposits	Variable • Vary by location but typically are between 5:00 and 6:00 p.m. local branch time
Branch night drop deposits	7:30 a.m. PT • Select branches offer a second opening in the early afternoon • Deposit cutoff times are clearly indicated on the face of each depository as required by law

3. Confirm if there is a required deposit preparation for checks.

Describe the bank's deposit requirements. Describe how the coin and currency deposits should be prepared. Can checks, currency and coin be included in the same deposit or are split deposits required?

Confirmed, there is required deposit preparation for checks.

The City receives materials, including detailed deposit preparation procedures during the initial implementation meeting. Instructions for deposit preparation are summarized in Appendix 6.

4. Describe the remote deposit services and process. Is there any special equipment requirements?

Continue to deposit business, government and consumer checks, Postal Money Orders, Western Union Money Orders, demand drafts and government warrants.

Our remote capture services require a high-speed internet connection, a desktop check scanner and a Windows-based PC.

J.P. Morgan recommends the Epson product line.

The Epson CaptureOne 60/100 or 90/100 is generally used for check-only scanning and the Epson DS-770 II if you plan to scan checks and documents.

A FLEXIBLE SOLUTION

Use Remote Deposit Capture service in the U.S.

Checks must be:

- Scanned from a U.S. location
- Drawn on a U.S. financial institution
- In U.S. dollars
- Deposited into a J.P. Morgan U.S.-domiciled DDA

5. Describe in detail the bank's procedures for handling deposit adjustments. What documentation on discrepancies does the bank provide?

J.P. Morgan identifies all discrepancies. We internally manage adjustments in the vault and branch below a predetermined sundry amount without posting the corrected entries and related fees to the City's account.

The chart below outlines standard procedures for reporting deposit adjustments and options available to you.

Standard and options for reporting deposit adjustments
Branch
The standard delivery method for adjustment advices is the U.S. Postal Service. We mail adjustment advices within one business day of verification to the address listed on the deposit account. The location number can be included on the adjustment advice. For paper check deposit, we can mail a second copy of the adjustment advice to an alternate address. However, for cash deposit adjustments, we're not able to mail an adjustment advice to an alternate address, nor can we send copies to multiple addresses. The credit or debit deposit adjustment can also be viewed online and on your bank statement with the dollar amount and location number, depending on whether the deposit is delivered to a vault or branch.
Vault
In addition to online viewing, we also offer the following notification options to supplement the paper advice: • **Email**: Next-day notification for all deposits and adjustments processed during the prior processing day • **Receipt mailer**: Mailed next day for all deposits, adjustments and change orders processed during the prior processing day • **Web**: Adjustment reports are available online through Web Currency Services Vault deposit adjustment advices also include the original deposit amount, original deposit date, processing vault ID and adjustment reason.
Electronic deposit using Remote Deposit Capture
For images that can't be forwarded for collection because they don't meet Check 21 requirements, we send an email notification to you on the next business day.

Deposit adjustments vary by channel—branch, check or vault. The deposit adjustment information provided to you includes: the deposit ticket date, credit date, verified date, declared deposit amount, verified deposit amount, denominational breakdown and any adjustments along with the associated reason code.

6. **Describe the bank's returned item handling and notification procedures. Is an automatic re-clearing option available? How long does it take for returned items to be sent to the City? Can the bank provide returned item information that references the City department that deposited it, i.e., by identification or location number?**

The City can be confident that we offer standard return and reclear item processing to help you manage your return items. Your return item handling instructions are maintained within a comprehensive database at the bank. During the check clearing process, the paying bank may return deposited checks for a number of reasons, including non-sufficient funds (NSF), uncollected funds, stop payment, account closed, etc. We route most returned items through the Federal Reserve System to regional return processing areas.

After processing the City's return items per your handling instructions, the return system generates a debit to the designated demand deposit account (DDA). We match the actual return items to a return item advice and mail them to the DDA statement address via First Class U.S. mail. The return advice lists the dollar amount and the reason for return for each item.

Advices are generated throughout the day and sent via First Class U.S. mail. Advices contain actual return items and the following information: processing date (debit date), advice number, deposit account bank number and deposit account number. A location number (up to 10 digits) can also be provided.

7. **What is the bank's procedure for ordering currency? Can currency delivery be coordinated with the scheduled armored car service?**

Continue to use our automated coin and currency ordering services for pick-up through our vaults and branches. The City may request change orders as needed, establish a standing vault order or using a combination of orders. Coin and currency orders are placed via telephone using an interactive voice response (IVR) or through our Web Currency Services ordering platform.

8. **Does the bank offer electronic check conversion? Is there a charge for the scanning equipment? If you have this program, please describe the procedures and cost. The city currently does not use this process.**

The City can continue to scan images of checks using Remote Deposit Capture and transmit them electronically to J.P. Morgan for clearing.

Receivables Online (formerly Virtual Remit) accepts checks drawn only on U.S. financial institutions as well as business, government and consumer checks, U.S. Postal Money Orders, Western Union Money Orders, demand drafts, government warrants, etc.

Please refer to *Tab V – Banking Services Fee Form* for pricing and equipment costs.

9. **Does the bank allow for the digitized storage and access to paid checks and statements? What security does the bank afford around these technologies? How long are they archived?**

The City receives images of all on-us transactions (paid checks, deposit tickets, advices/adjustments) and account reconciliation (ARP) reports through our banking portal. Check images and ARP reports are stored for 7 years (standard) with an option to extend retention up to 10 years.

Bank statements and account analysis statements are also available. The banking portal stores historical statements for up to 7 years for bank statements and 13 months for account analysis statements.

J.P. Morgan's multi-level security is designed to help protect your privacy, preserve data authenticity and maintain strong operational controls.

10. Describe the security for wires coming into the City. When a customer wires money to the City, will the City have to provide the customer both the City's account number and routing number?

Our Virtual Reference Number (VRN) solution can help alleviate the following common payment challenges:

- Payers making one payment for multiple invoices
- Payers making partial payments for one invoice
- Incomplete information given for payments received

Electronic receipts are paid quoting these dedicated VRNs, which are linked to your physical account with J.P. Morgan, thereby enabling automated and clear identification of your payers without the onerous task of manual reconciliation. Here's how it works:

- We provide you a range of reference numbers to assign to each of your payers
- Your customers quote the VRN in place of your account number
- When we receive the payment, we automatically associate the VRN to you and credit your operating account with us
- Each credit contains the associated VRN to identify the payer and apply to your accounts receivable

Access the VRN in the transaction postings to your account—reference numbers are reported on standard reports via J.P. Morgan Access.

11. Currently, an armor car picks up at 7 different address physical sites in South San Francisco: Those collections are posted to the deposit account. The armor car costs are currently included in the banks client analysis. Can your bank provide the armor car service and include it on your bank's client analysis statement? The 7 locations are within close proximity of City's downtown area.

Today, the City's armored car charges are not included in the monthly analysis. We will continue to support the City's vault transactions and work with the armored car service of the City's choice.

12. Currently, we have location codes printed on each deposit ticket. When we run a previous day's report, the deposit shows up on the report with a location code. This helps in reconciling from the bank to our books by department. Does your bank's previous day's report list deposits by location code?

The City can continue to use unique location identifiers (ULID) for assistance in reconciling deposits.

The Balance and Transaction Report, available through the Reports function, serves as the City's Location Report and captures deposit information from each of your locations. Locations are identified by a unique location identifier (ULID) number printed on the deposit slip, which is then reported back to your main office/location, broken out by each location.

13. Currently for the deposit account, we download a monthly report that shows daily activity of deposits into Excel. This would be available at the end of the month. Can your bank provide similar reports that can be downloaded into Excel? We also download a monthly report that shows debit transactions such as wires and fees into Excel. This helps in doing our bank reconciliation.

Yes, continue to us the online portal to run standard and create custom reports. All reports are available to download in Excel format.

14. Currently for the credit card account, we download a monthly report that shows detail credit card activity into Excel. Can your bank provide similar reports that can be downloaded into Excel? This helps in performing monthly bank reconciliation.

The City can continue to download detailed credit card activity via our Merchant Services online portal in an Excel format and will also have the capability to download an Excel monthly report for the credit card account deposits using our online portal.

15. Currently, we have a lockbox account for ambulance service provided by the City. We may need to have long term archival in the event we are audited by government agencies. How long can you archive digital deposit information?

Continue to retrieve images online for a standard period of 10 years.

Image transmission files are also an available option. You can easily upload the image file into your platform, so it serves as your first line of defense for storage needs and supports your existing workflows.

Tab H - Account Reconcilement

The City currently issues Accounts Payable and Payroll checks, as well as ACH Payroll transactions and A/P electronic funds transfers. See information in the attached June 2023 bank statements for monthly volume of these activities. The related accounts utilize full Account Reconcilement online reporting from the bank for items paid information.

1. **Does the bank offer full Account Reconciliation services whereby "check issue" files that the City provides the bank via direct data transmission are used to generate a list of both paid and outstanding checks, generating a list of outstanding items for assisting with monthly bank reconciliation? If so, describe the services and what is recommended for the City's consideration.**

Yes, J.P. Morgan continues to offer the City a complete reconciliation of outstanding and paid checks, with the option of reconciling accounts by the week, month, fiscal or calendar year in a format tailored to meet your needs. You provide us with detailed check issue data, including account numbers, check numbers, issue dates, dollar amounts and reference information (up to 15 bytes). The City chooses how you wish to supply this data: In a file transmission or by upload or manual key entry to J.P. Morgan Access, as needed by the check activity in each account.

With check issued data, J.P. Morgan will continue to perform a full reconciliation of activity in the account, delivering a reconciliation report package through our online portal. The standard full reconciliation package contains an account statement, balance sheet, paid and outstanding check listing, plus a summary including check number, issue date, amount paid and paid date.

2. **Does the bank offer Positive Pay services whereby "check issue" files that the City provides the bank via direct data transmission are used to allow the bank to only pay checks listed in that "check issue" file, with exactly the same specifications as listed in the "check issue" file (amount, payee, serial number, etc.)? If so, describe the services and what is recommended for the City's' consideration. Also, are suspicious checks, or checks over a certain dollar amount referred to the City for approval? Describe the parameters and amounts that would trigger a City review for approval.**

Yes. Continue to use J.P. Morgan Access's positive pay exception processing and send positive pay issue files via the internet. J.P. Morgan's internet delivery channel provides a foundation for secure and traceable communications between J.P. Morgan and the City using standard browser software.

Additionally, our online portal enables the City to use the internet to review digital images of all exception items, and instruct J.P. Morgan to pay or return each item from a single page. Payee name exceptions are conveniently delivered along with all other types of exceptions, so the City can easily employ the most up-to-date fraud protection services. Email notification offers a convenient way to know when exceptions are available for review. The deadline for the City to submit manual entry or file upload via J.P. Morgan Access is 7:30 p.m. PT. The deadline for the City to transmit check issuance files via direct transmission to the bank is 7:45 p.m. PT.

Positive pay triggers

We review positive pay accounts to detect the following exception situations: paid-no-issue, duplicate paid items, maximum dollar (by request), **minimum/maximum serial number (by request)**, stale-dated issue (by request), invalid serial number, cancel/void prior to payment, payee name does not match issue and paid amount does not equal issue.

3. Following a successful submission of the Positive Pay data, can the bank accept subsequent add/delete data to become effective immediately for manual or void checks?

Yes. Our Account Reconciliation team can delete files. The process varies by input method as described below:

- For a current-day file done in J.P. Morgan Access Checks, we can delete the file to allow a new file to be uploaded same day.
- For a prior-day file done in J.P. Morgan Access Checks, the reversal is processed overnight before you can upload again.
- If done by manual entry in J.P. Morgan Access Checks, the update occurs overnight.
- For a direct transmission, deletions occur the same day.

4. Describe the bank's web-based services as they pertain to stop payments, copies of paid checks, ACH exceptions, and voided checks. How long do stop orders remain if effect?

The City can continue to place stop payments online via the banking portal, either directly from within the "Stops" function or more efficiently by using the "Inquiry" function where the check numbers are validated against the issued items. When placing stop requests via the banking portal, the system searches 90 days of transaction history to identify if the check has been paid (extended retention periods are available) for payment requests entered manually. If the check has been paid, the system reports the date the item was paid, and you can;

- Choose to continue to request the stop by clicking "enter" (e.g.: to prevent payment of a second presentment of an item with the same check information)
- Choose to cancel by clicking on the "cancel" button If you do not want to place the stop

Once the stop payment request is submitted appropriately, it will be processed within one hour. We provide confirmation online of successful placement of the stop payment request. Print or download details as needed.

Additionally, a **stop payment activity report** is available online. The final status of the item at the time the stop was placed is available on the activity report the following business morning.

Stop payment requests remain in effect for **one year** and can renew for an additional six years.

Voids

We recommend that when a check is printed and released by the City, a stop payment be placed versus a void. Voids should be placed when the check has not been released. Stop payments are in effect for one year with an option to renew for six additional years, and if the check is presented for payment the bank will automatically return the item. For clients who choose to place a void on a check, if the item is presented for payment and the account subscribes to positive pay, the paid check will be communicated via J.P. Morgan Access as a "Cancel On File" check exception for the client to then make a pay or return decision on the item. Therefore, a stop payment provides a more efficient method of handling an outstanding check that is not to be honored.

5. Describe the account reconciliation services offered by the financial institution.

We offer a range of account reconciliation (ARP) services. Yes, all ARP services are optional and designed to enhance reconciliation efficiencies. We offer both full and partial reconciliation and describe below.

- **Full reconciliation** : Receive a reconciliation of outstanding and paid checks. Provide detailed check issue data for full reconciliation. With check issued data, we perform a **full reconciliation of activity** in the account, delivering a reconciliation report package via the online portal.
- **Partial reconciliation**: Receive a detailed listing of checks paid against a disbursement account over a client-defined period of time with partial reconciliation. This service also details certain other categories, such as stopped checks. Checks are typically listed in check serial number sequence with the amount and date each check was paid. The reports are available via the banking portal.

View your reconciliation report package on the online portal **within five business days** from the close of a cutoff cycle. Download reconciliation reports in PDF and daily paid files in TXT format from the Recon Output tab in Access Checks.

6. **What is the bank's policy regarding Daylight Overdrafts (DODs)? Is there a charge for DODs and if so, how is it calculated? Will the bank guarantee that all items drawn on City accounts be paid regardless of the balance in the funding account? What is the charge for covering these items? Be comprehensive in your response.**

An appropriate intraday credit limit will be made available to make sure your transactions flow smoothly and efficiently through our systems. This limit is electronically verified by our Funds Transfer Balance Control System. Payments made within the limit, plus the current cash position in your account, will instantly flow through to the appropriate execution mechanism.

One important feature of our system is the ability to group designated accounts together into a single relationship for intraday credit purposes. This provides for the release of payments when the total balance and intraday limit in your grouped accounts is sufficient.

Should a payment take your account balances over the intraday limit, the transfer will be stored electronically and referred to a funds control officer for approval. If covering funds are received while the payment is stored, the transfer will be automatically released without manual intervention.

Overdraft charge calculation

We charge for the use of end of day (EOD) uncollected funds by applying a daily variable overdraft (OD) rate to individual DDAs for each day an overdraft occurs. Interest and overdraft fees can be offset by an earnings credit allowance and may be assessed on a per-occurrence basis.

The negative collected balance fee is calculated daily, as follows:

Negative collected balance fee calculation
$\frac{(\text{negative collected balance} \times \text{overdraft rate})}{360 \text{ days}}$

There is also a per occurrence fee for each day an account maintains a EOD negative collected balance.

7. **Are images available online? For how long? How soon after a check has been cashed is the image available? How long is electronic archiving available and is there a fee for retrieving archived items?**

Yes, J.P. Morgan accommodates image delivery via the Statements and Checks functionalities on J.P. Morgan Access and via Receivables Online. Check disbursements, check images are available the same day the check is presented and stored for **7 years (standard)** with an **option to extend retention up to 10 years**. For positive pay clients, exceptions include check images for your review and decision. **There is no fee for retrieving an image of an archived check**.

The deposit information for branch teller, branch night drop, vault (via armored car) and ATM deposit options is viewable on a same day basis on J.P. Morgan Access, with any images available the following day. Images submitted using Remote Deposit Capture are available for viewing the same day.

8. **In the case of stale dated checks, will the bank agree to not honor any checks that have been outstanding (based on the date of the check) for 180 days or more?**

Yes. We offer the City our stale-date feature to return checks that are presented for payment past your pre-determined number of days from the issue date. Your account must be subscribed to **positive pay**, and we must receive the issue record in advance of the check being presented for payment.

For positive pay accounts, these checks show as “Stale Date Item Issue” exceptions on the **daily positive pay exception report** that allows you to decide whether each item should be paid or returned. You may also elect to have the system **automatically return** all items prior to having them reported for your review.

Stale-dated checks are not removed as issues. To remove the item as an issue, the City sends a positive pay file and identifies applicable stale-dated checks as cancels.

Tab I – Direct Deposit Relationship

The City transacts with the State of California Local Agency Investment Fund (LAIF) and receives tax apportionments on a regular basis.

1. Is the bank an approved State of California depository?

JPMorgan Chase Bank, N.A. is a qualified depository for public funds in California. J.P. Morgan facilitates activity on behalf of municipalities with redemption and investment Local Agency Investment Fund (LAIF) transactions.

2. What is the charge per transfer to and from LAIF?

The City will be assessed a $4.00 fee per transfer to and from LAIF.

3. Describe how the financial institution processes LAIF transfers and subvention payments from the State of California.

Investment transfers to the State will be initiated by the City via J.P. Morgan Access and posted to the State via wire transfer.

J.P. Morgan works with government clients in the State of California to promote compliance with State procedures for LAIF investment transactions. Note that the following are general procedures, and that the City is encouraged to confirm with LAIF to be sure they are in receipt of contracted instructions specific to the City:

- For same day transactions, LAIF must be contacted by 10:00 a.m. PT.
- 15 total transactions per month are allowed, which include both deposits and withdrawals.
- Transaction amounts should be in thousand dollar increments with a minimum of $5,000.
- Withdrawals of $10 million or more require at least a one-day advance notice to LAIF.
- Future-dated transactions can be requested up to 10 calendar days in advance.
- Verbal acknowledgment must be initiated by authorized the City personnel prior to funds transfer.

Transfers from LAIF

Investment transfers from the State will be initiated by the City via LAIF by phone or online, and posted directly through J.P. Morgan into your designated account. LAIF transfers can be executed by the City online through the LAIF portal.

Please refer to *Tab W and X* for applicable fees.

4. Does the bank have an office in Sacramento that maintains a direct DDA banking relationship with the State Treasurer's Office and the State Controller's Office?

Yes, J.P. Morgan has an office in Sacramento with a direct DDA banking relationship with the State Treasurer's Office and the State Controller's Office.

Tab J - Direct Deposit of Payroll

Direct Deposit of Payroll is currently in place with a majority of the City's employees participating. The payroll files are transmitted bi- weekly for payroll. Refer to the attached bank statements for a monthly snapshot of the volume of activity.

1. Describe the bank's procedure in detail for receiving electronic payroll data.

Typically, one or two days in advance of the designated payday, you send us a file containing the total amount to be paid electronically to your employees' designated accounts. For an additional charge, payroll transactions may be initiated with same day settlement, provided cutoff times are met. The offsetting amount is charged to your designated account with us on the day of settlement (payday).

Direct deposit options	
Origination method	
Larger volume	We recommend you use direct send transmission. You create a transaction file in standard Nacha format using industry standard applications. You will then transmit the file to us through a common protocol such as FTP. The transmission is encrypted and sent to us for final ACH processing.
Lower volume	We suggest using J.P. Morgan Access. The banking portal allows your authorized users to enter the required ACH payment details in the fields provided. In addition to initiating payroll, you can use the banking portal for ACH and wire disbursements and concentration.
Transaction type	
Prearranged payment and deposit (PPD)	Supply PPD files for next-day credits. For your employees to receive funds as available balances for ATM withdrawals on payday, you must deliver the file to us by 7:00 p.m. PT two business days prior to the settlement date. The file will be processed at the earliest ACH processing cycle so that the receiving depository financial institutions can post the credits to the employees' accounts by open of business on payday.
Same-day ACH credits	Send same-day ACH credits. All ACH credit transactions, except for international transactions (IATs) and transactions above $1,000,000 are eligible for same-day processing.

2. What are the transmission deadlines for Direct Deposit ACH files? When (day and time) does the bank need the file from the City, and when specifically are funds debited from the City's account?

Depending on your initiation method, all data received after the cutoff times listed in the below table is ineligible for same-day processing.

Initiation method	Cutoff times
ACH Direct Send	12:15 p.m. PT
ACH payments via J.P. Morgan Access	12:00 p.m. PT

3. **Detail the bank's back-up plans for data transmissions. The City requires immediate notification of any changes or problems and the ability to re-send a file or to delete a file.**

We help you implement auto-acknowledgements for receipts of the transmission. If you fail to receive an acknowledgement within 15 minutes of the transmission, contact our Transmission Services Group for status and next steps. If the transmission fails, we work with you to have the ACH or wire released in a timely manner, making sure adjustments will not need to be made to the account.

Contact your assigned CSA if you're unable to transmit data to us. He may be able to provide you a solution on a case-by-case basis. You may also contact the ACH Transmission Services Group by phone at (813) 432-3800.

4. **What screening measures does the bank use to minimize errors on files sent to you i.e., pre-notes, ABA screening, etc.?**

We recommend using Account Validation Service (AVS) to assist the City in validating account numbers in your ACH files. AVS is a routing engine and service offering for validating counterparty information. It directly supports account verification and ownership authentication. Account Validation Service uses routing and account number data to provide an account status for consumer and business accounts, giving you information that an account is valid prior to approving a deposit or accepting a payment.

With Account Validation Service, the City can:

- **Decrease the likelihood of returned or erroneous payments**: Validate account status and account ownership information in real time
- **Detect potential fraud risks**: Review potentially high-risk changes to payment instructions, received via non-secured channels, such as email or fax
- **Increase operational efficiency**: Avoid originating payments with erroneous data, reducing the potential for manual exception handling
- **Easily comply with the Nacha Web Debit Account Validation rule**: Leverage a commercially reasonable validation solution
- **Enhance security**: No retention of personally identifiable information and no credential sharing required.

The Nacha WEB Debit Account Validation Rule became effective March 19, 2021. ACH Originators of WEB debit entries are required to use a "commercially reasonable fraudulent transaction detection system" to screen WEB debits for fraud. This existing screening requirement is being supplemented to make it explicit that "account validation" is part of a "commercially reasonable fraudulent transaction detection system." The supplemental requirement applies to the first use of an account number or changes to the account number.

https://www.nacha.org/rules/supplementing-fraud-detection-standards-web-debits

Prenotes

J.P. Morgan routinely processes prenotifications or "prenotes". Because prenotifications are no longer required, it is the originator's choice as to whether they are necessary. However, J.P. Morgan recommends use of prenotifications if the City has the time to respond to corrections or errors generated by a notification of change on the prenotification and correct the information prior to the first payment. We recommend that prenotifications be originated at least three banking days prior to live-dollar origination, but we can accommodate any timing scenario. The prenotes are charged as standard ACH transactions.

Tab K - Payroll Tax Processing

Currently, the City transmits payroll taxes via the IRS and California EDD website so that payroll taxes can be pulled from our bank account.

1. **If the City uses your services for making tax payment, do you guarantee the timing of the payment? Describe the process and cost for this service.**

J.P. Morgan supports the ability to originate a full range of U.S. ACH transactions and related remittance data including the TXP-formatted CCD+ transaction for tax payments via file transmission.

The City can also pay federal, state and municipal business taxes electronically via the internet or phone using J.P. Morgan's Tax Payment Service (TPS). Same day ACH processing is offered for state and municipal tax payments via the internet only. Federal tax payments, telephone payments, and file upload payments are not available for same-day ACH processing. The City can streamline tax payment initiation activities and remain fully compliant with mandates for electronic filing—all without giving the government access to account numbers or funds.

In addition, J.P. Morgan provides payment initiation services through J.P. Morgan Access, our browser-based banking portal. Our banking portal contains ACH templates for all 50 states and federal taxes, which are periodically updated, as banking instructions and/or formatting changes are made by the taxing authority.

J.P. Morgan also offers repetitive and free-form funds transfer (wire) payments that may be used to create federal and state tax payment transactions.

Pricing for originating tax payments is the same as other ACH origination charges. ACH origination pricing is provided in *Tabs V and W*.

Tab L - Overnight Sweep

The City utilizes an automatic, overnight Sweep so we can earn interest.

1. Describe the overnight sweep account offered by the financial institution including overnight investment options available to maximize the City's potential earnings.

As a leading liquidity solutions provider, J.P. Morgan offers integrated off-balance sheet investment solutions as well as our Hybrid DDA solution for excess operating balances not needed to offset bank fees with earnings credit allowance.

Hybrid DDA

The Hybrid DDA offers a solution similar to the functionality of an overnight sweep service. In the Hybrid DDA solution, balances earn an earnings credit allowance up to a predetermined threshold to offset bank service fees with balances above the threshold earning hard dollar interest. Thus, **instead of sweeping to a separate account each night, your excess balance remains in the DDA and earns interest.** Additionally, the Hybrid DDA does not have an investment cap like an end-of-day MMF sweep solution.

Balances up to a predetermined threshold ("the peg balance") earn an earnings credit allowance at the proposed earnings credit rate of **3.30%**. Funds up to the peg balance are used to offset bank service fees. Balances above the peg balance threshold earn hard dollar interest at a proposed rate of **3.20%**. Interest accrues daily and is paid monthly. The below illustrates how the Hybrid DDA works.

The peg balance can be changed at any time prior to the next billing cycle (and applied on a go forward basis) to adjust for unplanned changes in service fees (e.g., significant volume changes, service additions/deletions, to compensate for periods in which minimum balance levels fall below the peg balance amount).

Sweep to money market fund

The automated intraday and end-of-day investment sweep to J.P. Morgan and select third-party money market funds (MMF) helps clients efficiently invest account balances, maintain liquidity and meet investment guidelines. Investment sweep services afford competitive returns while simultaneously providing fluid integration with operating accounts. Our sweep product offering provides visibility of accounts and returns online through J.P. Morgan Access Liquidity Solutions.

The City can use J.P. Morgan's breadth of services, reputation, and financial strength and stability to build upon the efficiency and value of our own cash management operation. Below please see investment details on the sweep offering available to you.

Sweep offering	
Money market funds (MMF)	
Exposure	The specific MMF selected; see prospectus at www.jpmgloballiquidity.com
Rating	
Sweep type	End-of-day and intraday
Timing	• End-of-day: Last transaction of the business banking day • Intraday: One hour prior to fund close
Return of funds	• End-of-day: The morning of the next business day • Intraday: Only when DDA balance falls below target
Interest/ dividends	• Dividends accrue daily, paid monthly on a 365-day basis

Sweep offering	
Money market funds (MMF)	
Restrictions/ comments	• U.S. corporations/entities must invest in U.S.-registered funds • End-of-day sweep: Investment cap established based on average stable balance See prospectus for fund details

2. Is the bank's sweep an end-of-day or intra-day sweep?

J.P. Morgan offers both an end-of-day investment sweep and an intra-day investment sweep.

3. What sweep investments or funds are available for public funds clients? Does the fund meet the California Government Code for allowable investments?

J.P. Morgan offers various investment options that meet the California Government Code and are available for our public funds clients. J.P. Morgan suggests that the City invest in our Money Market Fund options for investing public funds. For fund information and related prospectus, please visit our website at www.jpmgloballiquidity.com/us/viewproducts.

4. What is the size of the sweep fund(s)? Provide a prospectus and sample financial statements on the fund(s).

Please view our prospectus at www.jpmgloballiquidity.com

5. What are the costs associated with sweep (monthly maintenance, set-up charges, fund expenses, transaction fees, etc.)?

There are no set-up charges associated with the overnight sweep. There could be monthly maintenance charges dependent on the investment sweep option chosen, which is charged through analysis.

6. Provide historical rates on your sweep fund(s) for the past 12 months (July 2022 to June 2023).

Please visit the following site and click *Products, Performance & Yields* and then select the appropriate fund to view current and past rates.

https://am.jpmorgan.com/us/en/asset-management/liq/

Tab M - Balance & Detail Reporting

The City currently utilizes web- based reporting (Treasury Information Reporting). The City uses previous day composite and intraday reports to reconcile activity from our books to the bank.

1. Describe the bank's online information reporting system including cost of web-based reports. The City may request a demonstration of your online system.

With J.P. Morgan Access, the City continues to receive a highly intuitive and easy to use, cash management solution that seamlessly integrates all treasury activities through a secure portal using a single authentication process.

Benefits of our approach: Online portal—simple, intuitive and integrated	
	Powerful security Receive protection of privacy and authenticity of users, data and transactions when you access the portal via our sophisticated multi-layer security system
LOGIN ***	**Easy to use** Use a single sign-on and seamlessly access authorized accounts and functionality with automatic upgrades when users sign on
	Saves time View critical information at your fingertips on your customized home page—with features and capabilities that are just a few clicks away
	Alert notifications Set up a variety of customizable business critical alert notifications to save you time and make sure you don't miss anything
	Decision support interfaces Manage your data effectively using filtering and export technologies
	Virtually effortless administration Security administrators use simple and intuitive tools to manage frequent user entitlement changes in real time, and **save time** with features like cloning entitlements and cloning account and user groups
	Flexibility Select the services required to support your current business environment and add additional services **as your needs evolve**
	Self-service training and education Access a single and consistent location called the Access Help Center for product and service learning options, a guides library, an intuitive online webinar registration tool that allows your staff to participate as needed—plus other tools and resources

For more information on our J.P. Morgan Access products and services described in this response, visit https://www.jpmorgan.com/solutions/treasury-payments/access.

We would be happy to provide the City with additional demonstrations, upon request.

2. Can reports be custom-tailored for the end-user and downloadable into Excel?

Yes, our interactive reporting feature gives you the ability to further customize your transaction report by moving, adding or hiding columns, filtering and sorting on one or multiple columns and then saving your customization as a separate report. Reports can be downloaded in Excel format.

3. Can the City obtain current day (intra day) information? If so, describe the service.

Yes. Current-day information, which is the reporting of memo-posted transactions, is available throughout the day as the transactions complete on processing applications such as lockbox , wire, ACH, returns and demand depository accounts.

4. What are the computer hardware and software specifications for the bank's online system?

Please see Appendix 7 for hardware and software specifications.

5. Provide a sample of prior day and intra-day reports that would be the best example of the system's capabilities. Include the reports in this section.

Please refer to Appendix 8 for sample reports.

6. Can the bank provide credit or deposit information by location or identifier number (i.e. by department) as part of these reports?

Yes. The City can continue to use unique location IDs (ULID)—if used to identify files by entities/location.

J.P. Morgan offers deposit reporting to assist with deposit reconcilement. This provides the City with a listing of all deposits identified by ULID location number, as well as miscellaneous debit/credit deposit adjustments. The details are available via J.P. Morgan Access. The City can create deposit detail reports by ULID location, allowing deposits from multiple locations to be reconciled using a single account.

7. What is the bank's contingency plan for providing this information in the event of unexpected bank systems problems or natural disasters?

We have established policies and assigned responsibilities to make sure that appropriate contingency plans are developed and maintained for each business area that supports J.P. Morgan Access. The intent of these contingency plans is to assure the continued operation of critical systems in the event of a disaster, emergency or other unforeseen events threatening interruption of these systems.

Your client service associate will remain in constant contact with you in a contingency situation.

8. What other online or Internet based systems are currently available to customers?

The four channels of J.P. Morgan Access—Online, Mobile, Insight and File Transmission—are designed to save treasury professionals time by integrating everything you need in one place.

J.P. Morgan Access: Keep your business moving forward with one integrated global platform

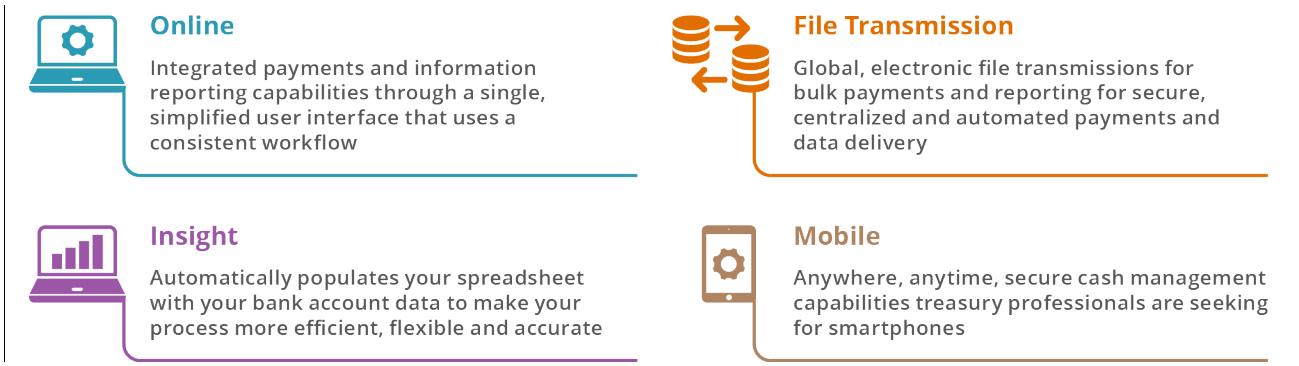

Figure 3

Tab N – Merchant Services and Bankcard Processing

The City currently accepts Visa, MasterCard, and Discover credit card payments via terminal and online for various fees and permits. The terminals are located at various locations throughout the City. We currently use JP Morgan Chase Merchant Services.

1. **Please describe your experience providing merchant services for local governments. What differentiates your merchant services? If the services are provided by a vendor other than the responding bank, how long has the relationship been in effect and how is the relationship between the bank and merchant service provider managed?**

For more than 200 years, J.P. Morgan has been serving as a trusted payments provider to organizations across the world. As one of the best-known and largest payments processors in the industry, strengthened by our multibillion firmwide investment in technology to improve our infrastructure and optimize the efficiency of our global platform, we believe that the performance, security, speed and uptime of our payments lead the industry. Our proprietary infrastructure delivers system availability 24/7, driving our longstanding track record of processing client payments efficiently, reliably and securely.

2. **Please provide a detailed description of the entire merchant card process within your institution. If your program is housed through a third party vendor, please explain. Discuss the roles and responsibilities of the bank and vendor, if applicable.**

J.P. Morgan does not currently use a third party to process and settle transactions. As a merchant acquirer, we maintain direct links to all of the payment brands, as well as several private label credit card organizations. JPMorgan Chase Bank, N.A. is our sponsoring bank and is a full member of both Visa and Mastercard networks. Our processing facilities operate through JPMorgan Chase Bank, N.A.'s specific Bank Identification Number assigned by Visa and Interbank Card Association numbers assigned by Mastercard. Because we have direct links to Visa and Mastercard, we settle transactions directly to the payment brands without any third-party intermediaries.

Authorization Process: All transaction data is replicated between our dual hosts in real-time.

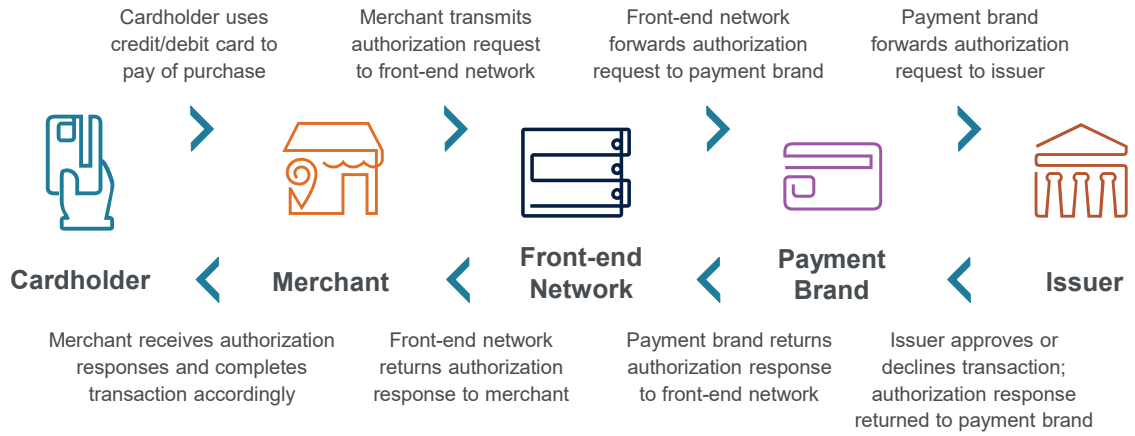

Figure 4

3. **Provide interchange pass through pricing with a breakdown of all fees, including bank and association charges. Be clear on which rate or fee is being locked for the duration of the contract and which is subject to arbitrary charge (such as network rate and fees). How are the interchange fees determined for each transaction? What are the fees associated with debit card transactions? What does the bank recommend to minimize fees?**

Please see *Tab V – Banking Services Fee Form* for J.P. Morgan's Schedule A Pricing for reference.

4. **What type of online reporting services do you provide? For example, (besides the Card Processing Statement), can you provide activity reports in total and by merchant ID location on a daily, monthly or other basis? What sort of detailed information is provided for auditing and reconciling purposes?**

Our reporting solution provides 24/7/365 access to your payments processing data (e.g., front-end point-of-sale and back-end reconciliation data). Generate, view, print and export a variety of summary, detail and trending reports on a daily, weekly and monthly basis, including financial and transaction and portfolio-based detail, retrievals and chargebacks, and customized analytical summaries. Download data files and select from a broad variety of standard reports to suit your documentation needs, all to help you effectively manage your payments processing data, review deposit activity to improve cash flow, and view and analyze payment data efficiently for cost savings analysis.

The Bank Lookup capability allows you to search for card issuing information to assist in research, and the Merchant Search capability helps you find locations within your hierarchy. Tailor the reporting tools and filters per your user preferences that make the most sense for your organization.

5. **Describe Payment Card Industry (PCI) data security compliance and liability, and what assistance you can provide to the City with PCI compliance?**

We support your compliance by facilitating/providing the following:

- **Compliance expertise**: Our team of payment card industry and information security compliance experts focuses solely on the City's PCI compliance matters and needs.
- **Industry leadership**: We represent our clients and the acquiring industry via the PCI SSC and its Board of Advisors, and we have been elected to the Board numerous times since its founding in 2006. We also participate in forums on fraud, threats, vulnerabilities and risk mitigation in the payments industry, including the Financial Services Information Sharing and Analysis Center (FS-ISAC) and the Payment Processor Information Sharing Center (PPISC).
- **Client communication**: Upon request we are able to conduct conference calls with you that include your client service team, members of our Merchant Compliance team, our product teams, technology providers, payment brands and PCI Council, etc.

6. **Describe your chargeback policy, including the bank's role in this process. How is chargeback information provided to the City, and how quickly? Is it available online?**

We actively work with you to minimize your total disputes/chargebacks and the effect they have on the City, with our Chargeback Department proactively evaluating disputed charges. If we are unable to remedy the dispute/chargeback, we send it to you with all supporting documentation via the **Online Chargeback Management System**.

As part of our disputes/chargebacks program and process, we:

- Perform dispute/chargeback processing in-house on our proprietary system. We have developed a state-of-the-art database and a decision logic system to electronically receive and interrogate each dispute/chargeback. We are notified electronically that a dispute/chargeback has been initiated against your account prior to receiving the supporting questionnaire or other images.
- Review the dispute/chargeback to make sure it has a valid reason code, is within the required time frames and has all the necessary supporting documentation from the issuing bank. We reverse unnecessary or inappropriate disputes/chargebacks without your staff ever being involved in researching the items.

- Review disputes/chargebacks for compliance with regulations. Also, we may utilize the pre-compliance dispute/chargeback process if there is a violation of a payment brand rule or regulation for which there is no established dispute/chargeback reason code. In either situation, if the charge is disputed, the cardholder must contact their issuer who then completes documentation such as a questionnaire (Visa) or a Billing Dispute Form (Mastercard) detailing the reason for the dispute. The issuer then credits the cardholder's account and initiates the dispute/chargeback process.
- Process items within the required time frames to preserve your re-presentment/pre-arbitration rights. Our Transaction History Database, which maintains a six-month complete transaction history by credit card number, enables this sophisticated electronic processing.

Information is loaded to our reporting systems next day from when they are received.

7. Besides the traditional credit card acceptance (in person/card swipe), do you support any new platforms such as smartphones, web portals to initiate credit card, debit, and/ or electronic check transactions? Please describe and state additional costs.

We sell point-of-sale equipment through our vendor or the City may opt to obtain point-of-sale equipment that is certified to our network from a third-party vendor.

Class A terminals that are actively sold, certified and supported by us include:

- **Ingenico**: Desk 5000 (IP/Ethernet only) and Move 5000 (WiFi/BT/4G only) stand-alone terminals
- **External PIN pad**: DPP 1500 only for use with the Desk 5000

If your existing terminals need reprogramming, we facilitate that process for you, including preparation of download files, deploying welcome kits (via our deployment vendor), scheduling dates and times for outbound calls to each location to perform equipment download, and training for each location. If you need new equipment, we arrange the programming, and our deployment vendor will send the equipment to you. Once your equipment arrives, our training team calls you to schedule a time to coach your location through setup and training.

Our Client Support Center's Point of Sale Terminal Support is available 24/7/365 for troubleshooting and swap replacements. If requested prior to 12:00 p.m. PT, we will ship swap orders same-day for overnight delivery. We send your equipment fully downloaded and tested, unless you have requested that we send it blank.

We have also recently launched our Tap-to-Pay functionality that will allow contactless payments, if your business uses a mobile point of sale.

8. When and how will the City receive funds for each day's transactions? Discuss clearing time between deposit and posting to the City's Credit Card account. Is settlement by ACH or Fed Wire? Are settlement amounts listed by merchant ID on the bank statement or will they appear as one lump sum?

Funding occurs based on how you configure your company level at setup. You may fund at the company level, or designate one or more business units (BU) under the company level where funds transfer instructions (FTIs) are established. The number of allowed DDAs for funding will depend on the company level structure.

Net settlement clients will designate a single DDA, while gross settlement clients may designate up to five DDAs. Net settlement clients are eligible for next business day funding when they settle to a J.P. Morgan DDA. Gross settlement clients may also be eligible for next business day funding when they designate the same J.P. Morgan DDA for all deposit and fee debits. Next business day funding is not available when multiple bank accounts are selected within the funding categories. Deposits can be made by funding category (i.e., deposits, fees, chargebacks, financial adjustments). Each category can be funded separately or netted into one or several separate amounts. Deposits can be made individually by merchant number or can be rolled up by chain. We send these transfers individually, but it is up to each merchant bank's reporting as to whether or not the individual transfers are separated.

9. How does your bank support online merchant services? Can you provide secure sites to facilitate online payments? Please describe in detail the level of encryption.

Our **Hosted Payment Solution** offers two variations, Hosted Pay Page and Hosted Pay Form, which are part of our proprietary suite of services. They are designed to help you securely accept online customer payments. Both solutions help you maintain your brand look and feel, reduce PCI scope and provide your customers with a seamless checkout experience.

With **Hosted Pay Page**, your customer's shopping experience proceeds as it does today. At checkout, Hosted Pay Page redirects your customer to a secure server to enter payment details onto our form, so you do not have to store payment data on your server. We notify you of the successful transaction and, if desired, provide you with a customer profile ID (token) to represent that transaction or customer using our gateway Customer Profile Management service. With Hosted Pay Form, you enable a seamless online payment collection form within an iFrame on your website, helping prevent your customers from experiencing a full-page redirect when they are ready to submit payment.

10. Describe the bank's Bankcard terminal and Point-of-Sale register capabilities. Currently, the bank card terminals are stand- alone from our Eden Cashier Point of Sale Register.

In addition to the stand-alone terminals mentioned in *Questions 7 and 11*, we are also anticipating the launch of our Omnichannel and in-store solution. We look forward to sharing more details about this product as we learn more about the City's needs.

11. Describe the equipment that the City will need to process bank card transactions. Will the City be purchasing or leasing the terminals?

We offer point-of-sale equipment through our vendor or the City may opt to obtain point-of-sale equipment that is certified to our network from a third-party vendor.

Class A terminals that are actively sold, certified and supported by us include:

- Ingenico: Desk 5000 (IP/Ethernet only) and Move 5000 (WiFi/BT/4G only) stand-alone terminals
- External PIN pad: DPP 1500 only for use with the Desk 5000

If your existing terminals need reprogramming, we facilitate that process for you, including preparation of download files, deploying welcome kits (via our deployment vendor), scheduling dates and times for outbound calls to each location to perform equipment download, and training for each location. If you need new equipment, we arrange the programming, and our deployment vendor will send the equipment to you. Once your equipment arrives, our training team calls you to schedule a time to coach your location through setup and training.

Tab O – Electronic Direct Payment Services

1. Thoroughly describe the bank's electronic bill payment, EFT and ACH services. Does the bank offer both ACH debit and credit programs as part of this service?

We recommend that the City use:

- **J.P. Morgan Access for lower volume transaction files**: Our online portal is a fully integrated, browser-based platform that provides easy-to-use applications for all of your information, compliance and portfolio management needs. J.P. Morgan Access uses a common set of intuitive templates for each payment method. For example, the City can easily create beneficiary templates with lockable and editable fields to set up recurring payments. The City can create templates to support a complete menu of ACH transactions, with all template information stored securely with J.P. Morgan. Transactions based on templates or entered in free-form mode are created by the City, then batched, approved and released for processing. ACH files generated through J.P. Morgan Access are retrieved and processed several times each business day for next-day processing (or same-day when applicable). For non-repetitive payments, the City can create free-form ACH payments without the need to establish a stored template.
- **The secure file transfer protocol (SFTP) transmission method for large batch origination**: Consider originating ACH payments through batch file transmissions, using any one of industry standard Nacha file formats (e.g., ARC, CCD or PPD), the City sends their file to us through a common protocol, such as secure file transfer protocol (SFTP). We offer a file delivery solution that allows the City to send and receive ACH files using SSL session encryption, browser-based file exchange (HTTPS), SFTP with PGP (Pretty Good Privacy) or GNUPG (GNU Privacy Guard) file encryption or AS2 (Applicability Statement 2). Our delivery methods leverage the internet and readily available software packages to make transferring files simple and secure without the added cost of proprietary software installation.

We recommend submitting large batch files containing any consumer credits at least two business days prior to the settlement date. The bank accepts future-dated large batch files containing consumer credits. These should be submitted at least two business days prior to the settlement date.

2. What hardware, software, and special programming are required for the implementation of an ACH credit program for payments to City vendors?

There is no special programming required to use J.P. Morgan's ACH services. Both delivery methods use the internet to make transferring files simple and secure without the added cost of proprietary software. Please refer to Appendix 7 for J.P. Morgan Access hardware and software requirements.

3. Detail all costs associated with ACH for a vendor payment program.

Please refer to *Tab V – Banking Services Fee Form* for related ACH costs.

4. Detail all costs and processes for auto draft (automatic payment deductions).

Using the online portal, Prearranged Payment and Deposits (PPD) transactions are executed on pre-existing templates or with those built by you. You can also send PPD files directly to the bank using direct transmission. Please refer to *Tab V – Banking Services Fee Form* for related costs.

Tab P – Lockbox Services

1. The City has a lockbox for ambulance services. We require long archival services just in case we are audited by government agencies. How long can you archive records?

We own and operate our full-service, nationwide lockbox network of processing sites with fully automated wholesale and scannable services. Continue to use our **Pasadena site** for your processing needs.

The City has authorized us to collect, process, deposit and report remittances mailed to unique ZIP codes used exclusively for our lockbox mail. We pick the mail up directly from the post office multiple times during the day, beginning early in the morning. Payments are processed according to the City's specifications on the same day as they are received. The City receives images of checks and front-side images of remittance documents including invoices and correspondence via Receivables Online. Duplex imaging (front and back) of remittance documents is available as an option. Images are available on a next-day basis and are stored and accessible online for 10 years.

A proprietary, online receivables tool

Our Receivables Online browser provides same-day decisioning and an account reconciliation tool to combine advanced image and data capture technology. It delivers all you need in a single, online repository to:

- Access images and information related to payments you receive
- Reference ACH or wire payments you receive, as an option
- Review images in our 10-year archive for all your lockboxes in our network sites using only one client ID

Easy navigation, advanced queries, payment alerts and workflow tools give your accounts receivable, credit and customer service staffs the ability to make informed business decisions quickly and without handling paper documents.

Tab Q – Conversion Plan

1. Describe the overall plan your financial institution would coordinate to ensure a smooth transition from current provider.

As a current client, the City avoids a time-consuming and costly conversion process—and a potential disruption in service—by choosing to retain us as your banking services provider. Your employees can focus their valuable resources on other projects, which ultimately saves you significant work, time and money.

Some of the advantages for the City are that accounts and processes do not change. Your previously established client service and implementation teams continue to support you. Because they are already familiar with your accounts and operations, they don't require the learning curve of a new provider. You don't need to assemble a transition team or train employees on a new service. Another benefit of renewing the contract with J.P. Morgan is that the City avoids many of the burdensome procedures and costs associated with switching financial service providers.

If you decide to add more complex services, we work with the City to implement them. An onboarding specialist, who has end-to-end ownership and accountability for the process, is responsible for communicating regularly with you and coordinating activities. This onboarding specialist makes sure that documentation is validated and linked to your account across the bank. They will contact your designated representative(s) to complete all required documentation and determine specific product instructions. Regular, often weekly, meetings occur to share information and measure progress. The onboarding specialist works with the City to establish timelines for additional phases of service and then coordinates with the appropriate teams across both organizations to complete the setup. For simple requests, or to add incremental services, we apply our proven implementation approach to add products and services in a structured and efficient manner, with minimal disruption to your business.

In 2022, 90 percent of our commercial banking clients responding to a post-implementation survey rated their overall experience as very good to exceptional. J.P. Morgan is constantly working to improve the implementation experience by obtaining and addressing client feedback.

2. Identify each of the systems for which the City would need training. Describe the on-site training to the City's staff for the operation and use of these services and automated systems.

We continue to offer the City a variety of methods for training without any cost to you, such as webinars, phone and short step-by-step prerecorded videos.

Receive the training you need	
	Online resources The Help tab provides you with online help articles, FAQs, guides, videos and a range of live and prerecorded webinar offerings on how to use our products and services
	Webinar training Learn about each of our products in the J.P. Morgan Access family—each webinar lasts between 15 to 90 minutes and registration is available via the Help page
	Phone training Schedule a one-on-one session conducted over the phone to meet your needs by contacting Client Access Training at (866) 619-3055, Monday through Friday, 4:30 a.m. until 4:00 p.m. PT

3. Provide a time line schedule and applicable charges for the conversion plan.

The table below provides the average implementation time for setup of the requested services. Time is measured from receipt of completed documentation.

Implementation time averages, resources and critical success factors

Service	Expected lead time (1)	Resources	Critical factors
• ACH direct send • File transmission connectivity for prior and/or current-day BAI2 transmission • Positive pay transmission	4-6 weeks	• Bank onboarding specialist • Bank technical IPM • Bank connectivity • City IT • City connectivity	• Confirm setup requirements • User acceptance testing setup • Successful file and connectivity testing • User acceptance testing sign-off • Partner key exchange • Successful production verification test

(1) The expected lead times are estimates for standard product setups. Actual lead-time varies according to complexity of business requirements. Complex and/or large implementations may take longer than described above.

Our virtual card implementation process is focused on integrating our solution with the City's existing financial systems and your current purchasing and payment processes.

The following is a high-level project plan for the critical activities and milestones for the proposed solution.

Project Plan

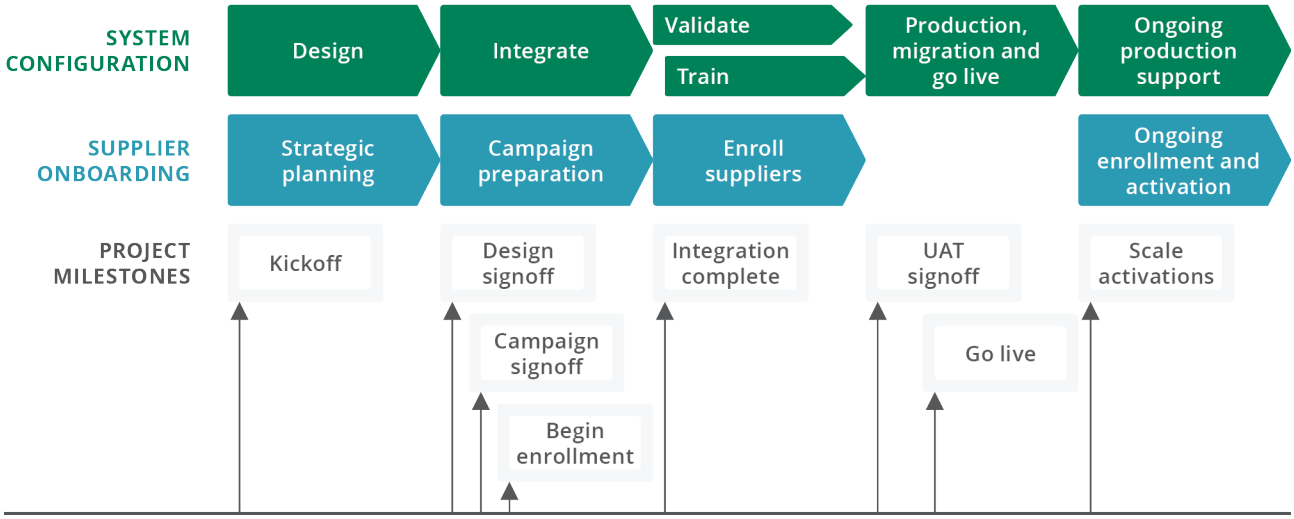

Figure 5

Please note that the campaign management and supplier recruitment process runs concurrently with implementation. It typically takes approximately 12 weeks to complete (including preparation and campaign time), but may be shorter or longer based on your number of suppliers to contact and on your level of engagement.

Throughout the course of implementation, product implementation specialist and other service team members conduct regular project status and progress review updates including:

- Weekly implementation status calls with the J.P. Morgan implementation team to review overall status and cover key action items and outstanding issues for both technical and business teams
- Weekly recruitment reports to summarize and detail progress of the J.P. Morgan supplier recruitment campaign

Tab R – Security of On Line Data

All of the following must be addressed:

1. Describe the structure of your On Line Security/Fraud Division.

The Firm's Cybersecurity & Technology Controls (CTC) organization is led by the firm's Chief Information Security Officer (CISO) and Chief Technology Controls Officer. The Leadership team is designed to promote the key security and controls agenda with a business mindset—making it easy for colleagues across the firm to adopt and integrate appropriate controls, delivering solutions efficiently and consistently while avoiding redundancies, and shifting left in the business life cycle by automating controls and leveraging strategic Global Technology platforms. In partnership with the firm's lines of business, the Global CTC organization identifies information security risk issues and champions programs for the technological protection of JPMorgan Chase's information resources including applications, infrastructure as well as confidential and private information related to the Firm's customers, clients and employees.

CTC governs the creation and approval of all Technology Control and Cybersecurity Policies, standards, and procedures. Each element has an "owner" who, with a cross-firm group of subject-matter experts, reviews and proposes new and changed control objectives. Changes are reviewed and approved by senior management. All firm Cybersecurity & Technology Control policies and standards must be reviewed and updated or recertified on a regular basis.

Cybersecurity Operations is a combined Operations and Intelligence organization. The team is fully dedicated to identifying and minimizing cyber-related threats and incident response, while remaining compliant with the firm's information security requirements. The team provides a follow-the-sun coverage with seamless integration across the New York, London, and Singapore locations. This operating model allows us to ensure scalability and continuity of staff through appropriate capacity planning initiatives.

2. How many staff are employed in this division?

This information is proprietary and confidential and cannot be shared outside of the firm.

3. What is the length of employment of these personnel?

This information is proprietary and confidential and cannot be shared outside of the firm.

4. How much depth is there in the event of staff vacancy?

Our staffing philosophy is designed to make certain of adequate coverage in the event of unexpected vacancies.

5. What screening has been done for these personnel?

All J.P. Morgan employees, as well as contingent workers and certain designated third party supplier personnel assigned to perform or engage in services on J.P. Morgan's behalf, have successfully passed the screening standards set by the firm under applicable law. These checks can include credit, criminal, adverse media, global sanctions, directorship, education and employment history checks where legally permissible. The firm also conducts annual rescreening initiatives on specific roles due to risk exposure or as required by the regulators. Finally, as a term of employment or assignment, each J.P. Morgan employee and contingent worker must annually certify adherence to the firm's Code of Conduct which among other requirements contains an affirmative obligation for the individual to notify the firm of any criminal convictions or offences that have occurred.

6. What type of training are they required to attend?

Firm training programs provide an array of courses and customized programs to meet the educational needs of staff. These programs help orient new staff to their job functions, develop core competencies and train supervisors and managers. The firm has a dedicated technical training function, and courses are continually updated to reflect market and/or industry changes.

At the time of hiring, each employee is required to affirm an understanding of the Code of Conduct and to agree to comply with the Code of Conduct. Periodically, all employees receive training and are asked to reaffirm their understanding and compliance with the Code of Conduct. In addition, subject matter expert contact lists are provided to answer specific questions or concerns.

In addition to multiple course offerings, delivery methods include an e-learning (Web-based and Webcast) capability. The following list identifies some of the course offerings:

- New hire training, commonly known as induction training
- Introduction to CIB Product Series
- Legal, regulatory and risk training across multiple shareholder bases, fund types, markets and industries (e.g., risk awareness training)
- In certain locations, employees are required to be certified (e.g., validate business/technical competency) or complete certain courses to comply with regulatory requirements. In addition to curriculum, staff may attend management development, product management, systems, banking and financial courses.

Each employee's performance is reviewed at least annually through a performance appraisal process. The process is designed to assess each employee's performance results and development activities in comparison to mutually agreed objectives and plans. Evaluations are documented and maintained.

7. Describe any outside consulting/auditing services that the bank contracts to test the integrity of the bank's systems.

Firm Audit uses a risk-based audit approach designed to ensure an appropriate mix of audit coverage focused on key risks and controls of each business. Auditing of the technology controls is performed either through Information Technology (IT) stand-alone audits of specific applications, IT processes, or infrastructure components (e.g., data centers, networks) or as part of the integrated audits that cover business processes in conjunction with one or more application systems or technology-related components utilized by the business. The firm has specialized teams within the Audit group allowing for coverage of different aspects of the IT environment.

External audits such as SOC/SSAE 16/ ISAE 3402 reviews are conducted where appropriate.

JPMorgan Chase's intelligence information includes data from internal data sources, government sources, industry peers, industry partnerships, open source intelligence, and threat intelligence vendors. JPMorgan Chase Cybersecurity Intelligence Group (CIG) collects, analyzes, enriches, and disseminates intelligence related to external threats to the firm, as well as threats to the firm's products, services, and corporate brands. Intelligence is used to understand and manage business risk, inform strategic business decisions, turn unknown threats into known and mitigated threats, and improve the overall effectiveness of JPMorgan Chase's cyber defenses.

Tab S – Service Enhancements

Based on the information provided in the RFP and your bank's knowledge of the public sector, describe any services or technological enhancements, not previously mentioned, that may be considered for further improving the effectiveness of the City's monetary management operations.

Being one of the world's largest and most trusted full-service providers, J.P. Morgan stands ready to help the City optimize efficiency, resolve cash flow challenges, and streamline processes of your critical treasury management functions.

The services below are proposed to augment and complement the requirements included in the RFP. Each of these services is incremental to the solutions presented in the body of our response. Pricing for these services will be provided upon request.

- **Account Validation Service(AVS)** allows you to originate payments with confidence, combatting fraudsters and reducing risk. Additionally, AVS enables proactive validation of accounts and does not rely upon a single data provider, offers a waterfall approach, which allows querying across multiple data providers, expanding reach, queries J.P. Morgan proprietary data—both credit and debit ACH transactions and offers a complete solution set to meet your account validation requirements and to satisfy compliance requirements with the Nacha WEB Debit rule.

J.P. Morgan recently has been designated by the United States Treasury Department to provide account validation services for federal government agencies.

The first enterprise partnership of its kind and a testament to J.P. Morgan's commitment to payment integrity and the reduction of improper payments.

- **Virtual card**: We offer a single-use, electronic, credit card-based payment method to help the City more efficiently manage payments, reduce costs and transform traditional areas of expense into potential revenue generators. Gain the flexibility, float and rebate of a purchasing card coupled with powerful payment controls, anti-fraud and reconciliation features of virtual cards. Virtual cards equal to the approved payment amount. There is just **one account per payment** to help make sure the merchant only has access to approved funds for a specific payment. Virtual card reconciliation is based on **matching four key elements** of purchase payments to transactions: account number, validity dates, dollar value and merchant category code (MCC). When these items match, reconciliation occurs automatically, and you gain further efficiencies by integrating into your ERP system.
- **Transmission of ACH files**: Originate larger-volume files by using secure file transfer protocol (SFTP) transmission for batch files. We offer a file delivery solution that allows the City to send and receive ACH files using SSL session encryption, browser-based file exchange (HTTPS), SFTP with PGP (Pretty Good Privacy) or GNUPG (GNU Privacy Guard) file encryption or AS2 (Applicability Statement 2). Our delivery methods leverage the internet and readily available software packages to make transferring files simple and secure without the added cost of proprietary software installation.
- **Consider use of eLockbox** to streamline your receivables posting process by consolidating paper electronic bill payments received from multiple sources into a single electronic deposit.

Tab T – Business Continuity Plan

The City requires assurance of ability to provide financial services in the event of a major emergency and during the disaster recovery period.

Please see Appendix 9 for additional information about JPMorgan Chase's Firmwide Business Resiliency Program.

1. Describe in detail, the bank's compliance with state and federal regulations pertaining to this area.

J.P. Morgan is a global firm which has based its corporate resiliency policy on a variety of regulatory requirements that exist across various countries. The firm has developed a number of internal firm-wide standards. These meet or exceed relevant professional standards (e.g., ISO 22301, 22313, 22317) and industry good practice, rather than seek certification against any specific standard. There are currently over 100 global business continuity regulatory policies, guidelines, controls, etc. taken into account.

2. Describe testing of core service applications and system that assure information backup, anti-intrusion, and other privacy requirements.

Critical resiliency plans are tested annually or when there are significant changes in the environment. The level of testing is determined by the recovery time objective of the business function as established by the business impact analysis. Any issues that arise during testing are addressed and resolved, and retested, where necessary, prior to the end of the test or within an appropriate time frame.

Exercises can include:

- Notification Testing (i.e., Call Trees): Notification testing must occur every six months to ensure the accuracy and completeness of call tree and/or automated notification information contained in resiliency plans and the global enterprise notification tool.
- Walkthrough of Resiliency Plans: An exercise that validates that the resiliency plan incorporates all critical processes and resources and identifies gaps or other weaknesses requiring remediation. A walkthrough familiarizes key recovery personnel with the plan and their role in its execution.
- Simulation Testing: A simulation exercise is an interactive session where participants are presented with a hypothetical disruption, must react to one or more impacts and make critical decisions. The test is structured, and success criteria are established around corporate defined testing elements.
- Physical Testing: Physical tests are used to validate a resiliency plan's ability to recover business units and processes, within the established recovery time objective and without dependency on the primary site, by following the resiliency plan. Physical testing of a business resiliency plan would typically (dependent on recovery strategy) require recovery staff to work from an alternate location or, for work transfer strategies, work to be performed by alternate staff from another location. The test is structured, and success criteria are established around corporate defined testing elements.

3. Describe operational diversification and geographic dispersal of service centers.

All recovery sites are in a separate zone from the production location they support. J.P. Morgan's corporate policies use the zone designation to measure and depict local diversification of infrastructure and access. A series of criteria (such as, utility sources, telecommunication feeds, transportation, etc.) is used to determine whether two or more facilities have the potential to be impacted by the same localized incident.

An analysis to determine zone designation is performed by our Global Real Estate, Global Security and Global Technology Infrastructure business units with input from Global Business Resiliency.

Tab V - Banking Services Fee Form

Attached are bank statements for the deposit account, disbursement account, payroll account, credit card account, and lockbox account for the month of June 2023. Also attached is a Banking Services Fee Form. This form has identified the tabs from the proposal that would likely have fees associated with the described services. The specific fee line items have not been listed. Complete this form, identifying the services offered within the area of account services, and identify the annual fee for the specific service. Use the June 2023 data as a basis for a typical monthly fee.

On the Banking Services Fee Form, an arbitrary number of rows have been left blank for each proposal account service, by tab; use more, or less rows as required to identify all fees and services. At the end of the form is a row to calculate the net monthly cost for services (or compensating balance earnings, net of management spread) for the month of June 2023.

In addition to submitting a hard copy of this form with the proposal responses, this form must also be submitted in Excel format. It is to be returned with the proposal package.

Acknowledged. A customized pricing pro forma and our completed Banking Services Fee Form reflecting our offered banking services as well as pricing for our merchant services offering in Schedule A are provided on the following pages including any one-time or set up charges, research fees and all other fees that may be charged.* We have also provided the Banking Services Fee Form in Excel format per the City's request.

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- Pricing pro forma
- Banking Services Fee Form
- Schedule A for merchant services

Pricing quoted herein is valid for 180 days from the date of this presentation

J.P.Morgan

Pro Forma Analysis

October 2023

Prepared for: City of South San Francisco

ECR Rate: 3.3000%

Service Analysis*

Service Description	AFP	Number of Units	Unit Price	Charge For Service
ACCOUNT SERVICES				
1005 - ACCOUNT MAINTENANCE	010000	5	$5.0000	$25.00
1010 - STATEMENT CYCLES	010307	5	$0.0000	$0.00
1304 - ARP PAID ITEM RETURN CREDIT	010101	2	$0.0000	$0.00
3499 - POST NO CHECKS MAINTENANCE	1500ZZ	3	$0.0000	$0.00
7640 - CREDIT POSTED- ELECTRONIC	010101	397	$0.1000	$39.70
7641 - DEBIT POSTED - ELECTRONIC	010100	130	$0.1000	$13.00
7856 - ADT CASH CNTRN MAINT MASTER	010020	1	$25.0000	$25.00
7857 - ADT CASH CNTRN MAINT SUB	010021	4	$10.0000	$40.00
8007 - VIRTUAL REFERENCE MAINTENANCE	010040	100	$1.0000	$100.00
8008 - VIRTUAL REFERENCE TRANSLATION	359999	2	$0.0000	$0.00
AUTOMATED CLEARING HOUSE				
2237 - TRANS REVIEW MAINTENANCE	250000	3	$6.0000	$18.00
2716 - CREDIT RECEIVED	250201	292	$0.1000	$29.20
2717 - DEBIT RECEIVED	250200	40	$0.1000	$4.00
2720 - RETURN ITEM	250302	1	$3.0000	$3.00
2722 - NOTIFICATION OF CHANGE	251070	1	$4.0000	$4.00
2742 - CREDIT ORIGINATED - JPM ACCESS	250101	1,863	$0.0800	$149.04
2744 - DEBIT ORIGINATED - JPM ACCESS	250100	8	$0.0800	$0.64
2746 - JPM ACCESS ACH MAINTENANCE	250000	5	$20.0000	$100.00
2796 - ADDENDA RECORD ORIGINATED	250120	8	$0.0300	$0.24
2809 - NOTIF OF CHANGE - EMAIL	251070	1	$1.7500	$1.75
2810 - RETURN NOTIFICATION - EMAIL	250400	1	$1.5000	$1.50
DEPOSITORY SERVICES				
501 - CHECK DEPOSITED-ON US	100220	48	$0.1500	$7.20
513 - CHECK DEPOSITED-TRANSIT	100224	336	$0.2000	$67.20
541 - REMOTE DEPOSIT CAPTURE ITEM	101310	174	$0.1500	$26.10
548 - REMOTE DEPOSIT CAPTURE MAINT	101300	1	$25.0000	$25.00
749 - CQD DEPOSITORY CREDIT	101310	19	$0.0000	$0.00
1400 - CREDITS POSTED	010101	72	$1.0000	$72.00
1435 - RETURN ITEM	100400	1	$1.5000	$1.50
DISBURSEMENT SERVICES				
1321 - CHECK CASHING NON-ACCT HOLDER	150501	0	$0.0000	$0.00
2338 - STOP PAYMENT AUTOMATIC RENEWAL	150412	15	$2.0000	$30.00
2370 - CHECK / DEBIT POSTED	010100	711	$0.0700	$49.77
3495 - IMAGE STORAGE PER ITEM	151351	711	$0.0200	$14.22
6618 - CHECK INQUIRY MAINTENANCE	150400	2	$7.5000	$15.00
6620 - RECON REPORT / STATEMENT MAINT	200306	2	$0.0000	$0.00
6625 - EXCEPTION NOTIFICATION - ACCT	150030	2	$5.0000	$10.00
6639 - STOP PAYMENT - ELECTRONIC	150410	11	$8.0000	$88.00
INT REC & PAY - REPORT				
6179 - RECEIVABLES MAINT - ONLINE	050005	2	$100.0000	$200.00
6187 - LONG TERM STORAGE - CHECK	050620	281	$0.0300	$8.43
6188 - LONG TERM STORAGE - DOCUMENT	050620	893	$0.0600	$53.58
6844 - RECEIVABLES PRESENTMENT MAINT	409999	1	$30.0000	$30.00
JPMORGAN ACCESS				
6040 - MONTHLY SERVICE	401000	1	$50.0000	$50.00
6041 - ACCOUNTS REPORTED	40044Z	5	$15.0000	$75.00
6044 - TRANSACTIONS REPORTED - 90 DAY	40066Z	1,307	$0.1000	$130.70
6053 - EXTENDED TRANSACTION DETAIL	40066Z	3,932	$0.0000	$0.00
8232 - REPORTING EMAIL DELIVERY	40044Z	60	$0.8333	$50.00
LIQUIDITY SERVICES				
7849 - INVESTMENT SWEEP - MAINT	450020	1	$0.0000	$0.00
OTHER CHARGES AND CREDITS				
8810 - RESEARCH ADJUSTMENT DEBIT	999999	2	$0.0000	$0.00
OTHER PRODUCT SERVICES				
7950 - AVS ACCOUNT VERIFICATION	250101	2	$0.1500	$0.30
7951 - AVS ACCOUNT AUTHENTICATION	250101	2	$0.1500	$0.30
RECONCILIATION SERVICES				
3205 - FULL RECONCILEMENT - PER ITEM	200110	711	$0.0500	$35.55
3207 - FULL RECONCILEMENT - MAINT	200010	2	$40.0000	$80.00
3228 - PAYEE NAME VERIFICATION	150122	711	$0.0200	$14.22

3262 - POSITIVE PAY MAINTENANCE	150030	2	$0.0000	$0.00
3263 - EXCEPTION ITEM	150300	11	$1.0000	$11.00
3272 - CHECK EXCEPTION RETURN	150320	1	$10.0000	$10.00
3291 - OUTPUT FILE	200301	2	$7.0000	$14.00
3386 - IMAGE CAPTURE PER ITEM	151351	711	$0.0250	$17.78
VAULT SERVICES				
1310 - VAULT DEPOSIT	100100	56	$1.5000	$84.00
1459 - VAULT DEPOSIT PER $1,000	10011Z	29	$3.7969	$110.11
1471 - VAULT NOTES DEPOSITED	100118	2,403	$0.0000	$0.00
1506 - VAULT DEP PARTIAL OR MIXED BAG	100111	1	$7.5000	$7.50
1525 - VAULT DEPOSIT STD COIN BAG	100113	35	$2.0000	$70.00
1617 - VAULT DEPOSIT ADJUSTMENT	100501	1	$5.0000	$5.00
WHOLESALE LOCKBOX				
6101 - LOCKBOX - MAINT	050001	1	$150.0000	$150.00
6115 - NO CHECK ITEM	05011M	182	$0.5000	$91.00
6116 - CHECK CLEARING	10021Z	107	$0.1000	$10.70
6121 - WNLB CREDIT CARD AUTHORIZATION	05013A	22	$2.0000	$44.00
6126 - CHECK MICR CAPTURE	050121	107	$0.0250	$2.68
6140 - DOCUMENT IMAGE CAPTURE	05011R	893	$0.1000	$89.30
6245 - DEPOSIT PREPARATION	050301	21	$2.0000	$42.00
6744 - WHOLESALE ITEM - HC	050100	107	$0.5000	$53.50
WIRE - U.S.				
5822 - ELECTRONIC BOOK DEBIT S/T	350120	1	$4.0000	$4.00
5824 - ELECTRONIC FED DEBIT S/T	350100	8	$4.0000	$32.00
5883 - FED TRANSFER FEE	350531	5	$0.0000	$0.00
5886 - BOOK CREDIT	350320	4	$3.0000	$12.00
5887 - FED CREDIT S/T	350300	2	$4.0000	$8.00
5888 - FED CREDIT REPAIR	350330	0	$5.0000	$0.00
6408 - ADVICE - NOT CHARGE	359999	9	$0.0000	$0.00
Total Charge for Services				**$2,556.71**

* Volumes and Balances on this Pro Forma are based upon June 2023's analysis statement provided in the RFP. Volumes and balances may fluctuate depending on certain months of activity, which will result in different charges than are specified above.

City of South San Francisco - *Banking Services Fee Form*

Use attached June 2023 data from the Deposit, Disbursement, Payroll, Credit Cards, and Lockbox accounts for the fee calculation.

Account Service	Monthly Fee
Deposit Compensation - Tab E	
Account Services:	
ACCOUNT MAINTENANCE	*$25.00*
STATEMENT CYCLES	*$0.00*
ARP PAID ITEM RETURN CREDIT	*$0.00*
POST NO CHECKS MAINTENANCE	*$0.00*
CREDIT POSTED- ELECTRONIC	*$39.70*
DEBIT POSTED - ELECTRONIC	*$13.00*
ADT CASH CNTRN MAINT MASTER	*$25.00*
ADT CASH CNTRN MAINT SUB	*$40.00*
VIRTUAL REFERENCE MAINTENANCE	*$100.00*
VIRTUAL REFERENCE TRANSLATION	*$0.00*
RESEARCH ADJUSTMENT DEBIT	*$0.00*
ACH, Wire and Other Transfers - Tab F	
TRANS REVIEW MAINTENANCE	*$18.00*
CREDIT RECEIVED	*$29.20*
DEBIT RECEIVED	*$4.00*
RETURN ITEM	*$3.00*
NOTIFICATION OF CHANGE	*$4.00*
CREDIT ORIGINATED - JPM ACCESS	*$149.04*
DEBIT ORIGINATED - JPM ACCESS	*$0.64*
JPM ACCESS ACH MAINTENANCE (Online service)	*$100.00*
ADDENDA RECORD ORIGINATED	*$0.24*
NOTIF OF CHANGE - EMAIL	*$1.75*
RETURN NOTIFICATION - EMAIL	*$1.50*
ELECTRONIC BOOK DEBIT S/T	*$4.00*
ELECTRONIC FED DEBIT S/T	*$32.00*
FED TRANSFER FEE	*$0.00*
BOOK CREDIT	*$12.00*
FED CREDIT S/T	*$8.00*
FED CREDIT REPAIR	*$0.00*
ADVICE - NOT CHARGE	*$0.00*
Deposit Transmittal Process - Tab G	
VAULT DEPOSIT	*$84.00*
VAULT DEPOSIT PER $1,000	*$110.11*
VAULT NOTES DEPOSITED	*$0.00*
VAULT DEP PARTIAL OR MIXED BAG	*$7.50*
VAULT DEPOSIT STD COIN BAG	*$70.00*
VAULT DEPOSIT ADJUSTMENT	*$5.00*
CHECK DEPOSITED-ON US	*$7.20*
CHECK DEPOSITED-TRANSIT	*$67.20*
REMOTE DEPOSIT CAPTURE ITEM	*$26.10*
REMOTE DEPOSIT CAPTURE MAINT	*$25.00*
CQD DEPOSITORY CREDIT	*$0.00*
CREDITS POSTED	*$72.00*
RETURN ITEM	*$1.50*
Account Reconcilement - Tab H	
CHECK CASHING NON-ACCT HOLDER	*$0.00*
STOP PAYMENT AUTOMATIC RENEWAL	*30.00*
CHECK / DEBIT POSTED	*49.77*
IMAGE STORAGE PER ITEM	*14.22*
CHECK INQUIRY MAINTENANCE	*15.00*
RECON REPORT / STATEMENT MAINT	*$0.00*
EXCEPTION NOTIFICATION - ACCT	*10.00*
STOP PAYMENT - ELECTRONIC	*88.00*
FULL RECONCILEMENT - PER ITEM	*35.55*
FULL RECONCILEMENT - MAINT	*80.00*
PAYEE NAME VERIFICATION	*14.22*
POSITIVE PAY MAINTENANCE	*$0.00*
EXCEPTION ITEM	*11.00*
CHECK EXCEPTION RETURN	*10.00*
OUTPUT FILE	*14.00*
IMAGE CAPTURE PER ITEM	*17.78*
Direct Deposit Relationship - Tab I	
ELECTRONIC FED DEBIT S/T (fee listed above under Tab F)	

Direct Deposit of Payroll and Payroll Tax Processing - Tab J and K	
JPM ACCESS ACH MAINTENANCE (fee listed above under Tab F)	
CREDIT ORIGINATED (fee listed above under Tab F)	
Overnight Sweep - Tab L	
INVESTMENT SWEEP - MAINT	*$0.00*
Balance and Detail Reporting - Tab M	
MONTHLY SERVICE	*$50.00*
ACCOUNTS REPORTED	*$75.00*
TRANSACTIONS REPORTED - 90 DAY	*$130.70*
EXTENDED TRANSACTION DETAIL	*$0.00*
REPORTING EMAIL DELIVERY	*50.00*
RECEIVABLES MAINT - ONLINE	*$200.00*
LONG TERM STORAGE - CHECK	*$8.43*
LONG TERM STORAGE - DOCUMENT	*$53.58*
RECEIVABLES PRESENTMENT MAINT	*$30.00*
Merchant Services and Bankcard Processing - Tab N	
Please see Merchant Service Processing Proposal provided as Tab N	
Electronic Direct Payment Services - Tab O	
JPM ACCESS ACH MAINTENANCE (fee listed above under Tab F)	
CREDIT ORIGINATED (fee listed above under Tab F)	
Lockbox Services - Tab P	
LOCKBOX - MAINT	*$150.00*
NO CHECK ITEM	*$91.00*
CHECK CLEARING	*$10.70*
WNLB CREDIT CARD AUTHORIZATION	*$44.00*
CHECK MICR CAPTURE	*$2.68*
DOCUMENT IMAGE CAPTURE	*$89.30*
DEPOSIT PREPARATION	*$42.00*
WHOLESALE ITEM - HC	*$53.50*
Conversion Plan - Tab Q	
N/A	
Service Enhancements – Tab S	
AVS ACCOUNT VERIFICATION	*$0.30*
AVS ACCOUNT AUTHENTICATION	*$0.30*

City of South San Francisco - *Banking Services Fee Form*

Use attached June 2023 data from the Deposit, Disbursement, Payroll, Credit Cards, and Lockbox accounts for the fee calculation.

Account Service	**Monthly Fee**
Total Fees (monthly):	*$2,556.71*
Balance earnings (monthly):	*$23,068.48*
Total MONTHLY charges for bank services (difference of two items above):	*$0.00*

Please also see our attached "Proforma Analysis" for a full estimate of costs for services rendered according to June 2023 data.

Tab W - Standard Bank Fee Schedule for Government/Corporate Client

Submit with proposal responses.

A customized pricing pro forma and our completed Banking Services Fee Form reflecting our offered banking services as well as pricing for our merchant services offering in Schedule A are provided in *Tab V* including any one-time or set up charges, research fees and all other fees that may be charged.* We have also provided the Banking Services Fee Form in Excel format per the City's request.

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- Pricing pro forma
- Banking Services Fee Form
- Schedule A for merchant services

Tab X - Submit with proposal responses:

1) Sample Account Analysis Statement and User's Guide

Please see Appendix 10 for a sample account analysis statement and account analysis user guide.

2) Sample Account Reconcilement Reports

Please see Appendix 11 for sample reconciliation reports.

3) Account Statements and Positive Pay Report

Please see Appendix 12 for a sample DDA statement.

Please see Appendix 13 for sample positive pay reports.

Tab Y - Relevant Contract, Cash Management Agreements and Statements

Submit with proposal responses.

1) Sample Banking Services Contract

2) Sample Funds Transfer Agreement

J.P. Morgan has received the Request for Proposal for Banking and Merchant Services (the **"Solicitation"**), issued by the City of South San Francisco (**"Issuer"**) and is submitting its proposal or requested information in response (the "**Response**"), which outlines its product and service capabilities and/or pricing as requested in the Solicitation. The Solicitation may also include requests that the bidder/proposer provide certain certifications or sworn statements (collectively **"Certifications"**) and/or specific comments to or modifications of included standard terms and conditions, sample agreements, incorporated procurement rules, laws, and the like referenced in the Solicitation (collectively, **"Issuer's Standard Terms"**). In addition, the Solicitation may indicate that any Response provided by bidders/proposers constitutes an acceptance of all Issuer's Standard Terms and concurrence with Certifications, unless expressly modified or objected to within the response.

J.P. Morgan has robust internal procedures under which Certifications and Issuer's Standard Terms are thoroughly reviewed and vetted, from a legal, business, and factual perspective prior to entering any agreement or offer that confirms the accuracy of Certifications and/or agreement to Issuer's Standard Terms. We have not invoked that internal review process in connection with any Certifications or Issuer's Standard Terms that may be included within this Solicitation. Accordingly, our submission of a response should not be construed as and does not constitute any express or inferred acceptance of the certifications and/or issuer terms. Rather, in lieu of any agreement to Issuer's Standard Terms or attestation of matters contained within the Certifications, we have enclosed within the Response our standard Account Terms, Addendum to Account Terms, United States of America, Consolidated Service Terms, and any other documents that may be required by us from time to time to provide products or services to you ("Account and Service Terms"). The current Account and Service Terms applicable to the services and types of accounts that are the subject of the Solicitation are included in the links and appendices below. These are provided in addition to the other components of our Response, relative to product/service descriptions and pricing.

If we are awarded the business referenced in the Solicitation, or conditionally awarded the business, subject to agreement between us as to terms and conditions under which the services are to be performed and the certifications to be provided by J.P. Morgan, we will discuss modifications to these Account and Service Terms and incorporation of specific Certifications, where appropriate, to try to meet your needs and specific legal requirements applicable to you. These will be incorporated within a mutually agreeable contract between us. Please keep in mind, however, that J.P. Morgan's policies do not allow for:

- the provision of unlimited indemnities;
- conveyance of intellectual property rights;
- acceptance of liability except to the extent caused by our breach of contract, negligence, or willful misconduct;
- acceptance of consequential, incidental, or special damages;
- liquidated damages;
- agreement to miscellaneous laws, regulations, ordinances, codes, etc. that do not on their face apply to J.P. Morgan as provider of the services that are the subject of the Solicitation; or

- deviations from the insurance coverage J.P. Morgan carries

Except as modified by our negotiations following notification of award or conditional award of the business referenced in the Solicitation and set forth in the final agreement between us, we anticipate that the Account and Service Terms, as applicable to services and accounts contemplated by the Solicitation will be incorporated within such final agreement. Any Certifications and/or Issuer's Standard Terms that the Solicitation may otherwise impute to any bidder/proposer submitting a response thereto, are not incorporated into, and may not be inferred, as a result of this Response.

Finally, J.P. Morgan is required to know its customers and adhere to policies and procedures intended to meet those regulatory requirements that apply to safety and soundness, to fight against the funding of terrorism, money laundering and sanction related activities and to perform certain transaction screenings. This means J.P. Morgan will request information about the Issuer and its management and those having authority to transact business with J.P. Morgan in order for J.P. Morgan to comply with these policies and procedures. This is an ongoing requirement and the provision of services pursuant to this Response and any additional products or services that may be requested is subject to and conditioned upon the ongoing satisfaction of these policies and procedures and compliance by the Issuer with applicable law with respect to the services provided and with J.P. Morgan's policies of which the Issuer is informed.

Global Account Terms and the Consolidated Service Agreements

The City has already executed J.P. Morgan documentation for the accounts and services proposed in this response to the City's RFP. Additional account opening documents or service terms may be required from the City for new accounts or services. As part of our efforts to manage our environmental footprint in an efficient and sustainable manner, sample documents are being provided through the links below. Please note that these documents may be modified by the bank from time to time. At the time of your implementation, and based on the specific services you elect to use, you will receive the applicable agreements to be executed from your implementation project manager.

- Sample account opening documents:

https://www.chase.com/content/dam/chase-ux/documents/commercial-banking/us-account-opening-package.pdf

- Sample product and service terms and agreements:

https://www.chase.com/content/dam/chase-ux/documents/commercial-banking/consolidated-service-terms-commercial-bank.pdf

- Sample Merchant Services agreement

Please see Appendix 14.

3) Sample Merchant Services Statement

Please see Appendix 15 for sample Merchant Services statement.

4) Samples – Other as necessary

Not applicable.

EXHIBIT B

COMPENSATION SCHEDULE

[See Attached final fee schedule for banking services; exclusive of Merchant Processing Services]

EXHIBIT C

INSURANCE CERTIFICATES

Tab U – Proposer’s Insurance Certificates

Provide a list of insurance carried and scope of coverage, limits, and deductibles. Provide insurance carrier and its A.M Best rating, or if self-insured.

The selected financial institution must, within (20) working days of award of contract, provide and maintain in force at all times during the term of the services contemplated, Certificates of Insurance providing coverage as specified herein for Workers’ Compensation, Commercial General Liability, Automotive Liability, and Error and Omissions Liability or Professional Liability in amounts consistent with the services provided and as determined jointly by the City and the Bank. Such policies shall be issued by companies admitted in the State of California.

Please see the certificates provided on the following pages as evidence of coverage.

CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY) 06/01/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Aon Risk Services Northeast, Inc.
New York NY Office
One Liberty Plaza
165 Broadway, Suite 3201
New York NY 10006 USA

CONTACT NAME:
PHONE (A/C. No. Ext): (866) 283-7122 **FAX (A/C. No.):** 800-363-0105
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	National Union Fire Ins Co of Pittsburgh	19445
INSURER B:	AIU Insurance Company	19399
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
JPMorgan Chase & Co.
and subsidiary, affiliated, and
associated companies therof
480 Washington Blvd, Floor 10
MAIL CODE- NY1-F014
Jersey City NJ 07310-1616 USA

COVERAGES **CERTIFICATE NUMBER:** 570099735941 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			9911766	06/01/2023	06/01/2024	EACH OCCURRENCE	$5,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
	X Blanket Contractual Liability						MED EXP (Any one person)	Excluded
	X Host Liquor Liability Included						PERSONAL & ADV INJURY	$5,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$50,000,000
	POLICY PRO-JECT X LOC						PRODUCTS - COMP/OP AGG	$2,000,000
	OTHER:							
A	AUTOMOBILE LIABILITY			728-11-89	06/01/2023	06/01/2024	COMBINED SINGLE LIMIT (Ea accident)	$5,000,000
	X ANY AUTO			All Other States			BODILY INJURY (Per person)	
	OWNED AUTOS ONLY / SCHEDULED AUTOS			SIR applies per policy terms & conditions			BODILY INJURY (Per accident)	
A	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY			728-11-90	06/01/2023	06/01/2024	PROPERTY DAMAGE (Per accident)	
				MA				
A				728-11-91	06/01/2023	06/01/2024		
				VA				
A	X UMBRELLA LIAB X OCCUR			BE34543619	06/01/2023	06/01/2024	EACH OCCURRENCE	$10,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$10,000,000
	DED X RETENTION $10,000							
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WC015824987	06/01/2023	06/01/2024	X PER STATUTE OTH-ER	
	ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N: N	N / A		All Other States			E.L. EACH ACCIDENT	$1,000,000
B	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			SIR applies per policy terms & conditions			E.L. DISEASE-EA EMPLOYEE	$1,000,000
				WC015824990	06/01/2023	06/01/2024	E.L. DISEASE-POLICY LIMIT	$1,000,000
				MN				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The insurance maintained by JPMorgan Chase & Co. provides for the following coverage enhancements in keeping with the terms of the signed contracts, leases and/or agreements in place: Blanket Additional Insured where required. Coverages are Primary and Non-contributory where required. Blanket Contractual Liability, Host Liquor Liability is included in the General Liability policy, Waiver of Subrogation is included where required. The Landlord, Landlords Agent(s), Landlords Lender(s), Ground Lessor(s), Vendor(s), Clients and any other party as required by the signed contract, lease and/or agreement and Junior Achievement of Central Indiana, Junior Achievement USA and the State of Indiana and the Indiana State Fair Commission are listed as additional insured as their interests may appear and when applicable.

CERTIFICATE HOLDER

Evidence of Insurance for
JPMorgan Chase & Co.
And Subsidiary, Affiliated And
Associated Companies thereof
270 Park Avenue
New York NY 10017-2070 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Aon Risk Services Northeast, Inc.

Holder Identifier :

Certificate No : 570099735941

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AGENCY CUSTOMER ID: 10243827
LOC #:

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
Aon Risk Services Northeast, Inc.	JPMorgan Chase & Co.
POLICY NUMBER: See Certificate Number: 570099735941	
CARRIER: See Certificate Number: 570099735941 — NAIC CODE:	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

ADDITIONAL POLICIES If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
	WORKERS COMPENSATION							
B		N/A		WC015824988 CA SIR applies per policy terms & conditions	06/01/2023	06/01/2024		
B		N/A		WC015824991 AZ IL NJ TX SIR applies per policy terms & conditions	06/01/2023	06/01/2024		
B		N/A		WC015824989 WI SIR applies per policy terms & conditions	06/01/2023	06/01/2024		
B		N/A		WC015824992 NY SIR applies per policy terms & conditions	06/01/2023	06/01/2024		

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 02/07/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
DIRECT PLACEMENT	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A :	Park Assurance Company	11923
INSURER B :		
INSURER C :		
INSURER D :		
INSURER E :		
INSURER F :		

INSURED

JPMorgan Chase & Co. and all of its subsidiaries
383 Madison Avenue
New York, NY 10179

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE / OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	POLICY / PRO-JECT / LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED / RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE / OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					E.L. EACH ACCIDENT	$
							E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Bankers Professional Liability Insurance			120	02/15/2021	02/15/2024	Each Wrongful Act and in the aggregate	$25,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Errors and Omissions Insurance. Evidence only.

CERTIFICATE HOLDER

JPMorgan Chase & Co. and all of its subsidiaries
383 Madison Avenue
New York, NY 10179

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE DocuSigned by: 13A1E302BA7B4C4...

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EXHIBIT D

FORM 590