

1999-4974

INTRODUCED BY: CHRIS A. TREGRE, PARISH PRESIDENT
(Department of Finance)

RESOLUTION NO. 4725

A resolution approving an agreement for securities services with Legg Mason Wood Walker, Inc. and authorizing the Parish President to execute said agreement.

WHEREAS, There is a need for the St. Charles Parish Council to enter into a securities services agreement with Legg Mason Wood Walker, Inc.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE PARISH OF ST. CHARLES, STATE OF LOUISIANA

SECTION I. That the attached agreement for securities services with Legg Mason Wood Walker, Inc. is hereby approved.

SECTION II. That the Parish President is authorized to execute the attached agreement for securities services.

The foregoing Resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: MINNICH, ALEXANDER, CHAMPAGNE, ABADIE, AUTHEMENT, JOHNSON,
DUHE
NAYS: NONE
ABSENT: RAMCHANDRAN, SIRMON

And the Resolution was adopted on this 2nd day of November, 1999, to become effective five (5) days after publication in the Official Journal.

Res_Agmn for Securities Svcs_Legg Mason

CHAIRMAN: *Ty Dell*

SECRETARY: *J. Dean Beanel*

DLVD/PARISH PRESIDENT: 11-3-99

APPROVED: *[Signature]* DISAPPROVED: _____

PARISH PRESIDENT: *Chris A. Tregre*

RETD/SECRETARY: 11-4-99

AT: 1:00 Pm RECD BY: *JB^{vb}*

AGREEMENT FOR SECURITIES SERVICE

THIS AGREEMENT is made and entered into this 4th day of November, 1999, by and between the St. Charles Parish Council by and through its Finance Department, (hereinafter referred to as the "Government") and LEGG MASON WOOD WALKER, INC. (hereinafter referred to as "Dealer") for securities services.

WHEREAS, Government proposes to invest or reinvest or to sell and exchange securities subject to the laws of the State of Louisiana; and,

WHEREAS, the authority to perform these transactions has been delegated by the Government to its Finance Department; and WHEREAS, the Dealer is desirous of performing services for the Government in connection with these transactions; and

WHEREAS, in the judgment of the St. Charles Parish Finance Department, this Agreement is to the public's advantage:

NOW, THEREFORE, in consideration of the mutual benefits flowing to each party, the parties agree between themselves as follows:

1. **Applicable Documents**
Exhibit "A" Statement of Work is attached to and incorporated herein as part of this Agreement. In the event of any conflict in the definition or interpretation of any word, responsibility, service, schedule or contents among the Agreement and the Exhibit, said conflict or inconsistency shall be resolved by giving precedence first to the Agreement, and then to the Exhibit.

This Agreement, and the Exhibit hereto, constitute the complete and exclusive statement of understanding between the parties relating to the subject matter of this Agreement.

2. **Commencement of Term**
The term of this Agreement shall commence upon the date of this Agreement set forth above.
3. **Description of Services**
Dealer shall provide services in the manner and form described in the body of this Agreement and in Exhibit "A" attached hereto. Except as may be modified herein, Dealer, in performing services under this Agreement, shall exercise the same care, skill, prudence, and diligence that a prudent person would exercise in the conduct of his own affairs.

4. Changes and Amendments
No modification or amendment to this Agreement shall be effective unless in writing and signed by both parties.
5. Independent Contractor
This Agreement is not intended, and shall not be construed, to create the relationship of agent, employee, partnership, joint venture, or association, as between Government and Dealer. Dealer is and shall remain an independent contractor.
6. Dealer's Representations and Warranties
Dealer represents and warrants that the following is true and shall remain true throughout the term of this Agreement:
 - A. This Agreement is legally entered into, and does not violate any federal, state, local, or other regulatory agency ordinance, law, charter, rule, statute or regulation applicable to it.
 - B. The person executing this Agreement on behalf of Dealer has been duly and properly authorized to do so.
 - C. It has the unqualified right to sell, transfer, assign or pledge those securities purchased by Government and all of such securities, upon delivery to Government and after settlement at the agreed upon price, will be free and clear of any lien, claim or encumbrance.
 - D. Price mark-ups will be consistent with prevailing institutional pricing at the time of each transaction.
 - E. This Agreement is made subject only to the terms and conditions hereinabove set forth, and no statement, representations, guarantees made by any person, agent or representative of Dealer shall be considered as binding, except as contained herein.
 - F. Dealer is, and shall remain throughout the term of this Agreement, fully licensed and legally authorized to do business as such Dealer.

Dealer shall promptly notify Government of any judgment or decision rendered against it by any court, governmental board or body, or regulatory authority involving the suitability of the sale or purchase of securities to an institutional client or fraudulent or unfair practices related to the sale of securities to an institutional client.

7. **Client's Representations and Warranties**
Client represents and warrants that the following is true and shall remain true throughout the term of this Agreement:
 - A. This Agreement is legally entered into and does not violate any federal, state, local or other regulatory agency ordinance, law, charter, rule, statute or regulation applicable to it.
 - B. The person executing this Agreement on behalf of Client has been duly and properly authorized to do so.
 - C. Client has full power and authority to sell, transfer, or assign those securities sold by Client and all of such securities, upon delivery to Dealer and after settlement at the agreed upon price, will be free and clear of any lien, claim or encumbrance.
 - D. This Agreement is made subject only to the terms and conditions hereinabove set forth, and no statements, representations, guarantees made by any person, agent or representative of Client shall be considered as binding, except as contained herein.
8. **Record Retention and Inspection and Audit Settlement**
Dealer agrees that, within five business days of written request by Government, or any duly authorized representative, it shall supply copies of all transaction records kept in the ordinary course of business which pertain to transactions by Dealer for Government with respect to any period commencing with the commencement of the term of this Agreement.
9. **Compliance with Laws**
Dealer and Client covenant to comply with all federal, state, local and regulatory agency laws, regulations, ordinances, policies, rules or procedures, which apply to the performance by Dealer and Client of their respective obligations under this Agreement.
10. **Severability**
If any provision of this Agreement is judicially determined to be unenforceable, such provision shall be deemed null and void, but this Agreement shall remain in force and effect in all other respects.
11. **Waiver**
No waiver of a breach of any provisions of this Agreement by either party shall constitute a waiver of any other breach of said provision or any other provision of this Agreement. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof.

The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

12. Governing Law

This Agreement shall be construed in accordance with and governed by the Laws of the State of Louisiana.

13. Captions and Paragraph Headings

Captions and paragraph headings used herein are for convenience only and are not part of this Agreement and shall not be used in construing it.

14. Non-Exclusive Agreement

This is not an exclusive Agreement, and each party hereto reserves the right to enter into such an Agreement with all or any other parties as it may choose. This Agreement shall not obligate either party hereto to do any business with the other, but shall govern the relationship between the parties insofar as any work may be ordered from time to time by Government.

15. Conflict of Interest

Dealer agrees to cooperate with Client to assure that no Government employee or fiduciary shall have any direct or indirect financial interest in this Agreement, nor receive anything or have any involvement in any transaction which would violate any policy of Client known to Dealer or any law relating to conflicts of interest, gifts, gratuities or perquisites. "Financial Interest" shall mean receiving anything of value from Dealer by reason of this Agreement.

16. Confidentiality

Dealer shall maintain the confidentiality of all its records with respect to this Agreement, including, but not limited to, billing and Government records in accordance with all applicable federal, state, local and regulatory agency laws, regulations, ordinances and directives relating to confidentiality. Notwithstanding the foregoing, Dealer may make such records available on a confidential basis to its agents, employees, attorneys, and independent accountants as necessary for its own business purposes. Nothing in this Agreement shall require Dealer to maintain as confidential any information which is or becomes generally available to the public other than as a result of a disclosure in breach of this Agreement, or information the disclosure of which is required by law. The obligations imposed by this paragraph shall survive termination of this Agreement.

17. Authorized Personnel

Upon execution of this Agreement, the St. Charles Parish Finance Director shall provide Dealer with a list of personnel authorized to execute each of the tasks detailed in the attached Statement of Work. Any changes to the lists shall be made in writing and signed by the St. Charles Parish Finance Director.

18. Dealer's Obligations Concerning Certain Transactions

In the event Dealer solicits the purchase by Government of a security which is not of a type listed as an authorized investment in Louisiana Revised Statute 33:2955, Government may, in writing delivered not later than five (5) days after the receipt of the Dealer's confirmation of such transaction, require Dealer to repurchase such security at a price equal to Government's cost thereof (including commissions and governmental or exchange charges paid by Government). Government agrees to review its purchases through Dealer on a periodic basis, and if no objection is raised by Government within five (5) days after confirmation of such purchase, Government will be deemed to have waived its right to object to such purchases or to seek rescission thereof on the grounds of unsuitability or non-compliance with Louisiana Revised Statute 33:2955.

19. Termination

This Agreement may be terminated by either party hereto at any time with or without cause, the date upon which such termination becomes effective.

After receipt of the Notice of Termination and except as otherwise directed by the Government, Dealer shall:

- A. Stop services under this Agreement on the date and to the extent specified in the Notice of Termination, and such services, including, but not limited to, completing all open orders, unless otherwise instructed by Government, within a reasonable period of time.
- B. Complete performance of such part of the services shall not have been terminated by the Notice of Termination.
- C. After receipt of a Notice of Termination, Dealer shall submit to the Government, in the form and with the certifications as may be prescribed by the Government, its termination claim, invoice and a written statement of all open trades. Dealer and Government acknowledge that an "open trade" shall refer to those transactions pending from trade date to settlement date. Such claim, invoice and statement shall be submitted promptly, but not later than three months from the effective date of termination, or Dealer shall waive its right to final payment.

D. This Agreement shall be terminated automatically if Dealer shall, at any time during the pendency of this Agreement, fail to unconditionally maintain all its necessary and required licenses and authorizations to do business or should said licenses and authorizations not be renewed, kept current, not be issued, be suspended, or revoked.

20. Notices

Notices desired or required to be given under this Agreement or any law now or hereafter in effect shall be given by delivery as follows:

Dealer: Henry St. Paul, Manager of Fixed Income Dept., 1100 Poydras St., Suite 3500, New Orleans, LA 70163

Government: R. A. Becnel, Jr., Finance Director, Parish of St. Charles, P. O. Box 302, Hahnville, Louisiana 70057

Either party may change the above address upon written notification to the other party.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Government, by and through
its Finance Department

By: Chris A. Reppe

Title: Parish President

DEALER: LEBO MYRON WOOD WITHKAY *1/16/01/2000*

By: Matthew B. Hartley

Title: FIRST VILE PRESIDENT
NATIONAL STATE MGR

ATTACHMENT

EXHIBIT "A" Statement of Work

Dealer's Name: LEGG MASON WOOD WALKER, INC.

STATEMENT OF WORK

1. Account
Government shall establish one account with Dealer for purpose of investing or reinvesting and to sell or exchange securities. Government's account number shall be 161-00721, Dealer shall not open any additional accounts for the Government.
2. Transaction Confirmations
 - A. The parties herein may from time to time enter into a verbal security transaction agreement to invest or reinvest and to sell or exchange securities. When said verbal security transaction agreement is entered into between the parties hereto, Dealer shall confirm all of the terms thereof in writing and said confirmation shall be mailed no later than the day following trade date to Government in order that receipt by Government can be affected no later than seven (7) working days after said transaction. Said written confirmation shall, in the absence of objection by Government, within fifteen (15) working days of receipt of written confirmation, be conclusive evidence of the terms of said transaction.
 - B. Dealer acknowledges that Government has the following procedures regarding trade confirmations and hereby agrees to observe and adhere to same:
 1. In the event that Government does not receive a Trade Confirmation, Government shall mail a letter entitled **Immediate Attention Required** to Dealer requesting Dealer to forward a confirmation within 24 hours of receipt of said letter.
 2. In the event that Government's internal Trade Ticket and Dealer's Confirmation differ, Government shall mail a letter entitled **Immediate Attention Required** to Dealer to correct said confirmation and forward a corrected confirmation to Government within 24 hours of Dealer's receipt of said letter. Said letter from Government shall set forth the terms at variance.
 3. In the further event that Government does not receive response to either of the above described requests within three (3) working days of receipt by Dealer, Government shall forward a **Second Request for Immediate**

Attention to Dealer. If the requested information has not been received within five (5) working days of receipt by Dealer, a Government Finance Director letter shall be sent requesting assistance in obtaining the necessary confirmations so as not to jeopardize the parties' ongoing business relationship.

4. In the further event that a response has not been received from Dealer within seven (7) working days of receipt by Dealer of the Finance Director's letter, Government shall notify Dealer that dealer has been removed from its approved dealer list and that trading with Dealer has been suspended.
 5. Dealer acknowledges that should Dealer be removed from the approved list for failure to respond to confirmation requests, Dealer shall not be restored to the approved list until six (6) months after all requests for confirmation have been honored. In the further event Dealer is removed from the approved list twice within an 18 month period, Dealer shall not be restored to an approved Dealer list, and all Agreements between Government and Dealer shall be terminated.
- C. Dealer shall furnish Government with the name of its contact person who shall coordinate the implementation of a comprehensive confirmation response for all of Government's investments through Dealer
3. **Duration of Orders**
It is agreed between Government and Dealer that all orders are good unless canceled or not acted upon with the time agreed to by Government and Dealer.
 4. **Payment and Delivery**
 - A. Securities purchased by the Government from the Dealer shall be delivered by the Dealer to such of Government's safekeeping depositories as Government may from time to time designate against receipt of payment therefor.
 - B. Securities sold by the Government to the Dealer shall be delivered by Government's safekeeping depository to the Dealer on receipt of the total amount payable to Government.
 5. **Reports**
Dealer further acknowledges that, on a monthly basis, Government and Government's auditors will require a written confirmation of all transactions made during the month as well as the month-end open trades. Dealer agrees that it shall furnish such confirmation

and report. A month-end open trade is a transaction on which Dealer and Government have committed to before month-end and which settles after month-end. Dealer acknowledges that Government has the same procedures regarding month-end open trade confirmation as those set forth herein for Transaction Confirmations.

6. **Permission to Record Telephonic Communication**
Dealer shall permit and shall obtain all consents necessary from its employees or agents in order to permit Government to record all telephonic communications between the parties.
7. **Failed Transaction Compensation**
“Failed transactions” are those transactions wherein securities are not delivered or payment is not made by either party on the settlement date.

Dealer and Government agree that for any subsequently settled failed transactions, the purchaser shall own the securities as of the initially agreed upon settlement date and for the price initially agreed upon plus interest at the security’s coupon rate (if any) per annum accruing therefrom.