

**AGREEMENT FOR INVESTMENT MANAGER SERVICES FOR SHORT TERM FUNDS (POOL I)**

THIS **AGREEMENT FOR INVESTMENT MANAGER SERVICES FOR SHORT TERM FUNDS (POOL I)** ("Agreement") is entered into by and between the CITY OF OCALA, a Florida municipal corporation ("City" or "Client") and PFM ASSET MANAGEMENT LLC, a Delaware limited liability company (EIN: 23-3087064) ("Investment Manager" or "Advisor").

**WHEREAS**, the City of Ocala's Investment Policy ("Investment Policy") was established under the guidelines of the City's Investment Ordinance, section 2-292, City of Ocala Code of Ordinances, adopted December 8, 1992 and as amended on October 20, 2015, for the purpose of setting the framework within which the City's investment activities are to be conducted; and

**WHEREAS**, the City of Ocala has surplus funds available for investment purposes (the "Investment Funds") for which it intends to conduct an investment program; and

**WHEREAS**, for the prudent management of City investment funds, the City's Investment Policy authorizes the City to hire and utilize outside investment managers to enhance the effectiveness of City staff in increasing the economic value of the City's investment portfolio by structuring the portfolio based upon an understanding of the variety of risks and basic rules of diversification on the structure of the City's portfolio as imposed by the City's Investment Policy; and

**WHEREAS**, PFM Asset Management LLC represents that it has the professional experience and expertise required to provide the necessary investment assistance to City and is willing to provide such assistance on the terms and conditions set forth in this Agreement and pursuant to the City's Investment Policy as amended, and pursuant **Exhibit A- Addendum to Investment Policy for Pool I (Short Term)**, and incorporated herein by reference; and

**WHEREAS**, based upon its representations, the City desires to retain PFM Asset Management LLC to perform certain services as an outside investment manager on behalf of the City for the Investment Funds together with any other funds which the City may assign in writing to the Advisor for management, the "Managed Funds"), and any earned income resulting from the investment of said funds as provided herein.

**NOW THEREFORE**, in consideration of the foregoing recitals, the following mutual covenants conditions, and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, City and Investment Manager agree as follows:

1. **RECITALS.** City and Investment Manager hereby represent, warrant, and agree that the Recitals set forth above are true and correct and are incorporated herein by reference.

2. **APPOINTMENT.** City hereby employs and appoints PFM Asset Management LLC to act as its outside investment manager with respect to those assets placed under its management on the terms set forth in this Agreement and pursuant to the City's Investment Policy and Addendum attached hereto as Exhibit A and PFM Asset Management LLC accepts such appointment.

City may make additions to, and withdrawals from the Account, provided that City provides written notice of any withdrawal to Advisor at least one business day prior to such withdrawal. For purposes of this Agreement, the term "securities" shall include, but not be limited to, common or preferred stocks, bonds, notes, mutual funds and qualifying employer securities.

3. **DISCRETIONARY AUTHORITY.**

A. Investment Manager shall have complete discretion in the investment and reinvestment of the cash, securities and other assets in the Account, with full power and authority to engage in such transactions on City's behalf as Advisor may deem appropriate, in Advisor's absolute discretion and without prior consultation with City, subject to the terms hereof (including amendments hereto) of the most current City of Ocala Investment Policy and Addendum, attached as Exhibit A. Authorized investments shall include only those investments which are currently authorized by the State of Florida, the City's Investment Policy and bond covenants, and as supplemented by such other written instructions as may from time to time be provided by the City to the Advisor. The Investment Policy guidelines may be amended by City by written notice delivered to Advisor at least 30 days prior to the effective date of such amendment. Additionally, Advisor will review the City's current Investment Policy and provide recommendations for changes. Advisor will meet with the City's Finance staff, Investment Committee, and City Council as needed and mutually agreed upon to discuss recommendations.

B. In accordance with the foregoing grant of discretionary authority by City and the Advisor's guidelines in effect from time to time, Advisor shall have, without limitation, the following powers and duties:

- i. To purchase or subscribe for and invest in any securities and to retain such securities and other assets in the Account.
- ii. To sell, transfer, convey redeem, exchange for other securities or assets.
- iii. To exercise any conversion privilege and/or subscription right available in connection with any securities in the Account; to oppose or consent to the reorganization, consolidation, merger or readjustment of the finances of any corporation, company, association or other entity, the security of which is held in the Account; or to oppose or consent to the sale, mortgage, pledge or lease of the property of any corporation,

company, association or other entity, which is held in the Account.

- iv. To vote, personally, or by general or limited proxy, held in the Account at any time and to exercise personally, or by general or limited proxy, any right appurtenant to any securities held in the Account at any time.
- v. To make, execute, acknowledge and deliver any and all instruments and documents necessary or proper for the accomplishment of any of the foregoing powers.

C. To the extent permitted by applicable law, Advisor may invest temporary cash balances in money market funds or comparable short-term investments pending reinvestment thereof.

4. **CUSTODY.** The Cash and assets of the Account will be held in the custody of the firm designated by City to provide custody for Account assets ("Custodian"), which City hereby represents has agreed to act as custodian for the Account in accordance with Advisor's instructions. In addition, (i) Advisor will at no time have custody or physical control of the cash, securities and other assets in the Account; (ii) Advisor will not be liable for any act or omission of the Custodian; (iii) Advisor will give instructions to the Custodian in writing or orally and confirmed in writing as soon as practicable thereafter; and (iv) City will instruct the Custodian to provide Advisor with such periodic reports concerning the status of the Account as Advisor may reasonably request from time to time. City will not change the Custodian without giving Advisor reasonable prior notice of its intention to do so together with the name and other relevant information with respect to the new custodian.
5. **BROKERAGE.** Orders for the execution of transactions for the Account will be placed by Advisor with broker-dealers that are selected by Advisor. Advisor, in seeking to obtain best execution of portfolio transactions for the Account, may consider the quality and reliability of the brokerage services, as well as research and investment information and other services provided by the brokers or dealers. Accordingly, Advisor's selection of a broker or dealer for transactions for the Account may take into account, among others, such relevant factors as price; the broker's or dealer's, facilities, reliability and financial responsibility; when relevant, the ability of the broker to effect securities transactions, particularly with regard to such aspects as timing, order size and execution of the order; the broker's or, dealer's recordkeeping capabilities; and the research or other services provided by such broker or dealer to Advisor that are expected to enhance Advisor's general portfolio management capabilities (collectively, "Research"), notwithstanding that the Account may not be the exclusive beneficiary of such Research. Commission rates, being a component of price, is one factor considered together with other factors. Advisor will not be obligated to seek in advance competitive bidding for the most favorable commission rate applicable to any particular transaction for the Account or to select any broker-dealer on the basis of its purported posted commission rate. Accordingly, in compliance with Section 28(e) of

the Securities Exchange Act of 1934, as amended, Advisor, in its discretion, may cause the Account to pay a commission for effecting a transaction for the Account in excess of the amount another broker or dealer would have charged for effecting that transaction. This may be done where Advisor has determined in good faith that the commission is reasonable in relation to the value of the brokerage and/or research provided by the broker to the Advisor.

6. **GENERAL SCOPE OF ADVISOR SERVICES.** Advisor shall provide investment management of Managed Funds. In connection therewith, Advisor shall provide investment research and supervision of the City's Managed Funds investments and conduct a continuous program of investment, evaluation and, when appropriate, sale and reinvestment of the City's Managed Funds assets. Advisor shall continuously monitor investment opportunities and evaluate investments of the City's Managed Funds.

Advisor has been retained by the City of Ocala to manage a well-diversified portfolio of short term fixed income and money market securities.

A. The portfolio must comply with the following additional considerations:

- i. The portfolio shall be invested primarily in U.S. Treasury and Government Agency fixed income securities.
- ii. Securities shall have a minimum categorical rating of "BBB" by Standard & Poor's or Baa2 for Moody's.
- iii. The effective duration of the portfolio shall not exceed 120%, nor be less than 50% of the target benchmark.

B. Investment Objectives

- i. The primary objective of the portfolio shall be to generate income while achieving a total return over the longer term, 3 to 5 years, in excess of a Target Index. The Target Index for the portfolio is defined as a 100% investment in the ICE BofA ML 1-3 Year Unsubordinated U.S. Treasuries/Agencies Index.
- ii. The secondary objective of the portfolio shall be to achieve a total rate of return over the longer term, 3 to 5 years that ranks in the top 40<sup>th</sup> percentile of a representative universe of similarly managed portfolios.
- iii. The volatility of the Fund's total returns is expected to be similar to that of this Target Index and will be evaluated accordingly.

7. **INSIDE INFORMATION.** Advisor shall have no obligation to seek to obtain any material non-public ("inside") information about any issuer of securities, or to purchase or sell, or to

recommend for purchase or sale, for the Account the securities or any issuer on the basis of any such information as may come into its possession.

8. **PROXIES.** Advisor will vote the proxies solicited by the issuers of securities in which assets of the Account may be invested from time to time.
9. **FEES.** For services provided by Advisor pursuant to this Agreement, the City shall pay Advisor an annual fee, in quarterly installments, based on the daily net assets under management at an annual rate as listed below. Upon termination of this Agreement, fees payable shall be in proportion to the fraction of the calendar quarter expired prior to termination. "Daily net assets" is defined to include the amortized value of securities, accrued interest and cash or any money market fund balance.

Average Assets Under Management	Fees
First \$10 million	0.10%
\$10 million to \$20 million	0.09%
Over \$20 million	0.08%

Advisor shall bill the City quarterly in arrears for services performed under this Agreement, said bill to include a statement indicating the basis upon which the fee was calculated. The City shall pay to Advisor the amount payable pursuant to this Agreement not later than the 15<sup>th</sup> day of the month following the month during which Advisor's statement was received.

If and to the extent that the City shall request Advisor to render services other than those to be rendered by Advisor hereunder, such additional services shall be compensated separately on terms to be agreed upon between Advisor and the City.

10. **EXPENSES.** Advisor shall furnish at its own expense all necessary administrative services, office space, equipment, clerical personnel, telephone and other communication facilities, investment advisory facilities, and executive and supervisory personnel for managing the investments.

Except as expressly provided otherwise herein, the City shall pay all its own expenses including, without limitation, taxes, fees and expenses of the City's independent auditors and legal counsel, if any, brokerage and other expenses connected with the execution of portfolio security transactions, insurance premiums, fees and expenses of the custodian of the Managed Funds including safekeeping of funds and securities and the keeping of books and accounts. All brokerage commissions and other costs associated with the purchase or sale of securities and other investment instruments, interest, taxes and other Account expenses shall be the responsibility of the City.

11. **RESPONSIBILITIES OF INVESTMENT ADVISOR.** Advisor hereby represents it is a registered advisor under the Investment Advisers Act of 1940. Advisor shall immediately notify the City if at any time during the term of this Agreement it is not so registered or if its registration is suspended. Advisor agrees to perform its duties and responsibilities under this Agreement with reasonable care. The federal securities laws impose liabilities under certain circumstances on persons who act in good faith. Nothing herein shall in any way constitute a waiver or limitation of any rights which the City may have under any federal securities laws. The City hereby authorizes Advisor to sign IRS Form W-9 on behalf of the City and to deliver such form to broker-dealers or others from time to time as required in connection with securities transactions pursuant to this Agreement.
  
12. **CONFLICT OF INTEREST.** The City understands that Advisor performs investment advisory services for various other clients, which may include investment companies and/or commingled trust funds. The City agrees that Advisor may give advice or take action with respect to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the City's Managed Funds accounts. Advisor shall not have any obligation to purchase, sell or exchange any security for the City's Managed Funds solely by reason of the fact that Advisor, its principals, affiliates, or employees may purchase, sell or exchange such security for the account of any other client or for itself or its own accounts. Advisor must have disclosed prior to contract execution the name of any officer, director, or agent who may be employed by the City. Advisor must disclose the name of any City employee who owns, directly or indirectly, any interest in Advisor or any affiliated business entity. Any additional conflicts of interest that may occur during the contract term must be disclosed to the City of Ocala's Contracting Officer.
  
13. **TERM & TERMINATION.** This Agreement shall begin on **FEBRUARY 12, 2020** and terminate at the end of the business day on **FEBRUARY 11, 2023**. Upon expiration of the initial term, this Agreement may, by written consent between City and Advisor, be renewed for a two (2) year term. The performance by the Advisor of investment advisory services for the City under the provisions of this Agreement for the period commencing February 12, 2020 through the date of execution and delivery hereof and the payment by the City for such services are hereby ratified and confirmed.

If Advisor defaults in the performance or materially breaches any provision of this Agreement, the City may, at its option, terminate this Agreement by giving written notification thereof to the Advisor at least thirty (30) days in advance of termination. The City may also terminate this Agreement, on not less than thirty (30) days written notice to Advisor if such termination is in best interest of City. Advisor may terminate this Agreement immediately upon any material breach of its terms by City, or at any time after one (1) year upon thirty (30) days written notice.

Termination of this Agreement shall have no effect upon the rights of the parties that accrued prior to termination.

Upon termination of this Agreement, Advisor is under no obligation to recommend any action with regard to the securities or other property held in the Account. Advisor retains the right, however, to complete any transactions open as of the termination date and to retain amounts in the Account to effect their completion. Upon termination, it is Client's responsibility to issue written instructions regarding assets in the Account. Fees will be prorated to the date of termination.

14. **SUSPENSIONS/COMPLAINTS.** The Advisor shall promptly give notice to the City if the Advisor shall have been found to have violated any state or federal securities law or regulation in any final judgment in any criminal action or civil suit in any state or federal court or in any disciplinary proceeding before the Securities and Exchange Commission or any other agency or department of the United States, any registered securities exchange, the Financial Industry Regulatory Authority, or any regulatory authority of any State based upon the performance of services as an investment advisor.
15. **PERFORMANCE EVALUATION.** At the end of the contract, the City may evaluate the Advisor's performance. This evaluation will become public record.
16. **BOOKS AND RECORDS.**
  - A. Advisor shall maintain appropriate books of account and records relating to all transactions in the Managed Funds.. Advisor shall provide the City with a monthly statement showing deposits, withdrawals, purchases and sales (or maturities) of investments, earnings received, and the value of assets held on the last business day of the month. The statement shall be in the format and manner mutually agreed upon by Advisor and City.
  - B. Advisor shall render to City a Compliance Report addressing investment guidelines in the City's Investment Policy on a quarterly basis.
  - C. A report will be provided annually to the City Council which includes, but is not limited to, a twelve (12) month asset report, performance trends, and a twelve (12) month compliance report.
17. **INVESTMENT ADVISOR'S BROCHURE AND BROCHURE SUPPLEMENT.** Advisor warrants that it has delivered to the City the Advisor's current Securities and Exchange Commission Form ADV, Part 2A (Advisor's brochure) and Part 2B (brochure supplement). City acknowledges receipt of such brochure and brochure supplement prior to the execution of this Agreement. Advisor will provide the City with a copy of the completed Form ADV Part 2A on an annual basis and must remain in compliance with the standard on ethical principles of full disclosure and fair

representation set forth by the CFA Institute ("CFA Institute"), formerly known as the Association of Investment Management and Research ("AIMR"). Employees of the Advisor who are members of the CFA Institute (as successor to AIMR) are subject to the CFA Institute's Code of Ethics and Standards of Professional Conduct. Additionally, the Advisor is subject to its own Code of Ethics, in compliance with the requirements of the Investment Advisers Act of 1940.

18. **CONFIDENTIALITY.** All information and advice furnished by either party to the other hereunder, including their respective agents and employees, shall be treated as confidential and will not be disclosed to third parties except without the prior written consent of the other party or as otherwise required by applicable law or regulatory or judicial process. Notwithstanding the foregoing, Advisor may disclose the City's name in certain circumstances, including, without limitation, to certain counterparties for risk management purposes.
19. **SERVICES NOT EXCLUSIVE.** Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Advisor. This Agreement shall not restrict City from acquiring similar, equal or like services, or executing additional contracts from other entities or sources.
20. **PROFESSIONAL LIABILITY INSURANCE.** Advisor shall carry Professional Liability insurance with a coverage limits of \$5,000,000.00 per claims-made with fiduciary liability. It is recognized that this type of insurance is only available on a Claims Made basis and additional insured endorsements are not available. Advisor shall maintain this insurance for at least five (5) years beyond the end of the contract and shall provide City with applicable certificates of insurance.
21. **ERRORS AND OMISSIONS.** Advisor shall provide proof of Errors and Omissions Insurance, which covers the company and their agents with limits of at least \$5,000,000.00 written by an insurer who possesses and A.M. Best rating of at least an "A".
22. **INDEPENDENT CONTRACTOR STATUS.** City expressly acknowledges Advisor is an independent contractor. Nothing in this Agreement is intended, nor shall be construed, to create an agency relationship (other than the purchase and sale of securities in the Managed Funds portfolio), a partner or partnership, an employer/employee relationship, a joint venture relationship, or any other relationship allowing City to exercise control or discretion over the manner or method by which Advisor performs hereunder.
23. **ASSIGNMENT.** Neither party may assign this Agreement or the rights and obligations thereunder to any third party without the prior express written approval of the other party, which shall not be unreasonably withheld.
24. **PUBLIC RECORDS.** Advisor shall comply with all applicable provisions of the Florida Public Records Act, Chapter 119, Florida Statutes. Specifically, Advisor shall:



- A. Keep and maintain public records required by the public agency to perform the service.
- B. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- C. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if Advisor does not transfer the records to the public agency.
- D. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of Advisor or keep and maintain public records required by the public agency to perform the service. If Advisor transfers all public records to the public agency upon completion of the contract, Advisor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Advisor keeps and maintains public records upon completion of the contract, Advisor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

**IF ADVISOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ADVISOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: CITY OF OCALA, OFFICE OF THE CITY CLERK; 352-629-8266; E-mail: [clerk@ocalafl.org](mailto:clerk@ocalafl.org); City Hall, 110 SE Watula Avenue, Ocala, FL 34471.**

- 25. **TAX EXEMPTION.** City is exempt from all federal excise and state sales taxes (State of Florida Consumer's Certification of Exemption 85-8012621655C-9). The City's Employer Identification Number is 59-60000392. Advisor will not be exempted from paying sales tax to its suppliers for materials to fulfill contractual obligations with the City, nor will Advisor be authorized to use City's Tax Exemption Number for securing materials listed herein.
- 26. **EXCESS FUNDS.** Any party receiving funds paid by City under this Agreement shall promptly notify City of any funds erroneously received upon the discovery of such erroneous funds receipt. Any such excess funds shall be refunded to City within thirty (30) days, or must include interest

calculated from the date of the erroneous payment or overpayment at the interest rate for judgments at the highest rate as allowed by law.

27. **AUDIT.** Advisor shall comply and cooperate immediately with any inspections, reviews, investigations, or audits relating to this Agreement as deemed necessary by the Florida Office of the Inspector General, the City's Internal or External auditors or by any other Florida official with proper authority.
28. **PUBLICITY.** Advisor shall not use City's name, logo, seal or other likeness in any press release, marketing materials, or other public announcement without City's prior written approval.
29. **CONFLICT OF INTEREST.** Advisor must have disclosed with the submission of their bid, the name of any officer, director, or agent who may be employed by the City. Advisor must disclose the name of any City employee who owns, directly or indirectly, any interest in Advisor or any affiliated business entity. Any additional conflicts of interest that may occur during the contract term must be disclosed to the City of Ocala Procurement Department.
30. **NON-DISCRIMINATORY EMPLOYMENT PRACTICES.** During the performance of the contract, the Advisor agrees to not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, sex, pregnancy, age, disability, sexual orientation, gender identity, marital or domestic partner status, familial status, or veteran status and shall take affirmative action to ensure that an employee or applicant is afforded equal employment opportunities without discrimination. Such action shall be taken with reference to, but not limited to: recruitment, employment, termination, rates of pay or other forms of compensation and selection for training or retraining, including apprenticeship and on-the-job training.
31. **PUBLIC ENTITY CRIMES.** Advisor on its behalf and its affiliates agrees and affirms that it has not been placed on the convicted vendor list following a conviction of a public entity crime as provided for in Section 287.133(2)(a), Florida Statutes, which states that a person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases or real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO, for a period of 36 months from the date of being placed on the convicted vendor list.
32. **DEFAULT.** This Agreement is critical to City and City reserves the right to immediately cancel either in whole or in part any portion of this Agreement due to failure of the Advisor to carry

out any obligation, term, or condition of the Agreement. City will issue a written notice of default effective immediately and not deferred by any interval of time. Default shall be any act or failure to act on the part of Advisor including, but not limited to, any of the following:

- A. Advisor fails to adequately perform the services set forth in the specifications of the Agreement; or
- B. Advisor fails to perform the services required within the time stipulated in the Agreement; or
- C. Advisor fails to make progress in the performance of the Agreement and/or gives City reason to believe that Advisor will not or cannot perform to the requirements of the Agreement.

33. **REMEDIES/OPPORTUNITY TO CURE.** If Advisor defaults on any provision of this Agreement, City may, at its sole discretion, give written notice to Advisor detailing Advisor's violations and giving Advisor an opportunity to cure the default. If such violation is not corrected to the reasonable satisfaction of City within the time required by the City to cure the default, after the date of notice of violation, the City may, without further notice, declare Advisor to be in breach of this Agreement and pursue all remedies available at law or equity, including termination of this Agreement without further notice and all rights of Advisor hereunder.

Notwithstanding City's termination of the Agreement, Advisor shall remain liable to City for damages, costs, or attorney's fees arising prior to such termination. In case of default, the City reserves the right to hire another advisor to complete the required work in accordance with the needs of the City. City may recover any actual excess costs from Advisor by: (a) Deduction from an unpaid balance, or (b) Any other remedy as provided by law.

34. **NON-FUNDING.** In the event sufficient budgeted funds are not available or depleted, City shall promptly notify Advisor of such occurrence and contract shall terminate without penalty or expense to the City.

35. **WAIVER.** The failure or delay of any party at any time to require performance by another party of any provision of this Agreement, even if known, shall not affect the right of such party to require performance of that provision or to exercise any right, power or remedy hereunder. Any waiver by any party of any breach of any provision of this Agreement should not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to or demand on any party in any circumstance shall, of itself, entitle such party to any other or further notice or demand in similar or other circumstances.

36. **FORCE MAJEURE.** Neither party shall be responsible for damages or delays caused by Force Majeure or other events beyond the reasonable control of the party and which could not reasonably have been anticipated or prevented. For purposes of this Agreement, Force Majeure includes, but is not limited to, war, terrorism, riots, epidemics, fire, acts of nature, strikes, lockouts, court orders, and acts, orders, laws, or regulations of the government of the United States or the several states, prohibiting or impeding any party from performing its respective obligations under the contract. If Force Majeure occurs, the parties shall mutually agree on the terms and conditions upon which services may continue. Should Advisor be delayed in the commencement, performance, or completion of the Work due to any of the conditions under this section, Advisor shall be entitled to an extension of time only, provided however, that in no event shall Advisor be entitled to any increased costs, additional compensation, or damages of any type resulting from such Force Majeure delays.
37. **SEVERABILITY OF ILLEGAL PROVISIONS.** Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under the applicable law. Should any portion of this Agreement be declared invalid for any reason, such declaration shall have no effect upon the remaining portions of this Agreement.
38. **INDEMNITY.** Advisor shall indemnify City and its elected officials, employees and volunteers against, and hold City and its elected officials, employees and volunteers harmless from, all damages, claims, losses, costs, and expenses, including reasonable attorneys' fees, which City or its elected officials, employees or volunteers may sustain, or which may be asserted against City or its elected officials, employees or volunteers, arising out of the activities contemplated by this Agreement including, without limitation, harm or personal injury to third persons during the term of this Agreement to the extent attributable to the negligent or intentional actions of Advisor, its agents, and employees.
39. **NO WAIVER OF SOVEREIGN IMMUNITY.** Nothing herein is intended to waive sovereign immunity by the City to which sovereign immunity may be applicable, or of any rights or limits of liability existing under Florida Statute § 768.28. This term shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until any proceeding brought under this Agreement is barred by any applicable statute of limitations.
40. **NOTICES.** All notices, certifications or communications required by this Agreement shall be given in writing and shall be deemed delivered when personally served, or when received if by facsimile transmission with a confirming copy mailed by registered or certified mail, postage prepaid, return receipt requested. Notices can be concurrently delivered by e-mail. All notices shall be addressed to the respective parties as follows:

If to Investment Manager:

Steven Alexander, Managing Director  
PFM Asset Management LLC  
300 South Orange Avenue, Suite 1170  
Orlando, Florida 32801  
Phone: 407-406-5750 Fax: 407-648-1323  
E-mail: [alexanders@pfm.com](mailto:alexanders@pfm.com)

Copy to:

PFM Asset Management LLC  
Attn: Controller  
1735 Market Street, 43<sup>rd</sup> Floor  
Philadelphia, Pennsylvania 19103

If to City of Ocala:

Tiffany Kimball, Contracting Officer  
110 SE Watula Avenue, 3rd Floor  
Ocala, Florida 34471  
Phone: 352-629-8366 Fax: 352-690-2025  
E-mail: [tkimball@ocalafl.org](mailto:tkimball@ocalafl.org)

Copy to:

Robert W. Batsel, Esquire  
Gilligan, Gooding, Batsel, Anderson & Phalen, P.A.  
1531 SE 36<sup>th</sup> Avenue  
Ocala, Florida 34471  
Phone: 352-867-7707 Fax: 352-867-0237  
E-mail: [rbatsel@ocalalaw.com](mailto:rbatsel@ocalalaw.com)

41. **ATTORNEYS' FEES.** If any civil action, arbitration or other legal proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provision of this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees, sales and use taxes, court costs and all expenses reasonably incurred even if not taxable as court costs (including, without limitation, all such fees, taxes, costs and expenses incident to arbitration, appellate, bankruptcy and post-judgment proceedings), incurred in that civil action, arbitration or legal proceeding, in addition to any other relief to which such party or parties may be entitled. Attorneys' fees shall include, without limitation, paralegal fees, investigative fees, administrative costs, sales and use taxes and all other charges reasonably billed by the attorney to the prevailing party.

42. **JURY WAIVER.** IN ANY CIVIL ACTION, COUNTERCLAIM, OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS, OR RELATES TO THIS AGREEMENT, ANY AND ALL TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF, OR THE RELATIONSHIP CREATED HEREBY, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY. NEITHER PARTY HAS MADE OR RELIED UPON ANY ORAL REPRESENTATIONS TO OR BY ANY OTHER PARTY REGARDING THE ENFORCEABILITY OF THIS PROVISION. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS JURY WAIVER PROVISION.
43. **GOVERNING LAW.** This Agreement is and shall be deemed to be a contract entered and made pursuant to the laws of the State of Florida and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of Florida.
44. **JURISDICTION AND VENUE.** The parties acknowledge that a majority of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Marion County, Florida. Any civil action or legal proceeding arising out of or relating to this Agreement shall be brought only in the courts of record of the State of Florida in Marion County or the United States District Court, Middle District of Florida, Ocala Division. Each party consents to the exclusive jurisdiction of such court in any such civil action or legal proceeding and waives any objection to the laying of venue of any such civil action or legal proceeding in such court and/or the right to bring an action or proceeding in any other court. Service of any court paper may be effected on such party by mail, as provided in this Agreement, or in such other manner as may be provided under applicable laws, rules of procedures or local rules.
45. **REFERENCE TO PARTIES.** Each reference herein to the parties shall be deemed to include their successors, assigns, heirs, administrators, and legal representatives, all whom shall be bound by the provisions hereof.
46. **MUTUALITY OF NEGOTIATION.** Advisor and City acknowledge that this Agreement is a result of negotiations between Advisor and City, and the Agreement shall not be construed in favor of, or against, either party because of that party having been more involved in the drafting of the Agreement.
47. **SECTION HEADINGS.** The section headings herein are included for convenience only and shall not be deemed to be a part of this Agreement.

48. **RIGHTS OF THIRD PARTIES.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or because of this Agreement on any persons other than the parties hereto and their respective legal representatives, successors and permitted assigns. Nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third persons any right of subrogation or action over or against any party to this Agreement.
49. **AMENDMENT.** No amendment to this Agreement shall be effective except those agreed to in writing and signed by both parties to this Agreement.
50. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.
51. **ELECTRONIC SIGNATURE(S).** Advisor, if and by offering an electronic signature in any form whatsoever, will accept and agree to be bound by said electronic signature to all terms and conditions of this Agreement. Further, a duplicate or copy of the Agreement that contains a duplicated or non-original signature will be treated the same as an original, signed copy of this original Agreement for all purposes.
52. **ENTIRE AGREEMENT.** This Agreement, including exhibits, (if any) constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof. There are no other representations, warranties, promises, agreements or understandings, oral, written or implied, among the Parties, except to the extent reference is made thereto in this Agreement. No course of prior dealings between the parties and no usage of trade shall be relevant or admissible to supplement, explain, or vary any of the terms of this Agreement. No representations, understandings, or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth herein.
53. **CONTRACT DOCUMENTS.** The contract documents that comprise the entire Agreement between the City and Advisor are made a part hereof, and are listed as exhibits. There are no contract documents other than those listed below. If there is a conflict in terms between this Agreement and the contract documents, then the terms of this Agreement will control over the terms of the contract documents listed below.

**Exhibit A:** Addendum to Investment Policy for Pool I- Short Term (A-1)

54. **LEGAL AUTHORITY.** Each person signing this Agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on 04 / 16 / 2021.

**ATTEST:**



Angel B. Jacobs  
City Clerk

**CITY OF OCALA**



Justin Grabelle  
City Council President

**Approved as to form and legality:**



Robert W. Batsel, Jr.  
City Attorney

**PFM ASSET MANAGEMENT LLC**



Steven Alexander  
Managing Director



<b>TITLE</b>	FOR SIGNATURE: PFM Investment Manager Services Agreement-...
<b>FILE NAME</b>	FOR SIGNATURE Inv...(FIN-14-006) .pdf
<b>DOCUMENT ID</b>	43f324b9cad462fc602f97f9abf97977061bc6d4
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Completed

## Document History



SENT

**03 / 27 / 2021**

15:39:24 UTC-5

Sent for signature to Rob Batsel, Esquire (rbatsel@ocalalaw.com), President Justin Grabelle (jgrabelle@ocalafl.org), Angel Jacobs, City Clerk (ajacobs@ocalafl.org) and Steve Alexander, Managing Director (alexanders@pfm.com) from tkimball@ocalafl.org  
IP: 216.255.240.104



VIEWED

**03 / 29 / 2021**

17:01:29 UTC-5

Viewed by Rob Batsel, Esquire (rbatsel@ocalalaw.com)  
IP: 216.255.247.51



SIGNED

**03 / 29 / 2021**

17:05:59 UTC-5

Signed by Rob Batsel, Esquire (rbatsel@ocalalaw.com)  
IP: 216.255.247.51



VIEWED

**03 / 29 / 2021**

17:07:48 UTC-5

Viewed by President Justin Grabelle (jgrabelle@ocalafl.org)  
IP: 40.94.28.186



SIGNED

**03 / 30 / 2021**

11:42:33 UTC-5

Signed by President Justin Grabelle (jgrabelle@ocalafl.org)  
IP: 64.238.190.30

<b>TITLE</b>	FOR SIGNATURE: PFM Investment Manager Services Agreement-...
<b>FILE NAME</b>	FOR SIGNATURE Inv...(FIN-14-006) .pdf
<b>DOCUMENT ID</b>	43f324b9cad462fc602f97f9abf97977061bc6d4
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## Document History



**03 / 30 / 2021**  
11:43:24 UTC-5

Viewed by Angel Jacobs, City Clerk (ajacobs@ocalaf.org)  
IP: 216.255.240.104



**03 / 30 / 2021**  
11:46:30 UTC-5

Signed by Angel Jacobs, City Clerk (ajacobs@ocalaf.org)  
IP: 216.255.240.104



**04 / 13 / 2021**  
17:13:13 UTC-5

Viewed by Steve Alexander, Managing Director  
(alexanders@pfm.com)  
IP: 208.87.234.180



**04 / 16 / 2021**  
08:41:36 UTC-5

Signed by Steve Alexander, Managing Director  
(alexanders@pfm.com)  
IP: 174.63.184.163



**04 / 16 / 2021**  
08:41:36 UTC-5

The document has been completed.