



DATE: May 21, 2008
TO: Honorable Mayor and City Councilmembers
FROM: Financial Services Department
SUBJECT: **APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH
STONE & YOUNGBERG, LLC, FOR UNDERWRITING SERVICES**

SYNOPSIS

Staff recommends that the City Council and Community Development Commission approve a five-year professional services agreement with Stone & Youngberg, LLC, for bond underwriting services to assist the City in the structuring, marketing and sale of negotiated bonds to meet the financing requirement of specific future projects, when necessary, with compensation to Stone & Youngberg to be paid from the bond proceeds upon successful sale of the bonds; and authorization for the City Manager to execute the agreement.

BACKGROUND

The City of Oceanside and the Oceanside Community Development Commission periodically issue municipal debt instruments to finance the acquisition and construction of real property, facilities, related operating equipment, and other infrastructure improvements. Long-term debt is not used for operating expenditures. While no specific financing need has been identified at this time, future requirements may include Community Facilities and Assessment Districts, Certificates of Participation, Tax Increment Debt, Lease Revenue Bonds, and Mortgage Revenue/Housing Bonds.

An underwriting firm, also known as an investment banker, is a key member of the City's financing team. Their role is to purchase the municipal bonds from the City and resell them to the public, either directly or through dealers. The action before City Council tonight establishes an eligibility list of underwriting firms for a period of five years. For specific financings, staff will select and negotiate with the underwriter the terms for that specific financing and bring the recommendations to Council for approval.

ANALYSIS

In February 2008 a Request for Qualifications for Bond Underwriting Services was sent to nine firms throughout California and resulted in seven responses. Staff from Finance, Redevelopment, Neighborhood Services/Housing, and Treasury, along with the City's financial advisor, interviewed all seven firms. Subsequent to the interview, UBS Securities, LLC, announced they were withdrawing from the municipal bond market.

It was unanimously agreed that Stone & Youngberg, LLC, is very capable of providing the underwriting services required by the City of Oceanside. They have a strong presence in the California marketplace and have placed their focus on California municipal finance for the past 75 years. They have access to specialized municipal investors including individuals, retail and institutions. Based on the current volatility of the financial industry, staff will defer bringing forth additional underwriting firms to City Council for inclusion on the eligibility list for a few months.

FISCAL IMPACT

There is no fiscal impact at this time by entering into the professional service agreement for underwriting services. When specific financings come forward, staff will negotiate the terms for that specific financing and bring the recommendations to Council for approval. The underwriter will be paid from the bond proceeds upon the successful sale of those bonds.

COMMISSION/COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced document has been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council and Community Development Commission approve a five-year professional services agreement with Stone & Youngberg, LLC, for bond underwriting services to assist the City in the structuring, marketing and sale of negotiated bonds to meet the financing requirement of specific future projects, when necessary, with compensation to Stone & Youngberg to be paid from the bond proceeds upon successful sale of the bonds; and authorization for the City Manager to execute the agreement.

PREPARED BY:



Teri Ferro
Director of Financial Services

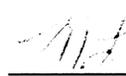
SUBMITTED BY:



Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs-Lawrence, Deputy City Manager



CITY OF OCEANSIDE
PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 2008, by and between the CITY OF OCEANSIDE, a municipal corporation, and OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION (OCDC), a municipal corporation, hereinafter collectively designated as "CITY", and Stone & Youngberg LLC, hereinafter designated as "UNDERWRITER".

RECITALS

- A. CITY desires to obtain professional bond underwriting services from an independent contractor for the City of Oceanside and the Oceanside Community Development Commission.
- B. UNDERWRITER has submitted a proposal to provide bond underwriting services for the CITY in accordance with the terms set forth in this Agreement.
- C. CITY desires to contract with UNDERWRITER as an independent contractor and UNDERWRITER desires to provide services to CITY as an independent contractor.
- D. UNDERWRITER has demonstrated its competence and professional qualifications necessary for the satisfactory performance of the services designated herein by virtue of its experience, training, education and expertise.

NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1.0 **SCOPE OF WORK.** The project is more particularly described as follows: assist the CITY in the structuring, marketing and sale of negotiated bonds to meet the financing requirements of specific projects.
- 1.1 **PROFESSIONAL SERVICES PROVIDED BY UNDERWRITER.** The professional services to be performed by UNDERWRITER shall consist of but not be limited to the following:
 - 1.1.1 Work with the CITY, its Financial Advisor, Bond Counsel, and other members of the City's financing team in evaluating specific terms and conditions affecting the bonds and assessing the impact such terms and conditions make in meeting the CITY'S financing objectives and assuring appropriate credit quality and conditions.

- 1.1.2 Work with the CITY and Financial Advisor to create a feasible and efficient financing structure for the bonds to enhance their marketability.
- 1.1.3 With respect to, but not limited to the following types or any combination of the following securities:
 - a. Land Secured Bonds: UNDERWRITER, in conjunction with Bond Counsel, the Financial Advisor and other consultants will evaluate the existing land secured debt and offer alternative bond structures and sizings to reduce tax payments in existing Districts. In connection with proposed new issuance financing/s, UNDERWRITER will participate in the review of all documents including, but not limited to, the Special Tax Rate and Method of Apportionment, various resolutions pertaining to the special tax, the bond issuance and the Bond Indenture. UNDERWRITER will work with Disclosure and/or Underwriter's Counsel to review the credit of the developer(s) or property owner(s) involved and identify factors of concern that should be addressed in the bond structure and disclosure, and will review the Official Statement and the Continuing Disclosure Agreements to be prepared by Disclosure and/or Underwriter's Counsel. Unless otherwise negotiated, Disclosure Counsel will provide the UNDERWRITER with a 10(b)5 opinion with regard to the Official Statement. The CITY agrees to participate in the preparation of the Official Statement by providing pertinent information to be included therein, including the status of City-related development approvals, and agree to review the Official Statement for accuracy and completeness. The approval, execution and delivery of the Official Statement will be duly authorized by the CITY for use by UNDERWRITER in marketing the bonds.
 - b. Redevelopment and/or Redevelopment Housing Bonds: UNDERWRITER, in conjunction with Bond Counsel, the Financial Advisor and other consultants will evaluate the existing redevelopment debt and offer alternative bond structures and sizings to meet the CITY'S financing goals in this area. In connection with proposed new issuance financing/s, UNDERWRITER will participate in the review of all pertinent documents including, but not limited to, the Fiscal Consultant's Report, the Redevelopment Plan and any amendments to the Plan, and the Bond Indenture. If a rating and/or municipal bond insurance is pursued for the bonds, UNDERWRITER will participate in developing a credit presentation, preparing the CITY for the presentation and scheduling analyst review. UNDERWRITER, in conjunction with Disclosure Counsel, will assist the CITY in preparing the Official Statements for Non-Housing and/or Housing Tax Allocation Bonds. Unless otherwise negotiated, Disclosure Counsel will provide the UNDERWRITER with a 10(b)5 opinion with regard to the Official Statement. The CITY agrees to participate in the

preparation of the Official Statement by providing pertinent information to be included therein and agrees to review the Official Statement for accuracy and completeness. The approval, execution and delivery of the Official Statement will be duly authorized by the CITY for use by UNDERWRITER in marketing the bonds.

- c. Lease-Backed Financings and/or Enterprise Financing Bonds: UNDERWRITER, in conjunction with Bond Counsel, the Financial Advisor and other consultants will evaluate the CITY'S existing lease-backed and enterprise bonds as well as historical revenue, expenses and fund balances and offer alternative bond structures and sizings to meet the CITY'S financing goals in this area. If a new issuance or refinancing lease-backed financing is pursued, UNDERWRITER will analyze the CITY'S options for pledged assets. If a new issuance or refinancing enterprise financing is pursued, UNDERWRITER will review the Fiscal Consultant's study and suggest bond terms such as rate covenants, additional bonds tests and reserves. UNDERWRITER will review the Official Statement and the Continuing Disclosure Agreements to be prepared by Disclosure and/or Underwriter's Counsel. Unless otherwise negotiated, Disclosure counsel will provide the UNDERWRITER with a 10(b)5 opinion with regard to the Official Statement. The CITY agrees to participate in the preparation of the Official Statement by providing pertinent information to be included therein and agree to review the Official Statement for accuracy and completeness. The approval, execution and delivery of the Official Statement will be duly authorized by the CITY for use by UNDERWRITER in marketing the bonds.
- d. Pension Obligation Bonds: UNDERWRITER, in conjunction with Bond Counsel, the Financial Advisor and other consultants will evaluate the CITY'S existing Pension Obligation Bonds and offer alternative bond structures and sizings to meet the CITY'S financing goals in this area. In connection with a proposed new issuance or refinancing, UNDERWRITER will review the Official Statement and the Continuing Disclosure Agreements to be prepared by Disclosure and/or Underwriter's Counsel. Unless other negotiated, Disclosure Counsel will provide the UNDERWRITER with a 10(b)5 opinion with regard to the Official Statement. The CITY agrees to participate in the preparation of the Official Statement by providing pertinent information to be included therein and agree to review the Official Statement for accuracy and completeness. The approval, execution and delivery of the Official Statement will be duly authorized by the CITY for use by UNDERWRITER in marketing the bonds.
- e. Multifamily Housing/Mortgage Revenue Bonds: UNDERWRITER, in conjunction with Bond Counsel, the Financial Advisor and other consultants

will evaluate the CITY'S existing multifamily housing and mortgage revenue bonds and offer alternative bond structures and sizings to meet the CITY'S financing goals in this area. In connection with any proposed refinancing or new issuance financing/s, UNDERWRITER will review the Official Statement and the Continuing Disclosure Agreements to be prepared by Disclosure and/or Underwriter's Counsel. Unless other negotiated, Disclosure Counsel will provide the UNDERWRITER with a 10(b)5 opinion with regard to the Official Statement. The CITY agrees to participate in the preparation of the Official Statement by providing pertinent information to be included therein and agree to review the Official Statement for accuracy and completeness. The approval, execution and delivery of the Official Statement will be duly authorized by the CITY for use by UNDERWRITER in marketing the bonds.

- 1.1.4 If it is advisable to pursue a rating and/or municipal bond insurance for the bonds, UNDERWRITER will participate in developing a credit presentation, preparing the CITY for the presentation, and scheduling analyst review.
- 1.1.5 UNDERWRITER will market the bonds to institutional and/or retail investors that are considered suitable for the type and credit strength of the financing. If acceptable to the CITY and considered beneficial to the sale of the bonds, UNDERWRITER will organize institutional investor tours or presentations and/or advertise the sale of the bonds in local papers.
- 1.1.6 At the designated time for sale of the bonds, UNDERWRITER will submit an offer to the CITY to purchase the bonds by way of the Purchase Agreement. The purchase offer will be executed subject to pertinent resolutions of the CITY, the Official Statement, and all other necessary documents, approvals and proceedings governing such bonds having been determined by appropriate Counsel(s), the City Attorney, the CITY and UNDERWRITER to be satisfactory in all respects for financing purposes. It is intended that once purchased, the bonds will be reoffered to the public on the basis of an immediate bona fide public offering.
- 1.1.7 At least one day prior to the submission of any such formal offer to the CITY for the purchase of the bonds, UNDERWRITER will indicate to the CITY the interest rate or rates, the purchase price from the CITY, and the public offering price of the bonds that UNDERWRITER then estimates will be included in such offer. In coordination with the CITY'S Financial Advisor, UNDERWRITER will furnish information to the CITY relating to the interest rate and purchase prices for similar bond issues recently sold by other California public agencies. Following discussions with the CITY and the Financial Advisor and upon verbal authorization by the CITY, UNDERWRITER will make a bona fide public offering of the bonds at the agreed upon rates and price.

1.2 **SERVICES PROVIDED BY CITY.** The CITY shall perform the following services:

1.2.1 The CITY agrees to make available to UNDERWRITER without cost, sufficient copies of any applicable reports, agreements, contracts, resolutions and other relevant documents regarding the City, pertinent enterprise systems, city facilities, the redevelopment project area, proposed development project, etc.

2.0 **INDEPENDENT CONTRACTOR.** UNDERWRITER'S relationship to the CITY shall be that of an independent contractor. UNDERWRITER shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the Finance Director. UNDERWRITER shall be solely responsible for the performance of any of its employees, agents or subcontractors under this agreement.

UNDERWRITER shall report to the CITY any and all employees, agents and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.

UNDERWRITER is not acting as a fiduciary to the CITY in carrying out the professional services described in Section 1.1 hereof.

3.0 **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the UNDERWRITER hereby certifies that the UNDERWRITER is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and the UNDERWRITER will comply with such provisions and provide certification of such compliance as a part of these Award Documents. The certification shall be in accordance with Subsections 4.3 through 4.8 of this Agreement.

4.0 **LIABILITY INSURANCE.**

4.1 UNDERWRITER shall, throughout the duration of this Agreement, maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of UNDERWRITER, its agents and employees, performed in connection with this Agreement including, but not limited to, premises and automobile.

4.2.1 UNDERWRITER shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
---------------------------------------	--------------

*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of UNDERWRITER under this Agreement.

- 4.2.2 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the UNDERWRITER to restore the required limits. The UNDERWRITER shall also notify the CITY'S Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the UNDERWRITER resulting from any of the UNDERWRITER'S work.
- 4.3 Insurance company providing General Liability insurance to the UNDERWRITER for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this Agreement. Insurance coverage provided to the CITY as an additional insured shall be primary insurance and other insurance maintained by the CITY, its officers, agents and employees shall be excess only and not contributing with insurance provided pursuant to this Section.
- 4.4 All insurance companies affording coverage to the UNDERWRITER pursuant to this Agreement shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.
- 4.5 All insurance companies affording coverage shall provide thirty (30) days written notice to the CITY should the policy be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

- 4.6 UNDERWRITER shall provide evidence of compliance with the insurance requirements listed above by providing a Certificate of Insurance, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 4.7 UNDERWRITER shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the UNDERWRITER to provide such a substitution and extend the policy expiration date shall be considered a default by UNDERWRITER and may subject the UNDERWRITER to a suspension or termination of work under the Agreement.
- 4.8 Maintenance of insurance by the UNDERWRITER as specified in this Agreement shall in no way be interpreted as relieving the UNDERWRITER of any responsibility whatsoever and the UNDERWRITER may carry, at its own expense, such additional insurance as it deems necessary.
- 5.0 **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** UNDERWRITER shall provide self-insurance for the duration of this Agreement, with regards to claims that may be the result of errors, omissions or negligent acts of UNDERWRITER or the employees or agents of UNDERWRITER. Such self-insurance will be maintained at a balance of at least \$1,000,000 and shall be in the form of the capital that the firm maintains pursuant to its operation as a regulated broker-dealer. UNDERWRITER'S failure to maintain the self-insurance described above shall constitute a material breach of contract.
- 6.0 **UNDERWRITER'S INDEMNIFICATION OF CITY.** UNDERWRITER shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims or lawsuits for damages to persons or property arising out of the conduct, negligent acts, errors, omissions or wrongful acts of conduct of the UNDERWRITER or its employees, agents, subcontractors or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents or employees. UNDERWRITER'S indemnification shall include any and all costs, expenses, expert fees, attorneys' fees and liability assessed against or incurred by the CITY, its officers, agents or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, UNDERWRITER, at its own expense, shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its officers, agents or employees resulting or arising from the tortious acts or omissions of the UNDERWRITER.

UNDERWRITER'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the UNDERWRITER

UNDERWRITER shall not indemnify CITY, its members, managers, officers, representatives and employees from any claims, lawsuits, demands, judgments and all liability arising out of or based upon any untrue statement or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact required to make the statements not misleading, if such untrue statement or alleged untrue statement or such omission or alleged omission resulted from the information furnished by the CITY to the UNDERWRITER in the carrying out of the UNDERWRITER's responsibility.

7.0 **NO CONFLICT OF INTEREST.** The UNDERWRITER shall not be financially interested in any other CITY contract for this project. For the limited purposes of interpreting this section, the UNDERWRITER shall be deemed a "City officer or employee", and this Section shall be interpreted in accordance with Government Code section 1090. In the event that the UNDERWRITER becomes financially interested in any other CITY contract for this project, that other contract shall be void. The UNDERWRITER shall indemnify and hold harmless the CITY, under Section 6 above, for any claims for damages resulting from the UNDERWRITER'S violation of this Section.

8.0 **COMPENSATION.**

8.1 UNDERWRITER will pay its own out-of-pocket and other expenses, including the cost of any legal counsel which may be retained and any advertising expenses in connection with the public offering. At the time UNDERWRITER is selected for a particular financing, UNDERWRITER will discuss with the CITY and its Financial Advisor an appropriate fee range, which will be broken into categories of Management Fee, Takedown and expenses, including the expense of Underwriter's Counsel.

8.2 The CITY will pay from the proceeds of the bonds, or otherwise, all costs and expenses customarily paid therefrom including the cost of preparing, printing and distributing the Official Statement, and any other documents, the fees and expenses of its City Attorney, Bond Counsel and Disclosure Counsel, fees to rating agencies, Trustee and Escrow Agent fees and expenses, and costs of any other experts or consultants retained by the CITY in connection with the financing.

8.3 Unless otherwise agreed upon in writing, CITY will not be required to compensate UNDERWRITER for services provided to the CITY under this Agreement if the bonds are not sold.

9.0 **TERM OF AGREEMENT.** UNDERWRITER has been retained as one of two firms to provide underwriting services to the CITY for five years from the date of this agreement, with an option for two one-year extensions.

10.0 **TERMINATION OF AGREEMENT.** The CITY may terminate this Agreement for any reason by providing thirty (30) days written notice to the UNDERWRITER.

In the event termination for cause is the result of UNDERWRITER failing to perform adequately the services outlined in Section 1 above, the CITY may continue to pursue the sale of the bonds without any further obligation or compensation for UNDERWRITER.

In the event of termination for convenience, the CITY shall pay the UNDERWRITER the reasonable value of the services performed as of the termination.

11.0 **ASSIGNMENT AND DELEGATION.** This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of the UNDERWRITER'S duties be delegated, without the express written consent of the CITY. Any attempt to assign or delegate this Agreement without the express written consent of the CITY shall be void and of no force or effect. A consent by the CITY to one assignment shall not be deemed to be a consent to any subsequent assignment.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

12.0 **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and UNDERWRITER concerning the work to be performed for this project and supersedes all prior negotiations, representations or agreements.

13.0 **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The UNDERWRITER shall be responsible for complying with all local, state and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision and all other provisions, which

are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

14.0 **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an Agreement in writing, signed by the parties hereto.

15.0 **DISPUTE RESOLUTION.**

- a. Any controversy or claim arising out of or relating to this Agreement, or concerning the breach or interpretation thereof, shall be first submitted to mediation, the cost of which shall be borne equally by the parties.
- b. No suit shall be brought on this contract unless all statutory claims filing requirements have been met.

16.0. **NOTICES.** All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

TO CITY:
City of Oceanside
Finance Director
300 North Coast Highway
Oceanside, CA 92054

TO UNDERWRITER:
Stone & Youngberg LLC
Sara E. Oberlies, Director
515 S. Figueroa Street, Ste. 1800
Los Angeles, CA 90071

Either party may change its address by notice to the other party as provided herein.

Communications shall be deemed to have been given and received on the first to occur:

- a. Actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or
- b. Three (3) working days following the deposit in the United States mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

17.0 **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the

UNDERWRITER and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures:

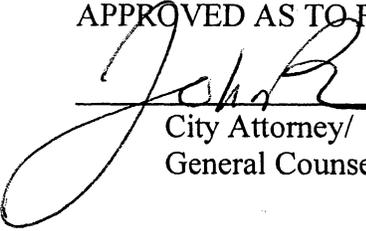
STONE & YOUNGBERG LLC

CITY OF OCEANSIDE

By: 
Name/Title *managing Director*

By: _____
Peter Weiss, City Manager/
Executive Director CDC

By: 
Name/Title *Director*

APPROVED AS TO FORM:

City Attorney/
General Counsel CDC

NOTARY ACKNOWLEDGMENTS OF UNDERWRITER MUST BE ATTACHED.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles



On May 13, 2008 before me, Melissa Ramirez, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Stephen E.Heaney and Sara E. Oberlies
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hers/their authorized capacity(ies), and that by his/hers/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Professional Services Agreement

Document Date: No Date Number of Pages: One

Signer(s) Other Than Named Above: No other signers

Capacity(ies) Claimed by Signer(s)

Signer's Name: Stephen E. Heaney

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here



Signer's Name: Sara E. Oberlies

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

