

City of Redding

Request for Proposal

For Banking Services

Schedule Number 3937

REQUEST FOR PROPOSAL
FOR
BANKING SERVICES
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I. INTRODUCTION

BACKGROUND

The City of Redding, City Hall, is located at 777 Cypress Avenue, Redding, California. The City has multiple locations that operate outside of City Hall and employs approximately 900 employees. The City of Redding's financial organization consists of a City Treasurer, Deputy Treasurer, Finance Officer, Assistant Finance Officer, Administrative Services Director and staff of 16. The City's departments that will utilize the services requested in this RFP are centralized.

The City of Redding seeks proposals from banks, preferably located within the City of Redding, interested in providing banking services and/or municipal merchant service providers interested in providing credit/debit card processing. The City of Redding is willing to contract with a separate vendor for credit/debit card processing.

We encourage vendors to submit the most comprehensive proposal possible offering the highest quality of service and enhancements to improve our current management of cash flow. We are also interested in various technological advances and pilots that could improve our banking, cash management and customer service capabilities.

The following are key decision factors that the City will use in selecting a service provider:

- a. Quality of cash management, banking and merchant services provided.
- b. The vendor's experience with similar municipalities.
- c. Individualized customer service.
- d. Technological capabilities.
- e. Overall cost of services.
- f. Established offices within the City of Redding.
- g. Strong financial ratios.

MINIMUM QUALIFICATIONS

To be considered for the selection, proposing banks/service providers must have at least all the following qualifications:

- a) Be a Federally or State of California chartered financial institution.
- b) Be a member of the Federal Reserve System and have access to all services.
- c) Be a qualified depository for public funds.
- d) Be a full service bank in good standing among other comparable banks.
- e) Be capable of providing the services sought by the agency.
- f) Have established offices within the City of Redding.
- g) Maintain strong financial ratios.

PREFERRED ELECTRONIC CAPABILITIES

The City has recently developed a secure FTP method of transmitting all ACH and Reconciliation files, as well as confirmations of receipts for those files.

The City uses this secure FTP process on the iSeries main computer to send ACH files to its banking service provider. This is the case for payroll direct deposit for City employees; government tax recipients such as IRS, EDD; employee annuity providers; and union dues. The City utilizes secure FTP in its Accounts Receivable System and its Utility Billing system to receive payments from customers paying their bills. ACH files are sent via secure FTP on the City iSeries computer to its banking service provider causing debits to be processed from customers into the City bank account.

Software has been developed by the City to process Accounts Payable transactions using secure FTP to pay City vendors. ACH files are transmitted to the City banking service provider using this “standard” protocol.

The above processes all run automatically using password protected protocols on the City iSeries main computer. There are no PC based actions involved.

The City uses secure FTP to receive ACH confirmation files, ACH returns and ACH rejects from its banking provider. Account reconciliation files are sent and confirmation files are transmitted as well using this secure method.

Previous to using FTP, the City used a product named Expedite to perform all of the above mentioned processes. Expedite is a software package which runs on most platforms including IBM iSeries, MVS, Unix, Windows, etc. It allows access to a value-added network named Information Exchange. The movement of files involves a universal secure mail box system. The City can move files into a shared mail box, and the banking provider can receive files from the mail box. Conversely, the city can receive files placed into the mail box by the banking provider. Expedite is the native software for this value-added network.

The City’s processing in the ACH and Accounts Reconciliation areas was designed modularly so that it can run using either FTP or Information Exchange. FTP modules have replaced Expedite /Information Exchange modules. The processing runs the same at the operations level for either product.

The City’s goal is to be able to send files from its iSeries midrange computer to the banking provider using either of the above protocols, FTP or IBM Information Exchange. The City’s preferred method is FTP. **The ability of the banking/service provider to support an iSeries customer is critical.**

The implementation plan for the future concerning Accounts Payable/Receivable and utility billing will have the processes run on a daily basis. Credit and debit transactions will be combined in the same ACH file and sent as a single transmission.

This automatic process will run very early each morning using password-protected protocol on the City iSeries with IBM Information Exchange via Expedite Base/400 or secured FTP to transmit these files to the City banking service provider.

The City currently processes credit/debit card transaction using the iSeries midrange computer. The City currently uses a commercial software package from Curbstone, Inc. to process credit/debit card transactions via the internet. This software requires that the merchant services vendor support the Vital authorization and settlement network. See www.vitalps.com for more detailed information.

The City Utility Department has the equipment and software necessary to convert customers' check payments into ACH transfers, and capture images of these check payments. The ACH transfers and check images could be sent directly from the RPS machine to the vendor via a secure connection. No time frame has been identified to implement these processes. However, the successful proposer must have the ability, capacity and functionality to accept and process these transactions.

ACCOUNT DESCRIPTION

The City of Redding deposits over \$785,865,368 annually through the demand accounts. Approximately \$319,065,912 represents normal business operations and \$466,796,456 represents investment transactions. Payroll, in excess of \$2,200,000, is issued bi-weekly to approximately 900 employees, of which approximately 80% are direct deposit. The City issues an average of 920 accounts payable checks totaling in excess of \$6,400,000 monthly, and generates an average of \$10,324,799 in ACH/wire payments monthly.

Our general business requires 8 demand accounts:

- General Account (Accounts Payable & Payroll)
- Credit Card Account
- Utility Billing Credit Card Account
- Health & Dental Account
- Liability Account
- Parking Meter Account
- Cafeteria Account
- Convention Center Account

The following accounts are Entity accounts and will function separately from the City's general accounts.

- Housing Authority Account
- Housing – FSS Escrow Account
- Redding Area Bus Authority Account
- Redding Redevelopment Agency

Our General Account is used for deposit, investment, disbursement, payroll and money transfer activities. Our Credit Card and Utility Billing Credit Card accounts are used primarily for Merchant Card deposits and transfer of excess funds to our general account. The Health & Dental, Liability, Cafeteria and Convention Center Accounts are used for disbursements. Our Parking Meter Account is used for the deposit of bagged coin and the transfer of excess funds to our General Account. The Redding Area Bus Authority, Redding Redevelopment Agency and Housing Accounts are used for deposits and disbursements.

MERCHANT SERVICES DESCRIPTION

The City has 10 distinct merchant locations which accept VISA, MasterCard, Discover and American Express as forms of payment. These locations initiate an average of 6,607 credit/debit card transactions per month, generating an average of \$1,054,025 per month.

II. RESPONSE GUIDELINES

1. Acceptable proposals should address all of the items identified in the Request for Proposal *in the order that they appear*. Please mark the section “Not Applicable” if vendor is unable to provide service described. Any additional information, such as Marketing, should be addressed in Section VI - page 58 of this RFP. Proposals received that are not in compliance with the above may be rejected at the sole discretion of the City. **Each proposal package should contain one unbound original and six (6) bound copies of the proposal. Each firm submitting a proposal is to provide One (1) Set of Section V, Pricing, in a separate sealed envelope. The Pricing submittal includes the requested pro forma analysis.** All proposals will be reviewed on technical merit before pricing is looked at and taken into consideration.
2. Include a cover/transmittal letter signed by a member of the organization having the authority to negotiate and execute contracts on behalf of the firm. Cover letter must acknowledge receipt of any and all addenda, if any were issued. If in doubt as to the status of addenda, contact the Purchasing Officer per the information below.
3. Questions concerning the RFP should be directed to:

Purchasing Officer
Elizabeth Peer(530) 225-4137
bpeer@ci.redding.ca.us

Inquiries should refer to specific RFP sections and/or paragraphs. Written responses to an inquiry will be distributed to all known parties at the discretion of the City.
4. All submitted proposals and information included therein or attached thereto shall become public record upon their delivery to the City.
5. The City of Redding reserves the right to amend, alter, or revoke this RFP in any manner at any time. At the City’s sole discretion, modifications, clarifications, or additions will be distributed as an addendum to all known participants.
6. The vendor shall wholly absorb all costs incurred in the preparation of this proposal.
7. Proposal packages shall be submitted in sealed envelopes clearly marked “BANKING SERVICES PROPOSAL SCHEDULE 3937, opening June 15, 2006” to:

City Clerk
City of Redding
777 Cypress Avenue
Redding, CA 96001-3396

Proposals must be received prior to 3:00 P.M. on Thursday, June 15, 2006.

The proposals will be opened at 3:00 P.M on June 15, 2006, in a City Hall conference room (conference room assignments are posted in the main lobby of City Hall). The City reserves the right to reject at its sole discretion proposals received after this time and date.

All proposals shall be firm for a period of ninety (90) days following the required date of submission.

8. Any submitter of a proposal may withdraw its proposal, either personally or by written request at any time prior to the scheduled closing time for receipt of proposals. Such requests should be directed to the City Clerk.
9. Proposals submitted will be subject to the City's selection procedures for technical and/or professional consultants. Accordingly, final selection will be based upon overall capability to perform services and not exclusively upon cost of services.
10. The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items.

The selected firm shall execute an agreement with the City within 21 calendar days after notification of selection, unless the time for execution has been extended for good cause at the sole discretion of the City. Failure of the selected firm to meet contract submission requirements (e.g., insurance) or failure to timely execute an agreement with the City may result, in the sole discretion of the City, a decision to select from the remaining proposers or to call for new proposals.

The City reserves the right to cancel the contract at any time upon thirty (30) days prior written notice of the intent to terminate. The designated vendor shall provide the City at least thirty (30) days written notice of its intention to terminate the contract. The term of the contract shall be for 3 years with the option for two (2) consecutive one-year extensions (if all prices and Terms and Conditions are mutually agreed upon).

Please follow the following format exactly. For your convenience, a file in Microsoft Word will be electronically mailed upon request.

11. Request for Proposal Tentative Schedule:

- | | |
|--------------------------------------------------------|----------------|
| a. Begin Circulation of RFP | May 1, 2006 |
| b. Deadline to receive written questions regarding RFP | June 1, 2006 |
| c. Deadline to Receive Proposals Back | June 15, 2006 |
| d. Evaluate Proposals and select vendor | July 1, 2006 |
| e. Legal Review of proposed contract | August 2006 |
| f. City Council Meeting | September 2006 |

12. Proposal Evaluation Criteria – the following items, as they relate to the Scope of Services described in the following sections of this document will be evaluated to determine the ranking of the proposals.

- a. Completeness of response to all required, applicable items;
- b. Cost per identified activity, aggregate banking services cost, and corresponding compensating balances, if applicable;
- c. Ability to meet current and projected service requirements over the term of the agreement;
- d. Best rate of interest paid on accounts;
- e. Best earnings credit rate (ERC) on compensating balances;
- f. Best availability schedule for deposit items;
- g. Capacity to provide numerous electronic services;
- h. Suitability of Bank's/Service Provider's standard contract language.
- i. Experience and governmental knowledge of vendor team;

- j. Ability to provide projected service requirements; and
- k. References.

After reviewing the proposals, the City may schedule interviews with the most qualified proposers, review the proposed Scope of Work Plans, evaluate the vendor's qualifications, and establish a rating list of the proposers interviewed. The proposer receiving the highest ranking will be asked to enter the contract negotiations stage.

- 13. The successful proposer shall provide evidence of Professional Liability Insurance in the amount of \$2,000,000 upon opening of contract negotiations.
- 14. Proposers must be adequately capitalized to accommodate the City's cash and investment management needs. This includes, but is not limited to, a minimum of \$3 million daylight overdraft facility, subject to credit review by the bank.
- 15. The contract to be executed upon award of this RFP to Proposer shall include the following or similar indemnification and hold harmless provision:
 - a. [Name of Proposer] shall defend, indemnify and hold harmless City, its elected officials, officers, employees, agents and volunteers, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, penalties and expenses (including, but not limited to, reasonable attorney's fees of the City Attorney or legal council retained by the City, expert fees, litigation costs, and investigation costs) of every type and description to which any or all of them may be subjected by reason of, or resulting from, directly or indirectly, the negligent performance of this Contract by [Proposer], whether or not caused in part by passive negligence of the Party indemnified hereunder. [Proposer] will conduct all defense at its sole cost and expense and City shall have the right to approve or disapprove the legal council retained solely to represent the City's interest. City shall be reimbursed for all costs and attorney's fees incurred by City in enforcing this obligation.
 - b. The obligation to defend, indemnify and hold harmless set forth in this Section applies to all claims and liability regardless of whether any insurance policies are applicable. The policy limits of said insurance policies do not act as a limitation upon the amount of indemnification to be provided by [Proposer].

III. VENDOR BACKGROUND

SAFETY AND SOUNDNESS

1. Identify key measures of the vendor's financial strength, *e.g.*, capital ratios, market capitalization, total assets.
2. Provide ratings for the vendor and/or vendor holding company from two of the following agencies: Standard & Poor's, Moody's, Thomson BankWatch, Sheshunoff, or Fitch. Include ratings for senior debt, subordinated debt and long-term deposit.
3. Submit copies of annual financial reports for the past two years.

PERSONNEL

3. List names, titles, phone and fax numbers, and e-mail address and provide brief biographies of primary contact personnel.
4. Will one primary contact be assigned to our account? If so, from which area of the organization?
5. How many employees does the vendor have in key areas providing the service?

COMPETITIVE POSITION AND FUTURE COMMITMENT

6. What differentiates your service from other providers?
7. How do you plan to keep the products current and competitive? Discuss any services or technical enhancements that should be considered for further improving the effectiveness of the City's treasury management operations.
 - a. What approach is the bank/vendor taking in the development of new services?
 - b. What new services or features does the bank/vendor plan to offer, and within what time frame?
8. Discuss your bank/vendor's plan to address changes in the banking system which may impact processing. Please discuss any pending or projected legislation that may impact the banking system during the potential contract period.

REFERENCES

9. Provide customer and contact names and phone numbers of a minimum of three references, preferably within our industry or with comparable volumes, which are currently using the services requested in this RFP. Select a mix of long-standing and recent customers.

EXPERIENCE

10. How long has your bank offered account reconciliation, positive pay, and direct deposit services being requested in this RFP?
11. Specify the number of corporate/business customers using this service.

CONTINGENCY AND RECOVERY TIME

12. Is a formal disaster recovery plan in place in the event of a systems failure or other disaster at the bank's primary processing site? Describe. When was the plan last updated and tested?
13. Is there a "hot" back-up processing site? Describe its capabilities and test results. Have disaster recovery procedures ever been implemented for a real disaster?
14. What is the contingency plan if a "hot" back-up site is not available and a disaster occurs which prevents all work from being processed on a same-day basis? Does the bank/vendor compensate in the event of loss? Explain.

IV. SCOPE OF WORK

ACCOUNT RECONCILIATION SERVICES

1. Does the bank/vendor offer Account Reconciliation Program (ARP) services? Are these services optional?
2. Are both full and partial reconciliation offered? Please provide sample reports.
3. How are ARP statements available?

Internet_____ Electronic transmission to IBM I5/iSeries, AS400 Mainframe_____

Other (please describe) _____

4. Set forth below is a list of ARP options, on which we have placed an "X" for those items we require, and an "XX" for those items in which we have an interest, but may not require. Please specify whether these options are available at your bank.

Data Transmission Input Output

CD ROM Input Output

Microfiche of ARP Reports

Microfilm of checks (index)

Filmed in check serial number order

Filmed randomly with indexing

High Order Digit Break

Stale Date Parameters

Maximum Dollar Limits

Fine Sorting of Paid Checks

Automatic Register/Issue File Editing

Sub-Accounting within Accounts

Float Analysis

5. Can the customer specify a cut-off date for ARP reports? If not, what dates are available?
 - a. Can the customer specify a cut-off date for bank statements? If not, what dates are available?
 - b. Can cut-off dates for ARP reports and bank statements be independent of each other?

6. How soon after the cut-off date will the following be sent?
 - a. For **full** reconciliation:
 - bank statements
 - canceled checks
 - CD Rom of imaged checks
 - reconciliation information
 - b. For **partial** reconciliation:
 - bank statements
 - canceled checks
 - CD Rom of imaged checks
 - reconciliation information

7. What is the bank's cut-off time for:
 - a. Receiving issued check files (for full reconciliation)? Receiving adds and deletes?
 - b. Transmitting paid check files (for partial reconciliation)?
 - c. Transmitting reconciled check files (for full reconciliation)?

8. If check truncation is used, how long will you retain the physical checks? After what period are they stored off-site? How long is microfilm retained?

9. Explain whether copies or images of checks can be requested on-line. If yes, how are they delivered?
 Fax _____ Image via PC _____ Other (describe) _____

10. What is the turnaround time to receive:
 - a. A copy or image of a check? How is image provided?
 - b. The original check (if stored on-site)?
 - c. The original check (if truncated and stored off-site)?

11. Can stop payments be placed on-line?
 - a. What is the deadline for same day action?
 - b. Will the system verify if a check has been paid before accepting the stop?
 - c. How much history is examined in the verification process?
 - d. How long will the stops remain in effect?

- e. Can the period be extended?
 - f. Can you request stop payments for a range of checks? What is the limit of the range?
12. Can stop payments be placed manually?
- a. What is the deadline for same day action?
 - b. Will the system verify if a check has been paid before accepting the stop?
 - c. How much history is examined in the verification process?
 - d. How long will the stops remain in effect?
 - e. Can the period be extended?
 - f. Can you request stop payments for a range of checks? What is the limit of the range?
13. What other reconciliation features does the bank/vendor have that distinguish it from other vendors?

POSITIVE PAY

1. Does the bank/vendor offer a daily service whereby it can provide the customer with a daily notification of all Image Positive Pay (IPP) exceptions? If no, skip to Depository Services, page 18.
2. If the customer is able to provide the vendor with a file of all checks issued and voided prior to the checks being distributed, does the vendor have the ability to accept and read the file?
 - a. If data transmissions are accepted, types of data transmissions accepted:
 - _____ IBM I5/iSeries, AS400 Mainframe to Bank via FTP
 - _____ IBM I5/iSeries, AS400 Mainframe to Bank via VAN
3. Manual issues or deletes can be communicated to the bank via which form of communication?

Fax _____ Telephone _____

Balance Reporting System _____

Secure Internet _____

Other (describe) _____
4. Are cashed checks verified against the issue file at the point of encashment, *i.e.*, by **your bank/vendor's** teller?

Yes _____ No _____ Checks may not be cashed _____

If no, what is the process for dealing with cashed checks?

5. How are IPP Exception reports delivered?

Fax _____ PC _____ Secure Internet _____ Other (describe) _____

a. Is this report integrated with the bank/vendor's balance reporting system/software?

b. Are MICR errors/misreads deleted from the IPP Exception report prior to the report being sent/transmitted?

c. Can check copies be integrated with the IPP Exception report?

d. If yes, how are check copies delivered?

Fax _____ Image via a PC _____ Image via secure internet _____

Other (describe) _____

e. If no, can check copies be delivered separately from the IPP Exception report? If yes, describe.

6. Does the vendor offer a daily service to compare checks paid against a check issue file and provide the customer with a daily notification of all IPP exception checks (prior day Positive Pay)? If yes, number of years offered _____

a. What is the bank/vendor's delivery deadline for notifying the customer of IPP exception checks?

_____ AM/PM Time Zone _____

b. What is the response deadline for the customer's pay decisions?

_____ AM/PM Time Zone _____

c. Are approved IPP exception checks automatically added to the issue file for account reconciliation purposes?

d. What is the deadline for the transmission of check issuance files to the bank/vendor?

_____ AM/PM Time Zone _____

7. Does the bank/vendor offer a daily service to transmit checks paid data to the customer and accept a file of IPP exception checks (Reverse Positive Pay)? If yes, number of years offered _____

a. What is the bank/vendor's deadline for transmitting paid check data?

_____ AM/PM Time Zone _____

- b. What is the deadline for receiving an exception file? _____ AM/PM
Time Zone _____
- c. What is the delivery deadline for notifying the customer of actual (non-MICR error/misread) IPP checks? _____ AM/PM Time Zone _____
- d. What is the response deadline for the customer's pay decisions? _____ AM/PM
Time Zone _____
8. Does the bank/vendor offer a daily service to compare same day checks presented against a check issue file and provide the customer with a daily notification of all IPP exception checks in conjunction with controlled disbursement (same day Positive Pay)? If yes, number of years offered _____
- a. What is the bank/vendor's delivery deadline for notifying the customer of IPP exception checks?
_____ AM/PM Time Zone _____
- b. What is the response deadline for pay decisions?
Same day _____ AM/PM Time Zone _____
Next day _____ AM/PM Time Zone _____
- c. Are approved IPP exception checks automatically added to the issue file for account reconciliation purposes?
- d. What is the deadline for the transmission of the customer's check issuance files to the bank?
_____ AM/PM Time Zone _____
9. Does the bank/vendor offer a daily service to transmit same day check presentment data to the customer and do customers have the ability to respond with a file of IPP exception checks in conjunction with controlled disbursement (same day reverse Positive Pay)? If yes, number of years offered _____
- a. What is the bank/vendor's deadline for transmitting same day check data?
_____ AM/PM Time Zone _____
- b. What is the deadline for receiving an exception file?
Same day _____ AM/PM Time Zone _____
Next day _____ AM/PM Time Zone _____
- c. What is the delivery deadline for notifying the customer of actual (non-MICR error/misread) IPP exception checks?
Same day _____ AM/PM Time Zone _____

Next day _____ AM/PM Time Zone _____

d. What is the response deadline for the customer's pay decisions?

Same day _____ AM/PM Time Zone _____

Next day _____ AM/PM Time Zone _____

10. What other review criteria are available for Positive Pay services?
11. Does the bank/vendor have the ability to provide electronic confirmation of receipt of the Positive Pay file?
12. In the event that the bank/vendor does not receive the customer's pay decision response by the stated deadline, what is the default disposition?

Pay _____ Return _____ Optional _____

- a. May a dollar threshold be applied to the default disposition, *e.g.*, return all checks over \$500?

IMPLEMENTATION

13. Provide a copy of all agreements that will be required to initiate Account Reconciliation services.
14. Provide a detailed description of the implementation process, including testing and a sample implementation schedule. Is check testing required? If yes, how many checks must be tested?
15. Describe support provided during implementation including training, technical assistance, user manuals and on-site visits. Does the bank/vendor assign an implementation team?
16. Are there special requirements the customer must meet in order to utilize Account Reconciliation services at the bank? Describe.

CUSTOMER SERVICE

17. Indicate the organizational structure of your bank for customer service (choose one):
- _____ Separate department for Account Reconciliation customer service
- _____ Centralized customer service department for all cash management services
- _____ Customer service function contained within a general operating unit
18. Will a specific customer service representative be assigned to handle this business? Describe the responsibilities of customer service personnel, including the chain of command for problem resolution.
19. What are the hours of operation of the customer service unit? [Specify time zone]
20. How are inquiries requiring research and adjustments handled by the bank/vendor?

21. Are there established turn-around times for research and adjustment items? If yes, specify.
22. What is the bank/vendor's record on meeting established response times?
23. Does the bank/vendor provide technical customer support for computer hardware, software and communications problems?

QUALITY

24. Does the bank/vendor have a formal quality improvement program for this service? If yes, describe.
25. Do you measure any of the Bank Administration Institute (BAI) Critical Quality Indicators listed below? For each BAI Critical Quality Indicator that you measure, indicate the measurements reported for the most recent Annual BAI Survey. Also indicate your tracking frequency (e.g., weekly, monthly, annually), period covered, and rates attained for your last 2 measurements.

| Quality Indicator | Critical | Indicator Reported for the Last BAI Survey | Tracking Frequency | Period Covered | Performance Level of Last Two Measurements |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------------------------------------|---------------------------|-----------------------|---------------------------------------------------|
| | | | | | |
| Delay/Failure Rate # of Total Presentment Files Sent after Deadline _____ x 100 # of Total Presentment Files | Reporting | | | | |
| Reconciliation Error Rate # of Reconciliations with Errors by account _____ x 100 Total # of Reconciliations by account | | | | | |
| Reconciliation Statement Delay/Failure Rate # of Reconciliation Statements Not Released or Released after Goal _____ x 100 Total # of Reconciliation Statements Released | | | | | |

26. Does your bank monitor other performance measures? If so, what other key performance measures do you track? What is the reporting frequency and period covered for each measure? What are your last two performance levels for each measure?

DEPOSITORY SERVICES

EXPERIENCE

1. How long has your bank offered the depository services being requested in this RFP?
2. Specify the number of corporate/business customers using this service.
3. What has been your average monthly volume (items and dollars) of checks cleared during the past 12 months? Volume of return items?
4. List the number and location of your branches, cash vaults and affiliated banks by state. Provide a proximity study based on the attached list of locations (customer to provide).

DEPOSITORY SERVICE OPTIONS

5. Are night drop, vault, remote and branch service options available?
 - a. Is pricing different for utilizing these different deposit options?
 - b. Are any processing applications outsourced to a third party? If so, name the vendor(s) and describe the application(s).
6. What is the cut-off time to ensure same day ledger credit?
 - a. Is it the same for night drop, vault, and branch services?
 - b. Is it the same for cash as for checks, drafts, etc.?
 - c. Are there any options that might affect this cut-off time (*e.g.*, provisional credit, delayed verification)?
7. Are weekend or holiday deposit services available? Is there an additional fee or discount for utilizing these services?
8. What type of deposit bags do you allow/require?
 - a. Do you provide these bags?
 - b. Do you charge a fee for these bags?
9. Are there any restrictions on deposit bags provided by the customer?
10. Are there any benefits to separating cash and checks in two deposit bags?
11. Do you require that checks and currency be on separate deposit tickets?
12. Do you limit the number of deposit tickets that can be included in one deposit bag?
13. Are the deposit tickets that you provide available in multiple part forms? How many copies does the bank require?

14. Can the deposit tickets contain an auxiliary MICR field for our location and/or transaction information?
15. Would you accept deposit tickets from a third-party printer? List any limitations.
16. Do you require that cash be deposited in standard straps only? Is there a penalty for depositing non-standard straps?
17. Do you accept loose and/or rolled coin for deposit at vault, branch and night drop locations? Is there a fee for depositing loose or rolled coin?
18. What type of check reader/sorter do you use?
19. How do you determine and calculate availability of deposited items?
 - a. Do you give immediate availability for on-us items?
 - b. Do you calculate availability by item or formula?
 - c. Do you use a standard schedule? Accelerated schedule? How often is it updated?
 - d. Can you provide intra-day or next day recap of our deposit availability?
20. Attach an availability schedule. Include weekends and holidays, if applicable. Is the schedule flexible? For example, can accommodations be made for high volume accounts or pre-encoded checks?
21. What are the requirements for depositing checks (*e.g.* pack size, audit tapes)?
22. Do you accept pre-encoded checks?
 - a. Provide a copy of the bank's instructions for pre-encoded checks.
 - b. Is there a discount for pre-encoded checks?
 - c. Do you require that the checks be endorsed in conformance with Reg CC in order to qualify for a discount?
 - d. Describe your encoding quality monitoring process.
23. What courier services are provided by the bank, if any, for pick-up and delivery of check deposits? If not provided by the bank, what third-party couriers are available and/or recommended? What is the cut-off time for same day credit?

DEPOSIT VERIFICATION

24. How many bank employees are present when deposit bags are opened? What specific security measures are employed?
25. How will you return the validated deposit receipts to us? Within what time frame?

26. Is provisional credit given? When does verification and credit take place? In 24 hours? 48 hours?
27. Does the bank identify and adjust all discrepancies?
 - a. If no, at what dollar amount do you write off discrepancies?
 - b. Do you adjust the deposit amount or process an adjusting debit or credit?
 - c. What is the standard procedure for reporting deposit adjustments? What additional options are available (*e.g.*, copies to multiple locations)?
28. What is the bank's policy on receipt of tampered bags?
29. When counterfeit bills are discovered, what is your notification and adjustment process?

VAULT SERVICES

30. Does the bank have an automated vault service? Describe the deposit and change order procedures, cut-off times and other features of this system. Where is the vault located?
31. How much advance notice is required for coin and currency orders?

Lobby pickup _____

Armored or courier pickup _____
32. Are there minimum purchase requirements (*e.g.*, standard straps of currency and full boxes of coin)? Is a discount offered for purchasing standard amounts of cash? What settlement options are available for change orders (*e.g.*, cash, check, debit to account, wire)?
33. Describe security at the cash vault center. What fraud prevention procedures are in place?

RETURN ITEM PROCESSING

34. Can return items be automatically redeposited? If so, how many times?
 - a. Is this service optional by location?
 - b. Can all return items be provided to the depositing location or a central office? If so, within what time frame?
35. Provide the bank's standard return item and re-clear processing instructions. List any non-standard options that are available.
36. The City of Redding requires that all returned items be automatically re-deposited. Can you fulfill these requirements?
37. Can you provide a detailed return item transmission to depository customers? If not, when will the service be available?
 - a. Does the transmission include both returns and re-clears?

- b. Is there a separate record for each returned item?
- c. Can these records identify the depositing location and the type of item being returned (e.g., personal check, traveler's check, money order)?
- d. Indicate which of the following details the bank can report:

Check number _____

Check date _____

Check amount _____

Reason code _____

Check account and ABA number _____

Full name on check _____

Complete address _____

Phone numbers _____

Driver's license number and state _____

Original deposit date _____

- 38. Is it bank policy to refuse return items not sent through the system in a timely manner?
- 39. Do you assign float to return items?
- 40. Do you have the ability to interface with third-party providers of negative databases?

TRANSACTION RESEARCH

- 41. What documentation is provided with deposit correction adjustments? What delivery methods are available? Within what time frame?
- 42. Within what time frame can you provide requested copies or documentation? What delivery options are available?

DISASTER RECOVERY

- 43. Describe the bank's disaster recovery plan in detail.
- 44. Where are off-site facilities located?
- 45. How quickly can the "hot" site be implemented in the event of an emergency?

DEPOSIT REPORTING

46. What type of deposit reporting services do you provide for consolidated account customers? Are these services optional?
47. What, if any, are the special requirements of the customer in order for the bank to provide location reporting on a consolidated account?
48. What type of output media is available for deposit reporting, *e.g.*, mailed paper report, CD-ROM, electronic transmission, secure internet?
49. Is a summary report totaling deposits for the period by location available at period end? Does this vary with type of output?
50. Indicate the bank's capability to provide the specified detailed information for each transaction listed:

| Transaction Type | Account Number | Location Number | Transaction Date | Transaction Amount | BAI Transaction Code |
|-----------------------------|----------------|-----------------|------------------|--------------------|----------------------|
| Deposits | | | | | |
| Return Items | | | | | |
| Deposit Correction - Teller | | | | | |
| Deposit Correction - Vault | | | | | |
| Deposit Correction - Proof | | | | | |
| Coin and Currency Orders | | | | | |
| Misc. Debits and Credits | | | | | |

51. Is the detail indicated above available for all types of output? If not, what variations are applicable?
52. Does deposit reporting indicate location name as well as depositing location number? Does this vary with type of output?
53. Does your deposit reporting service report electronic transactions (*e.g.*, merchant card deposits, ATM deposits, ACH, wire), as well as paper documents?
54. If you offer deposit processing in multiple states, will the format and level of deposit detail be the same for all locations and/or accounts?

DEPOSIT RECONCILIATION PAPER REPORT

55. Does the bank offer a Deposit Reconciliation paper report service for consolidated deposit accounts?
56. Is deposit activity for all depositing locations reported individually or are they summarized?

57. What, if any, activity is reported as miscellaneous transactions?
58. What is the bank's standard cut-off for statements and/or paper reports?
59. Can the customer specify a cut-off date for statements and/or paper reports? (Customer should include cut-off requirements.)
60. How soon after the cut-off date will the following be sent?
 - Bank Statements
 - Deposit Tickets
 - Reconciliation Information
61. Does the bank correct deposit location numbers if there is a serial number misread? If not, how are they reported?

ELECTRONIC DEPOSIT REPORTING

62. Can you provide electronic reporting of deposit detail activity? On what frequency is the information available, *e.g.*, daily, weekly, monthly?
63. Can the information be accessed by multiple users from multiple locations? If so, can the bank restrict users to accessing only portions of the information? Do users have the flexibility to access only portions of the information?
64. Is the transmission a BAI formatted file? If not, what type of format can you provide?
65. Can your file be downloaded in BAI format to some of the popular software packages (*e.g.*, Driscoll, DISC) available on the market? Provide specifications for your file format.
66. Can you provide a list of customers that use the package that our company uses?
67. For daily reporting, what time each day is the data available Pacific Standard time zone?
68. Are transmission file(s) created and available for access by mainframe and/or personal computer and/or secure internet?
69. Describe the technical support available to aid in electronic data transmissions.

ACCOUNT REPORTING

70. Will the detailed account reporting system provide beginning and ending ledger (book) balances, collected balances, available balances, and float assignment?
71. What current-day reporting is available through the reporting system?
72. What cross product reporting is available (*e.g.*, ACH, wire)?
73. Do Zero Balance Account (ZBA) reports include float?
74. What time each day is the data available in Pacific Standard Time?

75. How many business days is data stored on the reporting system and available for customer access?
76. What technical specifications will be required for our system?
77. Is specific software required to communicate with the bank's system? Can communication occur via secure internet?
78. Describe the bank's security procedures for its information reporting system, both for access and information protection.

INTERSTATE BANKING

79. Can the bank automatically transfer funds between affiliate accounts without the customer's intervention? Via wire? Via ACH? Via ZBA?
80. Discuss other changes that have been or will be made to the bank's depository services as a result of interstate banking legislation. Describe current or planned capabilities in the following areas, and include anticipated implementation dates.
 - a. Account consolidation
 - b. Processing environment
 - c. Information reporting
81. Are any of the states in which your banks are located planning to opt out of interstate banking? If yes, which states and what impact will this have on your depository capabilities?
82. Are there any pending mergers or acquisitions of other banks that may impact your ability to meet the company's depository service requirements?

ELECTRONIC CHECK PRESENTMENT

83. Describe the bank's current and planned participation in Electronic Check Presentment (ECP) or other electronic check initiatives.
 - a. Are you currently sending and/or receiving electronic check files to/from other financial institutions? If no, what is your planned implementation schedule?
 - b. Can you currently receive electronic check files directly from the customer's POS system? If yes, by what time must the physical checks be delivered to the bank's operations center? If no, what is your planned implementation schedule?
 - c. What benefits will the City of Redding receive from your participation in ECP?
 - d. What are the hardware and software requirements for the customer?

IMAGE PROCESSING

84. Describe the bank's current or planned image processing capabilities.
- Do they include on-line customer access to return and adjustment images?
 - If not currently available, when do you plan to implement image services?
 - Are you currently using image for internal bank purposes? If not, what are your plans?
 - What are the hardware and software requirements for the customer?
85. Include information on any other cash management services currently provided or planned by the bank that may benefit the customer.

IMPLEMENTATION

86. Provide a copy of all agreements that will be required to initiate Depository Services.
87. Provide a detailed description of the implementation process, including testing, and a sample implementation schedule.
88. What is the average lead-time required for implementation, including but not limited to the following services? What are the critical factors that may impact that lead-time?
- Deposit ticket orders/endorsement stamps
 - Account opening
 - Information reporting/detail transmission
 - Deposit reconciliation
 - Encoding equipment
 - Other
89. Describe materials available and/or any on-site training provided by the bank in the areas listed below.
- Site deposit preparation
 - Change order procedures/systems
 - Information reporting/detail transmission systems
 - Technical support
90. Does the bank assign an implementation team? (Please identify)

CUSTOMER SERVICE AND QUALITY

91. Indicate your bank's customer service organizational structure (choose one):
- _____ Separate customer service department for depository services

_____ Centralized customer service department for all cash management services

_____ Customer service function contained within depository services operating unit(s)

92. Will a specific customer service representative be assigned to handle this business?
- a. Describe the responsibilities of customer service personnel, including the chain of command for problem resolution.
 - b. Is local customer service support available for the customer's depositing locations?
93. What are the hours of operation of the customer service unit? [Specify time zone]
94. How are inquiries requiring research and adjustments handled by the bank?
95. Are there established turn-around times for research and adjustment items? If yes, specify.
96. What is the bank's record on meeting established response times?
97. Does the bank provide technical customer support for computer hardware, software and communications problems?

QUALITY

98. Does the bank have a formal quality improvement program for this service? If yes, describe.
99. Do you measure any of the Bank Administration Institute (BAI) Critical Quality Indicators listed below? For each BAI Critical Quality Indicator that you measure, indicate the measurement reported for the most recent Annual BAI Survey. Also indicate your tracking frequency (*e.g.*, weekly, monthly, annually), period covered, and rates attained for your last 2 measurements.

| Quality Indicator | Critical | Indicator Reported for the Last BAI Survey | Tracking Frequency | Period Covered | Performance Level of Last Two Measurements |
|-------------------|----------|--------------------------------------------|--------------------|----------------|--------------------------------------------|
|-------------------|----------|--------------------------------------------|--------------------|----------------|--------------------------------------------|

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|
| <p style="text-align: right;">File</p> <p>Processing Error Rate</p> <p># of Files Processed Incorrectly _____ x 1,000</p> <p>Total # of Files Processed</p> | | | | |
| <p style="text-align: right;">Item</p> <p>Processing Error Rate</p> <p># of Items Processed Incorrectly _____ x 10,000</p> <p>Total # of Items Processed</p> | | | | |
| <p>Failed/Late Processing Error Rate</p> <p># of Files Not Processed or Processed Late _____ x 1,000</p> <p>Total # of Files Processed</p> | | | | |
| <p>Failed/Late Item Processing Error Rate</p> <p># of Items Not Processed or Processed Late _____ x 10,000</p> <p>Total # of Items Processed</p> | | | | |
| <p style="text-align: right;">Check</p> <p>Encoding Error Rate</p> <p># of (Bank Encoded) Items With Encoding Errors _____ x 100,000</p> <p>Total # of Items Encoded by Bank</p> | | | | |

| Critical Quality Indicator | Indicator Reported for the Last BAI Survey | Tracking Frequency | Period Covered | Performance Level of Last Two Measurements |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------|----------------|--------------------------------------------|
| <p style="text-align: right;">Check</p> <p>Reject Rate</p> <p># of Rejects _____ x 1,000</p> <p>Total # of Items Processed</p> | | | | |
| <p style="text-align: right;">Coin</p> <p>& Currency Provided Error Rate</p> <p># of Coin and Currency Order Errors _____ x 1,000</p> <p>Total # of Coin and Currency Orders Filled</p> | | | | |
| <p>Commercial Deposit Error Rate</p> <p># of Commercial Deposit Processing Errors _____ x 1,000</p> <p>Total # of Commercial Deposits Processed</p> | | | | |

100. Does your bank monitor other performance measures? If so, what other key performance measures do you track? What is the reporting frequency and period covered for each measure? What are your last two performance levels for each measure?

WIRE TRANSFER

1. Specify the number of corporate/business customers using wire transfer services.
2. What was your average monthly volume (items and dollars) of outgoing wires during the past 12 months? Distinguish between Fedwire, CHIPS, and SWIFT, between corporate and correspondent bank transactions.
 - a. How does current volume compare to capacity levels?
 - b. What resources would be required to expand the bank's capacity and within what time frame?
3. How many wire transfer operations centers does the bank have? In which Federal Reserve districts are they located?
4. Is the bank a member of CHIPS and SWIFT?

5. List the holidays that the bank observes.

INITIATION

6. Does the bank offer the following methods of initiation? If so, describe *each* method's process of initiation, *approval and release*. Also provide the number of customers using each method of transfer.
 - a. Voice
 - b. Secure internet
 - c. City IBM I5/iSeries, AS400 mainframe to Bank mainframe
 - d. Other, (describe)
7. Do any of the methods listed above provide for remote user initiation or release, (*e.g.*, if branches/subsidiaries wish to input, but home office wants the control of release)? If so, describe by method.
8. Does the bank's system offer batch input of wires? If so, what is the maximum volume of transfers allowed in each batch? Can repetitive and free form wires be in the same batch?
9. Is there any manual processing involved in executing either a repetitive or free-form wire transfer that has been initiated via one of the automated input vehicles? If so, describe.
10. What provisions are in place to allow the customer to initiate a priority wire transfer requiring special handling and immediate release? Is there an additional charge for this service?
11. For free-form wire transfers, does the bank offer an on-line name/ABA/CHIPS search file to facilitate processing? How is this file updated? Can the bank download current data to this file to update it? Can the file be downloaded to the City's IBM I5/iSeries, AS400 mainframe?
12. Can the system handle file imports of transactions from treasury workstations?
13. Can ACH payments be initiated through the wire transfer initiation screens?

CUT-OFF TIMES

14. What are the opening hours and the cut-off times in Pacific Standard Time for initiating wire transfers to ensure same-day execution? List by type of transfer and method of communication.

| Type of Transfer | Input Method | | | |
|------------------------------------------|--------------|-----------------|----------------------------------------|-------|
| | Voice | Secure Internet | City IBM I5, iSeries to Bank Mainframe | Other |
| Intradistrict (within Fed district) | | | | |
| Interdistrict (between Fed districts) | | | | |
| Book transfer/Internal | | | | |
| Drawdown | | | | |
| International | | | | |

15. What is the cut-off time for incoming domestic wire transfers to receive same day credit?
16. Does the bank provide end of daytime extensions for processing if Fedwire hours are extended? If so, how would the company be advised?

CONFIRMATION

17. How soon after wire execution would an internal *bank* confirmation/sequence number (not the Fed Reference number) be available? Explain any delays.
18. How long does it take for the Fed Reference numbers to be assigned to a wire assuming no repairs are needed and there are sufficient funds in the account? Explain any delays.
19. Have there been interruptions in the processing of wire transfers due to the bank managing its net debit cap? What steps are you taking to ensure uninterrupted service?
20. When and how can a wire transfer be canceled after the company releases it to the system? What is the latest time in the day to cancel? Is there a charge for cancellation?
21. How is the status of transfers tracked by the customer once the transfer is in the system (input, approved, released)? How does this differ for telephone initiated wire transfers?
22. At what point does the bank assume legal liability for executing a wire transfer? How is that event identified?
23. What is the bank's policy in the event of a wire transfer failure for which receipt of instructions has been confirmed to the customer?
24. How and when is the customer notified of a failed wire transfer?

WAREHOUSING

25. Does the bank's wire transfer system have the capability of warehousing instructions for future value dated wire transactions? If so, what are the limitations? How many days/months in advance? Is the warehouse function limited to certain types of wire transfers? Explain.
26. Can the wires be input, approved and released so they will be executed automatically on value day? Will the wire transfer system provide a tickler report of warehoused transfers that are pending current day release?
27. Is it possible to cancel a previously warehoused wire transfer request before value day? On value day?
28. What time are future value dated wires automatically executed on the value date?

REPETITIVE LINESHEETS (WIRE TEMPLATES)

29. Does the bank have an on-line repetitive wire template setup function? If no, skip to Question 34.
 - a. Can the customer structure a new repetitive wire template number on-line without relying on an exchange of paper documents with the bank?
 - b. Can the customer assign its own template numbers?
 - c. Describe the on-line repetitive wire template setup function.
30. How much time is required to set up a new repetitive wire using the on-line function? Can this be done in real-time? How long before we receive confirmation from the bank?
31. How long does it take to set up templates via written request?
32. To avoid rekeying, can a repetitive template be created when inputting a free form wire transfer?
33. Are templates stored on the customer's PC or the bank's system? Can the templates be stored on both? Explain. Does the bank charge for template storage on its system?

PROCESSING ERRORS

34. What are the bank's repair rates for incoming and outgoing wires?
35. Under what circumstances do incoming and outgoing wires require repair?
36. What are the bank's procedures and time frames for repairing incoming and outgoing wires?
37. Under what conditions would the bank not repair a wire? What are the bank's procedures in these cases?

38. Does the bank provide the customer with reports tracking wires requiring repair? If so, how are they provided?
39. When and how is the customer notified of wire transfer repairs?
40. What is the average turnaround time for responding to inquiries about failed repetitive and free form wire transfers?
41. What efforts are being made to increase the rate of incoming and outgoing wires going straight through without exception handling?
42. Does the bank require the customer to submit written inquiries for resolution of wire transfer discrepancies? Does the bank have an on-line customer service/inquiry facility? Describe inquiry options.
43. If either the originating or receiving bank makes an error, how are back value adjustments handled:
 - a. Between banks
 - b. On the customer's account analysis
 - c. When notifying the customer

How would the adjustment be calculated?
44. Is the customer charged for wire transfer investigations? If so, how?

SPECIAL SERVICES

45. For customers such as mutual funds, can the bank automatically associate the fund name and account number on an incoming wire with a shareowner file? If so, describe.
46. Can the bank receive an electronic transmission of all EFT payments from the customer and pay via wire, ACH and SWIFT?
47. Can the bank accept an electronic payment order/remittance advice? If so, indicate which types of payments the bank can create - ACH, wire, check.
48. What methods are available for receiving high volume free form wire initiation instructions? For each, provide complete information regarding the technology used, the input procedures and the technology needed by the customer.
49. Can the bank provide a matched/expected reconciliation service, whereby received funds are matched by amount and reference to a file of the customer's anticipated receipts? If so, can the bank provide the following reports: matched receipts, expected funds that are not received, and receipts that do not match the file information?
50. Does the bank have any other special wire transfer services not mentioned in this RFP? If so, explain.
51. Can the bank provide "real time" on-line reporting of incoming wires and ACHs?

SYSTEMS

52. Does the bank operate its own wire transfer system in-house? If not, is the system purchased and customized? Who is the vendor? Do all of the bank's branches and affiliates utilize the same system?
53. Describe the most recent major hardware and/or software upgrade.
54. Does the wire transfer system reside on the bank's central computer system? Do customers interact with that system? If so, how do customers interact with the wire system?
55. Is the customer system an internet based system? If so, is it a stand-alone product or part of a family of information products?
56. Is the bank's automated money transfer system on-line with Fedwire? CHIPS? SWIFT?

SECURITY

57. Describe the method for granting bank employees physical access to the wire transfer department. By what means do employees gain access to the department (*e.g.*, security cards)?
58. Does the system require the segregation of duties so that the same wire transfer operator cannot both enter and release a payment?
59. What levels and types of security safeguards exist when initiating and releasing wires for *each* method below? Describe:
 - a. Secure internet
 - b. City IBM I5/iSeries, AS400 to Bank mainframe
60. How is the customer's access to the bank's wire transfer systems controlled?
61. Does the bank offer its customers dual control release options (intermediary approval level) for electronically initiated transfers? If so, describe.
62. Is security the same for repetitive and free form wires initiated by all of the methods listed above? If not, how does it differ?
63. If a test key capability is offered, is it a manual or automated process?
64. Are electronic transmissions to the bank encrypted or authenticated? At what level and on what fields? Describe procedures in the event a violated transmission arrives at the bank.
65. What protocols are available and recommended for communicating electronically?

(Questions 66-71 relate to secure internet-initiated wires)

66. Describe the security measures for the Master User/Security Administrator. Can the system require dual Security Administrators? What functions does the Security Administrator perform?
67. Are security access codes (passwords) encrypted or authenticated? Is a Log-on Report available showing all log-ons over a given period, including User ID, date and time?
68. Describe procedures when security codes are violated.
 - a. How many log-on attempts does the system allow before disabling a user? Is this number per dial-in or cumulative per user?
 - b. Does the software automatically log-off an inactive user? If so, when?
69. Can passwords be assigned an expiration date? Does the bank or the Security Administrator assign the date?
70. Are passwords user-defined or bank provided?
71. Can user passwords be restricted to certain functions, such as:
 - ___ Debit Account
 - ___ Repetitive Only
 - ___ Data Entry Only
 - ___ Approve Only
 - ___ Inquiry Only
 - ___ Other (Describe)
72. Can dollar limits by user and function be established for single transaction amounts and daily aggregate amounts?
73. What controls has the bank put in place to prevent wire transfer fraud? What has been the bank's experience with fraud in the wire transfer area?

DISASTER RECOVERY

74. Is the bank's wire transfer system exclusively dedicated to that function? What contingency plans does the bank have for backup in the event of equipment (hardware) or system (software) failure? How frequently is this plan tested? Indicate the date of the most recent test.
75. Does the bank have off-site backup capability? Does the bank or a third party provider manage this site?
76. Describe your recommendations for disaster recovery for the *customer* that is unable to access the bank's system in the usual manner.

- a. Would you accept phone or fax wires as a substitute for electronic initiation during a disaster? If so, how would security be provided?
- 77. What is the uptime percentage of the bank's wire transfer system? What is the date of this statistic? What is the uptime percentage between 7am and 6pm EST?
- 78. How often in the last 12 months has the bank's wire transfer system had unscheduled downtime for a total of more than 30 minutes in a single day? What are the most common causes of unscheduled downtime?

INFORMATION REPORTING

- 79. What methods of wire transfer information reporting are available to customers? Describe each reporting method available.
- 80. Is current day information real-time or batch?
 - a. If real-time, what information is available via which delivery system?
 - b. If batch, how frequently is the information updated?
- 81. What detailed information is provided on incoming and outgoing wire transfers on a *current* day basis, (*e.g.*, amount, payer, comment field, date received, time received, Fed Reference number)? Provide sample reports.
- 82. Does the reporting system have the ability to report current day wire activity since the customer's last access?
- 83. What detailed information is provided on incoming and outgoing wire transfers on a *previous* day basis, (*e.g.*, amount, payer, comment field, date received, time received, Fed Reference number)? Provide sample reports.
- 84. Does the bank provide wire transfer inquiry by status, (*e.g.*, warehoused wires, pending wires, confirmed wires), amount, and dollar ranges? Provide sample reports.
- 85. Is incoming and outgoing electronic funds transfer information provided on the same report or on separate reports? Provide sample reports.
- 86. Is historical information available on the system? How many days of history are available? Provide sample reports.
 - a. Does the system provide for history query by date ranges?
 - b. Does the system allow history retention to be determined by the customer?
 - c. Does the bank have the ability to provide the customer with a download of historical data?
- 87. Is a debit or credit advice mailed, faxed or electronically sent for each transfer? Is the advice sent automatically? If so, does the customer have the option of stopping the advice generation? Is there an explicit charge for advices? Does the bank offer optional summary advices for debits and credits?

88. Can the system export reports in various file formats to the customer's other management systems? If so, what formats are available?

IMPLEMENTATION

89. Do you require separate agreements for different modes of wire transfer initiation? Provide a copy of your agreement(s) with any ancillary exhibits. Will the bank accept the customer's standard wire transfer agreement? List all documentation required to implement wire transfer service with your bank.
90. Provide a detailed description of the implementation process, including testing, and a sample implementation schedule.
91. What is the average lead-time required for implementation of the following? What are the critical factors that may impact that lead-time?
- a. Account set-up
 - b. Processing of standard contracts/non-standard contracts
 - c. Installation of software
 - d. Repetitive wire template set-up
 - e. Staff training
 - f. Establishment of overdraft facilities
92. Describe support provided during implementation, including training, technical assistance, user manuals and on-site visits. Does the bank assign an implementation team?
93. What options does the bank offer for the establishment of repetitive wire templates?
- Mail _____
- Electronic transmission _____
- Other (describe) _____

CUSTOMER SERVICE

94. Indicate your bank's customer service organizational structure for wire transfer:
- _____ Separate customer service department for wire transfer
- _____ Centralized customer service department for all cash management services
- _____ Customer service function contained with wire transfer operating unit
95. Will a specific customer service representative be assigned to handle this business? Describe the responsibilities of customer service personnel, including the chain of command for problem resolution.

96. What are the hours of operation of the wire transfer customer service unit? [Specify time zone] How do domestic and international customer service hours differ?
97. How are inquiries requiring research and adjustments handled by the bank?
98. Are there established turn-around times for research and adjustment items? If yes, specify.
99. What is the bank's record on meeting established response times?
100. Does the bank provide technical customer support for computer hardware, software and communications problems?

QUALITY

101. Does the bank have a formal quality improvement program for this service? If yes, describe.
102. Do you measure any of the Bank Administration Institute (BAI) Critical Quality Indicators listed below? For each BAI Critical Quality Indicator that you measure, indicate the measurement reported for the most recent Annual BAI Survey. Also indicate your tracking frequency (*e.g.*, weekly, monthly, annually), period covered, and rate attained for your last 2 measurements.

| Critical Quality Indicator | Indicator response for the last BAI Survey | Tracking Frequency | Period Covered | Performance Level of Last Two Measurements |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|---------------------------|-----------------------|---------------------------------------------------|
| <p>Payment Error Rate</p> <p>Wire Transfers Processed with Errors _____ x 1,000</p> <p>Total # of Wire Transfers Processed</p> | | | | |
| <p>Failed/Late Execution Rate</p> <p># of Failed/Late Wire Transfer Payments _____ x 1,000</p> <p>Total # of Wire Transfers Processed</p> | | | | |

103. Do you monitor other performance indicators? If so, what other key performance measures do you track? What is the reporting frequency and period covered for each measure? What are your last two performance levels for each measure?

DAYLIGHT OVERDRAFTS

104. On what basis does the bank calculate daylight overdraft positions?
105. Does the bank currently track all account activity or only wire transfer activity?
106. Can the bank accurately measure in real-time a customer's daylight overdraft in a single account? Can the daylight overdraft be measured across all accounts in the relationship? Can the customer have access to this real-time information?
107. Does the bank establish an intra-day limit per account or per customer? Is wire transfer processing stopped when the intra-day limit is reached? Explain procedures.
108. If the bank incurs a daylight overdraft charge from the Fed, will it pass this charge on to its customers? If so, how (*e.g.* intra-day loan, daylight overdraft facility fees)? How is the charge allocated among customers?
109. If the bank charges its customers for an intra-day loan to cover daylight overdrafts, on what basis does the bank charge: on average daylight overdraft, peak daylight overdraft, or other? Does the bank charge for all daylight overdrafts or only Fed overdrafts? Does the bank charge all customers or only significant users? Does the bank net all of a customer's accounts or treat them separately? What is the loan rate?
110. If there is no explicit overdraft activity charge, does the bank manage the release of outgoing payments? What reasonable assurance does the customer have that its wire transfers will not be delayed due to the bank's management of its daylight overdraft position?
111. Will the bank apply a deductible before the customer is charged?
112. Describe measures to assure that the customer will not be charged for overdrafts due to bank delays in posting investment income, incoming wires and other credits.

ACH SERVICES

EXPERIENCE

1. Specify the number of corporate/business customers using ACH services.
2. What has been your average monthly ACH origination volume (items and dollars) during the past 12 months? Distinguish between consumer and corporate transactions, debit and credit volume. What is the bank's NACHA ranking?

PROCESSING

3. Describe the service delivery method that you recommend based on the business case that the company has outlined.
 - a. Include any alternative methods that might meet our City's needs.
 - b. How many customers use this method of ACH origination at the bank? What percentage of your customer base does this represent?

4. Does the bank use transaction or file dollar limits? If so, is the customer informed of its limit? What procedures are followed when the customer submits a file that exceeds the limit?
5. What are the hours of operation of the ACH unit?
6. What are the bank's cut-off times for customer initiation of ACH transactions? Specify by input method for day cycle, night cycle, and same day book transfers.

| Customer Input Method | Cut-off Time (Pacific Standard Time) | | |
|--------------------------------------------------|-----------------------------------------|-------------|------------------------|
| | Day Cycle | Night Cycle | Same Day Book Transfer |
| Secure Internet | | | |
| IBM I5/iSeries AS400 mainframe to Bank mainframe | | | |
| Other (describe) | | | |
| | | | |

7. Does the bank offer Sunday (weekend) processing of items for Monday effective date? What is the deadline for receipt of customer instructions for initiating transactions?
8. Describe the procedures used to verify accurate and secure receipt of transmissions. Describe the procedures used for receipt of tapes.
9. What are the bank's recommendations regarding pre-notifications for the service being requested?
10. Can the bank automatically redeposit items returned for insufficient or uncollected funds? When items are redeposited, are any entries posted to the customer's account?
11. What is the bank's maximum retention period for future dated transactions? How long are transactions maintained for on-line reporting after the effective date?
12. Can the bank modify a transaction that the City has originated prior to releasing the transaction to the ACH operator? What modifications can be made? If modifications are permissible, what is the deadline for receiving instructions to modify a transaction?
13. How does the bank handle file, batch and item reversals and deletions?
 - a. What are the deadlines for reversing or deleting a file? Batch? Item?
 - b. Describe your bank's process for reversing and deleting files, batches and items.

- c. What security procedures are used?
 - d. How is the customer notified?
14. Does the bank accept both debits and credits on the same file? If so, are there any additional requirements?
 15. Does the bank provide a database of ACH member institutions? Describe.
 16. Can the bank create paper drafts for endpoints that cannot accept electronic transactions?
 - a. How do you determine which banks require paper drafts?
 - b. Must those transactions be identified on the incoming file?
 - c. Is a separate file of draft items required, or can one file contain both electronic and paper items?
 17. Describe the bank's ACH return process. When will returned funds be posted to the customer's account? Describe reporting methods in the Information Reporting section of this RFP.
 18. How do you advise customers of NACHA rule changes and their impact?

TECHNICAL CAPABILITIES

19. What disaster recovery plans does the bank have to avoid interruptions in service? Describe specific occasions in the past year when these plans were implemented.
20. Based on our preferred method of transmission, provide a full and complete description of the bank's technical requirements.
21. What security procedures are in place to minimize the risk of unauthorized transactions (*e.g.*, encryption/authentication)?
22. What controls are in place to protect against lost files and duplication of transmissions?
23. Does the bank provide automatic file receipt acknowledgments? If so, how?
24. Describe the role of any third-party processor used by the bank to provide this service.

INFORMATION REPORTING

25. What methods are available for reporting incoming and outgoing ACH transactions? Describe the reporting method you recommend based on the City's requirements.
26. Specify the data provided on current and previous day reports. Provide sample reports.
27. By what methods can the customer receive notification of change and returned item advices? When will this information be available to use, *e.g.*, posting day, morning after? What

information is provided, *e.g.*, date of origination, date submitted, date of return? Provide sample reports.

28. Do you provide notification of redeposited items?
29. By what methods do you provide confirmation of deletions and reversals?
30. Can returns and incoming transactions be list-posted to the bank statement? What supporting information can the bank provide to reconcile the transactions? How will this information be made available to us?
31. How often is same-day information updated?
32. Is historical information available on the system? How many days of history are available? Provide sample reports.
33. Can the system export reports in various file formats to the City's other management systems? If so, what formats are available?
34. Provide requirements for communication with your balance reporting system.

SETTLEMENT

35. What time and day must the customer fund disbursements?
36. What time and day will the customer receive availability for ACH collections?
37. Can same-day ACH book transfers be made? If so, by what time must the file be received in order for funds to be available in receiving accounts the same day?
38. When will settlements for this service be reported and/or posted?

RECEIVING ACH TRANSACTIONS

39. What time will we be informed of items being charged/credited to our account?
40. What information do you provide and how do you report incoming ACH transactions?
41. Do you provide CCD+ addenda information (*e.g.*, Vendor Express)?

DEBIT AUTHORIZATION SERVICE

42. Does the bank offer any service to protect our account from unauthorized ACH debits?
43. Can you block all ACH debits to our account?
44. Can you selectively accept ACH debits only from originators authorized by us?
 - a. How are such authorizations set up?

- b. Can you ensure that originators do not charge our account for more than we have authorized?
- 45. How do you handle receipt of entries from unauthorized entities?
- 46. Can you stop payment of individual transactions? Describe procedure.
- 47. By what methods does the bank notify the customer of the receipt of unauthorized ACH debits?

IMPLEMENTATION

- 48. Provide a copy of all agreements that will be required to initiate ACH service.
- 49. Provide a detailed description of the implementation process, including testing, and a sample implementation schedule.
- 50. What is the average lead-time for implementation? What are the critical factors that may impact that lead-time?
- 51. Describe support provided during implementation, including training, technical assistance, user manuals and on-site visits. Does the bank assign an implementation team?
- 52. What expertise can the bank provide in developing an authorization agreement and marketing and promotional material to increase acceptance rates? Provide sample copies, if applicable.

CUSTOMER SERVICE

- 53. Indicate your bank’s customer service organizational structure for ACH services.
 - _____ Separate customer service department for ACH
 - _____ Centralized customer service department for all cash management services
 - _____ Customer service contained within ACH operating unit
- 54. Will a specific customer service representative be assigned to handle this business? Describe the responsibilities of customer service personnel, including the process and chain of command for problem resolution.
- 55. What are the hours of operation of the ACH customer service unit? [Specify time zone]
- 56. How are inquiries requiring research and adjustments handled by the bank?
- 57. Are there established turn-around times for research and adjustment items? If so, specify.
- 58. What is the bank’s record on meeting established response times?
- 59. Does the bank provide technical customer support for computer hardware, software and communications problems? If yes, during what hours is technical support available?

QUALITY

- 60. Does the bank have a formal quality improvement program for this service? If yes, describe.
- 61. Do you measure any of the Bank Administration Institute (BAI) Critical Quality Indicators listed below? For each BAI Critical Quality Indicator that you measure, indicate the measurement reported for the most recent Annual BAI Survey. Also indicate your tracking frequency (*e.g.*, weekly, monthly, annually), period covered, and rate attained for your last 2 measurements.

| Critical Quality Indicator | Indicator respond for the last BAI Survey | Tracking Frequency | Period Covered | Performance Level of Last Two Measurements |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------|----------------|--------------------------------------------|
| <p>ACH Origination File Error Rate</p> <p>Origination Files Processed with Errors _____ x 1,000</p> <p>Total # of Origination Files Processed</p> | | | | |
| <p>ACH Failed/Late File Delivery Rate</p> <p># of ACH Origination Files Not Processed or Processed Late _____ x 1,000</p> <p>Total # of Origination Files Processed</p> | | | | |
| <p>ACH Failed/Late File Receipt Date</p> <p># of ACH Receipt Files not Posted on Time _____ x 1,000</p> <p>Total # of ACH Files Processed</p> | | | | |

- 62. Do you monitor other performance indicators? If so, what other key performance measures do you track? What is the reporting frequency and period covered for each measure? What are your last two performance levels for each measure?

INFORMATION REPORTING

EXPERIENCE

- 1. How long has your bank offered information reporting services?
- 2. Specify the number of corporate/business customers using this service.

PROCESSING

3. At what time is previous day information available for access by the customer? If information is delayed, how and when will the customer be notified?
4. What are the hours of access of the information reporting system?
5. Does the bank provide current day information? How frequently is this information updated throughout the day? Provide a list of transaction types available on your current day reports.
6. Describe the level of detail provided in previous and current day reports and provide examples of balance and transaction reports.
7. Discuss the features of your inquiry capabilities. Does the bank's system offer the ability to inquire about specific transaction types?
8. How many days of history can be accessed through the system? Provide sample reports.
 - a. Does the system provide for history inquiry by date ranges?
 - b. Does the system allow history retention to be determined by the customer?
 - c. Does the bank have the ability to provide the customer with a download of historical data?
9. What other bank services are available through the system? For example, does the system support funds transfer initiation?
10. In what electronic formats is information available for retrieval?
11. Does the bank provide all of the services associated with this product, or does a third party provide any of the services? If third parties are used, describe which services the vendors (s) provide and the name(s) of the vendor(s).
12. Describe your international reporting capabilities.
13. Can access to account information be segregated by user?
14. Can the bank's information reporting system report information from other banks? If so, what levels of detail are available?

TECHNICAL CAPABILITIES

15. What hardware/software does the bank use to deliver balance and transaction detail information to customers?
16. Can balance information be received via secure internet?
17. What security procedures does the bank use to protect access to customer data (hardware/software, physical)?
 - a. Does the bank use and support any authentication and encryption methodology for communicating with customers? If so, explain.

18. Does the bank maintain any linkages to Value Added Networks (VANs) to deliver information to customers? If yes, who are the vendors, describe the bank's relationship with the vendors and any additional cost to the City.
19. What are the hours of technical support? Nights, weekends, across multiple time zones?
20. What support can the bank provide to recreate files and reports that may have been corrupted, destroyed, or not accessed?
21. What disaster recovery services can the bank provide to the customer if the customer cannot operate from its own facilities?
22. What are the bank's disaster recovery procedures? How quickly can back-up facilities be activated?
23. If the bank provides software for accessing the bank's systems, does the software operate in a LAN (local area network) and/or a WAN (wide area network) environment? If yes, are there specific configurations?
24. Does the bank utilize Internet capabilities as a method of information delivery? If yes, explain. If no, are there plans to introduce Internet capabilities, over what time frame and how?
25. Does the bank use client/server technology or offer secure internet software for client access to bank information? If no, are there plans for client/server technology implementation?
26. What type of information technology consulting does the bank offer?
27. Can the bank interface with treasury workstations? If so, how?

IMPLEMENTATION

28. Provide a copy of all agreements that will be required to initiate information-reporting service.
29. Provide a detailed description of the implementation process, including testing, and a sample implementation schedule.
30. What is the average leadtime for implementation? What are the critical factors that may impact that leadtime?
31. Describe support provided during implementation, including training, technical assistance, user manuals and on-site visits. Does the bank assign an implementation team?

CUSTOMER SERVICE

32. Indicate your bank's customer service organizational structure (choose one):
 - _____ Separate customer service department for information reporting.
 - _____ Centralized customer service department for all cash management services

_____ Customer service function contained within information reporting operating unit

33. Will a specific customer service representative be assigned to handle this business? Describe the responsibilities of customer service personnel, including the chain of command for problem resolution.
34. What are the hours of operation of the information reporting customer service unit? [Specify time zone]
35. How are inquiries requiring research handled by the bank?
36. Are there established turn-around times for responses? If so, specify.
37. What is the bank's record on meeting established response times?
38. Does the bank provide technical customer support for computer hardware, software and communications problems?

QUALITY

39. Does the bank have a formal quality improvement program for this service? If so, describe.

40. Do you measure any of the Bank Administration Institute (BAI) Critical Quality Indicators listed below? For each BAI Critical Quality Indicator that you measure, indicate the measurement reported for the most recent Annual BAI Survey. Also indicate your tracking frequency (e.g., weekly, monthly, annually), period covered, and rate attained for your last 2 measurements.

| Critical Quality Indicator | Indicator reported for the last BAI Survey | Tracking Frequency | Period Covered | Performance Level of Last Two Measurements |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------|----------------|--------------------------------------------|
| <p>Information Reporting Missed Deadline Rate</p> <p># of Reporting Deadlines Missed _____ x 1,000</p> <p>Total # of Reporting Deadlines _____</p> | | | | |
| <p>Information Reporting System Availability</p> <p>Total Number of Minutes System is Available During Published Access Time _____ x 100</p> <p>Total Published Access Time to Minutes _____</p> | | | | |

41. Do you monitor other performance indicators? If so, what other key performance measures do you track? What is the reporting frequency and period covered for each measure? What are your last two performance levels for each measure?

SAFEKEEPING AND CUSTODIAL SERVICES

- The City will require safekeeping services for securities such as investments in notes and bills of the U.S. government or its agencies, commercial paper, bonds, or banker's acceptances.
- The City will require its safekeeping agent to keep security documents in a secure vault, safe from destruction, damage and embezzlement. The agent will be required to keep an accurate, current inventory of all such securities. This inventory will contain precise identification of each security, the face value of the security, the date the security was purchased, and the date it matures.
- Daily notification on receivable interest earnings and maturities must be sent to the City Treasurer.
- A month-end report listing the above information, credit rating and current market value must be submitted to the City Treasurer by the fifth working day of the following month.

5. City personnel will maintain all security transactions and record keeping except as otherwise stated above.

MERCHANT CARD SERVICES

Please provide information on the following items relating to Merchant Card Services:

1. Settlement Process
 - a. Do you support the Vital processing network to authorize and settle credit/debit card transactions? (see www.vitalps.com for more details)
2. Reporting:
 - a. Do you provide electronic access to Merchant Services reports?
 - b. Are “drill downs” to transaction detail available on-line?
 - c. Can transaction detail be sorted by merchant ID, transaction dates, etc.?
3. Technical services:
 - a. What are the hours and numbers of staff available for technical assistance?
4. Network Description:
5. On-Line Debit Card Processing:
6. Charge Back System:
7. What is the time frame between batch receipt by the vendor and customer credit?
 - a. Is individual credit given by merchant ID?
8. What are the assessment fees for each type of credit/debit card (VISA, MasterCard, Discover, American Express)?
9. What are the discount rates for each type of credit/debit card (VISA, MasterCard, Discover, American Express)?
10. Please discuss any other fees or charges related to credit/debit card processing and settlement.

ACCOUNT ANALYSIS

ANALYSIS

1. Does the bank accept compensation in fees, balances or a combination of the two? If fees are accepted, is there a surcharge or a different price schedule for fee compensation? Describe.
2. What fee payment options does the bank offer, *e.g.*, direct debit, ACH?

3. Describe the method used to calculate the earnings credit rate (ECR)? Is the reserve requirement deducted from the available balance before the ECR is calculated? If not, explain. List the bank's ECR for the most recent six months.
4. Is there a fee or other assessment for FDIC insurance? If so, how does the bank calculate the charge?
5. Can the customer decide how the balances in its accounts will be grouped for purposes of compensation, *e.g.*, assessed individually, by division, or at the relationship level?
6. When calculating average balances, are positive and negative balances netted?
7. How does the bank charge for overdrafts? Does the bank charge for use of uncollected funds? If so, how is the charge calculated?
8. What billing period options do you offer? How and when will the company be billed for deficiencies?
9. How long can excess balances be carried forward to apply to charges in future billing periods?
10. How soon after the close of the billing period is the account analysis available to the customer?
11. How are adjustments reflected on the account analysis?
12. How is the bank's account analysis available electronically?

V. PRICING

Corporate Name of Proposer: _____

Prepared By (print name and sign name): _____

1. Submit one (1) set of the pricing table and the pro-forma analysis together in a separate, sealed envelope.
2. Provide a price schedule utilizing the attached table for all services requested in this RFP using TMA Service Codes. Include any one-time or set-up charges, research fees, and all other fees that will be charged.
3. Provide a pro forma analysis based on the attached list of volumes and services required (customer to provide), using TMA Service Codes.
4. Fees in this proposal are guaranteed for three (3) years.

| Banking Service | Estimated Monthly Volume | Unit Price | One-time & Misc. Fees | Estimated Monthly Cost | TMA Code |
|----------------------------------------------------|--------------------------------|---------------|-----------------------------|------------------------------|-------------|
| Balance & Compensation Information: | | | | | |
| Daily use of uncoll funds – acct lvl | | | | | 00 0210 |
| FDIC assessment quarterly/thousand | | | | | 00 0230 |
| General Accounting Services: | | | | | |
| Non-acct holder chk cashing- partial | 12 | | | | 01 9999 |
| Account maintenance- chexstor | 12 | | | | 01 0000 |
| Zero balance account base charge | 2 | | | | 01 0021 |

| Banking Service | Estimated Monthly Volume | Unit Price | One-time & Misc. Fees | Estimated Monthly Cost | TMA Code |
|--------------------------------------|-----------------------------------------|-----------------------|------------------------------------------|---------------------------------------|---------------------|
| Credits posted | 115 | | | | 01 0101 |
| Internet statement sub – per item | 285 | | | | 01 0300 |
| Internet statement sub – per account | 6 | | | | 01 0300 |
| Depository Services: | | | | | |
| Deposit location reporting/item | 120 | | | | 10 0610 |
| Deposited checks – on-us | 400 | | | | 10 0220 |
| Deposited checks – bank affiliates | 20 | | | | 10 0221 |
| Deposited checks – local | 10 | | | | 10 0223 |
| Deposited checks – local clearing | 950 | | | | 10 0222 |
| Deposited checks – regional | 2220 | | | | 10 0225 |
| Deposited checks – transit | 535 | | | | 10 0224 |
| Encoded checks – on-us | 3270 | | | | 10 0210 |
| Encoded checks – bank affiliates | 340 | | | | 10 0211 |
| Encoded checks – local | 105 | | | | 10 0213 |
| Encoded checks – local clearing | 7085 | | | | 10 0212 |
| Encoded checks – regional | 3310 | | | | 10 0213 |
| Encoded checks – regional select | 10420 | | | | 10 0215 |
| Encoded checks – regional country | 1 | | | | 10 0215 |
| Encoded checks – transit | 4750 | | | | 10 0214 |

| Banking Service | Estimated Monthly Volume | Unit Price | One-time & Misc. Fees | Estimated Monthly Cost | TMA Code |
|-------------------------------------|---------------------------------|-------------------|----------------------------------|-------------------------------|-----------------|
| Encoded checks – travelers cks | 2 | | | | 10 0000 |
| Encoded checks – excess rejects | 80 | | | | 10 0230 |
| Subaccount maintenance | 3 | | | | 10 0699 |
| Cash deposited | \$587,602 | | | | 10 0015 |
| Per change order charge | 1 | | | | 10 0140 |
| Rolled coin ordered | 50 | | | | 10 0144 |
| Currency ordered/\$1 | 500 | | | | 10 0048 |
| Returned items | 35 | | | | 10 0400 |
| Returned items spl instr item chg | 35 | | | | 10 0400 |
| Ret item special inst base chg | 9 | | | | 10 0401 |
| Returned items – redeposited | 75 | | | | 10 0402 |
| Paper Disbursement Services: | | | | | |
| Internet image positive pay image | 1 | | | | 15 0723 |
| ARP checks paid – partial | 1710 | | | | 15 0100 |
| ARP checks paid – full | 2075 | | | | 15 0100 |
| Positive pay exception checks retd | 2 | | | | 15 0129 |
| Image retrieval - basic | 1 | | | | 15 1352 |
| Positive pay maintenance | 8 | | | | 15 0030 |
| Check image CD ROM per CD | 1 | | | | 15 1353 |
| DDA checks paid | 1 | | | | 15 0100 |

| Banking Service | Estimated Monthly Volume | Unit Price | One-time & Misc. Fees | Estimated Monthly Cost | TMA Code |
|-------------------------------------------|---------------------------------|-------------------|----------------------------------|-------------------------------|-----------------|
| Internet check search – per search | 35 | | | | 15 0400 |
| Check image CD per item standard | 3850 | | | | 15 1399 |
| Stop Payment – operator assist | 1 | | | | 15 0420 |
| Paper Disbursement Recon Services: | | | | | |
| Internet ARP register input – per item | 45 | | | | 20 0200 |
| ARP file confirmation maintenance | 4 | | | | 20 9999 |
| ARP maintenance full | 4 | | | | 20 0010 |
| ARP maintenance – partial | 4 | | | | 20 0020 |
| ARP full recon/item – transmission | 2120 | | | | 20 0201 |
| ARP issue/item – partial positive pay | 1925 | | | | 20 0201 |
| ARP output – transmission | 1 | | | | 20 0301 |
| ARP optional reports | 3 | | | | 20 0310 |
| Positive pay exceptions | 1 | | | | 20 0399 |
| ARP statement via internet | 8 | | | | 20 0305 |
| ARP partial recon per item | 1710 | | | | 20 0310 |
| General Services: | | | | | |
| Electronic credits posted | 365 | | | | 25 0201 |
| Electronic debits posted | 100 | | | | 25 0200 |
| ACH base charge | 4 | | | | 25 0000 |
| ACH transit one day | 3460 | | | | 25 0102 |

| Banking Service | Estimated Monthly Volume | Unit Price | One-time & Misc. Fees | Estimated Monthly Cost | TMA Code |
|-------------------------------------------------|---------------------------------|-------------------|----------------------------------|-------------------------------|-----------------|
| ACH transit two day | 140 | | | | 25 0102 |
| ACH on-us one day | 470 | | | | 25 0102 |
| ACH on-us two day | 185 | | | | 25 0102 |
| ACH originated – addenda rec | 225 | | | | 25 0120 |
| ACH orig reject data file | | | | | 25 0501 |
| ACH received item | 110 | | | | 25 0202 |
| ACH transmission charge | 55 | | | | 25 0501 |
| ACH return item – trans advice | 10 | | | | 25 0302 |
| ACH except proc-file duplication | 1 | | | | 25 0622 |
| ACH special investigation | | | | | 25 1010 |
| ACH fraud filter set up charge | | | | | 25 1001 |
| ACH fraud filter review base-fax | 2 | | | | 25 1050 |
| ACH fraud filter review item - fax | 1 | | | | 25 1053 |
| AFH fraud filter stop base chg - fax | 10 | | | | 25 1050 |
| ACH fraud filter-stop item charge - fax | | | | | 25 1052 |
| ACH noc – trans advice | 2 | | | | 25 0302 |
| ACH bank noc – trans advice | 1 | | | | 25 1070 |
| ACH reversal | 1 | | | | 25 0642 |
| Wire & Other Fund Transfer Services: | | | | | |

| Banking Service | Estimated Monthly Volume | Unit Price | One-time & Misc. Fees | Estimated Monthly Cost | TMA Code |
|-----------------------------------------|---------------------------------|-------------------|----------------------------------|-------------------------------|-----------------|
| Outgoing wire repair surcharge | | | | | 35 9999 |
| Incoming domestic wire | 30 | | | | 35 0300 |
| Outgoing FX wire internet | 2 | | | | 35 0104 |
| Wire out dom trsf/drawdown internet | 30 | | | | 35 0104 |
| Wire book trsft initiated internet | 3 | | | | 35 0124 |
| Wire out international internet | 2 | | | | 35 0113 |
| Information Services: | | | | | |
| Photocopy – operator asst'd request | | | | | 40 1001 |
| Internet prev day subscription per acct | 5 | | | | 40 0000 |
| Internet pre day subscription del item | 2455 | | | | 40 0001 |
| Internet Event Messaging | 45 | | | | 40 02zz |
| Investment/Custody Services: | | | | | |
| CCMA sweep base charge | 5 | | | | 45 0200 |
| Domestic Administration | 140000000 | | | | |
| Accounting & Reporting | 1 | | | | |
| Money transactions | 10 | | | | |
| Domestic Depository Settlements | 3 | | | | |
| Physical Settlements | 3 | | | | |
| Other Cash Disbursements | | | | | |

| Banking Service | Estimated Monthly Volume | Unit Price | One-time & Misc. Fees | Estimated Monthly Cost | TMA Code |
|-------------------------------------------------------------------|---------------------------------|-------------------|----------------------------------|-------------------------------|-----------------|
| Outgoing Wires | | | | | |
| Merchant Card Services: | | | | | |
| Assessment Fees for VISA, MasterCard, Discover & American Express | | | | | |
| Discount Rates for VISA, MasterCard, Discover & American Express | | | | | |
| Any other Credit/debit card processing fee (s) | | | | | |

VI MISCELLANEOUS

Community Reinvestment Act Activity (CRA)

1. Please provide a copy of your most recent CRA Report.
2. Do you currently participate in any financial literacy programs in place in the Redding community?
3. What is your ratio of low to moderate income residential loans to total residential loans?
4. What is your ratio of low to moderate income commercial loans to total commercial loans?
5. Have you partnered with any non-profit organizations to provide banking information or services to the low or moderate income community?
6. Do you currently have any branches established in low to moderate income areas within Redding?

General Information

1. Does the customer order deposit tickets and other supplies through the bank or directly from a vendor? How are the charges handled?
2. Will the bank cash the company's payroll checks without charge? If not, what is the charge? Is a check cashing agreement required? If yes, include a copy. What controls are in place to minimize check fraud?
3. How and when is the customer notified of a price increase after the initial 3 year period?