

Depository: U.S. Bank National Association



Depositor: (Insert Name of Government Agency)

Agent of Depository: Union Bank of California

Auditor: _____

**CONTRACT FOR DEPOSIT
OF
LOCAL AGENCY FUNDS**
(Active and Inactive Deposits)

No.	Complete All Applicable Blanks
(a)	\$ <u>\$21,281,732,000</u> (Depository's net worth)
(b)	\$ <u>\$11,995,437,000</u> (Depository's paid-up capital and surplus)
(c)	Agent of Depository: <u>Union Bank of California</u>
(d)	Security Safekeeper: <u>Union Bank of California</u>

The undersigned designated as "Treasurer", acting in the official capacity and for the Depositor named below (herein called Treasurer), and the undersigned designated as "Depository" (herein called Depository), agree as follows:

1. Representations: Treasurer proposes to deposit moneys in Treasurer's custody with Depository from time to time. At no time will the amount of deposit exceed the lesser of Depository's paid-up capital and surplus or Depository's net worth. In Treasurer's judgment this contract is to the public advantage. Depository represents that as of the date hereof, its net worth and the total of its paid-up capital and surplus are not less than the amounts shown at (a) and (b) above.

2. Governing Law and Compliance: This contract is entered into pursuant to California Government Code Section 53649, and the parties will comply in all respects with, and all deposits hereunder shall be governed by, Title 5, Division 2, Part 1, Chapter 4, Article 2 of the California Government Code (herein called Governing Statute) and all other provisions of state and federal law and regulations applicable to such deposits.

3. Deposit Receipt: At the time of each deposit, Depository will issue a receipt to Treasurer in form agreed to by them. The receipt shall state if and when interest is to be paid, the rate there of, the duration of the deposit and the terms for withdrawal. Each receipt shall be a part of this contract.

4. Interest: If interest is payable on a deposit it shall be paid quarterly, at such rate as Treasurer and Depository agree upon for the deposit, and computed on 360-day basis on the average daily balances of the deposit.

5. Maintaining Security - NON-REN and REN Security:

As security for deposits under this contract, Depository, at all times and pursuant to California Government Code Section 53656 and 53658, will maintain with the Agent of Depository named at (c) above, eligible securities as listed in subsections (a) through (l), (n) and (o) of California Government Code Section 53651 (herein called "NON-REN Security") and/or promissory notes secured by first mortgages and first trust deeds upon improved residential property in California (herein called "REN Security"). At all times, when any of Depositor's monies on deposit with Depository under this contract are secured by NON-REN Security, the market value of such security shall be at least 10 percent in excess of

the actual total amount of such monies of Depositor, and when any of Depositor's monies on deposit with Depository under this contract are secured by REN Security the value of such security shall be at least 50 percent in excess of the amount of such monies of Depositor.

6. Depository's Default: If Depository fails to pay all or any part of a deposit made and secured by securities under this contract when ordered to do so in accordance with the terms of withdrawal set forth on the deposit receipt, Treasurer will notify the Administrator in writing, who then will order the necessary securities converted into money for the benefit of Depositor as provided in California Government Code Section 53665.

7. Agent of Depository: The Agent of Depository has filed, with Administrator, an agreement to comply in all respects with the Governing Statute. The Agent of Depository is authorized to hold the securities maintained as provided in paragraph 5 above and to place them for safe keeping, in accordance with California Government Code Section 53659, with any Federal Reserve Bank or branches thereof or with any bank named as Security Safekeeper at (d) above and located in a city designated as a reserve city by the Board of Governors of the Federal Reserve System, or with the Federal Home Loan Bank of San Francisco.

8. Depository's Rights: Depository has and reserves, as to all securities used as security for deposits under this contract, the right to: (a) add, substitute and withdraw them as provided in California Government Code Section 53654, provided the requirements of paragraph 5 above are met; and (b) collect the interest thereon, except in cases when they are liable to sale or are sold or converted in accordance with California Government Code Section 53665.

9. Expense: Unless otherwise agreed in writing by Treasurer and Depository, the (a) transportation of money deposited under this contract to and from Depository, (b) the transportation of securities maintained as security to and from the Agent of Depository, and (c) the handling, collecting and paying of all checks, drafts and other exchange on funds deposited under this contract, shall be without cost to Depositor. Depository shall pay for any charges for the handling and safekeeping of securities hereunder.

10. Contract Termination: This contract is effective as of this date, governs all deposits made by Treasurer with Depository on or after the date hereof, and as to such deposits, cancels and supersedes any previous like contracts between Treasurer and Depository for the deposit of moneys. Either party, upon 30 days written notice to the other, may terminate this contract as to future deposits, but not the deposits then held hereunder.

This contract is signed in duplicate and made as of _____, _____

DEPOSITOR

DEPOSITORY

U.S. BANK

(Name) _____

By: David O. Kepper

(Signature) _____

Title: Vice President

Acting in official capacity

as _____

(Treasurer, Finance Director, etc.)

of (Insert Local Agency Name)

(Depositor)