

INVESTMENTS REGULATION**SINGLE BANK AGREEMENT**

THIS AGREEMENT, made and executed this ____ day of _____, _____ between the Plattsburgh City School District located in the County of Clinton, State of New York (“Local Government”) and _____ having offices at _____, New York (“Bank”).

WITNESSETH

WHEREAS, Local Government desires to maintain or continue to maintain public deposits with the Bank;

WHEREAS, the Bank desires to obtain such deposits and to provide security therefor as required by the General Municipal Law, Banking Law and other applicable statutes;

WHEREAS, the Bank agrees to provide safekeeping services and to hold any securities pledged to the Local Government in an account established for the benefit of the Local Government as secured party pursuant to this Agreement;

NOW, THEREFORE, in consideration of the mutual promises set forth hereafter, the parties hereto agree as follows:

1. Security Requirements
 - a. The Bank, to secure the timely payment of Uninsured Deposits heretofore or hereafter made by the Local Government, including any interest due, thereon, shall provide the Local Government with Eligible Collateral having an Adjusted Market Value equal to the Collateral Requirement. Whenever Eligible Securities are provided pursuant to this paragraph, the Bank hereby grants to the Local Government a pledge and security interest in and to such Eligible Securities and shall identify the Local Government’s interest in such Eligible Securities in the manner prescribed in Section 2 of this Agreement. The security interest of the Local Government in Eligible Securities shall terminate upon the transfer of such Eligible Securities from the Account. Eligible letters of Credit and Eligible Surety Bonds provided pursuant to this paragraph shall be subject to the prior approval of the Local Government unless the Local Government has approved in writing the form of an Eligible Letter of Credit or Eligible Surety Bond to be issued by a specific entity or the form of such Eligible Letter of Credit or Eligible Surety Bond as attached hereto as an Exhibit.
 - b. The bank will determine daily the Adjusted Market Value of the Eligible Collateral provided pursuant to this Agreement. If the Adjusted Market

Value of such Eligible Collateral is less than the Collateral Requirement, the Bank shall be required to provide additional Eligible Collateral having an Adjusted Market Value equal to or greater than such deficiency no later than one Business Day after such determination. If the Adjusted Market Value of the Eligible Collateral provided pursuant to this Agreement exceeds the Collateral Requirement, the Bank may transfer securities from the Account or in the case of other Eligible Collateral, cause a reduction in the amount thereof, to the extent of success excess.

- c. The Bank may substitute Eligible Collateral (“Substitute Collateral”) for any Eligible Collateral previously provided pursuant to this Agreement so long as the Substitute Collateral has an Adjusted Market Value equal to or greater than the Eligible Collateral which it will replace. In the event that the Substitute Collateral consists exclusively of Eligible Securities and the Bank determines that the Substitute Collateral has sufficient Adjusted Market Value, the Bank may transfer the Eligible Securities out of the Account against delivery to the Account on the same Business Day of the Substitute Collateral. In the event the Substitute Collateral consists of an Eligible Letter of Credit or Eligible Surety Bond, the prior consent of the Local Government shall be required before the Bank may complete the substitution unless the Local Government has, in writing, previously approved and consented to the form and issuer of the Eligible Letter of Credit and/or Eligible Surety Bond to be provided as Substitute Collateral
- d. The Bank, to the extent not contained in the confirmation required by paragraph c of Section 2 of this Agreement, shall provide the Local Government with written confirmation setting forth (1) a complete description of Eligible Collateral provided, reduced or transferred to or from the Account pursuant to this section; and (2) the Market Value and Adjusted Market Value of such Eligible Collateral as of the date of such transaction.
- e. The Bank shall have the right to collect and retain for its own account any and all interest, principal, dividend or other payments made in respect of the Eligible Securities held in the Account.

2. The Account

- a. The Bank shall assign a unique pledge code or name to the Local Government and will cause Eligible Securities to be credited to the Account and pledged to the Local Government. The Bank agrees to establish and maintain the Account and appropriate records identifying the Eligible Securities as placed by the Bank to the Local Government.
- b. The Bank and Local Government agree that a pledge of Eligible Securities to the Account may be in the form of credits to the accounts of the Bank at the Book Entry System or Depository. The Account shall be kept separate and apart from the general assets of the Bank and will

not, in any circumstances be commingled with or become part of the backing for any other deposit or other liability of the Bank. Eligible Securities credited to the Account and deposited in the Book Entry System or Depositories will be represented in accounts of the Bank at the Book Entry System or Depositories or other financial intermediary that include only assets held by the Bank for customers, including but not limited to accounts in which the Bank acts in a fiduciary, agency or representative capacity. Eligible Securities that are not held in the Book Entry System, a Depository or through another financial intermediary, will be held in the Bank's vault and physically segregated from securities and other non-cash property belonging to the Bank.

- c. The Bank shall provide the Local Government with a written confirmation on each Business Day on which any Eligible Securities are transferred to or from the Account. Such confirmation shall identify the specific securities which are the subject of the confirmation and state both the Market Value and Adjusted Market Value thereof. The Bank shall also provide the Local Government each month with a statement identifying all Eligible Securities in the Account, the Market Value and Adjusted Market Value thereof as of the date of such statement.
- d. The Account shall not be Subject to any security interest, lien or any right of set-off by or against the Bank.
- e. The Bank, in performing its duties and responsibilities pursuant to this section and in making the determinations or giving the notices required by paragraphs b, c and d of Section 1 of this Agreement, shall act as custodian for, and agent of, the Local Government.

3. Events of Default

In the event the Bank shall fail to pay the Local Government any amount of the Deposits by the Local Government covered by this Agreement in accordance with the terms of such Deposits or should the Bank fail or suspend active operations the deposits in such Bank shall become due and payable immediately and the Local Government shall have the right to unilaterally demand delivery of all Eligible Securities in the Account and to sell such securities at public or private sale. In the event of such sale, the Local Government after deducting all legal expenses and other costs, including reasonable attorney's fees, from the proceeds of such sale, shall apply the remainder towards any one or more of the liabilities of the Bank to the Local Government and shall return the surplus, if any, to the Bank.

4. Representation and Warranties.

a. Representations of the Bank. The Bank represents and warrants that:

- (1) it is the legal and actual owner, free and clear of all liens and claims, of all Eligible Securities pledged pursuant to this Agreement;
- (2) the form of this Agreement was approved by its board of directors;
- (3) this Agreement was executed by an officer of the Bank who was authorized by the Bank's board of directors to do so and will at all times be maintained as an official record of the Bank;
- (4) all securities pledged pursuant to this Agreement are Eligible Securities and that all letters of credit and surety bonds obtained by the Bank in satisfaction of its obligations hereunder and of which the Local Government is the beneficiary are Eligible Collateral;
- (5) the Bank is a bank or trust company located and authorized to do business in the State of New York; and,
- (6) all acts, conditions and things required to exist, happen or be performed on its part precedent to and in the execution and delivery of this Agreement exist or have happened or have been performed.

b. Representations of the Local Government. The Local Government hereby represents and warrants that:

- (1) this Agreement has been legally and validly entered into, does not and will not violate any statute or regulation applicable to it and is enforceable against the Local Government in accordance with its terms;
- (2) the establishment of the Account with the Bank has been duly authorized and no other action by the Local Government is required and this Agreement was executed by an officer of the Government authorized to do so;
- (3) it will not transfer, assign its interests in or the rights with respect thereto any Eligible Securities pledged pursuant to this Agreement except as authorized pursuant Section 3 of the Agreement; and,
- (4) all acts, conditions and things required to exist, happen or be performed on its part precedent to and in the execution and delivery of this Agreement exist or have happened or have been performed

5. Indemnity, fees and records.

- a. The Bank shall be responsible for (and nothing contained in this agreement shall limit or in any way impair any contractual, common law or statutory right of the Local Government to recover damages or obtain compensation from the Bank on account) of any and all claims, losses, liabilities or expenses (including reasonable fees and expenses of attorneys) suffered or incurred by the Local Government and arising from negligence or willful misconduct the part of the Bank in the performance of its duties hereunder. The Bank, however, shall not be liable for any loss or damage, including Counsel which are sustained or incurred by reason of any action or inaction by the Book Entry System or Depository.
- b. The Local Government shall pay to the Bank such fees as may be agreed upon from time to time.
- c. The Local Government's authorized officer, upon reasonable notice, shall have access to the Bank's books and records maintained with respect to the Local Government's interest in the Account during the Bank's normal business hours. Upon the reasonable request of the Local Government, copies of any such books and records shall be provided by the Bank to the Local Government or the Local Government's authorized officer at the Local Government's expense.

6. Termination.

Either of the parties hereto may terminate this Agreement by giving to the other party a notice in writing specifying the date of such termination, which shall be the earlier of (i) not less than 90 days after the date of giving such notice or (ii) the date on which the Deposits are paid in full. Such notice shall not affect or terminate the Local Government's security interest in the Eligible Securities in the Account. Upon termination hereof, the Local Government shall pay to the Bank such compensation as may be due to the Bank as of the date of such termination. Upon the date set forth in the termination notice, this Agreement shall terminate except as otherwise provided herein and all obligations of the parties to each other hereunder shall cease.

7. Miscellaneous

- (a) The Local Government agrees to furnish to the Bank a new Certificate (Exhibit C) in the event that any present Authorized Person ceases to be an Authorized Person or in the event that any other Authorized Persons are appointed and authorized. Until such new Certificate is received, the Bank shall be fully protected in acting upon Oral or Written Instructions or signatures of the present Authorized Persons.

- (b) Any Written Instructions or other instrument in writing, authorized or require by this Agreement to be given to the Local Government shall be sufficiently given if sent to the Local Government by regular mail to its Offices at Plattsburgh, New York or at such other Offices as the Local Government may from time to time designate in writing.
- (c) Any Written Instructions or other instrument in writing, authorized or require by this Agreement to be given to the Bank shall be sufficiently given if sent to the Bank by regular mail to its Offices at or at such other Offices as the Bank may from time to time designate in writing.
- (d) In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality an unenforceability of the remaining provisions or obligations shall not in any way be affected or impaired thereby and if any provision is inapplicable to an person or circumstances, it shall nevertheless remain applicable to all other persons and circumstances.
- (e) This Agreement may not be amended or modified in any manner except be written agreement executed by all of the parties hereto.
- (f) This Agreement shall extend to and be binding upon the parties hereto, and their respective successors and assigns; provided, however, that this Agreement shall not be assignable by any party without the written consent of the other parties.
- (g) This Agreement shall be construed in accordance with the laws of the State of New York without regard to conflict of law principles thereof.

8. Definitions.

Whenever used in this Agreement the following terms shall have the following meanings:

- a. "Account" shall mean the account established with the Bank for the benefit of the Local Government as secured party in accordance with this Agreement.
- b. "Adjusted Market Value" shall be one hundred percent of Market Value.
- c. "Authorized Person" shall be any officer of the Local Government duly authorized to give Oral Instructions or Written Instructions on behalf of Local Government, such persons to be designated in a Certificate substantially in the form of Exhibit "C" attached hereto, as such Exhibit may be amended from time to time.
- d. "Bank" shall mean any bank as defined by the banking law of the State of New York or a national banking association located and authorized to do business in New York.
- e. "Book Entry System" shall mean the Federal Reserve/Treasury Book Entry System for receiving and delivering government securities.
- f. "Business Day" shall mean any day on which the Bank is open for business and on which the Book Entry System and/or the Depositories are open for business.
- g. "Certificate" shall mean the Certificate attached hereto as Exhibit C.

- h. "Collateral Requirement" shall mean the amounts required in Exhibit "A" unless the Bank and Local Government agree to a different amount in accordance with this Agreement.
- i. "Depository" shall include the Depository Trust Company, the Participants Trust Company and other securities depositories and clearing agencies (and their successors and nominees) registered with the Securities and Exchange Commission or otherwise regulated by appropriate federal or State agencies as a securities depository or clearing agency.
- j. "Deposits" shall mean all deposits by the Local Government in the Bank that are available for all uses generally permitted by the Bank to the Local Government for actually and finally collected funds under the Bank's account agreement or policies.
- k. "Eligible Collateral" shall mean Eligible Securities, Eligible Letters of Credit and Eligible Surety Bonds.
- l. "Eligible Letter of Credit" shall mean an irrevocable letter of credit issued in favor of the Local Government for a term not to exceed ninety days by either:
 - (1) a bank (other than the Bank) whose commercial paper and other unsecured short-term debt obligations (or, in the case of a bank which is the principal subsidiary of a holding company, whose holding company's commercial paper and other unsecured short-term debt obligations) are rated in one of three highest rating categories based on the credit of such bank or holding company by at least one nationally recognized statistical rating organization; or
 - (2) by a bank (other than the Bank) which is in compliance with applicable Federal minimum risk-based capital requirements.
- m. "Eligible Securities" shall mean any securities of the types enumerated in the Schedule of Eligible Securities attached hereto as Exhibit "B" as such schedule may be amended by the parties in writing from time to time. Such Schedule may establish limitations pertaining to the types or amounts of Eligible Securities which may be provided pursuant to this Agreement.
- n. "Eligible Surety Bond" shall mean a bond executed by an insurance company authorized to do business in the State of New York, the claims paying ability of which is rated in the highest rating category by at least two nationally recognized statistical rating organizations.
- o. "Margin Percentage" shall equal 100 percent,
- p. "Market Value" shall mean, with respect to any Eligible Security held in the Account the market value of such Eligible Security as made available to the Bank by a generally recognized source selected by the

Bank or the most recently available closing bid quotation from such source plus, if not reflected in the market value, any accrued interest thereon, or, if such source does not make available a market value or a closing bid price for a particular security the market value shall be as determined by the Bank in its sole discretion based on information furnished to the Bank by one or more brokers or dealers or based on information otherwise reasonably acceptable to the Local Government. The Market Value of Eligible Letters of Credit and Eligible Surety Bonds shall be the face amount thereof.

- q. "Nationally Recognized Statistical Rating Organization" shall mean Moody's Standards and Poors, Fitch, Duff and Phelps, BankWatch, and IBCA and in the case of Eligible Surety Bonds, shall also include Bests.
- r. "Oral Instructions" shall mean verbal instructions actually received by the Bank from an Authorized Person or from a person reasonably believed by the Bank to be an Authorized Person.
- s. "Substitute Collateral" shall have meaning set for the in paragraph c of Section 2 of this Agreement
- t. "Uninsured Deposits" shall mean that portion of the Local Government's Deposits with the Bank which exceeds the insurance coverage available from the Federal Deposit Insurance Corporation.
- u. "Written Instructions" shall mean written communications actually received by the Bank from an Authorized Person or from a person reasonably believed by the Bank to be an Authorized Person by a computer, telex, telecopier or any other system whereby the receiver of such communications is able to verify by codes or otherwise with a reasonable degree of certainty the identity of the sender of such communication.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized and their respective seals to be hereunto affixed as of the day and year first above written.

Adoption date: March 23, 2006