



STATE OF ILLINOIS
EXECUTIVE OFFICE OF THE GOVERNOR
GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET
SPRINGFIELD, IL 62706

BRUCE RAUNER
GOVERNOR

September 5, 2018

Clayton Klenke
Executive Director
Commission on Government Forecasting and Accountability
703 Stratton Office Building
Springfield, Illinois 62706
cklenke@ilga.gov

Dear Director Klenke,

Pursuant to Section 8 of the amended Illinois General Obligation Bond Act, 30 ILCS 330/8 and Section 21 of the amended Illinois General Obligation Bond Act, 30 ILCS 330/21, the Governor's Office of Management and Budget (GOMB) is hereby providing the required cost of issuance disclosure and debt service disclosure for the negotiated sale of the State of Illinois General Obligation Refunding Bonds, Series A and B of September 2018. Copies of these disclosures have been posted on the GOMB website and shall remain for at least 30 days.

In addition, GOMB is providing a copy of the contractual agreements with Columbia Capital Management, LLC and Swap Financial Group, LLC, who were engaged as Financial Advisor and Swap Advisor respectively, for the General Obligation Refunding Bonds, Series A and B of September 2018. The other specified costs in the cost of issuance disclosure are paid under specified contracts filed earlier with the Commission.

Should you have any inquiries into this information, please contact me at (312) 814-0023 or via e-mail at Kelly.Hutchinson@illinois.gov.

Sincerely,


Kelly Hutchinson
Director of Capital Markets
Governor's Office of Management and Budget
State of Illinois

cc: lynnaek@ilga.gov
Charlie Salmans, Financial Analyst

Attachment

**STATE OF ILLINOIS
CONTRACT**

Governor's Office of Management and Budget
Swap Financial Group, LLC
IPB Reference Number 22038100

The Parties to this contract are the State of Illinois acting through the Governor's Office of Management and Budget ("GOMB") (collectively the State) and the Swap Financial Group, LLC ("Vendor"). This contract, consisting of the signature page and numbered sections listed below and any attachments referenced in this contract, constitute the entire contract between the Parties concerning the subject matter of the contract, and in signing the contract, Vendor affirms that the Certifications and if applicable the Financial Disclosures and Conflicts of Interest attached hereto are true and accurate as of the date of Vendor's execution of the contract. This contract supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the contract. This contract can be signed in multiple counterparts and signature may be electronic or digital upon agreement of the Parties.

Contract uses Illinois Procurement Gateway Certifications and Disclosures?

☐ Yes (IPG Certifications and Disclosures including FORMS B)

☒ No

1. DESCRIPTION OF SUPPLIES AND SERVICES
2. PRICING
3. TERM AND TERMINATION
4. STANDARD BUSINESS TERMS AND CONDITIONS
5. SUPPLEMENTAL PROVISIONS
6. STANDARD CERTIFICATIONS*
7. FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST (IF APPLICABLE)*

* In lieu of Sections 6 and 7, Vendor's Packet 4 from the RFP, updated as necessary, is hereby incorporated into this contract as Appendix C.

In consideration of the mutual covenants and agreements contained in this contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein and have caused this contract to be executed by their duly authorized representatives on the dates shown on the following CONTRACT SIGNATURES page.

STATE OF ILLINOIS

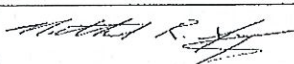
CONTRACT

Governor's Office of Management and Budget

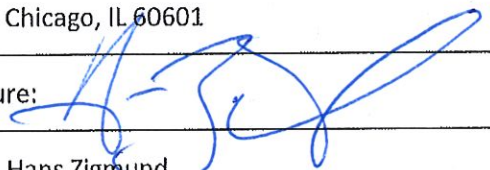
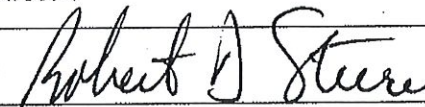
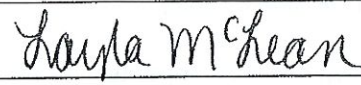
Swap Financial Group, LLC

IPB Reference Number 22038100

VENDOR

Vendor Name: Swap Financial Group, LLC	Address: 135 W. 50 th Street, NY, NY 110020
Signature: 	Phone: 212-478-3700
Printed Name: Nathaniel Singer	Fax: N/A
Title: Senior Managing Director	Email: nsinger@swapfinancial.com
Date: 06/07/2018	

STATE OF ILLINOIS

Procuring Agency or University: Governor's Office of Management and Budget	Phone: 312-814-0023
Street Address: 100 W. Randolph St., Suite 15-100	Fax: 312-814-5104
City, State ZIP: Chicago, IL 60601	
Official Signature: 	Date: 6-12-18
Printed Name: Hans Zigmund	
Official's Title: Director	
Legal Signature: 	Date: 12 June 2018
Legal Printed Name: Robert D. Steere	
Legal's Title: General Counsel	
Fiscal Signature: 	Date: 6/12/18
Fiscal's Printed Name: Layla McLean	
Fiscal's Title: Fiscal Manager	

AGENCY/UNIVERSITY USE ONLY

NOT PART OF CONTRACTUAL PROVISIONS

Agency or University Reference #16 OMB 06 Project Title: Swap Advisor/Qualified Independent Representative

Contract # Procurement Method (IFB, RFP, Small, etc): RFP

IPB Ref. # 22038100 IPB Publication Date: 3/14/2016 Award Code:

Subcontractor Utilization? ☐ Yes ☒ No Subcontractor Disclosure? ☐ Yes ☐ No N/A

Funding Source Obligation #

Small Business Set-Aside? ☐ Yes ☒ No

Minority Owned Business? ☐ Yes ☒ No Percentage

Female-Owned Business? ☐ Yes ☒ No Percentage

Persons With Disabilities Owned Business? ☐ Yes ☒ No Percentage

Other Preferences?

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1. DESCRIPTION OF SUPPLIES AND SERVICES

1.1. SUPPLIES AND/OR SERVICES REQUIRED: GOMB has a need, as specified in Appendix A, for specialized professional and swap advisory services for the swaps associated with the Series B of October 2003 Variable Rate General Obligation Bonds (the "Offering"). Vendor shall provide the services specified in Appendix B.

1.2. MILESTONES AND DELIVERABLES: N/A

1.3. VENDOR / STAFF SPECIFICATIONS: Work will be performed by Nathaniel Singer and assigned staff

1.4. TRANSPORTATION AND DELIVERY: N/A

1.5. SUBCONTRACTING

Subcontractors are not allowed.

For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract. If subcontractors will be utilized, Vendor must identify below the names and addresses of all subcontractors it will be entering into a contractual agreement that has an annual value of \$50,000 or more in the performance of this Contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money to the extent the information is known that each subcontractor is expected to receive pursuant to the Contract. Attach additional sheets as necessary.

1.5.1. Will subcontractors be utilized? ☐ Yes ☒ No

1.6. WHERE SERVICES ARE TO BE PERFORMED: Unless otherwise disclosed in this section all services shall be performed in the United States. If the Vendor performs the services purchased hereunder in another country in violation of this provision, such action may be deemed by the State as a breach of the contract by Vendor.

Vendor shall disclose the locations where the services required shall be performed and the known or anticipated value of the services to be performed at each location. If the Vendor received additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Vendor shifts any such work outside the United States.

- Location where services will be performed: United States of America

Value of services performed at this location: 100%

2. PRICING

- 2.1 TYPE OF PRICING:** The Illinois Office of the Comptroller requires the State to indicate whether the contract value is firm or estimated at the time it is submitted for obligation. The total value of this contract is estimated.
- 2.2 EXPENSES ALLOWED:** Expenses are not allowed.
- 2.3 DISCOUNT:** The State may receive a N/A % discount for payment within N/A days of receipt of correct invoice.
- 2.4 VENDOR'S PRICING:** Attach additional pages if necessary.
- 2.4.1. Vendor's Price for the Initial Term: \$85,000 per swap novation or termination. The Vendor will only be paid for services related to a swap novation or termination upon successful completion of those transactions. It is the State's intent to pay a monthly retainer in the amount of \$4,000 per month for executing other risk management strategies. This retainer will only be paid if payment under a swap novation or swap termination does not occur.
- 2.4.2. Renewal Compensation: If the contract is renewed, the price shall be at the same rate as for the initial term unless a different compensation or formula for determining the renewal compensation is stated in this section.
- 2.4.2.1. Agency/University Formula for Determining Renewal Compensation: To be determined.
- 2.4.2.2. Vendor's Price for Renewal(s): To be determined
- 2.5 MAXIMUM AMOUNT:** The total payments under this contract shall not exceed \$425,000 without a formal amendment.

3. TERM AND TERMINATION

3.1 TERM OF THIS CONTRACT: This contract has an initial term of 6/15/2018 to 6/30/2019. If a start date is not identified, the term shall commence upon the last dated signature of the Parties.

3.1.1 In no event will the total term of the contract, including the initial term, any renewal terms and any extensions, exceed 10 years.

3.1.2 Vendor shall not commence billable work in furtherance of the contract prior to final execution of the contract except when permitted pursuant to 30 ILCS 500/20-80.

3.2 RENEWAL:

3.2.1. Any renewal is subject to the same terms and conditions as the original contract unless otherwise provided in the pricing section. The State may renew this contract for any or all of the option periods specified, may exercise any of the renewal options early, and may exercise more than one option at a time based on continuing need and favorable market conditions, when in the best interest of the State. The contract may neither renew automatically nor renew solely at the Vendor's option.

3.2.2. Pricing for the renewal term(s), or the formula for determining price, is shown in the pricing section of this contract.

3.2.3. The State reserves the right to renew for a total of four years in any one of the following manners:

3.2.3.1 One renewal covering the entire renewal allowance;

3.2.3.2 Individual one-year renewals up to and including the entire renewal allowance; or

3.2.3.3 Any combination of full or partial year renewals up to and including the entire renewal allowance.

3.3 TERMINATION FOR CAUSE: The State may terminate this contract, in whole or in part, immediately upon notice to the Vendor if: (a) the State determines that the actions or inactions of Vendor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) Vendor has notified the State that it is unable or unwilling to perform the contract.

If Vendor fails to perform to the State's satisfaction any material requirement of this contract, is in violation of a material provision of this contract, or the State determines that Vendor lacks the financial resources to perform the contract, the State shall provide written notice to Vendor to cure the problem identified within the period of time specified in the State's written notice. If not cured by that date the State may either: (a) immediately terminate the contract without additional written notice or (b) enforce the terms and conditions of the contract.

For termination due to any of the causes contained in this Section, the State retains its rights to seek any available legal or equitable remedies and damages.

3.4 TERMINATION FOR CONVENIENCE: The State may, for its convenience and with 30 days prior written notice to Vendor, terminate this contract in whole or in part and without payment of any penalty or incurring any further obligation to the Vendor.

3.4.1. Vendor shall be entitled to compensation upon submission of invoices and proof of claim for supplies and services provided in compliance with this contract up to and including the date of termination.

3.5 AVAILABILITY OF APPROPRIATION: This contract is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly, or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Vendor will be notified in writing of the failure of appropriation or of a reduction or decrease.

4. STANDARD BUSINESS TERMS AND CONDITIONS

4.1 PAYMENT TERMS AND CONDITIONS:

- 4.1.1 Late Payment: Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act and rules when applicable. 30 ILCS 540; 74 Ill. Adm. Code 900. This shall be Vendor's sole remedy for late payments by the State. Payment terms contained on Vendor's invoices shall have no force and effect.
- 4.1.2 Minority Contractor Initiative: Any Vendor awarded a contract under Section 20-10, 20-15, 20-25 or 20-30 of the Illinois Procurement Code (30 ILCS 500) of \$1,000 or more is required to pay a fee of \$15. The Comptroller shall deduct the fee from the first check issued to the Vendor under the contract and deposit the fee in the Comptroller's Administrative Fund. 15 ILCS 405/23.9.
- 4.1.3 Expenses: The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this contract by the Parties even if the effective date of the contract is prior to execution.
- 4.1.4 Prevailing Wage: As a condition of receiving payment Vendor must (i) be in compliance with the contract, (ii) pay its employees prevailing wages when required by law, (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request. Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. The prevailing wages are revised by the Department of Labor and are available on the Department's official website, which shall be deemed proper notification of any rate changes under this subsection. Vendor is responsible for contacting the Illinois Department of Labor to ensure understanding of prevailing wage requirements at 217-782-6206 or (<http://www.state.il.us/agency/idol/index.htm>).
- 4.1.5 Federal Funding: This contract may be partially or totally funded with Federal funds. If federal funds are expected to be used, then the percentage of the good/service paid using Federal funds and the total Federal funds expected to be used will be provided in the award notice.
- 4.1.6 Invoicing: By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the contract, and the amount billed and expenses incurred are as allowed in the contract. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Vendor may have to seek payment through the Illinois Court of Claims. 30 ILCS 105/25. All invoices are subject to statutory offset. 30 ILCS 210.
 - 4.1.6.1 Vendor shall not bill for any taxes unless accompanied by proof that the State is subject to the tax. If necessary, Vendor may request the applicable Agency/University state tax exemption number and federal tax exemption information.
 - 4.1.6.2 Vendor shall invoice at the completion of the contract unless invoicing is tied in the contract to milestones, deliverables, or other invoicing requirements agreed to in the contract.

Send invoices to:

Agency/University:	Governor's Office of Management and Budget
Attn:	Charles Salmans
Address:	100 W. Randolph, Suite 15-100
City, State Zip	Chicago, IL 60601

- 4.2 ASSIGNMENT:** This contract may not be assigned, transferred in whole or in part by Vendor without the prior written consent of the State.
- 4.3 SUBCONTRACTING:** For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract. Vendor must receive prior written approval before use of any subcontractors in the performance of this contract. Vendor shall describe, in an attachment if not already provided, the names and addresses of all authorized subcontractors to be utilized by Vendor in the performance of this contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this contract. If required, Vendor shall provide a copy of any subcontracts within 15 days after execution of this contract. All subcontracts must include the same certifications that Vendor must make as a condition of this contract. Vendor shall include in each subcontract the subcontractor certifications as shown on the Standard Subcontractor Certification form available from the State. If at any time during the term of the Contract, Vendor adds or changes any subcontractors, then Vendor must promptly notify, by written amendment to the Contract, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Contract.
- 4.4 AUDIT/RETENTION OF RECORDS:** Vendor shall maintain books and records relating to the performance of the contract or subcontract and necessary to support amounts charged to the State pursuant the contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by Vendor for a period of three years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor for a period of three years from the later of final payment under the term or completion of the subcontract. If federal funds are used to pay contract costs, Vendor must retain its records for five years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency/University, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books and records are not available to support the purported disbursement. Vendor shall not impose a charge for audit or examination of Vendor's books and records. 30 ILCS 500/20-65.
- 4.5 TIME IS OF THE ESSENCE:** Time is of the essence with respect to Vendor's performance of this contract. Vendor shall continue to perform its obligations while any dispute concerning the contract is being resolved unless otherwise directed by the State.

- 4.6 NO WAIVER OF RIGHTS:** Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.
- 4.7 FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence, including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the contract without penalty if performance does not resume within 30 days of the declaration.
- 4.8 CONFIDENTIAL INFORMATION:** Each Party, including its agents and subcontractors, to this contract may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this contract. Vendor shall presume all information received from the State or to which it gains access pursuant to this contract is confidential. Vendor information, unless clearly marked as confidential and exempt from disclosure under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the contract, in whatever form it is maintained, promptly at the end of the contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third Party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.
- 4.9 USE AND OWNERSHIP:** All work performed or supplies created by Vendor under this contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work for hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Vendor acknowledges the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this contract.
- 4.10 INDEMNIFICATION AND LIABILITY:** Vendor shall indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (a) any breach or violation by Vendor of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person, damage to any property or any other damage or loss claimed to result in whole or in part from Vendor's negligent performance; (c) any act, activity or omission of Vendor or any of its employees,

representatives, subcontractors or agents; or (d) any actual or alleged claim that the services or goods provided under the contract infringing, misappropriating, or otherwise violating any intellectual property (patent, copyright, trade secret, or trademark) rights of a third party. Neither Party shall be liable for incidental, special, consequential or punitive damages.

- 4.11 VENDOR OBLIGATIONS:** Vendor shall be obligated to perform its obligations under this Contract in accordance with all applicable standards and requirements of professional responsibility applicable to Vendor in its capacity as swap advisor, Vendor shall be registered as a swap advisor with the SEC, MSRB, and CFTC, and Vendor shall have liability to the State for all actual damages and costs (including, without limitation, attorneys' fees and expenses of outside counsel) incurred by the State as a result of Vendor's failure to satisfy these obligations, all to the extent permitted by the governing law. Neither Party shall be liable for incidental, special, consequential or punitive damages.
- 4.12 INSURANCE:** Vendor shall, at all times during the term and any renewals, maintain Professional Liability Insurance with coverage's of at least \$1,000,000 per claim and \$1,000,000 in aggregate. Such insurance shall be provided by Marsh USA, Inc. (or an alternative insurance provider that provides Professional Liability Insurance to firms similar in size and areas of practice to Vendor).
- 4.13 INDEPENDENT CONTRACTOR:** Vendor shall act as an independent contractor and not an agent or employee of, or joint venture with the State. All payments by the State shall be made on that basis.
- 4.14 SOLICITATION AND EMPLOYMENT:** Vendor shall not employ any person employed by the State during the term of this contract to perform any work under this contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit State employees to perform any work under this contract.
- 4.15 COMPLIANCE WITH THE LAW:** Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Vendor shall obtain at its own expense, all licenses and permissions necessary for the performance of this contract.
- 4.16 BACKGROUND CHECK:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Vendor's and subcontractors officers, employees or agents. Vendor or subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background check.
- 4.17 APPLICABLE LAW:** This contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this contract must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1. The State shall not enter into binding arbitration to resolve any contract dispute. The State of Illinois does not waive sovereign immunity by entering into this contract. The official text of cited statutes is incorporated by reference. An unofficial version can be viewed at (www.ilga.gov/legislation/ilcs/ilcs.asp).

- 4.18 ANTI-TRUST ASSIGNMENT:** If Vendor does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of the contract, then upon request of the Illinois Attorney General, Vendor shall assign to the State rights, title and interest in and to the claim or cause of action.
- 4.19 CONTRACTUAL AUTHORITY:** The Agency that signs for the State of Illinois shall be the only State entity responsible for performance and payment under the contract. When the Chief Procurement Officer or authorized designee signs in addition to an Agency, they do so as approving officer and shall have no liability to Vendor. When the Chief Procurement Officer or authorized designee, or State Purchasing Officer signs a master contract on behalf of State agencies, only the Agency that places an order with the Vendor shall have any liability to Vendor for that order.
- 4.20 NOTICES:** Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the Individuals who signed the contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.
- 4.21 MODIFICATIONS AND SURVIVAL:** Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.
- 4.22 PERFORMANCE RECORD / SUSPENSION:** Upon request of the State, Vendor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of the contract. The State may consider Vendor's performance under this contract and compliance with law and rule to determine whether to continue the contract, suspend Vendor from doing future business with the State for a specified period of time, or to determine whether Vendor can be considered responsible on specific future contract opportunities.
- 4.23 FREEDOM OF INFORMATION ACT:** This contract and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act (FOIA) (50 ILCS 140) notwithstanding any provision to the contrary that may be found in this contract.
- 4.24 SCHEDULE OF WORK:** Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.
- 4.25 WARRANTIES FOR SUPPLIES AND SERVICES:**

4.24.1. Vendor warrants that the supplies furnished under this contract will: (a) conform to the standards, specifications, drawing, samples or descriptions furnished by the State or furnished by the Vendor and agreed to by the State, including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e) not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties.

4.24.2. Vendor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.

4.24.3. Vendor warrants that all services will be performed to meet the requirements of the contract in an efficient and effective manner by trained and competent personnel. Vendor shall monitor performances of each individual and shall reassign immediately any individual who is not performing in accordance with the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the contract or State policies.

4.26 REPORTING, STATUS AND MONITORING SPECIFICATIONS: Vendor shall immediately notify the State of any event that may have a material impact on Vendor's ability to perform the contract.

4.27 EMPLOYMENT TAX CREDIT: Vendors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. 35 ILCS 5/216, 5/217. Please contact the Illinois Department of Revenue (telephone #: 217-524-4772) for information about tax credits.

5. SUPPLEMENTAL PROVISIONS

5.1. STATE SUPPLEMENTAL PROVISIONS

☐ Agency/University Definitions

N/A

☐ Required Federal Clauses, Certifications and Assurances

N/A

☐ Public Works Requirements (construction and maintenance of a public work) 820 ILCS 130/4.

N/A

☐ Prevailing Wage (janitorial cleaning, window cleaning, building and grounds, site technician, natural resources, food services, and security services, if valued at more than \$200 per month or \$2,000 per year or printing) 30 ILCS 500/25-60.

N/A

☐ Agency/University Specific Terms and Conditions

N/A

☐ Other (describe)

N/A

5.2. VENDOR SUPPLEMENTAL PROVISIONS

N/A

APPENDIX A

NEED FOR SERVICE:

GOMB is responsible for overseeing the management of the State of Illinois' swap portfolio. In furtherance of this goal, GOMB has hired a qualified swap advisor to serve as a qualified Independent representative ("QIR") as required by the Dodd-Frank Act to assist in the execution of swap portfolio management initiatives. The State is a party to five separate, but substantially identical, Interest rate exchange agreements dated October 1, 2003 to hedge the variable rate on the Variable Rate General Obligation Bonds, Series B of October 2003 to a synthetic fixed rate.

Therefore, it is necessary for GOMB to obtain these specialized swap advisory services and opinions from a qualified swap advisory firm.

APPENDIX B

DESCRIPTION OF SERVICES:

The role of Vendor is that of swap advisor. The following services will be provided by the swap advisor;

1. Act as a QIR meeting all requirements of Title 17 Chapter I of the Code of Federal Regulations Section 23.450 with respect to advising non-ERISA "Special Entities" as defined under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act") and make necessary representations and agreements to comply with the Dodd-Frank Act.
2. Assist the State with managing the interest rate swap portfolio, including, but not limited to developing and executing swap novations, terminations or portfolio management strategies.
3. Assist with negotiations of key documentation provisions.
4. Provide detailed reports, supported by independent quantitative analysis as needed, to outline the rationale for any suggested initiatives. These reports should address any long-term implications of the swap recommendations.
5. Participate in meetings and conference calls with the State staff, swap counterparties, counsel, and other financing team members as needed.
6. Provide guidance on statutory or regulatory matters related to derivatives, including changes proposed or implemented by Congress, the U.S. Treasury, the IRS, and other regulatory agencies. Provide guidance on ongoing compliance.
7. Provide such other swap advisory services as requested by the State.

APPENDIX C

The following document from the RFP, Vendor's Packet 4, updated as needed, is hereby incorporated into this contract as Appendix C.

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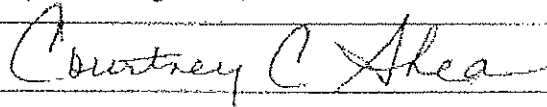
STATE OF ILLINOIS
CONTRACT AMENDMENT I

Governor's Office of Management and Budget
Columbia Capital Management, LLC
IPB Reference Number 22038877

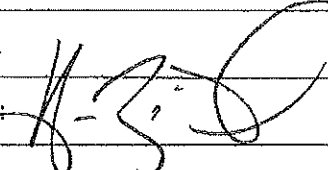
The undersigned Agency, the Governor's Office of Management and Budget, and Vendor, Columbia Capital Management, LLP, (the Parties) agree that the following shall amend the Contract referenced herein. All terms and conditions set forth in the original Contract, not amended herein, shall remain in full force and effect as written. In the event of conflict, the terms of this Amendment shall prevail.

IN WITNESS WHEREOF, the Agency and Vendor cause this Amendment to be executed on the dates shown below by representatives authorized to bind the respective Parties.

VENDOR

Columbia Capital Management, LLC	6330 Lamar Avenue, Suite 200 Overland Park, KS 66202
Signature: 	Phone: 913-248-8500
Printed Name: Courtney Shea	Fax: 913-248-8900
Principal	cshea@columbiacapital.com
Date: August 28, 2018	

STATE OF ILLINOIS

Governor's Office of Management and Budget	312-814-0023
100 West Randolph Street, Suite 15-100	312-814-5104
Chicago, IL 60601	
Official Signature: 	Date: 8/28/2018
Printed Name: Hans Zigmund	
Director	

1. **CONTRACT DESCRIPTION:** Contract between GOMB and Columbia Capital Management, LLC, dated June 27, 2018 for municipal advisor services.
2. **CHANGE ORDER:** Is this amendment a change order as defined in 30 ILCS 500/1-15.12 and 720 ILCS 5/33E?

☐ Yes ☒ No

3. **DESCRIPTION OF AMENDMENT** (Check all that apply, complete blanks and explain as necessary):

- 3.1. The completion date will be ☐ extended, ☐ shortened or ☒ remain the same.
- 3.2. The method of determining compensation (e.g., hourly rate, fixed fee, etc.) will ☒ stay the same or ☐ change as follows: N/A
- 3.3. The cost will be ☐ increased, ☐ decreased or ☒ remain the same.
- 3.4. The supplies or services to be provided will ☐ stay the same or ☒ be changed as follows:

The purpose of this amendment is to clarify certain terms of the original contract and to state more clearly the scope of Vendor's services. Section 1.1 of the original contract is amended to read as follows:

"1.1 SUPPLIES AND/OR SERVICES REQUIRED: GOMB has a need, as specified in Appendix A, for professional municipal advisory services to assist the State in the issuance of State of Illinois General Obligation Refunding Bonds of September 2018 (the "Offering") to refund the Series 2003B variable rate general obligation bonds and any other series of outstanding general obligation bonds recommended for refunding."

Section 2.3 is amended to read as follows:

"Vendor's Price for the initial term: \$100,000. Vendor will be paid for services related to the successful refunding of the series 2003 bonds and other outstanding general obligation bonds."

Appendix A is amended to read as follows:

NEED FOR SERVICE:

"GOMB is responsible for overseeing the management of the State of Illinois' bond program. In furtherance of this goal, GOMB has hired Vendor, a qualified municipal advisor, to serve as advisor for the issuance of the State of Illinois General Obligation Refunding Bonds, Series of September 2018, in two series—Series of September 2018A to refund the Series 2003B variable rate general obligation bonds and Series of September 2018B to refund any other series of outstanding general obligation bonds recommended for refunding."

4. **EFFECTIVE DATE OF AMENDMENT:** date of latest signature.
5. **WHAT PROVISION OF THE CONTRACT, PROCUREMENT CODE OR OTHER LAW AUTHORIZED THIS CHANGE?** Sec. 4.21 of the original contract allows amendments effected in writing and signed by authorized representatives of the Parties.

**STATE OF ILLINOIS
CONTRACT**

Governor's Office of Management and Budget
Columbia Capital Management, LLC
IPB Reference Number 22038877

The Parties to this contract are the State of Illinois acting through the Governor's Office of Management and Budget (GOMB or State) and the Columbia Capital Management, LLC (Vendor). This contract, consisting of the signature page and numbered sections listed below and any attachments referenced in this contract, constitute the entire contract between the parties concerning the subject matter of the contract, and in signing the contract, Vendor affirms that the Certifications and if applicable the Financial Disclosures and Conflicts of Interest attached hereto are true and accurate as of the date of Vendor's execution of the contract. This contract supersedes all prior proposals, contracts and understandings between the parties concerning the subject matter of the contract. This contract can be signed in multiple counterparts and signature may be electronic or digital upon agreement of the Parties.

Contract uses Illinois Procurement Gateway Certifications and Disclosures?

☐ Yes (IPG Certifications and Disclosures including FORMS B)

☒ No

1. DESCRIPTION OF SUPPLIES AND SERVICES
2. PRICING
3. TERM AND TERMINATION
4. STANDARD BUSINESS TERMS AND CONDITIONS
5. SUPPLEMENTAL PROVISIONS
6. STANDARD CERTIFICATIONS*
7. FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST (IF APPLICABLE)*

* In lieu of Sections 6 and 7, Vendor's Packet 4 from the RFQ, updated as needed, is hereby incorporated into this contract as Appendix C.

In consideration of the mutual covenants and agreements contained in this contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein and have caused this contract to be executed by their duly authorized representatives on the dates shown on the following CONTRACT SIGNATURES page.

STATE OF ILLINOIS

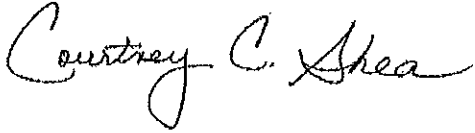
CONTRACT

Governor's Office of Management and Budget

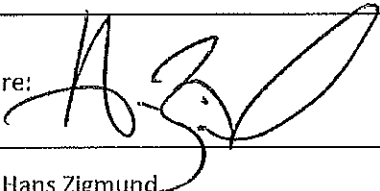
Columbia Capital Management, LLC

IPB Reference Number 22038877

VENDOR

Vendor Name: Columbia Capital Management, LLC	Address: 6330 Lamar Avenue, Suite 200, Overland Park, KS 66202
Signature: 	Phone: 913-248-8500
Printed Name: Courtney Shea	Fax: 913-248-8900
Title: Principal	Email: cshea@columbiacapital.com
Date: 6/27/18	

STATE OF ILLINOIS

Procuring Agency or University: Governor's Office of Management and Budget	Phone: 312-814-0023
Street Address: 100 W. Randolph St., Suite 15-100	Fax: 312-814-5104
City, State ZIP: Chicago, IL 60601	
Official Signature: 	Date: 6/27/18
Printed Name: Hans Zigmund	
Official's Title: Director	

AGENCY/UNIVERSITY USE ONLY

NOT PART OF CONTRACTUAL PROVISIONS

Agency or University Reference # 16 OMB 07

Project Title: Municipal Advisor

Contract #

Procurement Method (IFB, RFP, Small, etc): RFQ

IPB Ref. # 22038877

IPB Publication Date: 7/6/2016 Award Code:

Subcontractor Utilization? ☐ Yes ☒ No

Subcontractor Disclosure? ☐ Yes ☐ No N/A

Funding Source

Obligation #

Small Business Set-Aside? ☐ Yes ☒ No

Minority Owned Business? ☐ Yes ☒ No Percentage

Female-Owned Business? ☐ Yes ☒ No Percentage

Persons With Disabilities Owned Business? ☐ Yes ☒ No Percentage

Other Preferences?

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1. DESCRIPTION OF SUPPLIES AND SERVICES

- 1.1. SUPPLIES AND/OR SERVICES REQUIRED:** GOMB has a need, as specified in Appendix A, for professional Municipal Advisory Services to assist the State in the issuance of the Build Illinois Bonds Series September of 2016 (the "Offering"). Vendor shall provide the services specified in Appendix B.
- 1.2. MILESTONES AND DELIVERABLES:** N/A
- 1.3. VENDOR / STAFF SPECIFICATIONS:** Work will be performed by Courtney Shea, James Prichard, David Abel and assigned staff.
- 1.4. TRANSPORTATION AND DELIVERY:** N/A
- 1.5. SUBCONTRACTING**
- Subcontractors are not allowed.
- 1.6. WHERE SERVICES ARE TO BE PERFORMED:** Unless otherwise disclosed in this section all services shall be performed in the United States. If the Vendor performs the services purchased hereunder in another country in violation of this provision, such action may be deemed by the State as a breach of the contract by Vendor.

Vendor shall disclose the locations where the services required shall be performed and the known or anticipated value of the services to be performed at each location. If the Vendor received additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Vendor shifts any such work outside the United States.

- Location where services will be performed: United States of America

Value of services performed at this location: 100%

2. PRICING

- 2.1 TYPE OF PRICING:** The Illinois Office of the Comptroller requires the State to indicate whether the contract value is firm or estimated at the time it is submitted for obligation. The total value of this contract is estimated.
- 2.2 EXPENSES ALLOWED:** Expenses are not allowed.
- 2.3 VENDOR'S PRICING:** Attach additional pages if necessary.
 - 2.3.1 Vendor's Price for the Initial Term:** \$100,000. The Vendor will only be paid for services related to the successful refunding/conversion of the series 2003B bonds or substitution of the liquidity / credit supporting the 2003B bonds.
 - 2.3.2 Renewal Compensation:** If the contract is renewed, the price shall be at the same rate as for the initial term unless a different compensation or formula for determining the renewal compensation is stated in this section.
 - 2.3.2.1 Agency/University Formula for Determining Renewal Compensation:** To be determined.
 - 2.3.2.2 Vendor's Price for Renewal(s):** To be determined
- 2.4 MAXIMUM AMOUNT:** The total payments under this contract shall not exceed \$100,000 without a formal amendment.

3. TERM AND TERMINATION

3.1 TERM OF THIS CONTRACT: This contract has an initial term of 7/1/2018 to 11/3/2018. If a start date is not identified, the term shall commence upon the last dated signature of the Parties.

3.1.1 In no event will the total term of the contract, including the initial term, any renewal terms and any extensions, exceed 10 years.

3.1.2 Vendor shall not commence billable work in furtherance of the contract prior to final execution of the contract except when permitted pursuant to 30 ILCS 500/20-80.

3.2 RENEWAL: N/A

3.3 TERMINATION FOR CAUSE: The State may terminate this contract, in whole or in part, immediately upon notice to the Vendor if: (a) the State determines that the actions or inactions of Vendor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) Vendor has notified the State that it is unable or unwilling to perform the contract.

3.3.1 If Vendor fails to perform to the State's satisfaction any material requirement of this contract, is in violation of a material provision of this contract, or the State determines that Vendor lacks the financial resources to perform the contract, the State shall provide written notice to Vendor to cure the problem identified within the period of time specified in the State's written notice. If not cured by that date the State may either: (a) immediately terminate the contract without additional written notice or (b) enforce the terms and conditions of the contract.

3.3.2 For termination due to any of the causes contained in this Section, the State retains its rights to seek any available legal or equitable remedies and damages.

3.2 TERMINATION FOR CONVENIENCE: The State may, for its convenience and with 30 days prior written notice to Vendor, terminate this contract in whole or in part and without payment of any penalty or incurring any further obligation to the Vendor.

3.4.1. Vendor shall be entitled to compensation upon submission of invoices and proof of claim for supplies and services provided in compliance with this contract up to and including the date of termination.

3.3 AVAILABILITY OF APPROPRIATION: This contract is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly, or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Vendor will be notified in writing of the failure of appropriation or of a reduction or decrease.

4. STANDARD BUSINESS TERMS AND CONDITIONS

4.1 PAYMENT TERMS AND CONDITIONS:

- 4.1.1 Late Payment: Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act and rules when applicable. 30 ILCS 540; 74 Ill. Adm. Code 900. This shall be Vendor's sole remedy for late payments by the State. Payment terms contained on Vendor's invoices shall have no force and effect.
- 4.1.2 Minority Contractor Initiative: Any Vendor awarded a contract under Section 20-10, 20-15, 20-25 or 20-30 of the Illinois Procurement Code (30 ILCS 500) of \$1,000 or more is required to pay a fee of \$15. The Comptroller shall deduct the fee from the first check issued to the Vendor under the contract and deposit the fee in the Comptroller's Administrative Fund. 15 ILCS 405/23.9.
- 4.1.3 Expenses: The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this contract by the Parties even if the effective date of the contract is prior to execution.
- 4.1.4 Prevailing Wage: As a condition of receiving payment Vendor must (i) be in compliance with the contract, (ii) pay its employees prevailing wages when required by law, (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request. Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. The prevailing wages are revised by the Department of Labor and are available on the Department's official website, which shall be deemed proper notification of any rate changes under this subsection. Vendor is responsible for contacting the Illinois Department of Labor to ensure understanding of prevailing wage requirements at 217-782-6206 or (<http://www.state.il.us/agency/idol/index.htm>).
- 4.1.5 Federal Funding: This contract may be partially or totally funded with Federal funds. If federal funds are expected to be used, then the percentage of the good/service paid using Federal funds and the total Federal funds expected to be used will be provided in the award notice.
- 4.1.6 Invoicing: By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the contract, and the amount billed and expenses incurred are as allowed in the contract. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Vendor may have to seek payment through the Illinois Court of Claims. 30 ILCS 105/25. All invoices are subject to statutory offset. 30 ILCS 210.
 - 4.1.6.1 Vendor shall not bill for any taxes unless accompanied by proof that the State is subject to the tax. If necessary, Vendor may request the applicable Agency/University state tax exemption number and federal tax exemption information.
 - 4.1.6.2 Vendor shall invoice at the completion of the contract unless invoicing is tied in the contract to milestones, deliverables, or other invoicing requirements agreed to in the contract.

Send invoices to:

Agency/University:	Governor's Office of Management and Budget
Attn:	Charles Salmans II
Address:	100 W. Randolph, Suite 15-100
City, State Zip	Chicago, IL 60601

- 4.2 ASSIGNMENT:** This contract may not be assigned, transferred in whole or in part by Vendor without the prior written consent of the State.
- 4.3 SUBCONTRACTING:** For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract. Vendor must receive prior written approval before use of any subcontractors in the performance of this contract. Vendor shall describe, in an attachment if not already provided, the names and addresses of all authorized subcontractors to be utilized by Vendor in the performance of this contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this contract. If required, Vendor shall provide a copy of any subcontracts within 15 days after execution of this contract. All subcontracts must include the same certifications that Vendor must make as a condition of this contract. Vendor shall include in each subcontract the subcontractor certifications as shown on the Standard Subcontractor Certification form available from the State. If at any time during the term of the Contract, Vendor adds or changes any subcontractors, then Vendor must promptly notify, by written amendment to the Contract, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Contract.
- 4.4 AUDIT/RETENTION OF RECORDS:** Vendor shall maintain books and records relating to the performance of the contract or subcontract and necessary to support amounts charged to the State pursuant the contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by Vendor for a period of three years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor for a period of three years from the later of final payment under the term or completion of the subcontract. If federal funds are used to pay contract costs, Vendor must retain its records for five years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency/University, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books and records are not available to support the purported disbursement. Vendor shall not impose a charge for audit or examination of Vendor's books and records. 30 ILCS 500/20-65.
- 4.5 TIME IS OF THE ESSENCE:** Time is of the essence with respect to Vendor's performance of this contract. Vendor shall continue to perform its obligations while any dispute concerning the contract is being resolved unless otherwise directed by the State.

- 4.6 NO WAIVER OF RIGHTS:** Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.
- 4.7 FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence, including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the contract without penalty if performance does not resume within 30 days of the declaration.
- 4.8 CONFIDENTIAL INFORMATION:** Each Party, including its agents and subcontractors, to this contract may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this contract. Vendor shall presume all information received from the State or to which it gains access pursuant to this contract is confidential. Vendor information, unless clearly marked as confidential and exempt from disclosure under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the contract, in whatever form it is maintained, promptly at the end of the contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third Party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.
- 4.9 USE AND OWNERSHIP:** All work performed or supplies created by Vendor under this contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work for hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Vendor acknowledges the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this contract.
- 4.10 INDEMNIFICATION AND LIABILITY:** Vendor shall indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (a) any breach or violation by Vendor of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person, damage to any property or any other damage or loss claimed to result in whole or in part from Vendor's negligent performance; (c) any act, activity or omission of Vendor or any of its employees,

representatives, subcontractors or agents; or (d) any actual or alleged claim that the services or goods provided under the contract infringing, misappropriating, or otherwise violating any intellectual property (patent, copyright, trade secret, or trademark) rights of a third party. Neither Party shall be liable for incidental, special, consequential or punitive damages.

- 4.11 VENDOR OBLIGATIONS:** Vendor shall be obligated to perform its obligations under this Contract in accordance with all applicable standards and requirements of professional responsibility applicable to Vendor in its capacity as municipal advisor, Vendor shall be registered as a municipal advisor with the SEC and MSRB, and Vendor shall have liability to the State for all actual damages and costs (including, without limitation, attorneys' fees and expenses of outside counsel) incurred by the State as a result of Vendor's failure to satisfy these obligations, all to the extent permitted by the governing law. Neither Party shall be liable for incidental, special, consequential or punitive damages.
- 4.12 INSURANCE:** Vendor shall, at all times during the term and any renewals, maintain Professional Liability Insurance with coverage's of at least \$2,000,000 per claim and \$2,000,000 in aggregate. Such insurance shall be provided by Lloyd's of London (or an alternative insurance provider that provides Professional Liability Insurance to firms similar in size and areas of practice to the Vendor).
- 4.13 INDEPENDENT CONTRACTOR:** Vendor shall act as an independent contractor and not an agent or employee of, or joint venture with the State. All payments by the State shall be made on that basis.
- 4.14 SOLICITATION AND EMPLOYMENT:** Vendor shall not employ any person employed by the State during the term of this contract to perform any work under this contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit State employees to perform any work under this contract.
- 4.15 COMPLIANCE WITH THE LAW:** Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Vendor shall obtain at its own expense, all licenses and permissions necessary for the performance of this contract.
- 4.16 BACKGROUND CHECK:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Vendor's and subcontractors officers, employees or agents. Vendor or subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background check.
- 4.17 APPLICABLE LAW:** This contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this contract must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1. The State shall not enter into binding arbitration to resolve any contract dispute. The State of Illinois does not waive sovereign immunity by entering into this contract. The official text of cited statutes is incorporated by reference. An unofficial version can be viewed at (www.ilga.gov/legislation/ilcs/ilcs.asp).

- 4.18 ANTI-TRUST ASSIGNMENT:** If Vendor does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of the contract, then upon request of the Illinois Attorney General, Vendor shall assign to the State rights, title and interest in and to the claim or cause of action.
- 4.19 CONTRACTUAL AUTHORITY:** The Agency that signs for the State of Illinois shall be the only State entity responsible for performance and payment under the contract. When the Chief Procurement Officer or authorized designee signs in addition to an Agency, they do so as approving officer and shall have no liability to Vendor. When the Chief Procurement Officer or authorized designee, or State Purchasing Officer signs a master contract on behalf of State agencies, only the Agency that places an order with the Vendor shall have any liability to Vendor for that order.
- 4.20 NOTICES:** Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the Individuals who signed the contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.
- 4.21 MODIFICATIONS AND SURVIVAL:** Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.
- 4.22 PERFORMANCE RECORD / SUSPENSION:** Upon request of the State, Vendor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of the contract. The State may consider Vendor's performance under this contract and compliance with law and rule to determine whether to continue the contract, suspend Vendor from doing future business with the State for a specified period of time, or to determine whether Vendor can be considered responsible on specific future contract opportunities.
- 4.23 FREEDOM OF INFORMATION ACT:** This contract and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act (FOIA) (50 ILCS 140) notwithstanding any provision to the contrary that may be found in this contract.
- 4.24 SCHEDULE OF WORK:** Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.
- 4.25 WARRANTIES FOR SUPPLIES AND SERVICES:**

- 4.24.1. Vendor warrants that the supplies furnished under this contract will: (a) conform to the standards, specifications, drawing, samples or descriptions furnished by the State or furnished by the Vendor and agreed to by the State, including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e) not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties.
- 4.24.2. Vendor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.
- 4.24.3. Vendor warrants that all services will be performed to meet the requirements of the contract in an efficient and effective manner by trained and competent personnel. Vendor shall monitor performances of each individual and shall reassign immediately any individual who is not performing in accordance with the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the contract or State policies.
- 4.26 REPORTING, STATUS AND MONITORING SPECIFICATIONS:** Vendor shall immediately notify the State of any event that may have a material impact on Vendor's ability to perform the contract.
- 4.27 EMPLOYMENT TAX CREDIT:** Vendors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. 35 ILCS 5/216, 5/217. Please contact the Illinois Department of Revenue (telephone #: 217-524-4772) for information about tax credits.

5. SUPPLEMENTAL PROVISIONS

5.1. STATE SUPPLEMENTAL PROVISIONS

- ☐ Agency/University Definitions
N/A
- ☐ Required Federal Clauses, Certifications and Assurances
N/A
- ☐ Public Works Requirements (construction and maintenance of a public work) 820 ILCS 130/4.
N/A
- ☐ Prevailing Wage (janitorial cleaning, window cleaning, building and grounds, site technician, natural resources, food services, and security services, if valued at more than \$200 per month or \$2,000 per year or printing) 30 ILCS 500/25-60.
N/A
- ☐ Agency/University Specific Terms and Conditions
N/A
- ☐ Other (describe)
N/A

5.2. VENDOR SUPPLEMENTAL PROVISIONS

Click here to enter text.

APPENDIX A

NEED FOR SERVICE:

GOMB is responsible for overseeing the management of the State of Illinois' bond program. In furtherance of this goal, GOMB has hired a qualified municipal advisor to serve as advisor on the refunding/conversion of the series 2003B bonds or substitution of the liquidity / credit supporting the 2003B bonds.

APPENDIX B

DESCRIPTION OF SERVICES:

The role of Vendor is that of Municipal Advisor. The following services will be provided by the Municipal Advisor:

1. Participate in meetings and conference calls with State staff, underwriters, bond counsel and other bond financing team members as needed.
2. Assist with developing and executing strategies to lower the all-in borrowing costs of the state's variable rate portfolio and to mitigate risks associated with the portfolio.
3. Advise on rating agency matters and strategies for agency meetings including the preparation of rating agency presentations and a synopsis of their likely concerns, and potential questions and answers.
4. Participate in all pricing discussions. Provide materials and relevant data points that will assist in negotiations.
5. Provide market and regulatory updates as applicable.
6. Participate in bond document review and due diligence sessions. Coordinate with the State and counsel to ensure compliance with federal tax law.
7. Independently evaluate the cost/benefit of each proposed structure.
8. Participate in post-financing review as directed by the State. This work will include a report addressing how the State's bonds priced relative to market indices, comparables and any goals established prior to sale and secondary market trade activity.
9. Assist with soliciting liquidity/credit for the Series 2003B variable rate bonds as required.
10. Provide such other municipal advisory services as requested by the State.

APPENDIX C

See attached standard certifications, financial disclosures and conflict of interest disclosures, if any.