

4 → 2/26/14 TBM

Town of Cicero Police Department

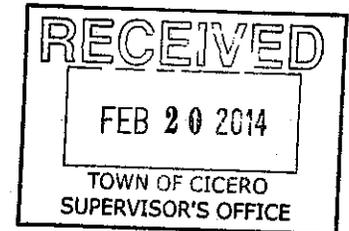


INTER OFFICE MEMO

DATE: January 6, 2014
TO: Town Board
FROM: Chief Joseph Snell
RE: Resignation
CC:

Request the Town Board accept the resignation of Part Time Police Officer Heidi Mahan effective February 13, 2014.

Attached: Resignation





Chief Joseph Snell

2-20-14
Date

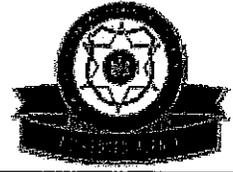


TOWN OF CICERO POLICE DEPARTMENT

8236 ROUTE 11
CICERO, NEW YORK 13039

Telephone (315) 699-3677 - Facsimile (315) 699-8128

JOSEPH F. SNELL
CHIEF OF POLICE



February 13, 2014
Resignation Letter

I, Heidi Mahan resign effective,
February 13, 2014, as a police officer with the Town of Cicero Police Department..

I understand that I will turn in all equipment, identification, and uniforms that are the property of the Town of Cicero Police Department no later than 10 days from the effective date of the resignation. I understand that I will turn in my assigned duty weapon no later than 24 hours from the effective date of this resignation.

Any benefits or compensation that I may be permitted to receive pursuant to the current Bargaining Unit Agreement between the Town of Cicero and the Town of Cicero PBA will handled directly through the Town of Cicero Comptrollers Office.

Upon verification the Chief of Police will provide me with a retirement identification card and retirement badge.

Signed: Heidi L. Mahan Date: 02-13-14

Chief of Police: Joseph F. Snell Date: 2-13-14

→ 2/26/14 TBM

Jessica

Date: February 26, 2014

Highway Department Agenda Items

Request approval for the following items:

(A) ITEM: Repair of road striper paint nozzles-3

- Graco dealers

VENDOR: Crossroads Highway

AMOUNT: \$1,670.00

ACCOUNT CODE: A33104

(B) ITEM: 50 ea. 10' unistruts and 3' bottoms (sign posts) & 25 deliniators

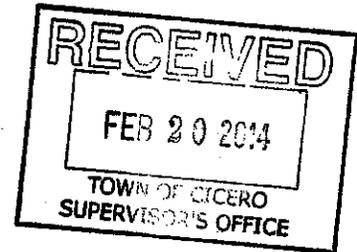
- state bid

VENDOR: Eberl Iron Works

(white & reflective road markers)

AMOUNT: \$3,250.00

ACCOUNT CODE: A33104



→ 2/26/14 TBM

AGENDA
February 26, 2014

TO: Town Board

FROM: Jody L. Rogers, Director

DATE: February 19, 2014

RE: Purchase Approvals

ITEM: Fertilizer 96 bags at \$23.50 per bag (costs shared by Youth Leagues and Town see budget codes below)

VENDOR: Northern Nurseries

AMOUNT: \$2,256

Budget Code: A7110.40 \$282 Town
A7110.CF \$282 Cicero Falcons
A7110.45CL \$282 Cicero Little League
A7110.45CS \$705 Cicero Youth Soccer
A7110.45NL \$705 North Syracuse Little League

Other Quote: Harrell's LLC \$39/bag

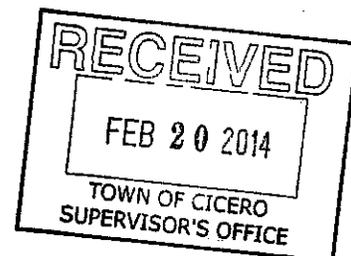
ITEM: Grass Seed 44 bags at \$83 per bag (costs shared by Youth leagues and Town see budget codes below)

VENDOR: Northern Nurseries

AMOUNT: \$3,652

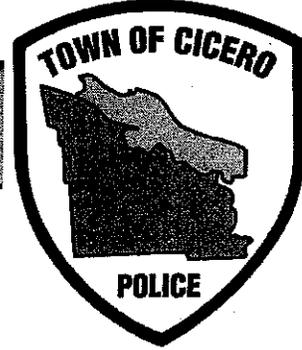
Budget Code: A7110.40 \$332 Town
A7110.CF \$830 Cicero Falcons
A7110.45CL \$830 Cicero Little League
A7110.45CS \$830 Cicero Youth Soccer
A7110.45NL \$830 North Syracuse Little League

Other Quote: Harrell's LLC \$87.50/bag



→ 2/26/14 TBM

Town of Cicero Police Department



INTER OFFICE MEMO

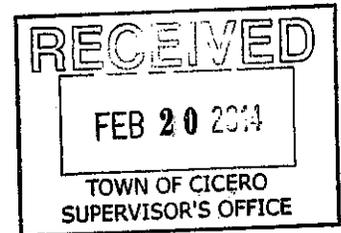
DATE: January 6, 2014
TO: Town Board
FROM: Chief Joseph Snell
RE: Grant
CC:

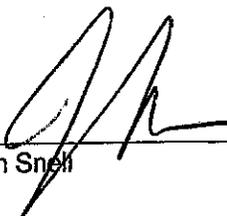
Request the Town Board accept a grant of \$695.00 from Kinney Drugs for the purchase of a MedReturn II Drug Collection Unit.

Over the last several years CPD has participated in the National Drug Give Back Program sponsored by the U.S Drug Enforcement Agency (DEA). Twice a year CPD places officers at Kinney Drugs and Walgreens for five hours to collect old prescription medicine. Many of these drugs are in high demand by illegal drug users and have been the motive for residential burglaries and larcenies.

We have received a grant from Kinney Drugs for \$695.00 to purchase a Med Return II Drug Collection Unit. This will allow residents of Cicero to drop off their old medications at the police department anytime between Monday-Friday. When the Drug Giveback Program occurs we will turn our collection over to the DEA for disposal.

We feel this program will allow residents, who cannot be at the collection sites, to dispose of their medicines at their convenience and will result in less prescription medicines in the hands of the illegal drug users.





Chief Joseph Snell

Date

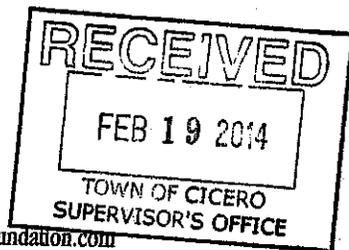
Jessica Zambrano

From: Joe Snell
Sent: Tuesday, February 18, 2014 10:57 AM
To: Jessica Zambrano; Mark Venesky; Mike Becallo; Tim Burtis
Subject: Kinney Drugs - Grant

Today we received \$695.00 to purchase a Drug Take Back Container. We applied for the Grant approximately 6 months ago. The container will be placed inside the Police Department where residents can come and drop of their old prescription drugs. We currently participate in the Federal Drug Takes Back program every six months and this will allow residents to drop off their medicines between those times.

The purpose of this program is to reduce prescription drug abuse by our teens by getting them off the street.

*Joseph F. Snell
Chief of Police
Town of Cicero Police Department
8236 Brewerton Rd.
Cicero, NY 13039
Work Phone: 315-699-3677 ext.10
Email: jsnell@ciceropd.us
Your Police Department*



29 East Main Street, Gouverneur New York 13642 • Ph: 315.287.1500 x 2123 • www.kinneydrugsfoundation.com

B 2705

February 10, 2014

Cicero Police Department
Chief Joseph Snell
8236 Brewerton Road
Cicero, New York 13039

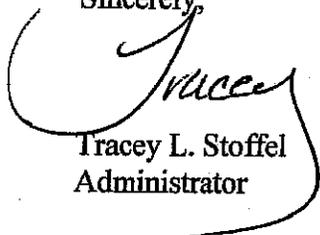
Dear Chief Snell,

On behalf of the Kinney Drugs Foundation, please accept the enclosed check in the amount of \$695.00 (*Six Hundred Ninety-five Dollars*) for support of the *Drug giveback program*.

The Kinney Drugs Foundation is proud to donate these funds in an effort to assist you in enhancing the quality of life and maximizing the potential of persons within your community.

Please feel free to contact me at (315) 287-3600 extension 2123 with any questions.

Sincerely,



Tracey L. Stoffel
Administrator

Enclosure (1)

KINNEY DRUGS FOUNDATION, INC.
29 EAST MAIN STREET
GOUVERNEUR, NY 13642

COMMUNITY BANK, NA
GOUVERNEUR, NY 13642
50-755/213

2212

2/6/2014

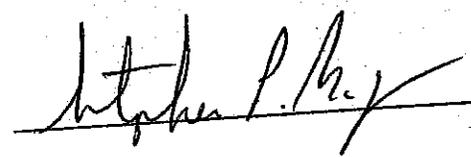
\$ **695.00

TO THE
ER OF Cicero Police Department

DOLLARS  

Six Hundred Ninety-Five and 00/100

Cicero Police Department
Chief Joseph Snell
8236 Brewerton Road
Cicero, New York 13039

 MP

MO Sponsorship: Drug Giveback Program

⑈002212⑈ ⑆021307559⑆ 01 02 134442⑈



Business Automation Services, Inc

661 Plank Road
Clifton Park, NY 12065

**" FOR 2014 BUDGET
INFORMATION ONLY"**

| |
|---|
| Name / Address |
| Ms. Sharon Edick Receiver of Taxes Town of Cicero 8236 Brewerton Rd Cicero, NY 13039-6401 |

| |
|----------|
| BUDGET # |
| BDG134 |

| |
|-----------|
| Date |
| 7/29/2013 |

| Description | Class | Total |
|---|----------|----------|
| Tax Collection System: Annual Software Support/Maintenance | Software | 1,020.00 |
| RPS Tax File Processing Fee: Due Jan. \$445., Jun. \$250., Sept. \$445 Annual Software Support/Maintenance | Software | 1,140.00 |

| | | |
|----------------------------------|--------------|-------------------|
| " THIS IS NOT AN INVOICE" | Total | \$2,160.00 |
|----------------------------------|--------------|-------------------|



"Transforming the way government works"

661 Plank Road • Clifton Park • New York • 12065 • Phone 518-371-6869 • Fax 518-371-8207

Tax Collection System Notes:

1. The Annual Software Maintenance Fee covers any State mandated changes and other software enhancements as well as unlimited telephone and remote assistance support.
2. There is a charge to process the RPS tax files for each tax cycle (town/county, village and/or school) which will be supplied by your County or service provider. The processing includes coordinating the receipt of the tax files as well as converting, reconciling and balancing the tax data to the warrant amount for your collection period; after balancing has been completed, BAS will send the tax collection file for loading on your computer along with a copy of the completed BAS Tax Processing Checklist.
3. System configuration and training hours are invoiced at our standard rate of \$960/day. Training will be conducted at your location, unless otherwise instructed. Travel expenses includes, but is not limited to, personal vehicle transportation at the Federal/State Mileage Rate of .565 cents/mile; train/air fare; lodging; parking; tolls and per diem meal expenses.
4. The BAS professional rate for consulting, systems analysis, custom software development or technical support is \$140 per hour; estimates will be provided in advance for client approval before this type of work would be initiated
5. Prospective purchasers should carefully review the BAS Windows Software Hardware/Network Guidelines to make certain their PC is adequate.
6. Internet Access is required for downloading software updates, email support and web-based technical support. BAS utilizes remote connection technology for off-site support; no 3rd party communications software is needed.
7. Installation support and training is normally completed within approximately 30-60 days after receipt of a confirmed order; however, the actual schedule is dependent on receiving confirmation that the client's computer system meets the BAS Windows Software Hardware/Network Guidelines.
8. To order the software, a 50% down payment is needed along with a signed purchase order or letter of commitment.



NOTICE OF AMENDMENT OF THE NYCLASS MUNICIPAL COOPERATION AGREEMENT

The Governing Board of the New York Cooperative Liquid Assets Securities System (NYCLASS) has several program changes designed to better serve the NYCLASS investment program. These program changes will serve to revitalize the program by enhancing its long-term viability in all economic environments.

Effective today, January 13, 2014, the Governing Board has approved and gives notice of an Amended and Restated NYCLASS Municipal Cooperative Agreement.

In summary, the Amended Agreement will serve to:

- 1) Bring the NYCLASS Investment Policy into conformity with all applicable New York State General Municipal Law public funds investment guidelines.**
- 2) Streamline the steps for certain amendments, by empowering the Governing Board to amend certain operational aspects of the Agreement, including the investment policy, which fully conforms to New York State Law. Thirty (30) days' notice to Participants is required for such changes.**
- 3) Allow for the potential creation of other investment options as market conditions change or improve over time.**

The current Agreement is being amended to accommodate these changes and other housekeeping items as described in the attached redline version for your review.

In accordance with Section 11.1 of the current Agreement, each Participant has until March 14, 2014 to execute the Amended Agreement reflecting these changes (form attached). Participants who have not completed the amendment shall be deemed to have given notice of withdrawal from the NYCLASS Program.

If you have any questions regarding the amendment process, please feel free to contact any member of the Governing Board (list attached) or Matthew Starr, NYCLASS Administrator, at matt.starr@newyorkclass.org, or 914-301-4070.

February 5, 2013

To: Jessica Zambrano, Supervisor

From: Sharon M Edick, Receiver of Taxes

Re: NY Class Resolution

NY Class is an approved investment firm as per our Organizational Meeting January 2, 2014. Our office, by NYS Law, can invest monies we are collecting during any tax cycle into this account. At the end of the tax cycle the interest earned is turned over to the Town.

NYS Class has been an investing tool for the Tax office since 1960. We have not used this tool since February of 2012 due to the plummeting interest rates. The account is currently inactive and I want to be able to use said account if the rates increase as predicted.

The signing of this resolution tells NY Class that the Town understands that there are to be changes in the agreement which are quite outdated, to more current language that complies with current General Municipal Law.



AMENDMENT DATED AS OF MARCH 14, 2014 TO THE NEW YORK COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM MUNICIPAL COOPERATION AGREEMENT AS AMENDED AND RESTATED AS OF APRIL 23, 2012

The Municipal Cooperation Agreement referenced above is hereby amended so that the following changes are made:

- 1) The NYCLASS Investment Policy better conforms to New York State General Municipal Law.
- 2) The Governing Board is empowered with the ability to further amend the Investment Policy without further amendment to the cooperative, but while still maintaining appropriate notice to Participants.
- 3) Allows for the potential creation of other investment options as market conditions change or improve over time.

Agreed to and accepted by:

Name of Entity: _____

Name of Signer: _____

Title of Signer: _____

Date Executed: _____

I hereby certify that the necessary actions required in order to approve this amendment have been taken by the _____ **and attached hereto is a copy of the resolution and/or minutes of the meeting at which such action was taken.**

Signature _____

Please return this form along with a copy of the resolution and/or minutes of the meeting at which such action was taken no later than March 14, 2014 to:

**NYCLASS Client Services
Attn: Matthew Starr
999 18th Street, Suite 1230
Denver CO, 80202**



TheNEWS

January 2014

Dear NYCLASS Participant:

Over the past year, the NYCLASS Governing Board has been engaged in a number of important program changes specifically designed to better serve the NYCLASS Participants for the future. By changing service providers last spring we are now positioned to revitalize the program. The steps described below will enhance NYCLASS's viability, enable it to operate more efficiently, provide a more competitive rate of return, and potentially offer additional investment products to the NYCLASS Participants.

Here are the NYCLASS changes to expect in the coming months:

1. Change in Custody Bank:

The Lead Participant (Village of Potsdam) in conjunction with the NYCLASS Governing Board has recently contracted with Wells Fargo Bank to provide the custodial services for NYCLASS effective March 1, 2014. Wells Fargo has a long and successful track record of managing local government investment pool custodial relationships nationwide and this change will allow for more efficient operations.

2. NYCLASS Municipal Cooperation Agreement Amended and Restated as of March 14, 2014:

In the coming days, we will again request that the NYCLASS Participants approve a new amended and restated Cooperation Agreement in order to modernize the document. In summary, the Governing Board will gain the authority to make minor changes (with 30 days' notice to the Participants) to the Cooperation Agreement, and NYCLASS investment policy will be updated to mirror General Municipal Law (GML).

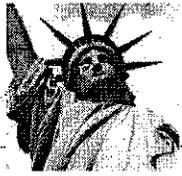
3. Updating the NYCLASS Investment Policy to mirror GML

The most impactful change being made to the Cooperation Agreement is an updated NYCLASS Investment Policy. This new proposed investment policy will mirror those investments currently allowed within GML, providing for additional investment opportunities that can enhance program yields, without changing the overall investment safety of the program.

To better serve you, the New York CLASS Participants, we ask that upon receipt of the notice of the Amended and Restated Cooperation Agreement that you please take the necessary steps to approve the Agreement. We thank you for your support and patience as we work through these important program updates. Should you have any questions regarding any of these changes, or about NYCLASS in general, please feel free to contact Matthew Starr, NYCLASS Administrator at (914) 301-4070 or via email at matt.starr@newyorkclass.org. Our NYCLASS Client Services Team can be reached at (855) 804-9980 or at clientservices@newyorkclass.org.

Thank you in advance,

Kathleen Saville
Chairperson, NYCLASS Governing Board



The ECONOMY

January 2014

The FOMC Makes Its Move

Heading into 2014, the U.S. economy appears to be on firmer ground. While not spectacular, economic growth remains solid and is forecasted to accelerate this year. The unemployment rate hovers near 7 percent and financial markets remain relatively calm. In addition, the two-year budget agreement Congress inked in December should alleviate any fear of another government shut-down in the near future.

Acknowledging the cumulative progress and improved outlook for the labor market, the Federal Open Market Committee (FOMC) has now taken the first step to unwind its unprecedented Quantitative Easing (QE) program. At the conclusion of its December meeting, the FOMC announced a "modest" reduction to the pace of its monthly bond purchases by tapering from \$85 to \$75 billion. Despite the decision to taper bond purchases, the Fed also stated that its benchmark target rate is likely to stay low "well past" the time unemployment drops below 6.5 percent, especially if projected inflation runs below 2.0 percent.

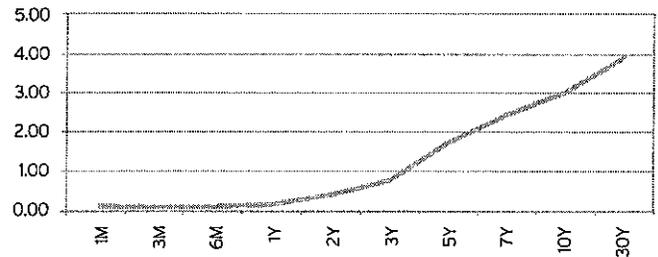
After months of market speculation, the FOMC's decision to taper its bond purchases did not come as a great surprise. However, Chairman Ben Bernanke reiterated that the future direction of QE remained data dependent. It is easy to forget that the FOMC had "ended" its bond purchases in 2010 and 2011, only to revive the QE program when economic growth faltered. The onus of steering monetary policy will now likely fall on Janet Yellen's shoulders, who is scheduled to take over as Chairwoman of the Federal Reserve in February. Now that tapering has begun, the market will focus on the pace of the FOMC's withdrawal and its far-reaching impact on the global economy.

Portfolio Strategy

Short-term rates continued to be anchored by the Fed's zero interest target rate policy, and this is unlikely to change anytime soon. Therefore, we remain focused on safety, liquidity and then yield. NYCLASS is rated AAAM by Standard & Poor's.

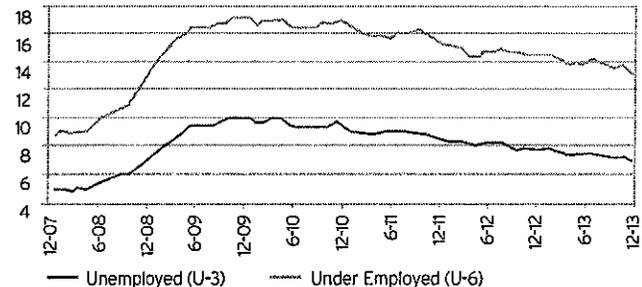
All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events. The information above is not a recommendation to buy, sell, implement or change any securities or investment strategy, function or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. Of course past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

US Treasury Curve



Source: Bloomberg

US Unemployment Rate



Source: Bloomberg

Treasury Yields

| MATURITY | 1/2/14 | 12/2/13 | CHANGE |
|----------|--------|---------|---------|
| 3 Month | 0.050% | 0.060% | -0.010% |
| 6 Month | 0.070% | 0.090% | -0.020% |
| 1-Year | 0.120% | 0.120% | 0.000% |

Source: Bloomberg

Agency Yields

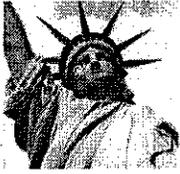
| MATURITY | 1/2/14 | 12/2/13 | CHANGE |
|----------|--------|---------|---------|
| 3 Month | 0.030% | 0.080% | -0.050% |
| 6 Month | 0.090% | 0.110% | -0.020% |
| 1-Year | 0.170% | 0.160% | 0.010% |

Source: Bloomberg

Current Economic Releases

| DATA | PERIOD | VALUE |
|-------------------|------------|-----------|
| GDP QoQ | Q3 '13 | 4.10% |
| US Unemployment | Nov '13 | 7.00% |
| ISM Manufacturing | Dec '13 | 57 |
| PPI YoY | Nov '13 | 0.70% |
| CPI YoY | Nov '13 | 1.20% |
| Fed Funds Target | Dec 18 '13 | 0 - 0.25% |

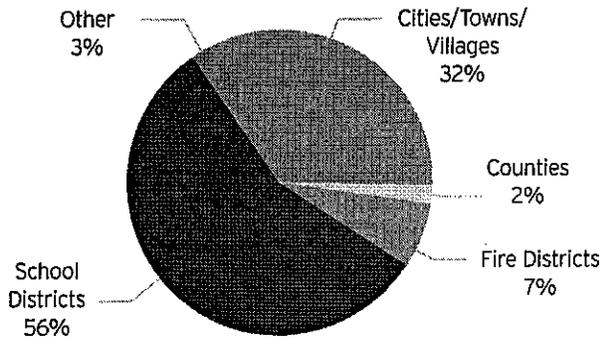
Source: Bloomberg



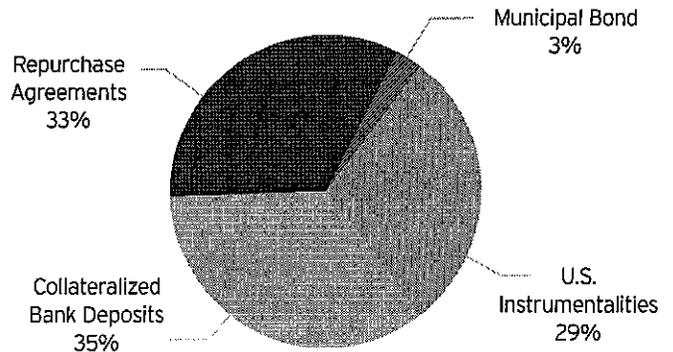
TheFUND

Fund Highlights as of December 31, 2013 (Unaudited)

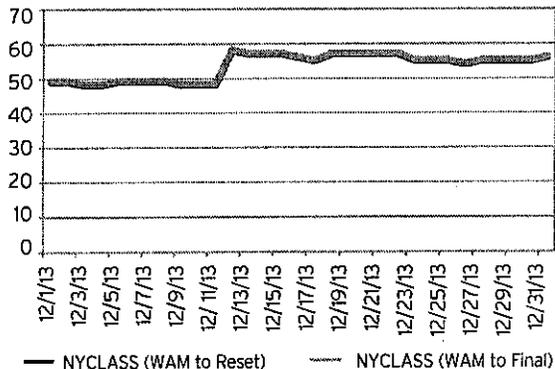
Participant Breakdown



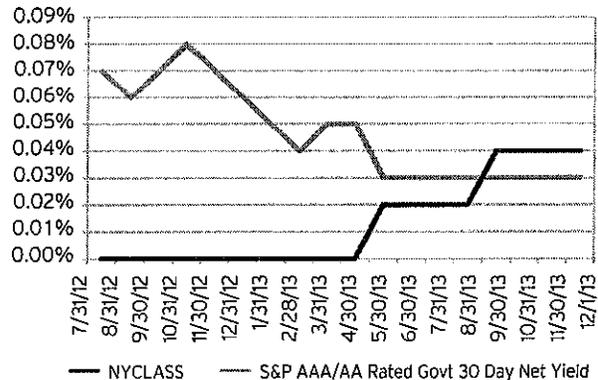
Portfolio Distribution



Weighted Average Maturity



NYCLASS vs S&P AAA/AA GIP* (30 Day Avg Yields)



| | Program Yields | Month Ending Assets |
|--------|----------------|---------------------|
| Oct-13 | 0.04% | \$186,002,269.22 |
| Nov-13 | 0.04% | \$180,573,399.61 |
| Dec-13 | 0.04% | \$159,783,562.94 |

Data Unaudited. All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events. The information above is not a recommendation to buy, sell, implement or change any securities or investment strategy, function or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. Additionally, past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

*The benchmark, the S&P US AAA & AA Rated GIP All 30 Day Net Yield (LGIP30D) is a performance indicator of rated GIPs that maintain a stable net asset value of \$1.00 per share and is an unmanaged market index representative of the LGIP universe. The S&P benchmark utilized in this comparison is a composite of all rated stable net asset value pools. GIPs in the index include only those rated based on Standard & Poor's money market criteria. Pools rated 'AAAm' provide excellent safety and a superior capacity to maintain principal value while those rated 'AAm' offer very good safety and a strong capacity to maintain principal value (Source: Standard & Poor's website.) The comparison between this index and the portfolio may differ in holdings, duration and percentage composition of each holding. Such differences may account for variances in yield. Past performance is not a guarantee of future results. Any financial and/or investment decision may incur losses.



MUNICIPAL COOPERATION RESOLUTION

WHEREAS, New York General Municipal Law, Article 5-G, Section 119-o ("Section 119-o" empowers municipal corporations [defined in Article 5-G, Section 119-n to include school districts boards of cooperative educational services, counties, cities, town and villages] and districts to enter into, amend, cancel and terminate agreements for the performance among themselves (or one for the other) of their respective functions, powers and duties on a cooperative or contract basis;

WHEREAS, the _____ wishes to invest certain of its available
Entity Name
investments funds in cooperation with other corporations and/or districts pursuant to a municipal cooperation agreement;

WHEREAS, the _____ wishes to assure the safety and liquidity
Entity Name
of its funds;

Now, therefore, it is hereby resolved as follows:

The _____ is hereby authorized to execute and deliver the Cooperative
Key Contact Name
Investment Agreement in the name of and on behalf of _____
Entity Name

Signature of Key Contact

Date

Title



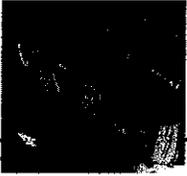
NYCLASS Governing Board 2014

| Name | Committees | Region/Term Expires |
|--|----------------------|---------------------|
| <p>Ms. Laurie Baum District Treasurer Bethpage Union Free SD 10 Cherry Avenue Bethpage, NY 11714 Phone: (516) 644-4035 Home: (631) 651-9318 Mobile: (631) 897-6340 lbaum@bethpage.ws</p> | Contract, Investment | V, 2016 |
| <p>Mr. Timothy Conway Deputy Superintendent Brewster Central SD 30 Farm to Market Road Brewster, NY 10509-9598 Phone: (845) 279-8000 ext. 6117 Home: (845) 294-1436 Mobile: (845) 656-7273 tconway@brewsterschools.org</p> | Contract, Investment | IV, 2015 |
| <p>Mr. Philip Cosmo City Comptroller City of Ogdensburg 330 Ford Street Ogdensburg, NY 13669 Phone: (315) 393-1860 Home: (315) 393-0752 Mobile: (315) 323-6550 pcosmo@ogdensburg.org</p> | By-Laws, Investment | III, 2015 |
| <p>Mr. Shawn Cullinane Village Clerk-Treasurer Village of Lindenhurst 430 South Wellwood Avenue Lindenhurst, NY 11757 Phone: (631) 957-7500 Home: (631) 225-1366 Mobile: (631) 897-4111 volaadmin@optonline.net</p> | By-Laws, Investment | V, 2014 |



NYCLASS Governing Board 2014

| Name | Committees | Region/Term Expires |
|--|------------------------------------|---------------------|
| <p>Ms. Lyn Derway Asst. Superintendent for Business Brunswick Central SD 3992 NY 2 Troy, NY 12180 Phone: (518) 279-4600 ext. 2603 Mobile: (518) 307-0302 lderway@brittonkill.k12.ny.us</p> | Executive (Vice-Chair), Investment | III, 2014 |
| <p>Mr. David Fenton, Lead Participant Village Administrator Village of Potsdam P.O. Box 5168 Potsdam, NY, 13676 Phone: (315) 265-5770 Home: (315) 353-2822 Mobile: (315) 244-9145 dfenton@vi.potsdam.ny.us</p> | By-Laws, Investment | III, 2016 |
| <p>Mr. William Furlong Assistant Superintendent Cazenovia Central SD 31 Emory Avenue Cazenovia, NY 13035 Phone: (315) 655-5351 Home: (315) 655-2103 Mobile: (315) 440-6838 bfurlong@caz.cnyric.org</p> | Yield, Investment | II, 2015 |
| <p>Mr. Gregory W. Kern Asst. Superintendent for Business Washingtonville CSD 52 West Main Street Washingtonville, NY 10992 Phone: (845) 497-4000 ext. 27033 Home: (716) 434-0120 Cell: (845)476-0996 Mobile: (845) 497-4030 gkern@ws.k12.ny.us</p> | Yield, Investment | II, 2016 |



NYCLASS Governing Board 2014

| Name | Committees | Region/Term Expires |
|--|-------------------------------|---------------------|
| <p>Ms. Kathleen Saville Business Administrator Holley Central School 3800 North Main Street Holley, NY 14470 Phone: (585) 638-6316 ext. 2001 Home: (585) 584-3523 Mobile: (716) 474-4369 FAX: (585)638-7409 ksaville@holleycsd.org</p> | Executive (Chair), Investment | I, 2016 |
| <p>Ms. Kathleen Ryan Rye City School District Administrative Offices 411 Theo. Fremd Ave. Suite 100S Rye, NY 10580 Phone: (914) 523-5696 KathleenARyan@hotmail.com</p> | None | IV, 2014 |
| <p>Mr. Robert Wheeling District Treasurer Howells Fire District 103 Mapes Road Middletown, NY 10940 Phone: (845) 386-2000 Home: (845) 386-4138 Mobile: (845) 742-2255 rwheels@warwick.net</p> | By-Laws, Investment | II, 2014 |
| <p>Mr. John Ireland, Executive Director 270 Howard Avenue, WE Jamestown, NY 14701 Home: (716) 484-8397 Mobile: (716) 397-7127 Johnireland7@yahoo.com</p> | | |



NYCLASS Governing Board 2014

| Name | Committees | Region/Term Expires |
|------|------------|---------------------|
|------|------------|---------------------|

Terms Expire January 31 of each year

Vacancy Region I (2)

Vacancy Region IV (1)

Vacancy Region V (1)

Regional Summary

| | |
|------------|---|
| Region I | (Saville, <i>Vacancy</i> , <i>Vacancy</i>) |
| Region II | (Furlong, Kern, Wheeling) |
| Region III | (Cosmo, Derway, Fenton) |
| Region IV | (Conway, Ryan, <i>Vacancy</i>) |
| Region V | (Baum, Cullinane, <i>Vacancy</i>) |

| | |
|--------------|-----------|
| Total | 15 |
|--------------|-----------|

PT Asset Management:

Thomas D. Jordan, President

PT Asset Management
 777 Westchester Avenue
 Suite 101
 White Plains, NY 10604
 Phone: (914) 301-4065
 Cell: (203) 313-4694
tom.jordan@ptassetmanagement.com

Matthew Starr, Vice President

PT Asset Management
 777 Westchester Avenue
 Suite 101
 White Plains, NY 10604
 Phone: (914) 301-4070
 Cell: (720) 775-5088
matt.starr@ptassetmanagement.com

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

Cooperative Liquid Assets Securities System
MUNICIPAL COOPERATION AGREEMENT
Pursuant to New York General Municipal Law,
Articles 3-A and 5-G

AMENDED AND RESTATED

AS OF ~~OCTOBER 20, 1999~~ MARCH 14, 2014

Among

THE DISTRICTS AND MUNICIPAL CORPORATIONS
THAT HAVE ADOPTED THIS AGREEMENT

as Participants

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

TABLE OF CONTENTS

| | | |
|--------------|--|----|
| ARTICLE I. | DEFINITIONS | |
| ARTICLE II. | CONTRIBUTIONS, ADJUSTMENTS AND PAYMENTS | |
| 2.1. | GENERAL | 4 |
| 2.2. | CASH CONTRIBUTIONS | 4 |
| 2.3. | OTHER CONTRIBUTIONS | 4 |
| 2.4. | ADJUSTMENTS | 5 |
| 2.5. | PAYMENTS | 5 |
| 2.6. | SUSPENSION OF REQUESTS; POSTPONEMENT OF PAYMENTS | 6 |
| 2.7. | RECORDS | 6 |
| 2.8. | CONFIRMATION | 6 |
| ARTICLE III. | THE LEAD PARTICIPANT | |
| 3.1. | TERM | 7 |
| 3.2. | RESIGNATION | 7 |
| 3.3. | FUNCTION | 7 |
| 3.4. | LEAD FISCAL OFFICER | 7 |
| ARTICLE IV. | THE GOVERNING BOARD | |
| 4.1. | GENERAL | 8 |
| 4.2. | TERMS AND ELECTION OF GOVERNING BOARD MEMBERS | 8 |
| 4.3. | CACANCIES ON THE GOVERNING BOARD | 8 |
| 4.4. | POWERS AND RESPONSIBILITIES OF THE GOVERNING BOARD | 9 |
| 4.5. | DELEGATION OF POWER | 9 |
| 4.6. | INVESTMENT POWERS | 9 |
| 4.7. | TRANSACTIONS INVOLVING AFFILIATES | 10 |
| 4.8. | NO BORROWING | 10 |
| ARTICLE V. | REPRESENTATIONS AND WARRANTIES | |
| 5.1. | DISRICT OR MUNICIPAL CORPORATION | 11 |
| 5.2. | APPROVALS | 11 |
| 5.3. | HEARINGS, REFERENDA AND CONSENTS | 11 |
| 5.4. | EXECUTION, ENFORCEABILITY | 11 |
| 5.5. | ACCURACY OF CERTIFICATES | 11 |
| ARTICLE VI. | COVENANTS | |
| 6.1. | SOURCE OF CONTRIBUTIONS | 11 |
| 6.2. | TRUTH OF REPRESENTATIONS | 11 |
| 6.3. | RESIGNATION OF LEAD PARTICIPANT | 11 |
| 6.4. | SUPPLEMENTAL INFORMATION | 11 |

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

| | | |
|--|--|-----------|
| 6.5. | NOT A MONEY MARKET FUND | 12 |
| ARTICLE VII. PARTICIPANTS | | |
| 7.1. | GENERAL | 12 |
| 7.2. | ADMISSION | 12 |
| 7.3. | WITHDRAWAL | 12 |
| 7.4. | FORCED WITHDRAWAL | 12 |
| ARTICLE VIII. STATEMENTS AND REPORTS | | |
| 8.1. | MARKET VALUATION | 13 |
| 8.2. | REPORTS | 13 |
| ARTICLE IX. THE INVESTMENT ADVISOR | | |
| 9.1. | APPOINTMENT | 13 |
| 9.2. | SUB-INVESTMENT ADVISORS | 13 |
| 9.3. | FUNDS | 14 |
| 9.4. | SPECIAL SUB-ACCOUNTS | 14 |
| ARTICLE X. THE ADMINISTRATOR | | |
| 10.1. | APPOINTMENT | 15 |
| 10.2. | SUCCESSORS | 15 |
| ARTICLE XI. AMENDMENT AND TERMINATION | | |
| 11.1. | AMENDMENT | 15 |
| 11.2. | STREAMLINED STEPS FOR CERTAIN AMENDMENTS | 16 |
| 11.3. | TERMINATION | 16 |
| ARTICLE XII. MISCELLANEOUS | | |
| 12.1. | GOVERNING LAW | 17 |
| 12.2. | COUNTERPARTS | 17 |
| 12.3. | RELIANCE BY THIRD PARTIES | 17 |
| 12.4. | PROVISIONS IN CONFLICT WITH LAW | 18 |
| 12.5. | GENDER; SECTION HEADINGS | 18 |
| 12.6. | NO ASSIGNMENT | 18 |
| 12.7. | NO PARTNERSHIP | 18 |
| 12.8. | CONSTRUCTION OF POWERS | 18 |
| 12.9. | NOTICE | 18 |
| EXHIBIT A | | 20 |

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

MUNICIPAL COOPERATION AGREEMENT made pursuant to New York General Municipal Law, Articles 3-A and 5-G (collectively, the "Act"), amended and restated as of October 20, 1999 and further amended April 23, 2012, by and among the Village of Potsdam and each district and municipal corporation, as defined in the Act, that enters into this Agreement pursuant to the Section 8.1. hereof (collectively, together with the Village of Potsdam, the "Participants").

WITNESSETH:

WHEREAS, each Participant wishes to invest a certain portion of its available investment funds in cooperation with the other Participants in one or more of the several investment funds to be created herein to enhance its investment returns, assure the safety and liquidity of its invested funds and strictly limit its potential liability under or in connection with this Agreement;

WHEREAS, each Participant is a district (including, but not limited to, a school district or a board of cooperative educational services) or municipal corporation as defined in Section 119-n of the Act;

WHEREAS, the Act empowers districts and municipal corporations to enter into, amend, cancel and terminate agreements for the performance among themselves (or one for the other) of their respective functions, powers and duties on a cooperative or contract basis;

WHEREAS, this Agreement has been approved by a majority vote of the voting strength of the governing body of each Participant or certified by the chief fiscal officer of a Participant as approved by such Participant; and

WHEREAS, each Participant has, to the extent any general or special law would require it to do so before performing by itself any function, power or duty that may be performed under this Agreement, held all necessary public hearings, conducted all necessary referenda and obtained all necessary consents of government agencies and has satisfied all other requirements applicable to the making of contracts;

WHEREAS, the Participants include all of the Participants under the Municipal Cooperation Agreement made pursuant to New York General Municipal Law, Article 5-G, Section 119-o, as of September 19, 1989, amended and restated as of July 20, 1992, amended and restated as of October 30, 1999, and as amended April 23, 2012, by and among the Participants which have approved this amendment and restatement thereof and additional districts and municipal corporations which have determined to enter into this Agreement subsequent to the date of its amendment and restatement;

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained herein, each Participant hereby acts and agrees (but without prejudice to any rights previously accrued pursuant to the Agreement as heretofore in effect) as follows:

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

ARTICLE I.
DEFINITIONS

"Administrator" means any Person or Persons appointed, employed or contracted with by the Governing Board pursuant to Section 4.4 (b) hereof.

"Affiliate" means, with respect to any Person, another Person directly or indirectly in control of, controlled by or under common control with such Person, or any officer, director, partner or employee of such Person.

"Balance" for each Participant means an amount initially equal to zero that is adjusted pursuant to Article II hereof to reflect, among other things, cash contributions by such Participant, cash payments to such Participants, expenses and investment results.

"Business Day" means a day on which banks are not required or authorized by law to close in New York City.

"Chief Fiscal Officer" or "Fiscal Officer" of a Participant means, at any time, the fiscal officer of such Participant who is, at such time, charged by such Participant with the custody, investment and administration of funds. For purposes of this Agreement, each Participant shall be deemed at any time to have only a single Fiscal Officer.

"Cooperative Investment Agreement" or "Agreement" means this temporary investment of moneys by more than one municipal corporation pursuant to a Municipal Corporation Agreement entered into in accordance with the provisions of the Act.

"Contribution Procedures" means the procedures for making contributions to ~~the Joint Property~~ the Investment Property adopted from time to time by the Governing Board.

"Custodian" means any Person or Persons appointed, employed or contracted with the Lead Participant pursuant to Section 3.3 (b) hereof.

"Custody Agreement" means the agreement between the Lead Participant and ~~the~~ a Custodian as the same may be amended from time to time.

"Fund" means a group or category of Permitted Investments established, maintained and liquidated from time to time by the Chief Fiscal Officer pursuant to the Services Agreement and the Custody Agreement.

"Governing Board" shall administer the provisions of this Agreement and has the powers set forth in Article IV hereof.

"Investment Advisor" means any Person or Persons appointed, employed or contracted with by the Governing Board pursuant to Section 4.4 (b) hereof ~~means MBIA Municipal Investors Service Corporation, also known as "MBIA-MISC."~~

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

"Investment Policy" means the investment policy related to a Fund and the auditing procedures set forth in Exhibit A as the same may be amended from time to time pursuant to Section 11.12 hereof.

"Irrevocable Letter of Credit" means an irrevocable letter of credit issued in favor of every Participant in the Agreement by a 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 the three highest rating categories (based on the credit of such bank or holding company) by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.

"Investment Joint Liability" means any liability (whether known, unknown, actual, contingent or otherwise) incurred in connection with the ~~Joint Investment~~ Property pursuant to this Agreement.

"Joint Agreement" means any agreement entered into by the Governing Board pursuant to this Agreement.

"Investment Joint Property" means any and all property, real, personal or otherwise, tangible or intangible, comingled within a Fund, which is transferred, conveyed or paid to the account of the Lead Participant by any Participant pursuant to Section 2.2 or 2.3 hereof and all proceeds, income, profits and gains therefrom that have not been distributed to a Participant pursuant to Section 2.5 hereof, used to discharge a ~~Joint Liability~~ or offset by losses and expenses.

"Investment Property Joint Value" means the value of ~~the any Investment Joint~~ Property net of the amount of the ~~Joint Investment~~ Liabilities as determined pursuant to Section 2.4 hereof and the Valuation Procedures.

"Laws" means common law and all ordinances, statutes, rules, regulations, orders, injunctions, decisions, opinions or decrees of any government or political subdivision or agency thereof, or any court or similar entity established-by any thereof.

"Lead Fiscal Officer" means, at any time, the Fiscal Officer of the Lead Participant at such time.

"Lead Participant" means any Participant that consents to acting as Lead Participant, but solely in its capacity as Lead Participant hereunder, and not individually, that is nominated as Lead Participant and is appointed by a majority of the Governing Board and is appointed by an amendment hereto as provided in Section 11.2.

"Payment Procedures" means the procedures for requesting payments out of the ~~Joint Property~~ one or more of the Funds as adopted from time to time by the Governing Board.

"Permitted Investments" means the types of investments set forth under the heading "Legally Permitted Investments" in Exhibit A hereto, as the same may from time to time be amended in accordance with his Agreement and held, unless registered, only in a bank or trust company located and authorized to do business in the State in United States funds and United States currency, and no investment shall be held in a foreign bank, a foreign country or a foreign branch of the Custodian or in a United States bank's office or branch located in a foreign country.

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

"Person" means any municipal corporation, district, corporation, natural person, firm, joint venture, partnership, trust, unincorporated organization, group, government, or any political subdivision, department or agency of any government.

"Services Agreement" means the agreement between the Governing Board and the Administrator and/or Investment Advisor, as the same may be amended from time to time, providing for administrative and investment advisory services to the Governing Board.

"Total Balances" means the aggregate total of the Participants' Balances within a Fund.

"Valuation Procedures" means the procedures for determining the ~~Joint~~Investment Value adopted from time to time by the Governing Board.

ARTICLE II.
CONTRIBUTIONS, ADJUSTMENTS AND PAYMENTS

2.1. **General.** Except as otherwise provided in this Agreement:

(a) no Participant shall have any beneficial interest in the ~~Joint~~Investment Property, including earnings;

(b) no Participant can be called upon to share or assume any ~~Joint~~Investment Liabilities, including losses in connection with the ~~Joint~~Investment Property, or suffer an assessment of any kind by virtue of its being a Participant;

(c) no Participant is entitled to any preference, preemptive, appraisal, conversion or exchange rights of any kind in connection with this Agreement or the ~~Joint~~Investment Property;

(d) no Participant shall have any right to call for any partition or division of any ~~Joint~~Investment Property; and

(e) each Participant's rights under this Agreement shall be personal property giving only the rights specifically set forth in this Agreement.

2.2. **Cash Contributions.** Unless otherwise determined by the Governing Board, each Participant may, from time to time, increase its Balance by making a payment to the Custodian for the account of the Lead Participant in accordance with the Contribution Procedures. Each time that a Participant makes such a payment, its Balance shall be increased (as of the time specified in the Contribution Procedures) by the amount of such payment. The minimum amount that may be contributed pursuant to this section 2.2 at any one time shall be the minimum contribution specified in the Contribution Procedures.

2.3. **Other Contributions.** Each Participant may, from time to time, if previously approved by the Governing Board, transfer to the Custodian, for the account of the Lead Participant property of a type other than cash that is a Permitted Investment. Each such transfer must be made in accordance with the terms and conditions specified by the Governing Board. Each time that a Participant makes such a transfer, it shall receive a written confirmation of such transfer and its Balance shall be increased by the amount, or according to the formula, specified by the Governing Board. Any approval by the

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

Governing Board in connection with this Section 2.3 shall be made in the sole discretion of the Governing Board and may specify such terms and conditions as the Governing Board may deem to be in the best interests of the Participants taken as a whole, as evidenced by its adoption thereof.

2.4. Adjustments.

(a) Immediately upon the determination of the ~~Joint~~Investment Value on each Business Day pursuant to Section 2.4 (b) hereof or from time to time pursuant to Section 2.4 (c) hereof, the Participants' Balances shall be increased or decreased proportionately (and rounded to the nearest whole cent) such that after such adjustment the Total Balances shall be equal, as nearly as practical, to the ~~Joint~~Investment Value as so determined.

(b) The ~~Joint~~Investment Value shall be determined once on each Business Day at the time and in the manner provided in the Valuation Procedures.

(c) In addition, the Governing board may determine the ~~Joint~~Investment Value in the manner provided in the Valuation Procedures at or as of any additional time that the Governing Board may deem to be appropriate, as evidenced by its so doing.

(d) For purposes of calculating the Investment Value, the amount of any uncertain or contingent ~~Joint~~Investment Liability shall be deemed to be equal to the amount of the reserve, if any, against such ~~Joint~~Investment Liability that has been approved from time to time by the Governing Board.

(e) For purposes of calculating the ~~Joint~~Investment Value, if the value of any part of the ~~Joint~~Investment Property is uncertain, the value of such part of the ~~Joint~~Investment Property shall be deemed to be equal to the amount determined from time to time by the Governing Board.

(f) A Participant's Balance can also be adjusted as provided in section 2.-7 hereof.

2.5. Payments.

(a) Subject to the terms and conditions of the Agreement,

(i) each Participant shall have the right from time to time to request, in accordance with the Payment Procedures, the payment of it, or on its behalf, of any amount (rounded to the nearest whole cent) that is less than or equal to its Balance at the time that payment is made pursuant to such request; and

(ii) upon the receipt of any such request, the requested amount (rounded to the nearest whole cent) shall be paid, out of the ~~Joint~~Investment Property, to, or on behalf of, such Participant.

(b) Subject to the terms and conditions of this Agreement, the Governing Board may from time to time, in its discretion, pay to a Participant, out of the ~~Joint~~Investment Property, any amount (rounded to the nearest whole cent) that is less than or equal to such Participant's Balance at the time payment is made.

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

(c) Whenever any payment is made to, or on behalf of, any Participant out of the ~~Joint~~Investment Property, such Participant's Balance shall be reduced by the amount of such Payment.

2.6. Suspension of Requests; Postponement of Payments.

(a) Each Participant agrees that the Governing Board may, without prior notice, temporarily suspend the Participants' right to request payments out of the ~~Joint~~Investment Property or postpone the time or date of payment for requests already made for the whole or any part of any period (i) during which trading in the securities generally on the New York Stock Exchange or the American Stock Exchange or the over-the-counter market shall have been suspended or minimum prices or maximum daily changes shall have been established on such exchange or market, (ii) a general banking moratorium shall have been declared by federal or New York State authorities or (iii) there shall have occurred any outbreak, or material escalation, of hostilities, or other calamity or crisis, the effect of which on the financial markets of the United States is such as to make it, in the judgment of the Governing Board, impracticable (a) to dispose of the ~~Joint~~Investment Property because of the substantial losses which might be incurred or (b) to determine the ~~Joint~~Investment Value in accordance with the Valuation Procedures. Each Participant shall be immediately notified by telephone or telegraph in the event that such a suspension or postponement is commenced. Such a suspension or postponement shall not itself directly alter or affect a Participant's Balance. Such a suspension or postponement shall take effect at such time as is determined by the Governing Board, and thereafter, there shall be no right to request or receive payment until the first to occur of: (a) the time at which the Governing Board declares the suspension or postponement at an end, such declaration to occur on the first day on which the period specified in clause (i) or (ii) above shall have expired; and (b) the end of the first day on which the Governing board no longer reasonably believes that the period specified in clause (iii) above is continuing. Any Participant that requested a payment prior to any suspension or postponement of payment may withdraw its request at any time prior to the termination of the suspension or postponement.

(b) Each Participant and the State Comptroller will receive immediate notification of any event or circumstance that may require a deferral of distributions or may cause investment losses not anticipated by the Investment Policy and of any other material adverse event relating to the investments made under this Agreement.

2.7. Records. The Governing Board shall, or shall cause the Administrator to collect, and to maintain for three years (or such longer period as may be required under any applicable Laws), written records of all transactions affecting the ~~Joint~~Investment Property or the Balances, including, but not limited to: (a) contributions by and payments to or on behalf of Participants; (b) acquisitions and dispositions of ~~Joint~~Investment Property; (c) pledges and releases of collateral securing the ~~Joint~~Investment Property; (d) determinations of the ~~Joint~~Investment value; (e) adjustments to the Participants' Balances; and (f) the current Balance for each Participant. There shall be a rebuttable presumption that any such records are complete and accurate.

2.8. Confirmation. Each Participant shall receive written confirmation of each contribution made by or distribution made to the Participant no later than the following business day after which the contribution or distribution occurs.

**ARTICLE III.
THE LEAD PARTICIPANT**

3.1. **Term.** The Lead Participant shall continue to serve as Lead Participant until it resigns pursuant to this Article III, it withdraws from this Agreement pursuant to Section 7.3 hereof or this Agreement is amended (pursuant to Section 11.4~~2~~ hereof) to name a new Lead Participant.

3.2. **Resignation.** The Lead Participant may resign as Lead Participant only upon giving at least ninety-day's written notice of such resignation to the Governing Board.

3.3. **Function.**

(a) Monies to be invested pursuant to this Agreement and the investments made pursuant to this Cooperative Investment Agreement shall be held in the custody of the Lead Participant on behalf of all Participants. Monies or investments held in the custody of the Lead Participant shall not be commingled with other monies or investments of the Lead Participant.

(b) The Lead Participant shall at all times employ as Custodian a bank or trust company that qualifies under applicable New York Law as a custodian for investments of Participants and has been approved by both the governing Board and the board of the Lead Participant. The Lead Participant may also authorize the Custodian to employ one or more Sub-Custodians from time to time that qualify under applicable New York Law as custodians for investments of Participants and have been approved by the Governing Board.

3.4. **Lead Fiscal Officer.** The Lead Participant shall perform any and all of its duties under this Agreement through the Lead Fiscal Officer, and every decision made or action taken by the Lead Fiscal Officer in the name of the Lead Participant shall be for and on behalf of the Lead Participant acting on behalf of all the Participants. The Lead Participant hereby expressly authorized the Lead Fiscal Officer to take such actions in the name of and on behalf of the Lead Participant as he shall deem to be in the best interests of the Participants taken as a whole. In addition to any requirements under the applicable Laws, the Governing Board may require the Lead Fiscal Officer to be bonded upon such terms as it deems appropriate.

**ARTICLE IV.
THE GOVERNING BOARD**

4.1. General.

(a) This Agreement shall be administered by a Governing Board. The numerical membership of the Governing Board shall be not less than ten percent of the total number of Participants in the Agreement as of April first of each year; provided, however, that in no event shall the numerical membership be less than three, except in those instances where this Agreement has only two Participants, in which event the membership of the Governing Board shall be two; and provided further that in no event shall the numerical membership of the Governing Board be more than fifteen. All Governing Board members shall be Chief Fiscal Officers of Participants or such other officers or employees of Participants having knowledge and expertise in financial matters.

(b) A quorum of the Governing board members must be present to transact any Governing Board business. Two-thirds of the membership shall constitute a quorum. To transact any business or exercise any power, the Governing Board shall act by a majority vote of the members present at any meeting at which a quorum is in attendance. A member of the governing Board may designate a representative to attend meeting, vote or otherwise act on his or her behalf. The Governing Board shall meet at least quarterly at dates and times to be established by the Governing Board.

(c) All Governing Board members must have an appropriate bond or undertaking in an amount to be determined by the Governing Board. The cost of such bond or undertaking shall be deemed to be an expense incurred by the Governing Board in administering the investments made pursuant to this Agreement.

(d) No Governing Board member may receive compensation for service as a Governing Board member, but may be reimbursed for actual and necessary expenses incurred in the performance of his or her official duties as a Governing Board member.

4.2. Terms and Election of Governing Board Members. Of the initial Governing Board members, one-third shall serve one year terms, one-third shall serve two year terms, and one-third shall serve three year terms. Thereafter, all Governing Board members shall serve three year terms. An annual election shall be held for those members whose terms have expired. The election of the initial Governing Board members shall be held eighty five days after the date on which the participants enter into this Agreement. Thereafter, the governing Board shall establish an annual date for the election. All Participants shall be given at least thirty days' notice of an election and the opportunity to vote by mail, ~~or proxy, or electronic means as defined by the Governing Board.~~ Candidates for Governing Board membership shall be nominated by the Participants they represent.

4.3. Vacancies on the Governing Board. If a member becomes ineligible for office because he or she is no longer the Chief Fiscal Officer or other officer or employee of a Participant or the municipal corporation he or she represents is no longer a Participant in the Agreement, or if for any other reason a member resigns or can no longer fulfill the obligations of membership, then the remaining members of the Governing Board may appoint an eligible Chief fiscal Officer to fill the

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

vacancy until the next annual election at which time the unexpired term of the vacancy shall be filled in the same manner as all Governing Board member positions.

4.4. **Powers and Responsibilities of the Governing Board.**

(a) The Governing Board shall have the following powers and responsibilities: (i) administering all aspects of this Agreement; (ii) entering into those contracts deemed appropriate to assist in the management of the Agreement; (iii) monitoring compliance with the investment policy established under this Agreement (iv) monitoring compliance with the maturity limitations established under this Agreement; (v) monitoring compliance with the reporting and disclosure requirements established under this Agreement; (vi) testing the investments made pursuant to this Agreement, at least once a month, for sensitivity to changes in interest rates. The Governing Board shall adopt a testing methodology that is reasonably designed to reliably quantify the effect of a change in interest rates on the market value of the investment portfolio; (vii) to secure an Irrevocable Letter of Credit in an amount sufficient to cover any potential losses as quantified pursuant to the testing described in part (vi) of this paragraph, the cost of such Irrevocable Letter of Credit to be deemed an expense incurred by the Governing board in administering the investments made pursuant to this Agreement; and (viii) should the Governing Board obtain a rating from a nationally recognized statistical rating organization, such rating and any subsequent changes therein shall be disclosed to each Participant.

(b) The Governing Board may procure the services of professionals such as an Administrator, Investment Advisor, Independent Auditor, Custodial Bank, and any other professional services it deems appropriate to assist the Governing Board in fulfilling its responsibilities under this Agreement, provided that: (i) the professionals who will render such service, individually and collectively, shall meet all qualifications deemed appropriate by the Governing Board; (ii) the procurement of such services shall be in compliance with Section 104-b of the General Municipal Law, subject to a request for proposal process at least every three years; (iii) the contracts for such services shall ensure compliance with the requirements of Sections 10 and 11 of the General Municipal Law; and (iv) the charges, fees and other compensation for any contracted serves shall be clearly stated in written service contracts.

4.5. **Delegation of Powers.** The Governing Board may delegate the daily responsibilities of making investments decisions pursuant to this Agreement to the Lead Fiscal Officer of the Lead Participant, provided that such delegation shall in no way relieve the Governing Board of its responsibilities under this Agreement, and provided further that such Lead Fiscal Officer has an appropriate bond or undertaking, the cost of which shall be deemed to be an expense incurred by the Governing Board in administering the investments made pursuant to this Agreement, in an amount to be determined by the Governing Board.

4.6. **Investment Powers.** The Governing Board is permitted to make Permitted Investments only in accordance with this Agreement. Except as otherwise provided in this Agreement, the Governing Board shall have full authority and power to make any and all Permitted Investments within the limitations of this Agreement that it, in its absolute discretion, shall determine to be advisable and appropriate as evidenced by its so doing, regardless of whether such investments may be held or retained by trustees or fiduciaries. The Governing Board shall have no liability for loss with respect to Permitted Investments made within the terms of this Agreement, even if such investments were of a character, or in an amount, not considered proper for the investment of trust funds by trustees or other fiduciaries.

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

4.7. **Transactions Involving Affiliates.** Any provision of this Agreement to the contrary notwithstanding, except to the extent restricted by any applicable Law or the Investment Guidelines:

(a) the Governing Board may approve, enter into and ratify transactions in which the Investment Advisor is acting as principal;

(b) without limiting the foregoing, the Governing Board may enter into transactions with any Participant, the Investment Advisor, the Administrator, the Custodian or any Affiliate, officer, director, employee or agent of any of the foregoing (except that in no event shall the Governing Board enter into any transaction with any of the officers, directors, employees or agents of any Participant, including, but not limited to, the Lead fiscal Officer) if (i) each such transaction has, after disclosure of such affiliation, been approved or ratified by the affirmative vote of a majority of the members of the Governing Board, including a majority of the members then in office who are not Affiliates of any Person (other than the Participants as Participants) who is a party to the transaction and (ii) such transaction is, in the opinion of the Lead Fiscal Officer, as evidenced by a written declaration stating such opinion, on terms fair and reasonable to the participants and at least as favorable to them as similar arrangements for comparable transactions (of which the Lead Fiscal Officer has knowledge) with organizations unaffiliated with the Participants or with the other Person who is a party to the transaction;

(c) In the absence of fraud, a contract, act or other transaction, made, done or entered into by the Governing Board pursuant to this Agreement (unless entered into with any of the officers, directors, employees or agents of any Participant, including, but not limited to, the Lead Fiscal officer), is valid, and no advisor, Participant or Affiliate, member of the Governing Board, officer, employee or agent of any of the foregoing (including, but not limited to, the Lead participant) shall have any liability by reason of one or more of such Persons, individually or jointly with others, being a party or parties to, being directly interested in, or being affiliated with, such contract, act or transaction, or any party thereto, provided that such interest or affiliation is disclosed to the Governing Board and the Governing Board authorizes such contract, act or other transaction in writing; and

(d) any advisor, Participant or Affiliate, officer, employee, or agent of any of the foregoing may, in his personal capacity, or in a capacity as trusted, officer, director, stockholder, partner, member, agent, advisor or employee of any Person, have business interests and engage in business activities in addition to those relating to this Agreement, which interests and activities may be similar to those contemplated by this Agreement and may include the acquisition, syndication, holding, management, operation or disposition of securities, investments and funds, for such Person's own account or for the account of other Person(s). No Person shall have any obligation to present to the Governing Board any investment opportunity which comes to him in any capacity other than solely as advisor, Lead Fiscal Officer or Participant, even if such opportunity is of a character which, if presented to the Governing Board, could be taken by the Governing Board.

4.8. **No Borrowing.** Neither the Governing Board nor the Lead Participant shall have the power to borrow money or incur indebtedness under this Agreement.

**ARTICLE V.
REPRESENTATIONS AND WARRANTIES**

5.1. **District or Municipal Corporation.** Each Participant hereby represents and warrants to the other Participants that it is a municipal corporation or district as such terms are defined in the Act.

5.2. **Approvals.** Each Participant hereby represents and warrants to the other Participants that this Agreement has been approved by a majority vote of the voting strength of its governing body.

5.3. **Hearings, Referenda and Consents.** Each Participant hereby represents and warrants to the other participants that it has, to the extent any general or special law would require it to do so before performing by itself any function, power or duty that may be performed under this Agreement, held all necessary public hearings, conducted all necessary referenda and obtained all necessary consents of governmental agencies and satisfied all other requirements applicable to the making of contracts.

5.4. **Execution, Enforceability.** Each Participant hereby represents and warrants to the other Participants that it has duly executed this Agreement in accordance with its internal procedures and that this Agreement is binding upon and enforceable against such Participant.

5.5. **Accuracy of Certificates.** Each Participant hereby represents and warrants to the other Participants that each of the certificates delivered heretofore or hereafter by such Participant pursuant to this Agreement, as of the date specified therein, is true and complete and contains no material misstatements of fact or omissions that render them misleading to the Governing Board or any other Participant.

**ARTICLE VI.
COVENANTS**

6.1. **Source of Contributions.** Each Participant covenants that all contributions made to the ~~Joint Investment~~ Property by it shall be from funds which it is permitted, pursuant to the provisions of the statutes, local laws, resolutions, ordinances, charters, code rules, regulations, and agreements applicable to such Participant to invest and otherwise apply in the manner contemplated by this Agreement.

6.2. **Truth of Representations.** Each Participant covenants that it shall withdraw from this Agreement pursuant to Section 7.3 hereof prior to the time that any of the representations made by it pursuant to Article V hereof ceases to be true.

6.3. **Resignation of Lead Participant.** The Lead Participant covenants that it shall not resign as Lead Participant except in accordance with Section 3.2 hereof.

6.4. **Supplemental Information.** Each Participant covenants that if at any time any certificate delivered by it pursuant to this Agreement shall at such time be incomplete or false or contain material misstatements of fact or omissions that render it misleading (including, but not limited to, changes in incumbent officers), such Participant shall deliver promptly to the Governing Board a new certificate that sets forth the correct information.

6.5. **Not a Money Market Fund.** No Fund shall be operated at any time by the Lead Participant or the Governing Board under the provisions of any Third Party Agreement as a "Rule 2a-7-like money market fund" as that term is defined in 17 C.F.R. 270.2a-7.

**ARTICLE VII.
PARTICIPANTS**

7.1. General.

(a) Each Participant shall have an undivided interest in monies and investments held by the Lead participant on behalf of the participants in the proportion that the total amount of Contributions made by that Participant bears to the total amount of Contributions by all the Participants.

(b) Each Participant shall annually receive, and each prospective participant shall receive prior to their participation in the Agreement, an information statement that shall include the following: (i) a brief history of the Agreement; (ii) a description of the organization and terms of the Agreement, including the powers and responsibilities of the Governing Board and the qualifications of any professionals retained under the Agreement; (iii) a description of the investment objectives, policies and practices contained in the Agreement including those pertaining to liquidity, methodology for determining Participants' interests, distribution of earnings and calculation of yield; (iv) a description of the current investments held under the Agreement; (v) a listing of any fees or charges to be incurred by Participants; and (vi) a description of the required procedures for initiation and termination of participation in the Agreement and (vii)-such other material statements which the Governing Board in its sole judgment shall determine to be necessary or reasonable to disclose in the Information Statement

7.2. Admission. Each Participant (including, but not limited to, the Lead Participant) hereby expressly agrees that any district or municipal corporation (as defined in the Act) can enter into this Agreement and become a Participant upon its: (a) holding any necessary public hearings, conducting any necessary referenda and obtaining any necessary consents of governmental agencies; (b) approving this Agreement by a majority vote of the voting strength of its governing body; (c) satisfying any other requirements applicable to its making contracts; (d) delivering to the Lead participant an executed counterpart of this Agreement; and € delivering to the Lead Participant a certificate, in a form acceptable to the Lead Participant, to the effect that the requirements of clauses (a) through (c) above have been satisfied and setting forth such other information as the Lead Participant may require.

7.3. Withdrawal. Any Participant except the Lead Participant may withdraw from this Agreement at any time upon written notice to the Lead Participant and the Governing Board. The Lead participant may withdraw only upon at least ninety-day's prior notice to all the other Participants. Upon its withdrawal from this Agreement, a Participant shall cease to have any rights or obligations under this Agreement. A notice of withdrawal shall be deemed to constitute a request under the Payment Procedures that an amount equal to the requesting Participant's Balance be paid to such Participant. No withdrawal shall become effective until such Participant's Balance is equal to zero, and until such time, such Participant shall continue to possess all the rights, and to be subject to all the obligations, arising from this Agreement.

7.4. Forced Withdrawal. Any Participant that breaches any covenant contained in Article V hereof or for which any of the representations contained in Article VI hereof ceases to be true, shall be

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

deemed to have given a notice of withdrawal pursuant to Section 7.3 hereof immediately upon such breach or cessation, but shall not be deemed to have requested the payment of its Balance unless and until it either makes an actual payment request or the Governing Board makes a final determination that such a breach or cessation has occurred.

**ARTICLE VIII.
STATEMENTS AND REPORTS**

8.1. **Market Valuation.** The market value of investments made pursuant to this Agreement shall be determined at least monthly and whenever the method of valuation authorized by the Agreement does not accurately reflect the value of Participants' interests in such investments.

8.2. **Reports.**

(i) The Governing Board shall, or shall cause the Administrator to, deliver to all participants, at least once a year, a report detailing the following information from the preceding twelve months: (a) the portfolio of investments currently held pursuant to the Agreement, including, for each investment, the market value, time remaining to maturity, interest earned and realized, and unrealized gains and losses; (b) the overall investment results, yield and weighted average maturity; (c) a list of the fees paid for all professional services procured under the Agreement; and (d) a statement of all other expenses incurred by the Governing Board in administering the Investments made pursuant to the Agreement.

(ii) The Governing Board shall contract to have an independent certified public accountant conduct an annual audit of the activities undertaken pursuant to this Agreement, which audit shall be made in accordance with generally accepted auditing standards. A signed copy of such audit report shall be filed with the Governing Board within ninety (90) days after the close of the period covered thereby. Copies of such reports shall be mailed promptly to the State Comptroller and to each Person who is a Participant at the close of the period covered thereby.

(iii) Each Participant shall receive a monthly statement that sets forth the following information for the preceding month: (a) all activity by the Participant; (b) the value of the Participant's interest under the Agreement at the beginning and end of the month; and (c) an itemization of all investments held under the Agreement as of the end of the month, including the market value of each investment as of that date.

**ARTICLE IX.
THE INVESTMENT ADVISOR**

9.1. **Appointment.** The Governing Board is ultimately responsible for making all investment decisions regarding the ~~Joint Investment~~ Property in accordance with the Investment Guidelines. Consistent with the Governing Board's ultimate responsibility as stated herein, the Governing Board may contract with the Investment Advisor. The Investment Advisor may also serve as the Administrator and/or the Custodian.

9.2. **Sub-Investment Advisors.** The Governing Board may also authorize the Investment Advisor to employ one or more Sub-Investment Advisors from time to time. Any Sub-Investment

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

Advisor may perform such of the acts and services of the Investment Advisor, and upon such terms and conditions, as may be agreed upon between the Investment Advisor and such Sub-Investment Advisor.

9.3. Funds The Lead Participant shall cause the Custodian to establish a primary fund (the "Government Fund") for the investment of Investment Property of the Participants. The Fund shall be invested in Permitted Investments pursuant to the criteria and policies contained in Exhibit A hereto. Notwithstanding anything in this Cooperative Agreement to the contrary, the Investment Advisor may, upon the direction of the Lead Participant and the Governing Board, direct the Custodian to establish other specially designated Funds, in addition to the Government Fund, with specified investment characteristics that may be more limited than the Investment Property, but may not be broader. The Investment Advisor, in concert with the Lead Participant, may cause the Custodian to establish any such Funds once the Board and the Lead Participant has approved in writing the investment characteristics of any such Funds. If established, any such Funds shall consist only of Permitted Investments, and the investment characteristics of each such Fund shall be set forth in a separate investment policy made an exhibit to this Cooperative Agreement, which exhibit shall be titled "Exhibit - " with the applicable number being inserted in the blank, and discussed in an Information Statement to the Participants. The establishment of such Funds shall be deemed an amendment of this Cooperative Agreement as described in Section 11.2. According to the contribution and reporting procedures set forth in Section 2 and Section 7 hereof, a Participant may direct the Lead Participant to invest its monies in any of the established Funds. The Investment Advisor shall cause each such Fund to maintain accounts and reports separate from any other Fund. The Investment Advisor may cause to be maintained a separate rating on each such Fund. All provisions of this Cooperation Agreement and the Investment Advisor Agreement shall apply to any such Funds.

9.4 Special Sub-Accounts. Notwithstanding anything in this Cooperation Agreement to the contrary, the Investment Advisor from time to time may propose to the Participants that the Participants establish specially designated, individualized sub-accounts within any Fund with investment, withdrawal, contribution or other characteristics different, but no broader, than those set forth in this Cooperation Agreement. Such characteristics may include, without limitation, certain restrictions on amounts to be deposited, the types of Permitted Investments to be made, and additional administration fees as set forth in the Services Agreement. A Participant in its sole discretion may create such proposed special, individualized sub-accounts within any Fund. Any special sub-account that is created pursuant to this Section 9.4 shall be subject to the terms and investment policies set forth in the proposal of the Investment Advisor until the terms governing such special sub-account are amended by the specific Participant having such sub-account. In order to amend such terms, the Participant must provide to the Investment Advisor a special investment policy governing such special sub-account. Such investment policy may not be broader than the Investment Policy of Government Fund attached to this Cooperative Agreement as Exhibit A, or if a sub-account is created for a Government Fund, such investment policy may not be broader than the investment policy outlined in the exhibit corresponding to such Government Fund and in no case shall it be broader than the investment policy contained in Exhibit A hereto. The establishment of such special sub-accounts and the amendment of the investment policy for such sub-account shall not be deemed an amendment

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

of the Cooperation Agreement. The Investment Advisor shall calculate the return realized by such special sub-accounts separate and apart from the returns realized by other sub-accounts maintained for other Participants

**ARTICLE X.
THE ADMINISTRATOR**

10.1. **Appointment.** The Governing Board is primarily responsible for the general supervision and administration of the ~~Joint~~Investment Property. However, the Governing Board is not required personally to perform all of the administrative tasks required under the Agreement and, consistent with the Governing Board's ultimate responsibility as stated herein, the Governing Board shall appoint an Administrator for purposes of this Agreement and may grant or delegate such administrative authority to perform ministerial functions to the Administrator or to any other person the services of whom are obtained by the Administrator; provided that no investment discretion can be delegated to the Administrator. The Governing Board may appoint one or more persons to serve jointly as Co-Administrators. The Administrator may also serve as the Investment Advisor and/or the custodian.

10.2. **Successors.** In the event that, at any time, the Administrator shall resign or shall be terminated pursuant to the provisions of the Services Agreement, the Governing Board may appoint a successor thereto in accordance with Section 11.1 and 11.2.

**ARTICLE XI.
AMENDMENT AND TERMINATION**

11.1. **Amendment.** This Agreement, including the Exhibits hereto, can be amended by the Participants from time to time as follows:

(a) A majority of the voting strength of the Governing Board shall adopt a resolution setting forth the proposed amendment and declaring its advisability.

(b) The Governing Board shall promptly, and in any event within five business days, notify each Participant (i) of the terms of the proposed amendment, (ii) of the date on which such resolution was adopted, and (iii) that each Participant has sixty (60) days from the date of the adoption of such resolution by the Governing Board to approve the proposed amendment.

(c) Sixty (60) days after the date of the adoption of such resolution, each Participant shall be deemed to have given notice of withdrawal pursuant to Section 7.3 hereof, unless it has theretofore delivered to the Governing Board an executed counterpart of the proposed amendment and a certificate, to be provided by the Governing board, stating that the necessary actions have been taken for the Participant to approve the proposed amendment.

(d) The proposed amendment shall become effective once the withdrawal of every Participant deemed to have given notice of withdrawal under Section 11.1 (c) in connection with the proposed amendment has become effective.

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

11.2 Streamlined Steps for Certain Amendments. The provisions of Section 11.1 to the contrary notwithstanding, if an amendment is to effect a replacement of the Lead Agent with another Participant consenting to serve as such, or to replace the Administrator or the Custodian, or to make related changes to the Agreement reasonably necessary or convenient to accommodate the Lead Agent, Administrator or Custodian (such as, without limitation, changes to responsibilities and compensation) which are, in the determination of the Governing Board, expected to be in the best interest of the Participants (such as creating Funds and instituting further restrictions to Investment Policy) taken as a whole, the procedures of this Section 11.2 shall apply as follows:

(a) A majority of the voting strength of the Governing Board shall adopt a resolution setting forth the amendment and including the identity of any replacement Administrator, the replacement Custodian or the Participant which is to become Lead Participant and the date upon which such amendment is to become effective. In lieu of establishing such date in the resolution, the Governing Board may delegate the authority to establish such date to the Chair;

(b) The Chief Fiscal Officer/Executive Director shall promptly, and in any event within five (5) Business Days, notify each Participant of the terms of the amendment and the date on which such resolution was adopted; and

(c) Such amendment shall not become effective until at least thirty (30) days have elapsed since the notification of each Participant. Participants who have not withdrawn by such time shall be deemed to have consented to such.

11.23. Termination. (a) This Agreement may be terminated at any time pursuant to a duly adopted amendment hereto. This Agreement shall terminate automatically if:

- (i) at any time after October 20, 1999, there are fewer than two Participants; or
- (ii) this Agreement is not amended to name a new Lead Participant on or before the day that is immediately prior to the date on which the resignation or withdrawal of the Lead Participant would otherwise become effective.

(b) Upon the termination of the Agreement pursuant to this Section 11.23:

- (i) The Governing Board shall carry on no business in connection with the ~~Joint~~Investment Property except for the purpose of satisfying the ~~Joint~~Investment Liabilities and winding up its affairs in connection with the ~~Joint~~Investment Property;
- (ii) The Governing Board shall proceed to wind up its affairs in connection with the ~~Joint~~Investment Property, and all of the powers of the Governing Board, Lead Participant, the Lead Fiscal Officer and the advisors under this Agreement shall continue until the affairs of the Governing Board in connection with the ~~Joint~~Investment Property shall have been wound up, including, but not limited to, the power to fulfill or discharge obligations under the ~~Joint~~Investment Agreements, collect amounts owed, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining ~~Joint~~Investment Property to one or more persons at public or private sale for consideration which may

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

consist in whole or in part of cash, securities or other property of any kind, discharge or pay ~~Joint~~Investment Liabilities, and do all other acts appropriate to liquidate its affairs in connection with the ~~Joint~~Investment Property; and

(iii) After paying or adequately providing for the payment of all ~~Joint~~Investment Liabilities, and upon receipt of such releases, indemnities and refunding agreements as the Governing Board deems necessary for its protection, the Governing Board may distribute the remaining ~~Joint~~Investment property, in cash or in kind or partly in each, among the Participants according to their respective proportionate Balances.

(c) Upon termination of this Agreement and distribution to the Participants as herein provided, the Governing Board shall execute and lodge among the records maintained in connection with this Agreement an instrument in writing setting forth the fact of such termination, and the Governing Board, Lead Participant, Lead Fiscal Officer, Participants and advisors shall thereupon be discharged from all further liabilities and duties hereunder, and the rights and benefits of all Participants hereunder shall cease and be canceled and discharged; provided that Section 2.7 hereof shall survive any termination of this Agreement.

(d) If this Agreement is terminated pursuant to Section 11.23 (a) (ii) hereof, the resignation and/or withdrawal of the Lead Participant shall be postponed until the instrument contemplated by Section 11.32 (c) hereof has been executed and lodged among the records maintained in connection with this Agreement.

**ARTICLE XII.
MISCELLANEOUS**

12.1. **Governing Law.** This Agreement is executed by the Participant and delivered in the State of New York and with reference to the Laws thereof, and the rights of all parties and the validity, construction and effect of every provision hereof shall be subject to and construed according to the laws of the State of New York.

12.2. **Counterparts.** This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by and such original counterpart.

12.3. **Reliance by Third Parties.** Any Person dealing with the Governing Board shall be entitled to rely upon a certificate executed by a Person who, according to the records maintained hereunder, appears to be a Governing Board member, with respect to any of the following matters: (i) the number or identity of advisors or Participants; (ii) the identity of the Lead Participant or the Lead Fiscal Officer; (iii) the due authorization of the execution of any instrument or writing; or (iv) the existence of any fact or facts which in any manner relate to this Agreement.

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

12.4. **Provisions in Conflict with Law.** The provisions of this Agreement are severable, and if any one or more of such provisions (the "Conflicting Provisions") are in conflict with any applicable Laws, the Conflicting Provisions shall be deemed never to have constituted a part of this Agreement and this Agreement may be amended pursuant to Section 11.1 hereof to remove the Conflicting Provisions; provided, however, that such conflict or amendment shall not affect or impair any of the remaining provisions of this Agreement or render invalid or improper any action taken or omitted (including, but not limited to, selection of the Lead Participant, election of Governing Board members and the designation of advisors) prior to the discovery or removal of the Conflicting Provisions.

12.5. **Gender; Section Headings.** (a) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa.

(b) Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.

12.6. **No Assignment.** No Participant may sell, assign, pledge or otherwise transfer any of its rights or benefits under this Agreement to any other Person, and any purported sale, assignment, pledge, or other transfer shall be null and void.

12.7. **No Partnership.** Notwithstanding any provision hereof to the contrary, this Agreement does not constitute an association of two or more Persons to carry on as co-owners a business for profit, and none of the Participants intends this Agreement to constitute a partnership or any other ~~joint~~investment venture or association. Furthermore, none of the Participants has any authority hereunder to personally bind or act as agent for another Participant in any manner whatsoever, except to the extent, if any, expressly provided elsewhere herein.

12.8. **Construction of Powers.** In construing the provisions of Section 4.4 hereof, the presumption shall be in favor of a grant of power to the Governing Board. The Governing Board shall not be required to obtain any court order to deal with the ~~Joint~~Investment Property.

12.9. **Notice.** Unless otherwise specified in this Agreement, all notices required to be sent under this Agreement: (a) shall be in writing, (b) shall be deemed to be sufficient if given by depositing the same in the United States mail, postage prepaid, addressed to the person entitled thereto at his address as it appears on the records maintained by the Governing Board or via electronic mail and New York CLASS Web site posting, and (c) shall be deemed to have been given on the day of such mailing or posting.

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

IN WITNESS WHEREOF, the Lead Participant has caused this Agreement to be executed in its name and on its behalf as of the date first written above.

~~PUTNAM/NORTHERN WESTCHESTER BOCES~~ Lead Participant

By

Name: _____

Title: _____

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

EXHIBIT A

This Investment Policy restricts the New York Cooperative Liquid Assets Security System (NYCLASS) portfolio to the following and such other investments as may be authorized in the future for Participants under State law:

z

- Any security issued by, fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment.

- Obligations of the State of New York.

- Obligations issued pursuant to section 24.00 or 25.00 of the local finance law (with the approval of the State Comptroller) by any municipality, school district or district corporation not participating in the Cooperative.

- Special time deposit accounts in, or certificates of deposit issued by, a bank or trust company located and authorized to do business in the State of New York, collateralized in accordance with the provisions of General Municipal Law, Section 10, or in accordance with all of the following conditions:

1. The moneys are invested through a bank or trust company located and authorized to do business in New York.
2. The bank or trust company arranges for the deposit of moneys in certificates of deposit in one or more banking institutions, as defined by section nine-r of the banking law, for the account of NYCLASS.
3. The full amount of the principal and accrued interest of each such certificate of deposit must be insured by the federal deposit insurance corporation.
4. The bank or trust company acts as custodian for NYCLASS with respect to such certificates of deposit issued for NYCLASS's account.
5. At the same time that NYCLASS's moneys are deposited and the certificates of deposit are issued for the account of NYCLASS, the bank or trust company receives an amount of deposits from customers of other financial institutions equal to or greater than the amount of the moneys invested by NYCLASS through the bank or trust company.

Special time deposits may be maintained only with, and certificates of deposits may be purchased only from, creditworthy banks and trust companies.

- Repurchase agreements and tri-party repurchase agreements with member banks of the Federal Reserve System and/or dealers in U.S. Government Securities which have a short term issuer credit rating (actual or imputed) of at least A-1 by Standard & Poor's.

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

No more than 25% of the portfolio may be invested overnight with any one counterparty, unless the counterparty is rated A-1+ by Standard & Poor's, then no more than 50% of the portfolio may be invested overnight with such a counterparty.

A Master Repurchase Agreement (e.g. The Bond Market Association standard agreement, 1996 version) and applicable NYCLASS annexes must be signed by all parties and on file prior to executing any transaction.

Tri-party repurchase agreements are permissible with NYCLASS Board approved counterparties and 3rd party custodians (acting for both the party and the counterparty). Written Tri-party custodian agreements (in addition to The Bond Market Association 1996 standard repurchase agreement) must be signed by all parties and on file prior to executing any transaction.

Collateral (purchased securities) shall be limited to the following and shall be indicated as such on Schedule 1 'Schedule of Eligible Securities' of the Tri-party custodian agreement: U.S. Treasuries (Bills, Bonds, Notes, Strips), GNMA I/II Others-Fixed Rate and GNMA I/II Others-Adjust Rate.

Term repurchase agreements ("TRA's") are considered eligible investments under the following conditions:

For TRA's between 2 to 5 business days:

A maximum of 10% of the portfolio with any one dealer

For TRA's with maturities of more than 5 business days:

A maximum of 5% of the portfolio.

TRA's shall not exceed 30 calendar days.

TRA's shall fulfill all requirements of the 1996 version of The Bond Market Association master repurchase agreement.

The Repurchase Agreements between NYCLASS and the various approved counterparties require that the aggregate market value of all Purchased Securities from any particular counterparty be at least 102% (the "Margin") of the aggregate Purchase Price of the Purchased Securities.

The Board recognizes that market fluctuations constantly increase or decrease the value of securities; that there is value in maintaining ongoing positive relationships between NYCLASS and the various counterparties; that accepted practice in the industry allows minor deviations from strict application of margins; and that there is a cost of changing collateral securing repurchase agreements. For those reasons, the Portfolio Manager may use discretion before directing that a counterparty supply Additional Purchased Securities until such time as the Margin falls below 101.5%. If the aggregate collateral level of the counterparty falls below 101.5%, the Portfolio Manager shall notify the counterparty to provide sufficient Additional Securities to restore the margin to at least 102%. The portfolio manager will require additional collateral to return the margin to at least 102% on the next business day.

NYCLASS
MUNICIPAL COOPERATION AGREEMENT

- The maximum maturity for any specific investment in the portfolio is 397 days and the weighted average maturity to reset cannot exceed 60 days.