



LOUISIANA Housing Corporation

REQUEST FOR PROPOSALS

For

Financial Advisory Services

DATE ISSUED: MARCH 9, 2016

DEADLINE TO SUBMIT RESPONSES: APRIL 18, 2016

2415 Quail Drive * Baton Rouge, Louisiana 70808
(225) 763-8700 * (888) 454-2001 * (225) 763-8710 (FAX)

www.lhc.la.gov

I. General and Administrative Information

A. Background and Purpose

The Louisiana Housing Corporation (referred to as both “LHC” and the “Corporation”), seeks proposals from qualified and experienced financial advisory firms to provide the best, most comprehensive and cost effective analytical and advisory services on matters of financial planning, policies, and management; financial risk management; debt issuance and management; and other special project analyses to foster the Corporation’s financial interests, to promote the Corporation’s long-term financial strength, and to support the Corporation’s mission of providing decent, safe, and sanitary affordable housing to low- to moderate-income citizens of the State of Louisiana.

The Louisiana Housing Corporation was created to consolidate funding sources and programs for affordable housing throughout the state and to provide for a coordinated approach to overall state housing policy. Prior to the establishment of LHC in 2012, federal and state housing dollars flowed through many different state agencies, including the Louisiana Housing Finance Agency (LHC’s predecessor), the Office of Community Development, the Department of Health and Hospitals, the Department of Children and Family Services, and the Louisiana Housing Authority. Collectively, these agencies managed programs from homelessness prevention to disaster recovery. To service the state’s housing needs, LHC works with a variety of external entities, including lenders, developers, property managers and non-profit organizations. Many of our housing programs are federally funded, which requires a working relationship with government agencies such as the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Energy, and the U.S. Treasury.

The LHC administers programs which use the following funding sources:

1. Low Income Housing Tax Credits (LIHTC) in accordance with Section 42 of the Internal Revenue Code.
2. HOME Investment Partnerships Program in accordance with Title II of the Cranston-Gonzalez National Affordable Housing Act (NAHA), as amended. The “Final Rule” for the HOME Program is found in 24 CFR Part 92, as amended on July 24, 2013.
3. Multi-Family Mortgage Revenue Bond Financing in compliance with Louisiana State Bond Commission regulations and requirements.
4. Federal Deposit Insurance Corporation (FDIC) Affordable Housing Development in accordance with Land Use Restriction Agreements (LURA).
5. FHA Insured (Risk Share) as authorized under Section 542(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707).
6. Market Rate GNMA Program utilizing fixed-rate FHA, VA or USDA Rural Development mortgages.
7. LHC Preferred Conventional mortgage program (Fannie Mae HFA Preferred).

B. Definitions

1. **Contractor** – Any firm or individual who is awarded or has a contract with another firm, individual or governmental body.
2. **Corporation** – Louisiana Housing Corporation.
3. **Discussions** -- For the purposes of this RFP, a formal, structured means of conducting written or oral communications/presentations with responsible Proposers who submit proposals in response to this RFP.
4. **Proposal** – A response to a Request for Proposals.
5. **Proposer** – A firm or individual who responds to a Request for Proposals.
6. **RFP** – Request for Proposals
7. **Shall, Must, Will** – Denotes mandatory language; a requirement that must be met without alteration.
8. **Should, Can, May** – Non-mandatory language denoting desirable, advisable or permissible action.
9. **State** – The State of Louisiana.
10. **Subcontractor** – A firm or individual entering into a contract with the Contractor.

C. Important Dates and Deadlines

RFP published and posted to LHC website	March 9, 2016	
Deadline for submitting written inquiries	March 16, 2016	5:00 p.m.
Deadline for LHC to respond to written inquiries from Proposers	March 18, 2016	5:00 p.m.
Deadline for submitting proposals	April 18, 2016	2:00 p.m.
Formal announcement of selected Proposer(s)	May 11, 2016	
Contract Execution	TBD	

NOTE: The LHC reserves the right to revise this schedule. Any such revision will be formalized by the issuance of an addendum to the RFP.

II. Proposal Information

A. Proposal Submission

Interested parties may obtain a copy of the RFP by submitting their name, title, firm name, address, telephone and fax numbers, and e-mail address to LHC using the contact information below, or by visiting LHC's website at www.lhc.la.gov:

Louisiana Housing Corporation
ATTN: Anita Tillman, Policy Director
Re: RFP for Financial Advisory Services
2415 Quail Drive
Baton Rouge, Louisiana 70808
E-mail: atillman@lhc.la.gov

Proposals shall be delivered in hard copy and in an electronic file. The hard copy shall be signed on the original, and ***received*** by the Louisiana Housing Corporation by or before 2:00 p.m. Central Time on **April 18, 2016**. The originals will be retained for incorporation by reference into any contract that may result from this RFP. Proposers should provide four (4) additional copies and one (1) redacted copy, if applicable (see *Section II(H) – Proprietary Information* for details).

The cost proposal shall be submitted separately in a sealed envelope and should include one (1) original, four (4) copies and one (1) redacted copy, if applicable (see *Section II(H) – Proprietary Information* for details). The electronic file shall be delivered in PDF format on a USB flash drive in the same packet with the hard copies.

Proposals may be mailed or delivered by hand or courier service to the following address:

Louisiana Housing Corporation
2415 Quail Drive
Baton Rouge, LA 70808
Attn: Anita Tillman

IMPORTANT: Clearly mark the outside of the envelope, box, or package with the following information and format:

Proposer Name and Address: _____
Primary Contact for Proposer: _____
Proposal for: **Financial Advisory Services**

Responses may not be delivered via facsimile transmission or other telecommunication or electronic means. Proposers assume the risk of the delivery method chosen, including delivery via private courier or the United States mail. **Please be advised that proposals arriving after the 2:00 p.m. deadline, whether via personal delivery, U.S. mail, Federal Express, UPS, or other comparable method of delivery, will not be accepted for any reason.**

The Proposer is solely responsible for ensuring that its courier service provider makes inside deliveries to the address set forth above. LHC is not responsible for any delays caused by the Proposer's chosen means of proposal delivery. Additionally, the Proposer is solely responsible for the timely delivery of its proposal. **Failure to submit a proposal by the date and time set forth above shall result in rejection of the proposal.**

This RFP does not commit the Corporation to award any contract nor to pay any costs incurred in the preparation or delivery of responses. Furthermore, the Corporation reserves the right to accept or reject, in whole or in part, any and all responses submitted, and/or to cancel this RFP. The Corporation also reserves the right to ask for additional information from any Proposer and/or all Proposers as may be necessary or appropriate for purposes of clarification.

B. Authorization

The proposal must be signed by a duly authorized representative, such as:

1. The current corporate officer, partnership member, or other individual specifically authorized to submit a proposal as reflected in the appropriate records of the proposer;
2. An individual authorized to bind the entity as reflected by a corporate resolution, certificate or affidavit; or
3. An individual identified in other documents conferring the appropriate authority in a form acceptable to the LHC.

Proposers must be registered entities and in good standing under the laws of the State of Louisiana and certified to conduct business in the State of Louisiana, pursuant to La. R.S. 12:301-302, by the Louisiana Secretary of State, prior to entering into a contract with LHC.

C. Contact Prohibitions (Blackout Period)

It is the express policy of the Corporation that prospective Proposers to this RFP refrain from initiating any direct or indirect contact or communication with Corporation staff or members of the Corporation's Board of Directors with regard to the this RFP. The Blackout Period is a specified period of time during a competitive procurement process in which any Proposer, or its agent or representative, is prohibited from communicating with any LHC employee or services contractor of LHC involved in any step in the procurement process about the affected procurement. The Blackout Period applies not only to

Corporation employees, but also to the Board of Directors and any contractor of the Louisiana Housing Corporation. “Involvement” in the procurement process includes but may not be limited to program management, design, development, implementation, procurement management, development of specifications, and evaluation of proposals for a particular procurement. This RFP identifies a designated RFP Coordinator. All communications to and from potential Proposers, and/or their representatives during the Blackout Period must be in accordance with this RFP’s defined method of communication with the designated contact person. The Blackout Period will begin upon posting of the RFP. The Blackout Period will end when the contract is awarded.

Any violation of this policy will be considered as a basis for disqualification from consideration and may result in liability to LHC in damages and/or subject to any other remedy allowed by law including rejection of proposal or cancellation/termination of contract. Further, failure to comply with these requirements may result in disqualification. The LHC will produce public records in accordance with LA R.S. Title 44.

Notwithstanding the foregoing, the Blackout Period shall not apply to:

1. Duly noticed site visits and/or conferences for proposers;
2. Oral presentations during the evaluation process;
3. Communications regarding a particular solicitation between any person and staff of the LHC, provided the communication is limited strictly to matters of procedure. Procedural matters include deadlines for decisions or submission of proposals and the proper means of communicating regarding the procurement, but shall not include any substantive matter related to the particular procurement or requirements of the RFP.

D. Questions and Answers Regarding the RFP

Proposers may submit written questions concerning the RFP via e-mail to [Anita Tillman](mailto:atillman@lhc.la.gov), at atillman@lhc.la.gov by no later than 5:00 p.m. Central Time on March 16, 2016. All questions and answers shall be posted on LHC’s website at www.lhc.la.gov by March 18, 2016 at 5:00 p.m.

Inquiries shall clearly reference the section of the RFP about which the Proposer is inquiring or seeking clarification.

The Corporation reserves the right to modify the RFP should a change be identified that is in the best interest of the Corporation. It is the sole responsibility of the Proposer to inquire into and clarify any portion of the RFP that is not understood.

E. Costs Incurred in Preparation of Proposal

All costs directly or indirectly related to preparation of a proposal in responding to this RFP, any oral presentations required to supplement and/or clarify a proposal, and any reasonable appearance which

may be required by the LHC in connection with this Proposal, shall be the sole responsibility of the Proposer, and shall not be reimbursed in any manner by the LHC.

F. Ownership of Offer

All materials submitted in response to this request shall become the property of the LHC. Selection or rejection of a proposal does not affect this right. All proposals submitted will be retained by the LHC and shall not be returned to Proposers.

G. Offer Validity

All proposals shall be considered valid for acceptance until such time as an award is made.

H. Proprietary Information

Only information that is in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the response and will be handled in accordance with the Louisiana Public Records Act, La. R.S. 44.1 *et seq.*, and applicable rules and regulations. Any response marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

Proposers must be prepared to defend the reasons the material should be held in confidence. If a competing Proposer or other party seeks review or copies of a Proposer's confidential data, the Corporation will notify the Proposer of the request. If the Proposer does not want the information disclosed, it must agree to indemnify and hold the Corporation harmless against all actions or court proceedings that may ensue (including attorney's fees) which seek to order the Corporation to disclose the information. If the Proposer refuses to indemnify and hold the Corporation harmless, the Corporation may disclose the information.

The Corporation reserves the right to make any response, including proprietary information contained therein, available to its personnel, the Office of the Governor or other State agencies or organizations, for the sole purpose of assisting the Corporation in its evaluation of the response. The Corporation shall require said individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of participation in these evaluations.

I. Code of Ethics

Proposers are responsible for determining that there will be no conflict of interest or violation of the Louisiana Code of Governmental Ethics, R.S. 42:1101, *et seq.*, if their firm is awarded the contract. Ethics issues are interpreted by the Louisiana Board of Ethics.

J. Changes, Addenda, Withdrawal

The LHC shall reserve the right to change the schedule of important dates and deadlines or revise any part of the RFP by issuing an addendum to the RFP at any time. Addenda, if any, will be posted at

www.lhc.la.gov. It shall be the responsibility of the Proposer to check the website for addenda to the RFP.

If prior to the deadline for submitting proposal a Proposer needs to submit changes or addenda to its Proposal, such changes or addenda shall be submitted in writing to the Corporation, in a sealed envelope, clearly cross-referencing the relevant proposal section, and signed by an authorized representative of the Proposer. Changes and/or addenda to Proposals shall meet all requirements for Proposals.

K. Withdrawal of Proposal

The Proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the Proposer must be submitted to the RFP Coordinator.

L. Cancellation of RFP or Rejection of Proposals

Issuance of this RFP in no way constitutes a commitment by the LHC to award a contract. The LHC reserves the right to accept and/or reject any or all proposals, or to cancel this RFP if it is determined to be in the best interest of the LHC.

M. Waiver of Administrative Informalities

The LHC reserves the right, at its sole discretion, to waive minor administrative informalities contained in any proposal.

N. Acceptance of Proposal Content

The mandatory RFP requirements shall become a contractual obligation if a contract ensues. Failure of the successful Proposer to accept this obligation shall result in rejection of the proposal.

O. Evaluation and Selection

The evaluation of proposals will be accomplished by an Evaluation Team, to be designated by the LHC, which will determine the proposal most advantageous to the LHC, taking into consideration price and other evaluation factors set forth in the RFP.

P. Written or Oral Presentations/Discussions

Written and/or oral discussions may be conducted by the Corporation with Proposers submitting proposals determined to be reasonable choices for selection and contract award; however, the Corporation reserves the right to enter into a contract without further discussion of proposals submitted, based on initial offers. Any commitments or representations made during such discussions, if conducted, may be formally recorded in the final contract. Written and/or oral discussions/presentations for clarification may be conducted in order to enhance the Corporation's

understanding of any or all of the proposals submitted. A contract may, however, be awarded without such discussions.

Q. Contract Award and Execution

The LHC shall reserve the right to enter into a contract without further discussion of the proposal submitted based on the initial offers received.

The LHC shall reserve the right to contract for all or a partial list of services offered in the proposal.

The selected Proposer shall be expected to enter into a contract that contains substantially similar contract terms and provisions as set forth in Section VI. In no event shall a Proposer submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its proposal any exceptions or exact contract deviations that its firm wishes to negotiate only on terms not mandated. Negotiations may begin with the announcement of the selected Proposer.

If the contract negotiation period exceeds thirty (30) business days, the Corporation may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

LHC reserves the right to defer the selection of any Proposer to a time of the Corporation's choosing.

R. Notice of Intent to Award

The Evaluation Team will compile the scores and recommended an award. The Corporation will notify the successful Proposer and proceed to negotiate terms for the final contract. Unsuccessful Proposers will be notified in writing accordingly.

S. Certification of OMB A-133 Compliance

Proposers must provide certification that they are not suspended or debarred from conducting business with government agencies. By signing and submitting any proposal for one hundred thousand dollars (\$100,000) or more, the Proposer certifies that the represented company, as well as any principals, are not suspended or debarred by the General Services Administration ("GSA") in accordance with the requirements in OMB Circular A-133.

T. Disqualification

The LHC reserves the right to verify all information provided by a Proposer via direct contact with the Proposer's clients and prior project personnel and Proposers must agree to provide necessary authorizations for the LHC to verify any of the Proposer's previous work. As described elsewhere in this RFP, each Proposer will be required to submit a detailed resume for all key personnel. Misstatements of experience and scope of prior projects shall be grounds for disqualification of the Proposer from further consideration.

U. Errors and Omissions in Proposals

The Corporation will not be liable for any errors in proposals. The Corporation reserves the right to make corrections or amendments due to errors identified in proposals by the Corporation or the proposer. The Corporation, at its option, has the right to request clarification or additional information from the Proposer.

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III. Scope of Work

A. Introduction

The Corporation desires to engage a financial advisory firm to take an active role in the many different aspects of its bond and other financial planning, operations, and management as defined by the LHC Board of Directors. It will be necessary for the financial advisory firm to completely understand the Corporation's present and past assets and debts, and property holdings to work with the Corporation through its staff and Board of Directors to create and attain goals for sound management of assets and placement of future debt. The Contractor will undertake analytical and advisory tasks that will support the Corporation and promote the financial stewardship and health of the LHC.

An ideal proposal will demonstrate that the proposer has expertise in the provision of professional services as described below. Proposers must demonstrate that they will have the continuing capabilities to perform such services. The financial advisory firm will be retained on an "on-call basis" to perform its duties and provide its expertise to the Corporation, the Board of Directors, and other members of the LHC's Finance Team.

The services which the financial advisory firm will be expected to perform can be described in two (2) categories: (1) General Advisory Services; and (2) Transactional Advisory Services.

B. General Advisory Services

The following tasks are illustrative of, but not necessarily limited to, the types of work the selected contractor may be asked to perform as they relate to General Advisory Services.

1. Assist in the development of long-term strategic plans, including strategies to effectively utilize, leverage and enhance operating reserves, State appropriations, federal funds, and other available resources.
2. Apprise the LHC of new and creative financing techniques or concepts and advise generally on strategic options and alternatives relating to the development of proposed programs, project finance activities, and other affordable housing initiatives.
3. Conduct independent and objective reviews and evaluations of the economic feasibility and cost-effectiveness of programs, project finance transaction or other initiatives proposed by third parties including governmental entities, non-profit sponsors, for-profit developers, investment banking firms, and others.
4. Assist in preparing for and making presentations to bond rating agencies that issue or maintain ratings on agency securities.

5. Assist in making submissions and presentations relating to past, current and proposed financing activities to governmental entities, including the state legislature, as well as to private entities, such as financial institutions and foundations.
6. Evaluate and formulate recommendations regarding financial management practices, including matters relating to investment policies and strategies.
7. Evaluate the financial integrity of existing programs or projects and provide strategies to preserve or enhance the credit ratings of bonds relating to such programs or projects.
8. Be available for consultation with any person or group interested in assisting the Corporation in the development of low or moderate income housing.
9. Attend meetings of the Corporation relating to financing activities or other activities.
10. Advise the Corporation regarding investment instruments not contained within bond issues, as well as facilitate any follow-up activities involved with the instruments.
11. Provide periodic analyses of LHC's financial status, including the ability of LHC, at a point in time, to loan or grant funds from LHC's reserves to further the mission of providing affordable housing in the State of Louisiana.
12. Assist with the preparation and analysis of responses to proposals relating to other finance team members; and offer insight regarding services or inclusion of members that would further LHC's mission.
13. Provide any other reasonably related services as may be requested by the Corporation.
14. Coordinate and lead other members of the Finance Team to achieve the stated objectives of LHC.

C. Transactional Advisory Services

The following tasks are illustrative of the types of work the selected contractor may be asked to perform as they relate to Transactional Advisory Services. The scope of services to be provided by the Financial Advisor relates to new issues, re-marketings, restructuring or refunding of tax exempt or taxable bond transactions may include, but may not necessarily be limited to the following tasks.

1. Provide prepared, scheduled, consistent analyses on timing, pricing and compensation to all parties involved on a Single Family Program transaction including pre-pricing books and pre-sale market analyses and updates, pricing recommendations and assistance in pricing negotiations.
2. Coordinate and lead other members of the Finance Team to achieve the stated objectives of LHC.

3. Advise and consult with LHC in structuring its taxable or tax-exempt financing transactions and the lending programs or projects which are funded with proceeds of such transactions.
4. Assist LHC by analyzing the merits of negotiated sales vs. competitive sales vs. private placements of LHC securities, and offer recommendations on same.
5. Coordinate the issuance of LHC bonds and notes.
6. Provide a written evaluation on the performance of all members of the Finance Team on at least a semi-annual basis and particularly after an issuance closing.
7. Facilitate the successful closing of bond transactions or other special funding opportunities afforded LHC such as New Issue Bond Program or others as they become available.
8. Advise and assist in the establishment of appropriate program requirements including, mortgage loan rates/terms, servicing arrangements, insurance coverage, financial incentives and/or limitations on lender participation, and origination/commitment fees, and advise LHC generally as to the financial integrity of the program.
9. Assist in the preparation and review of all instruments and documents required for bond and note financing transactions, including the bond indenture and official statement.
10. Review maturities, call features, premiums, interest rates, reserve provisions, flow of funds, and other features of proposed bond issues and advise the LHC as to the financial integrity of such issues.
11. Analyze cash flow assumptions with regard to interest rates, fees, application of bond proceeds, investment of funds and other program requirements to assess the reasonableness of the cash flow projections based on such assumptions.
12. Upon request of LHC, prepare (for reliance upon by rating agencies, bond trustees, bond counsel, bondholders, bond dealers, and analysts or other third parties) detailed cash flow projections and analyses of specified bond issues and related mortgage loan programs, such cash projections and analyses to be accompanied by a listing of all significant underlying assumptions.
13. Assist LHC in preparing for, and participating in, transaction-related presentations to and negotiations with financial institutions, rating agencies, developers, governmental entities and others.
14. In consultation with LHC, provide the rating agencies with information necessary to enable them to analyze the structure and credit quality of proposed transactions.
15. Prepare analyses to comply with asset release test and/or cash flow certificate requirements as may be established by LHC bond trust indentures.

16. Advise and assist LHC in negotiating rates, underwriters' fees and other terms of bond purchase contracts with underwriters, as well as the terms and provisions of agreements with bond trustees and financial institutions.
17. Take the lead in the process for obtaining ancillary investment instruments associated with bond issues, such as Guaranteed Investment Contracts (GICs). The firm will also handle any follow-up activity for GICs for which the firm was the lead.

D. Determination of Responsibility

Determination of the Proposer's responsibility will be made by LHC based on information submitted in the proposal and/or otherwise available to LHC. The Corporation must find that the selected Proposer:

1. Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
2. Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
3. Is able to comply with the proposed or required time of delivery or performance schedule;
4. Has a satisfactory record of integrity, judgment, and performance; and,
5. Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure that their Proposals contain sufficient information for the Corporation to make its determination by presenting acceptable evidence of the above to perform the contracted services.

IV. Proposal Content

Proposals should be prepared providing a straightforward and concise description of the Proposer's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.

Proposals should be submitted in letter-size (8½" by 11") format with a type font of Times New Roman or similar and a minimum font size of 12 points. Proposals should be bound and indexed according to the format and order of presentation described below.

A. Cover Page

The following information should be included under the title "Request for Proposals for Financial Advisory Services":

1. Name of Proposer;
2. Proposer address;
3. Proposer telephone number;
4. Proposer federal tax identification number;
5. Name, title, address, telephone number, fax number and e-mail address of contact person authorized to contractually obligate the Proposer on behalf of the Proposer;
6. The cover letter should be submitted on the Proposer's official business letterhead explaining the intent of the Proposer;
7. A brief statement of the Proposers understanding of the scope of the work to be performed;
8. A statement attesting that all information provided to the LHC is true and accurate to the best of the firm's knowledge;
9. A confirmation that the Proposer has not had a record of substandard work within the last five years;
10. A confirmation that the Proposer has not engaged in any unethical practices within the last five years and is free of ethics conflicts regarding the services to be performed in the contract;
11. A confirmation that, if awarded the contract, the Proposer acknowledges its complete responsibility for the entire contract;
12. Any other information that the Proposer deems appropriate; and
13. The signature of an individual who is authorized to make proposals of this nature in the name of the Proposer submitting the proposal.

B. Contents of Proposal

Interested Proposers are required to submit proposals that contain the following information. Proposers should letter and number responses exactly as the contents presented below:

1. Abstract. Provide a profile of the firm and describe why it is pursuing the work.
2. Qualifications and Experience.
 - a. **Place of Incorporation or Formation and Years of Experience**

The proposer must provide the firm's date and state of incorporation or formation, years in business, and years of firm's experience (not the individual employees' or managers' experience) as a financial advisory firm. The location of all offices at which the firm performs public finance activities in general and financial advisory services in particular should be listed. Firms must be listed in the Fall 2015 edition, of "The Bond Buyer's Municipal Marketplace Directory".
 - b. **MSRB Registration**

All Proposers shall be registered with the Securities and Exchange Commission (SEC) and the Municipal Securities Rule Making Board (MSRB) in accordance with Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act amended Section 15B of the Securities Exchange Act of 1934. Proposals will only be reviewed if the Proposer is registered with the SEC as Municipal Advisors;
 - c. **Qualifications and References**

The Proposer must describe the firm's qualifications and experiences that demonstrate its capability to serve as the financial advisor to a state. Provide a list of five (5) references, identifying a lead contact with a telephone number, who may be contacted regarding the firm's abilities, integrity, and professional reputation in acting as financial advisor to a major debt issuer. Governmental contracts from 2013 through present, as well as any other information that would demonstrate the firm's understanding and experience in providing financial advice on the subject of governmental debt issuance, should be identified. Any issuers of municipal or public debt within the State for whom the firm currently serves as underwriter or financial advisor should be listed, along with a brief description of the firm's role for such issuers as well as the anticipated length and activity level of the firm's future involvement with those issuers;
 - d. **Organization of Firm/Department and Professional Staff**

The proposer must provide a description of how the firm or a specific department to provide financial advisory services is organized. Detailed information must be provided about the experience and qualifications of the staff who will be assigned to act for the firm in providing financial advisory services to the LHC as well as the functions to be performed by each. Full résumés of each person, including names, positions, education, and public finance experience should be included. Must

provide detailed information on the firm's staffing and other elements of its capacity relevant to performing the services described herein;

e. Research and Technical Support

The Proposer must describe the firm's capabilities relative to research and technical support in the public finance area that would be used in connection with the services to be provided. Include information regarding the availability of the following types of expertise or backup as applicable: economist, trading staff or information, location of offices in financial centers, electronic data processing capabilities and staff, research staff and facilities, and legal department;

f. Rating and Ranking

The proposer must list any ratings or rankings (both as to dollar volume and as to total number of issues) of the firm during the last five (5) years as a provider of financial advisory services, including any given by Securities Data Company, Inc.;

g. Credit Information and Financial Statements

The proposer must provide a current Dun & Bradstreet report or other national business credit bureau report; a current banking reference with a money center bank and/or a bank located in Louisiana, two trade credit references, and audited financial statements for the current and the two previous years. If such information is not available, provide an explanation; and

3. Work Management Plan. This section must summarize the firm's plan and approach to providing the services, including a statement of how the work would be organized, managed, and implemented, and a timetable, if appropriate. An explanation of the firm's technical and computer capabilities (hardware and software) should be included along with an explanation of how those capabilities would be utilized in performing the services.

It is important for continuity of staffing to be maintained throughout the entire contract and for the development of confidence and close personal working relationships between the LHC Board of Directors, LHC staff, and the financial advisory firm's employees and managers. The Proposer must indicate how the quality and availability of personnel assigned to this work would be maintained over the term of the contract. Since immediate availability of the assigned personnel is of extreme importance, describe how such availability can be achieved.

4. Conflicts of Interest. Disclose any potential conflicts of interest with representing the Corporation in this matter, including any potential conflicts of interest of employees assigned to this project and potential conflicts with any of the Corporation's board members. The Corporation reserves the unqualified right to disqualify an entity or cancel any contract for any potential conflict of interest issues raised initially and/or during the life of any contract awarded.

5. Criminal Proceedings/Investigations. Detail any criminal investigation, indictment, prosecution or other proceeding that has ever been brought against your organization (provide attachment if necessary), any civil litigation pending or concluded within the last three (3) years against your organization that would impair your ability to provide the requested services (provide attachments if necessary), and/or any oversight entity's investigation involving the firm or any professionals in the firm who may be involved in providing the services, including, but not limited to, any alleged securities laws violations, if applicable.

C. Contents of Cost Proposal

The Cost Proposal shall include: (1) an hourly rate fee schedule for all general services; and (2) a separate fee and expense proposal for transactional related work products (and any other categories the proposer feels may be missing from the Scope of Services). The maximum compensation has not been determined and will be based on the work assigned and completed by the consultant based on the hourly rates and fees established in the contract.

In addition, the following points should be fully addressed in the Cost Proposal:

- State assumptions on which the firm's fee would be predicated and any factors that would change the actual fee, such as the impact on fees and expenses for increasing principal amounts for a transaction or series of transactions.
- State what the firm considers to be the most appropriate method for determining a reasonable financial advisor fee for this representation, and state the rationale for this determination. The rationale should include a comparison of various methods of compensation, such as fixed fee versus transactional calculations involving hours and/or size of bond issues.
- Indicate whether the firm is willing to consider a firm cap on fees and expenses and, if so, in what amount.
- Specify the proposed maximum reimbursable expenses that will be eligible according to the billing criteria specified in Section VI.
- It is anticipated that no increase in fees or costs shall be allowed during the engagement, and, as such please describe any separate or additional fees and the related services that would be required.

V. Evaluation

A. Evaluation of Proposals

The LHC's objective in soliciting proposals is to enable it to select a Financial Advisor that will provide high quality and cost effective services to the citizens of the State of Louisiana. The LHC will consider proposals that, in its sole judgment, have demonstrated the capability and willingness to provide high quality services to the citizens of the State of Louisiana in the manner described in this RFP.

All proposals will be reviewed to determine if they have met the requirements of this RFP. Those that meet the requirements will be deemed "responsive", and will be evaluated by the Evaluation Team. Those responses that do not meet the requirements of the RFP will be deemed "non-responsive" and will be rejected.

The Corporation reserves the right to consider a proposal as "non-responsive" if the proposal does not meet mandatory requirements. The Corporation also reserves the right to negotiate with Proposers to this RFP, if necessary, to refine or expand the statement of work, fee arrangements, or any other aspect of the services to be provided.

B. Evaluation Criteria

Proposals that meet the mandatory requirements and are deemed "responsive" as set forth in paragraph A, above, will be evaluated based on information provided in the proposal. The LHC may invite one or more proposers to make presentations. The Evaluation Team will review all proposals and make a determination based on the following factors:

1. Experience performing financial advisory services for various types of organizations, including, in particular, state housing finance agencies, other governmental agencies, non-profit organizations or other similar organizations.
2. Qualifications of the staff to be assigned to the financial advisory services.
3. Responsiveness of written proposals to the purpose and scope of services to be performed.
4. Responsiveness and reasonableness of proposed pricing structure.

The LHC will negotiate a fee schedule with the chosen contractor(s) based upon both the prices submitted in response to the RFP and the Corporation's own cost analysis.

Proposers are encouraged to identify and clearly label in their proposal how each qualification is being fully addressed. Evaluation of responses to this RFP will be based only on the information provided in the proposal, and if applicable, interviews and reference responses. LHC serves the right to request additional information or documentation from the firm regarding its proposal, personnel, financial viability, or other items in order to complete the selection process. If a Proposer chooses to provide additional materials in their proposal beyond those requested, those materials should be identified as such and included in a separate section of the proposal.

The following Evaluation Criteria with a point system of relative importance with a total of **one hundred twenty (120)** points will be utilized to evaluate the qualifications of each proposer.

EVALUATION CRITERIA	MAXIMUM SCORE
<u>Qualifications and Staffing</u> The Evaluation Team will consider qualifications and experience level of the firm, as well as its individual staff members, in performing financial advisory work. This will be based upon the information contained in the proposal and upon information obtained from references for comparable past work of assigned personnel.	50
<u>Work Management Plan</u> The Evaluation Team will consider whether the work management plan demonstrates a thorough understanding of the LHC's present economic and financial condition and accurately reflects the work that must be performed by a financial advisor in order to meet the LHC's objectives.	50
<u>Cost Proposal</u> The Evaluation Team will consider the Cost Proposal and the rationale provided by the proposer for determining a reasonable financial advisor fee. The Cost Proposal must provide both an hourly rate fee schedule for all general services and a separate fee and expense proposal for transactional related work products.	20
TOTAL SCORE	120

C. Oral Presentations

If the Evaluation Team extends invitations for oral presentations, the Proposers selected for final evaluation will be expected to accept the invitation and make oral presentation to the Evaluation Team at the Corporation. Proposers may be asked to provide clarification on corporate background and experience; proposed staff's experience; research and technical support capabilities and staffing; pending investigations and lawsuits; financial position and activities; views on market trends; etc. Proposers are reminded that any oral commitments or representations made during these

presentations that extend beyond the written representations in the proposal document may be formally recorded in the contract.

D. Final Scoring

If oral presentations are conducted, those presentations will be graded by the Evaluation Team separate from the previously submitted written proposals on the basis of information obtained from the Proposers' oral presentations and references with a maximum point value of 20 points being awarded. The final score will be the sum of the score received from both the written submission packet and the oral presentation, if any.

E. Final Selection

Upon approval by the Board of Directors a formal announcement of the selected firm will be made, and all proposers will be notified. Contract negotiations are expected to begin by the date listed in Section I (C). The successful firm will be expected to sign the contract, which will contain similar terms and requirements as those set forth in Section VI, below. Firms should thoroughly review Section VI prior to submission of proposal response.

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VI. Contract Requirements

A. Contract Award, Negotiations and Execution

Contracts will be awarded to the Proposers whose proposal accumulates the highest score. The formal announcement of the selected proposer will occur on or about the date indicated in Section I(C), *Important Dates and Deadlines*. The Corporation reserves the right to request additional information and/or to negotiate certain clarifications with the prospective vendor selected through this RFP. The Corporation also reserves the right to contract for all or a partial list of services offered in the response as well as to negotiate fees and terms of the contract.

The successful financial advisory firm will be expected to enter into a contract with the LHC, which will contain substantially similar terms and requirements as those set forth in this Section. The RFP and proposal of the selected financial advisory firm will become part of any contract initiated by the LHC.

If the contract negotiation period exceeds thirty (30) business days or if the selected Proposer fails to sign the final contract within five (5) business days of delivery, the LHC may elect to cancel the award and award the contract to the next highest ranked proposer.

If, for any reason, the Proposer most responsive to the Corporation's needs, price and other evaluation factors set forth in the RFP considered, does not agree to a contract, that proposal shall be rejected, and the Corporation may negotiate with the next most responsive Proposer. Negotiation may include revision of non-mandatory terms, conditions, and requirements

B. Term of Contract

The initial term of the contract shall be for a period of time not to exceed one (1) year from the effective date of the contract, and may be renewed at the discretion of the Corporation and concurrence of the contractor for a maximum of two one year terms. All responses should reflect services in anticipation of a one year contract term.

C. Insurance Requirements

During the term of the contract, the Contractor shall at its own cost and expense, procure and maintain the types of insurance listed below, as may be determined to be applicable to the work to be performed under the contract. The Proposer's inability or unwillingness to meet these requirements as a condition of the award, may, at the sole discretion of the Corporation, be rejected.

1. *Commercial General Liability:* Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.
2. *Automobile Liability:* Automobile Liability insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.
3. *Workers Compensation and Employers Liability:* Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.
4. *Professional Liability (Errors and Omissions) Insurance:* Professional Liability (Errors & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000 per claim. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under the contract. It shall provide coverage for the duration of the contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of at least 24 months, with full reinstatement of limits, from the expiration date of the policy, if policy is not renewed.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Corporation. The Contractor shall be responsible for all deductibles and self-insured retentions.

Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages
 - a. The Corporation, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Forms CG 20 10 (for ongoing work) and CG 20 37 (for completed work) (current forms approved for use in Louisiana), or

equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Corporation.

- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Corporation, its offers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Corporation.

3. All Coverages

- a. All policies must be endorsed to require 30 days written notice of cancellation to the Corporation. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, Contractor is required to notify the Corporation of policy cancellations or reductions in limits.
- b. The acceptance of the completed work, payment, failure of the Corporation to require proof of compliance, or Corporation's acceptance of a non-compliant certificate of insurance shall not release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the Corporation for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Corporation, its officers, agents, employees and volunteers.

Acceptability of Insurers

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in Louisiana. Insurance shall be placed with insurers with an A.M. Best's rating of A-:VI or higher. This rating requirement may be waived for workers compensation coverage only.
2. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

Verification of Coverage

1. Contractor shall furnish the Corporation with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Corporation before work commences and upon any contract renewal or insurance policy renewal thereafter.
2. The Certificate Holder shall be listed as follows:

State of Louisiana
Louisiana Housing Corporation, Its Officers, Agents, Employees and Volunteers
2415 Quail Drive, Baton Rouge, LA 70808
3. In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Corporation reserves the right to request complete certified copies of all required insurance policies at any time.
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Corporation, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

Workers Compensation Indemnity

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against the Louisiana Housing Corporation or its agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the Louisiana Housing Corporation and its agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor's owners or agents, or the employer of its employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the Louisiana Housing Corporation and its agents and employees harmless from any such assertion or claim that may arise from the performance of this Contract.

D. Billing and Payment

The financial advisory firm will submit itemized hourly billing statements for each file monthly and may request payment no more than quarterly. Such itemized statements must contain, at a minimum, the following information: (a) number of hours and portions of hours worked (figured to the nearest tenth of an hour); (b) identification of the individual(s) providing the service; (c) brief description of the service

provided and the date on which it was done; (d) billing rate of the individual providing the service; (e) party requesting the service; and (f) charge for the service. Requests for reimbursement of expenses may be submitted for payment monthly and shall indicate the file for which the expense was incurred, type of expense, individual incurring the expense (if appropriate), and amount of expense budget remaining available for the file after payment of expense.

No work will be paid for unless it is approved in advance in accordance with the procedure outlined in the contract. Further, specific types of fees and expenses will not be considered as billable services in the contract. Billing review criteria will be established to ensure no payment is made for such fees and expenses. **Examples of fees and expenses that will be considered as non-billable in the contract are:**

- More than 10 hours per day or 65 hours per week of work by any one person;
- "Interoffice conferences", "review of file", or research on subjects on which a financial advisory firm may be expected to possess innate expertise (e.g., basic information on municipal and public finance);
- Duplication of effort or "double-staffing" of a project;
- Time spent on correspondence or on preparation of any written report or document, a copy of which is not provided to the Corporation at the time such document is generated or written;
- Secretarial overtime, photocopying, and postage;
- Meals in the city in which the firm's offices are located; and
- Time spent on billing preparation and generation.

Note: The above list is not intended to be comprehensive but rather to be representative of the types of fees and expenses that will not be allowed.

Under normal circumstances, the LHC should remit payment to the contractor within 30 days of approval of invoices. The LHC makes every effort to pay all valid or undisputed invoices in a timely manner. There may be times when invoices are disputed or clarification of charges is needed before payment can be made.

E. Non-Negotiable Contract Terms

Non-negotiable contract terms shall include, but not be limited to taxes, assignment of contract, audit of records, EEOC and ADA compliance, record retention, content of contract/order of precedence, contract changes, governing law, claims or controversies, and termination based on contingency of appropriation of funds.

F. Use of Subcontractors

The selected Proposer shall serve as the single prime contractor for all deliverables and work performed pursuant to the terms of the entire contract. **No proposals involving subcontractors, joint proposals, or joint ventures will be accepted.**

G. Prohibited Activity

Contractors are prohibited from using funds provided herein or personnel employed in the administration of this program for political activities, inherently religious activities, lobbying, political patronage, and/or nepotism. The Contractor will comply with the prohibitions from using funds provided herein or personnel employed in the administration of the program for political activities, inherently religious activities, lobbying, political patronage, and/or nepotism.

H. Warranties and Representations

The Contractor warrants and represents that the following are true and shall remain true throughout the term of the Contract:

1. All information contained in its response to the RFP remains current and correct, including all information regarding its credit standing, financial status, resources, insurance, and personnel;
2. It is in good standing as a corporation in the state of its incorporation, and it is qualified to do business in Louisiana, and will take all such action that may be necessary from time to time to remain in good standing and so qualified;
3. It is not in arrears with respect to the payment of any monies due and owing the Corporation or any department of the State or unit thereof, or any local governmental entity within the State, including but not limited to the payment of taxes and employee benefits, and that it shall take such action as from time to time may be necessary to ensure the continuous and current status of all monetary obligations it may owe the State or any local governmental entity within the State;
4. It is in compliance with all federal, state, and local laws applicable to its activities generally, and, in particular, to its obligations under this Contract; and
5. It now possesses, or shall immediately obtain and maintain, all licenses, permits, insurance, and governmental approvals, if any, that are necessary to the performance of its obligations under this Contract, or which are required by the Corporation from time to time.
6. It is duly qualified and registered with all applicable federal, state, and self-regulatory authorities required or to be required on and after July 1, 2014, in order to provide the services required under this Contract, and will remain so throughout the term of this Contract.

7. The Contractor, to the extent it makes this representation in reliance upon 17 C.F.R. §240.15Bal-1(d)(3)(vi), further warrants and represents it has satisfied all the requirements applicable to it contained therein.

I. Assignment

The Contractor shall not assign any interest in this Contract and shall not transfer any interest in same (whether by assignment or novation), without prior written consent of the Corporation, provided however, that claims for money due or to become due to the Contractor from the Corporation may be assigned to a bank, trust company, or other financial institution without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the Corporation.

J. Indemnification

The Contractor agrees to save and hold harmless, protect, defend, and indemnify the State of Louisiana, all State Departments, Agencies, Boards and Commissions, the Louisiana Housing Corporation, its officers, agents, employees and volunteers, from and against any and all claims, demands, expenses and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any act or omission of the Contractor, its agents, servants and employees, or any and all costs, expenses and/or attorney fees incurred by the Contractor as a result of any claim, demands, and/or causes of action, except those claims, demands, and/or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards and Commissions, the Louisiana Housing Corporation, its collective officers, agents, employees, prior Sub-Program contractors and volunteers (the "Qualified Claims"). The Contractor agrees to investigate, handle, respond to, provide defense for and defend any Qualified Claims at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claim, demand or suit is groundless, false or fraudulent. The Louisiana Housing Corporation may, but is not required to, consult with the Contractor in the defense of claims, but this shall not affect the Contractor's responsibility for the handling of and expenses for all claims.

K. Payment of Taxes

The Contractor understands and agrees that it is responsible for paying any taxes (including Louisiana or federal income or payroll taxes), or license fees or official fees that may be due as a result of either its receipt of fees or other payments hereunder or its performance in accordance with the terms hereof under its own Federal Tax Identification Number.

L. Audit

The Contractor grants to the Office of the Legislative Auditor, Inspector General's Office, the Federal Government, and any other duly authorized agent of the State, where appropriate, the right to inspect and review all books and records pertaining to services rendered under this Contract for a period of five (5) years from the date of the last payment made under this Contract. The Contractor shall comply with federal and/or state laws authorizing an audit of the Contractor's operation as a whole, or of specific program activities. Records shall be made available during normal working hours for this purpose.

M. Non-Discrimination in Employment

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990. Contractor further agrees not to discriminate in its employment practices, and shall render services under this Contract without regard to race, color, religion, sex, sexual orientation, national origin, political affiliation or disabilities. Any act of discrimination committed by the Contractor, or failure to comply with these statutory obligations when applicable, shall be grounds for contract termination.

N. Contingent Fee Prohibitions

The Contractor warrants that it has not employed or retained any person, partnership, corporation or other entity, other than a bona fide employee or agent working for it directly, to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation or other entity, other than a bona fide employee or agent, any fee or other consideration contingent on the making of this Contract. For breach or violation of this warranty, the Corporation shall have the right to annul this Contract without liability for any work performed hereunder and with the right to recover any fees or expenses paid hereunder, or, in its discretion, to deduct from the consideration otherwise payable to the Contractor the full amount of such fee or other consideration paid for such solicitation or lobbying effort.

O. Governing Law

The laws of the State of Louisiana shall govern the terms of the contract and disputes arising therefore shall be resolved in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

P. Termination for Cause

LHC may, after giving reasonable written notice specifying the effective date, terminate this Agreement in whole or in part for cause, which shall include but not be limited to:

1. Failure, for any reason, of Contractor to fulfill in a timely and proper manner the obligations under this Agreement, and such statutes, Executive Orders, and federal directives as may become generally applicable at any time;
2. Submission by Contractor of reports to the Corporation, the State of Louisiana or HUD or either of their auditors, that are incorrect or incomplete in any material respect, provided Contractor is given notice of said failure and fails to correct the same within a reasonable amount of time; or
3. Ineffective or improper use of funds as provided for under this Agreement.

If, through any cause, Contractor shall otherwise fail to fulfill in a timely and proper manner, its obligations under this Agreement, or if Contractor shall violate any of the covenants, agreements, or stipulations of this Agreement, Corporation shall thereupon have the right to terminate this Agreement by giving written notice to Contractor of such termination and specifying the effective date thereof, at least thirty (30) days prior to the effective date of said termination.

Q. Termination for Convenience

LHC may terminate the Agreement at any time by giving at least thirty (30) days prior written notice to Contractor. Contractor shall be entitled to payment on requests submitted up to the date of termination contained within the notice, to the extent that requests represent eligible activities satisfactorily completed and otherwise reimbursable under the terms of this Agreement.

R. Termination Due to Unavailable Funding

The continuation of this Agreement is contingent upon the appropriation and release of funds by the Corporation to fulfill the requirements of this Agreement. Failure of the appropriate authorities to approve and provide an adequate budget to the LHC for fulfillment of the Agreement terms shall constitute reason for termination of the Agreement by either Party. Contractor shall be paid for all authorized Services properly performed prior to termination.

S. Confidentiality

All financial, statistical, personal, technical and other data and information relating to the State's operation and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and

information as well as the Corporation's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the Corporation in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the Corporation to be adequate for the protection of the Corporation's confidential information, such methods and procedures may be used, with the written consent of the Corporation, to carry out the intent of this paragraph.

The Contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Contract, or is rightfully obtained from third parties.

All of the reports, information, data, et cetera, prepared or assembled by Contractor under this Contract are confidential and Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the Corporation. This does not extend to information that was obtained from the public domain such as public agencies or sources of information available to the general public. Under no circumstance shall the Contractor discuss and/or release information concerning any project and/or program without prior express written approval of Corporation.

T. Third Party Requests for Release of Information

Should third parties request the Contractor to submit Confidential Information to them pursuant to a public records request, subpoena, summons, search warrant or governmental order, the Contractor will notify the Corporation immediately upon receipt of such request. Notice shall be forwarded via e-mail and via facsimile to the representative designated in writing by the Corporation as the Corporation contact for requests for release of information. Protocols for the handling of such requests are subject to the Corporation public records request policy. The Contractor shall cooperate with the Corporation with respect to defending against any such requested release of information or obtaining any necessary judicial protection against such release if, in the opinion of Corporation, the information contains Confidential Information which should be protected against such disclosure. The legal fees and related expenses incurred by the Contractor in resisting the release of information under this provision shall constitute reimbursable expenses under this Contract.

Legal service fees of law firms associated with this Section may not be "marked up" by the Contractor as it is against the law for a non-law firm to share in legal fees.

No copies or reproductions shall be made of any Confidential Information except to effectuate the purposes of this Contract or upon the prior approval of the Corporation. The Contractor shall not make use of any Confidential Information for their own benefit or for the benefit of any third party, except as directed by the Corporation in writing.

In accordance with the Contract, as between the Contractor and the Corporation, all Confidential Information is deemed to be the property of the Corporation.

Upon termination or expiration of the Contract, all databases and other storage media containing Confidential Applicant Data shall be delivered to the Corporation, who shall retain such information for the periods of time then required in accordance with any applicable State and federal statutes and regulations controlling such record retention. The Contractor shall not keep any copies of the Confidential Applicant Data in any medium format; upon delivery of the Confidential Applicant Data to the Corporation under this provision, the Contractor shall certify under penalty of perjury that no copies of the Confidential Applicant Data have been retained. Any exceptions to this provision must be approved in writing by SPD, and shall set forth the scope of the data required to be retained, the reasons justifying such retention, and the terms and conditions of such retention.

Y. Compliance With Civil Rights Laws

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Title VIII of the Civil Rights Act of 1970, Title VIII of the Civil Rights Act of 1968, relating to nondiscrimination in the sale, rental or financing of housing, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, Americans with Disabilities Act of 1990, the Comprehensive Alcohol Abuse and Alcoholism Prevention Treatment and Rehabilitation Act of 1970 (P.L. 91-616), relating to the nondiscrimination on the basis of alcohol abuse or alcoholism, and any other nondiscrimination provisions under which application for Federal assistance is made.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

Z. Ownership of Documents

All records, reports, documents, or other material or data, including electronic data, related to this Contract and/or obtained or prepared by Contractor, and all repositories and databases compiled or used, regardless of the source of information included therein, in connection with performance of the Services Contracted for herein shall become the property of the Corporation, and shall, upon request, be returned by Contractor to the Corporation at termination or expiration of this Contract. Cost incurred by Contractor to compile and transfer information for return to the Corporation shall be billed on a time and materials basis, is subject to the maximum amount of this Contract. Software and other materials owned by Contractor prior to the date of this Contract and not related to this Contract shall be and remain the property of Contractor. The Corporation will provide specific project information to Contractor necessary to complete Services described herein.

All records, reports, documents and other material delivered or transmitted to Contractor by the Corporation shall remain the property of the Corporation and shall be returned by Contractor to the Corporation, upon request, at termination, expiration or suspension of this Contract.

Contractor has the duty to fully cooperate with the Corporation and provide any and all requested information, documentation, etc. to the Corporation when requested. This applies even if an eventual contract is terminated and/or a lawsuit is filed. Specifically, the Contractor does not have the right to limit or impede the Corporation's right to audit or to withhold Corporation owed documents.