

INVESTMENT BROKER AGREEMENT

THIS AGREEMENT, entered into as of the 8th day of MAY in the year of 2019, by and between the Town of Dayton, Virginia, (hereinafter the "Town"), and Loomis Wealth Management, (hereinafter the "Broker").

WITNESSETH

WHEREAS, the Town has funds available for investment purposes (the "Initial Funds") for which it intends to conduct an investment program; and

WHEREAS, the Town desires to avail itself of the experience, sources of information, advice, assistance and facilities available to the Broker; to have the Broker undertake certain duties and responsibilities; and to perform certain services as investment broker on behalf of the Town, as provided herein; and

WHEREAS, the Broker is willing to provide such services on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto, intending to be legally bound, agreed as follows:

1. SERVICES OF BROKER.

The Town hereby engages the Broker to serve as investment broker under the terms of this Agreement with respect to the Initial Funds and such other funds as the Town may from time to time assign by written notice to the Broker (collectively the "Managed Funds"), and the Broker accepts such engagement.

In connection therewith, the Broker will provide investment research and supervision of the Town's Managed Funds investments and conduct a continuous program of investment, evaluation and, when appropriate, sale and reinvestment of the Town's Managed Funds assets. The Broker shall continuously monitor investment opportunities and evaluate investments of the Town's Funds. The Broker shall furnish the Town with statistical information and reports with respect to investments of the Managed Funds.

The Broker shall place all orders for the purchase, sale, loan or exchange of portfolio securities for the Town's account with institutions and dealers recommended by the Broker and/or the Town, and to that end the Broker is authorized as agent of the Town to give instructions to the depository designated by the Towns as its custodian as to deliveries of securities and payments of cash for the account of the Town. In connection with the selection of such institutions and dealers and the placing of such orders, the Broker is directed to seek for the Town the most favorable execution and price, the determination of which may take into account, subject to any applicable laws, rules and regulations, whether statistical, research and other information or services have been or will be furnished to the Broker by such brokers and dealers.

Authorized investments shall include only those investments which are currently authorized by the state investment statutes and the bond covenants, if any, and as supplemented by such

other written instructions as may from time to time be provided by the Town to the Broker. The Broker shall be entitled to rely upon the Town's written advice with respect to anticipated drawdowns of Managed Funds. The Broker will observe the instructions of the Town with respect to institutions and dealers approved to execute transactions involving the Town's Managed Funds and in the absence of such instructions will engage institutions and dealers which the Broker reasonably believes to be reputable, qualified and financially sound.

2. COMPENSATION.

(a) For services provided by the Broker pursuant to this Agreement, the Broker will receive the spread paid by the issuing institution in the form of commissions. The Broker shall disclose this spread to the Town on a transaction basis prior to the transaction.

(b) If and to the extent that the Town shall request the Broker to render services other than those to be rendered by the Broker hereunder, such additional services shall be compensated separately on terms to be agreed upon between the Broker and the Town.

(c) Broker is compensated for effecting transactions on behalf of the Town in the form of commissions. As such Broker is acting in a brokerage relationship, as opposed to an investment advisor.

3. EXPENSES.

(a) The Broker shall furnish at its own expense all necessary administrative services, office space, equipment, clerical personnel, telephone and other communications facilities, investment brokerage facilities, and executive and supervisory personnel for managing the Managed Funds.

(b) Except as expressly provided otherwise herein, the Town shall pay all of its own expenses including, without limitation, taxes, commissions, fees and expenses of the Town's independent auditors and legal counsel, if any, brokerage and other expenses connected with the execution of portfolio security transactions, insurance premiums, fees and expenses of the Custodian of the Managed Funds including safekeeping of funds and securities and the keeping of books and accounts.

4. REGISTERED BROKER; DUTY OF CARE.

The Broker hereby represents that they are affiliated with a registered broker-dealer with the Financial Industry Regulatory Authority (FINRA). The Broker shall immediately notify the Town if at any time during the term of this Agreement it is not so affiliated or if its registration is suspended. The Broker agrees to perform its duties and responsibilities under this Agreement with reasonable care. FINRA establishes guidelines for professional conduct and imposes sanctions against member firms when such firm or registered representative engages in misconduct. Nothing herein shall in any way constitute a waiver or limitation of any rights which the Town or the Broker may have under any law.

5. TERM.

This Agreement may be terminated by the Town or the Broker at any time, on not less than thirty days written notice.

6. FORCE MAJEURE.

The Broker shall have no liability for any losses arising out of the delays in performing or inability to perform the services which it renders under this Agreement which result from events beyond its control, including interruption of the business activities of the Broker or other financial institutions due to acts of God, acts of governmental authority, acts of war, terrorism, civil insurrection, riots, labor difficulties, or any action or inaction of any carrier or utility, or mechanical or other malfunction.

7. DISCIPLINARY ACTIONS.

The Broker shall promptly give notice to the Town if the Broker shall have been found to have violated any state or federal securities law or regulation in any criminal action or civil suit in any state or federal court or in any disciplinary proceeding before the Securities and Exchange Commission or any other agency or department of the United States, any registered securities exchange, FINRA, or any regulatory authority of any State based upon the performance of services as an investment broker.

8. INDEPENDENT CONTRACTOR.

The Broker, its employees, officers and representatives, shall not be deemed to be employees, agents (except as to the purchase or sale of securities described in Section 1), partners, servants, and/or joint ventures of the Town by virtue of this Agreement or any actions or services rendered under this Agreement.

9. BOOKS.

The Broker shall maintain appropriate records of all its activities hereunder. The Broker shall provide the Town with a monthly statement showing deposits, withdrawals, purchases and sales (or maturities) of investments, earnings received, and the value of assets held on the last business day of the month.

10. MODIFICATION.

This Agreement shall not be changed, modified, terminated or discharged in whole or in part, except by an instrument in writing signed by both parties hereto, or their respective successors or assigns.

11. SUCCESSORS AND ASSIGNS.

The provisions of this Agreement shall be binding on the Broker and its respective successors and assigns, provided, however, that the rights and obligations of the Broker may not be assigned without the consent of the Town.

12. NOTICE.

Written notices required under this Agreement shall be sent by regular mail, certified mail, overnight delivery or courier, and shall be deemed given when received at the parties' respective addresses shown below. Either party must notify the other party in writing of a change in address.

Town's Address

Dayton Town Superintendent
125B Eastview Street
Dayton, VA 22812
With a copy email to: manager@daytonva.us

Broker's Address

Loomis Wealth Management, LLC
1954 Evelyn Byrd Avenue
Harrisonburg, VA 22801-3423

13. APPLICABLE LAW.

This Agreement shall be construed, enforced, and administered according to the laws of the Commonwealth of Virginia and in the applicable local, state, or federal court located in Rockingham County, Virginia. The Broker and the Town agree that, should a disagreement arise as to the terms or enforcement of any provision of this Agreement, each party will in good faith attempt to resolve said disagreement prior to filing a lawsuit.

14. EXECUTION AND SEVERABILITY.

Each party to this Agreement represents and warrants that the person or persons signing this Agreement on behalf of such party is authorized and empowered to sign and deliver this Agreement for such party. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

IN WITNESS WHEREOF, the parties hereto have caused this Investment Broker Agreement to be executed by their authorized representatives as of the date set forth in the first paragraph of this Agreement.

TOWN OF DAYTON, VIRGINIA

By: 

Name: Joseph S. Paxton

Title: Interim Town Superintendent

LOOMIS WEALTH MANAGEMENT

By: 

Name: William Curtis Loomis IV

Title: Registered Principal

