

INVESTMENT CONSULTING SERVICES AGREEMENT

THIS INVESTMENT CONSULTING SERVICES AGREEMENT (the "Agreement"), dated as of _____, 2011 by and between LAWLACE CONSULTING LLC ("Consultant") and the SOUTHERN LEHIGH SCHOOL DISTRICT (the "Client").

WHEREAS, the Client desires to obtain the Investment Consulting Services of Consultant in connection with the investment of General Fund monies, as identified by the Board of School Directors (the "Funds"); and

WHEREAS, Consultant is willing to provide investment consulting services for the investment of the Funds subject to the terms and conditions of this Agreement.

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

1. **Services:** At the Client's request and subject to guidance and direction from the Client, Consultant will provide the investment consulting services described in the Scope of Services appended hereto as Appendix A (the "Services"). Consultant will provide the Services from time to time and at such times as the Client may reasonably request. The Client understands that Consultant's only role in the investment of the Funds is to render assistance and advice to the Client, who will have decision-making responsibility for all aspects of the investment. The Services are not intended to be in lieu of legal advice from counsel to the Client, appropriate advice from any other advisors to the Client or the exercise of business judgment on the part of the Client.
2. **Compensation:** The Client will pay to Consultant for performance of the Services as follows:
 - (a) A fee of \$5,500 which shall be payable within thirty days following execution of this Agreement.
 - (b) An amount required to reimburse Consultant for all costs and expenses (not to exceed \$100.00 annually) relating to the performance of the Services, including, but not limited to, travel, lodging, meals, telephone, printing and duplicating charges, postage, telecopy, and courier expenses.
3. **Compliance:** Consultant will comply with all laws regulating and establishing ethical standards and disclosure requirements for investment consultants.
4. **Term:** This Agreement shall become effective on the date hereof and shall be in effect until July 1, 2012 (the "Term"). Either party shall have the right to terminate this Agreement upon giving the other party 30-days written notice of such termination.
5. **Other Matters:**
 - (a) Consultant will perform the Services as an independent contractor and not as an employee of the Client.

- (b) The Client understands that Consultant may have business relationships with other firms that may do business with the Client which are unrelated to the Services to be provided in the Agreement. Consultant shall not receive compensation from, or provide compensation to, other parties involved in the Funds and the investment thereof.
- (c) Consultant's sole source of compensation related to the Services to be provided in the Agreement will be the fee paid by the Client.
- (d) Except as stated in 5(b), Consultant shall not receive compensation from, or provide compensation to, other parties involved in the Funds and the investment thereof.
- (e) The Client's retention of Consultant hereunder is the result of the Client's judgment and not of a condition imposed by any other party. Consultant makes no representations regarding the services of any other party, takes no responsibility for the actions of such party (whether or not affiliated with Consultant), and has not conditioned its services hereunder on the retention of any such party).
- (f) This Agreement, including Appendix A hereto, contains the entire agreement between the Client and Consultant and no amendment, modification or alteration of this Agreement shall have any force or effect unless the same is in writing and signed by each of the parties hereto.
- (g) This Agreement will be governed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

WITNESS the due execution hereto this _____ day of _____, 2011.

LAWLACE CONSULTING LLC

By: _____

SOUTHERN LEHIGH SCHOOL DISTRICT

By: _____

Title: _____

APPENDIX A

SCOPE OF SERVICES

Lawlace Consulting LLC (“Consultant”) will provide Investment Consulting Services to the Southern Lehigh School District (the “Client”) as follows:

- ❖ *Investment Policy Review and Recommendations.*

We will meet upon request with representatives of the Administration and the Board to review and discuss the existing Board Policy related to the investment of funds. We will recommend changes or additions to the Policy.
- ❖ *Investment Practice and Procedure Review and Recommendations*

We will meet upon request with the Business Manager and his staff to review and discuss investment practices and procedures and submit recommendations regarding suggested changes.
- ❖ *Quarterly Investment Review*

Consultant will examine the type of investments provided to the School District by financial institutions to assist the School District’s legal counsel in determining compliance with Section 440.1 of the Public School Code of 1949, as amended, as well as other applicable laws and regulations. Consultant will inform the School District promptly of any concerns regarding non-compliance with the School Code and other laws.
- ❖ *Quarterly Credit Analysis of Financial Institutions*

We will provide the School District on a quarterly basis with access to research and analysis relative to the credit ratings and other indicators of financial strength for financial institutions where the School District maintains significant investment deposits.
- ❖ *Quarterly Collateral Review and Reporting*

We will review and analyze periodic reports submitted by financial institutions regarding the collateralization of public funds and compliance with Act 72 of 1971 regarding pooled collateral for public deposits.
- ❖ *Quarterly Reporting*

Consultant will prepare quarterly written reports designed to summarize the activities and assistance provided to the School District and detailing the findings of our credit analysis and collateral review.

❖ *Cash Flow Analysis*

We will provide assistance with the preparation of a cash flow analysis for use as the basis of investment decisions.

❖ *Assistance with Investment Decisions*

We will respond promptly to requests from the School District regarding investment decisions and evaluation of potential new depository institutions.

❖ *Assistance Provided to Legal Counsel & Local Auditor*

We will provide assistance to the School District's legal and accounting professionals in their efforts to ensure compliance with applicable laws, regulations and guidelines.

Agreement

The Investment Consulting Services Agreement, to which this Appendix A is appended, supersedes this Appendix A in all respects and, if there is any conflict between the Agreement and this Appendix A, the provisions of the Agreement shall govern.