



Tel: 310-557-0300  
Fax: 310-557-1777  
www.bdo.com

515 S Flower St, 47th Floor  
Los Angeles, CA 90071

March 20, 2025

Jordan Nelson, Finance Director  
City of Valdez  
212 Chenega Avenue  
P.O. Box 307  
Valdez, AK 99686

**Re: Agreement for Professional Services**

Dear Mr. Nelson:

Thank you for selecting BDO USA. We appreciate the opportunity to provide exceptional professional services to City of Valdez ("Client" or "you"). Your services will be provided by BDO USA and any of our affiliates or wholly owned subsidiaries (collectively "BDO" or "we") who execute a Statement of Work ("SOW") agreeing to be bound to the Terms and Conditions (as defined below).

The attached Terms and Conditions of the Master Services Agreement ("Terms and Conditions") sets forth the standard terms and conditions that will govern our provision of professional services to you. For each new engagement or additional service that BDO performs for you, BDO and Client shall agree upon a description of such services and engagement-specific terms in an SOW. This letter, along with the Terms and Conditions shall constitute the agreement for professional services ("Agreement") between BDO and Client. This Agreement shall be effective for a period of one year (1) year beginning on the date of this letter (the "Effective Date") with one (1) one (1) year option to renew as provided herein. Work not set forth in a specific SOW form will (i) be governed by this Agreement, (ii) be billed at our standard rates, or rates otherwise agreed to, and (iii) include charges for related expenses.

Please acknowledge your acceptance of the foregoing by signing and returning a copy of this Agreement to us.

If you have any questions, please contact BDO Managing Principal/Managing Director Name. We look forward to working with you.

Very truly yours,

**BDO USA**

By: \_\_\_\_\_  
Name:  
Title: Managing Principal

The Data Privacy Policy for BDO USA and its subsidiaries is located at <https://www.bdo.com/legal-privacy/client-data-privacy-policy>. If you have questions about this Privacy Policy, please contact us at [privacy@bdo.com](mailto:privacy@bdo.com).

BDO USA refers to BDO USA, P.C., a Virginia professional corporation, also doing business in certain jurisdictions with an alternative identifying abbreviation, such as Corp. or P.S.C.

BDO USA, P.C., is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

**BDO**  
**Terms & Conditions of the Master Services Agreement**

**1. General.** This Agreement will apply to all tax, advisory and third party attestation services BDO performs at Client's request and pursuant to the Client's directions (the "Services") even if such Services are not expressly covered by a SOW. To the extent there is any conflict or inconsistency between the Agreement and any SOW and, unless the parties specifically state in writing that they intend to modify a term of this Agreement, the terms of this Agreement shall prevail.

**2. Term and Termination.** The initial term of this Agreement shall be one (1) year beginning on the \_\_ day of \_\_\_\_\_, 2025 ("Initial Term"). The Client shall have one (1) one (1) year option to renew this Agreement ("Additional Term") Each party shall have the right to terminate this Agreement and/or any SOW, as applicable, at any time by giving written notice to the other party not less than 30 business days before the proposed effective date of termination. If this Agreement terminates or is terminated while one or more SOWs (or Services not covered by a SOW) remain outstanding, the terms of this Agreement shall continue to apply to the SOW and any other outstanding Services, and this Agreement shall be deemed finally terminated only upon termination of all outstanding SOWs, or completion of the Services thereunder. Termination of one or more SOWs will not automatically terminate this Agreement. In addition, BDO may terminate this Agreement and/or any SOW and outstanding Services immediately if BDO reasonably determines that it must do so to comply with applicable professional standards, applicable laws or regulations (e.g., a conflict of interest arises). Those provisions in this Agreement and any SOW hereunder that, by their very nature, are intended to survive termination shall survive after the termination of this Agreement or any SOW, including, but not limited to, the parties' obligations related to any of the following provisions: indemnification, limitations on liability, confidentiality, dispute resolution, payment and reimbursement obligations, limitations on use or reliance, and non-solicitation.

If this Agreement and/or any SOW is terminated (or any other Services not covered by a SOW are terminated), Client agrees to compensate BDO for the Services performed and expenses incurred through the effective date of termination. To the extent Client terminates any SOW that includes any licensing arrangements under which Client receives from BDO a license to use, or obtain access to, External Computing Options (as defined below), Client agrees that it will be responsible for all fees and expenses associated with such licenses for External Computing Options through and including the date that is thirty days after date the Client provides such termination notice to BDO.

**3. Indemnification and Limitation of Liability.** As the Services are intended for Client and not third parties, Client agrees to release, indemnify and hold harmless BDO and its shareholders, partners, principals, employees, affiliates, contractors and agents (collectively "BDO Group") from and against all claims, liabilities, damages or expenses (including attorneys' fees) of any kind relating to the Services or this Agreement, whether arising in contract, statute, tort (including without limitation, negligence) or otherwise (collectively, the "Claims") that are brought by a third party. Client further agrees to release, indemnify and hold harmless BDO Group from all Claims relating to the Services or this Agreement attributable to any misrepresentations made by Client. BDO agrees to indemnify and to hold the Client and its officers, directors, and employees harmless from any third party Claims arising out of BDO's fraud or intentional misconduct. Except to the extent finally determined to have resulted from BDO Group's fraud or intentional misconduct, BDO Group's aggregate liability to Client for all direct or third-party Claims shall not exceed the amount of fees paid by Client to BDO during the 12 months preceding the date of the Claim pursuant to the applicable SOW or such other work performed outside a SOW, under which the Claim arose. In no event shall BDO Group be liable for consequential, special, indirect, incidental, punitive, or exemplary losses or damages, loss of profits or losses resulting

from loss of data, business or goodwill relating to the Agreement, regardless of whether BDO has been advised of the possibility of such damages. Client shall bring any Claims related to the Services or otherwise related to this Agreement no later than one year after (i) the completion of the Services set forth in SOW under which the Claims arose or (ii) if the applicable SOW or this Agreement was terminated prior to completion of the Services, the date the applicable SOW or this Agreement was terminated. In no event shall the preceding sentence extend any otherwise legally applicable period of limitations on such Claims.

**4. Third-Parties and Use.** All Services and Deliverables hereunder shall be solely for Client's use and benefit pursuant to our client relationship. This engagement does not create privity between BDO and any person or party other than Client and is not intended for the express or implied benefit of any third party. No third party is entitled to rely, in any manner or for any purpose, on the Services or Deliverables of BDO hereunder.

**5. BDO Responsibilities.** BDO's Services will not constitute an audit, review, compilation, examination or other form of attest engagement. BDO shall have no responsibility to address any legal matters or questions of law. After completion of the Services, BDO will have no responsibility to update its advice, recommendations or work product for changes or modifications to the law and regulations or for subsequent events or transactions, unless Client separately engages BDO in writing to do so. BDO shall comply with all applicable statutory laws, regulations, and rules applicable to the performance of Services under this Agreement, including those pertaining to wages and employment.

**6. Client Responsibilities.** For BDO to remain independent, professional standards require BDO to maintain certain respective roles and relationships with Client regarding the Services. Client understands and agrees that BDO will not perform management functions or make management decisions on behalf of Client. However, BDO will provide

advice and recommendations to assist management of Client in performing its functions and fulfilling its responsibilities. In connection with BDO's provision of Services, Client agrees that Client shall perform the following functions: (a) make all management decisions and perform all management functions with respect to the Services performed by BDO; (b) assign an individual who possesses suitable skill, knowledge and experience to oversee such Services and to evaluate the adequacy and results of such Services; and (c) accept responsibility for the results of such Services.

Because professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to the Client in the performance of our Services, any discussions that you have with personnel of BDO regarding employment could pose a threat to our independence. Therefore, BDO requests that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

**7. Client Materials.** BDO shall be entitled to rely on and assume, without independent verification, that all representations, assumptions, information and data supplied by or on behalf of Client, its personnel, representatives, and agents (the "Client Materials") are complete and accurate, provided however, that if Client provides any data or information to BDO that BDO believes to be clearly erroneous, BDO shall inform the Client of its belief of the erroneous data. Client is responsible for ensuring that all Client Materials provided to BDO may be transferred to BDO and processed in accordance with the terms of this Agreement and applicable laws, and that to the extent required thereunder Client has obtained all consents required for BDO's receipt and use of the Client Materials. Client agrees that it will not transmit or make accessible to BDO in any manner personally identifiable information unless reasonably required for BDO's performance of the Services. BDO will not audit or otherwise verify the accuracy or completeness of the data you submit, although we may need to ask you for

clarification of some of the information. Client shall be responsible for maintenance and retention of its records. Unless otherwise agreed to by the parties, BDO shall not assume any responsibility for any financial reporting with respect to the Services.

**8. Ownership of Working Papers.** Each SOW will specify the Deliverables BDO will prepare or produce in the performance of Services, which include reports, analyses, consultations, recommendations, ideas or concepts, and any supporting documentation or data (the “Deliverables”). We also will prepare documents that support our work and include items such as work programs and analyses that do not constitute part of Client’s records (“Working Papers”). The Working Papers prepared pursuant to this Agreement are the property of BDO. The Working Papers constitute confidential, proprietary, and trade secret information, and will be retained by BDO in accordance with our policies and procedures and all applicable laws. Upon full and final payment to BDO under an applicable SOW, the Deliverables, except for BDO’s Working Papers, are and will remain the exclusive property of Client, and will be protected by BDO as Client’s Confidential Information (defined in Section 21 (“Confidentiality”)) to the extent that the Deliverables are finally completed, delivered, or accepted. Upon full and final payment to BDO, all rights, including any and all U.S. or worldwide copyrights, patent rights of every kind, trade secret rights, and any trademark or service mark rights of any kind, together with any goodwill appurtenant thereto, and any moral rights (collectively, the “IP Rights”), in and to the Deliverables, except for BDO’s Working Papers, are owned by Client upon completion free and clear of any claims, restrictions or conditions.

**9. Consent for Disclosure.** If BDO is engaged in the preparation of tax returns, Internal Revenue Code Sections 6713 and 7216 require BDO to obtain your consent before using or disclosing information that you furnish to us in connection with the preparation of your return(s).

You hereby consent to BDO’s use of Client’s information for the purpose of providing you with materials and information, including newsletters or other business-related items of interest, news about BDO, and invitations to BDO-sponsored events.

You also consent to BDO’s disclosure of Client’s information to entities owned in whole or in part by BDO (“Affiliates”), members of the BDO Alliance USA (a nationwide association of independently-owned local and regional accounting, consulting and service firms, (“Alliance Firms”), independent member firms of the international BDO network (“Member Firms”), and independent contractors, including but not limited to parties who render auxiliary services (“Contractors” and, together with Affiliates, Alliance Firms and Member Firms, collectively, “Third-Party Service Providers”) for the purpose of assisting BDO in preparing Client’s tax returns and/or rendering other services requested by Client. You consent to disclosure of Client’s information to Third-Party Service Providers outside the United States and consent to the participation of Third-Party Service Providers in making substantive determinations affecting the tax liability reported by Client. This consent applies to all information required to be included in tax returns prepared pursuant to this Agreement and all tax return information relevant to the services provided pursuant to this Agreement unless you request a more limited disclosure in writing sent to [taxdisclosure@bdo.com](mailto:taxdisclosure@bdo.com). Unless limited or revoked in writing, the duration of this consent is the same as the term of this Agreement. BDO will not condition its services on your consent except where BDO seeks to disclose Client’s tax return information to a Third-Party Service Provider for purposes of performing services related to preparation of Client’s tax return.

**10. Fees and Expenses.** In no event shall the fees and expenses under this Agreement exceed \$75,000 for the Initial Term and, in the event the City exercise its option to renew, \$45,000 for the Additional Term. The fees and expenses under this Agreement shall be set forth in the applicable SOW. If no SOW is in place, fees will be at our standard rates, or

rates otherwise agreed to, and related expenses will be charged to Client. BDO may charge additional fees if Client requests that BDO perform services in addition to the Services described in any SOW. The amount of our fees is based upon the expectation that certain information and assistance will be received by BDO in a timely manner from Client as set forth in this Agreement. If BDO believes an additional fee is required as the result of the failure of Client to meet any of these requests for information or for any other reason, BDO will inform you in a timely manner.

Unless otherwise agreed to in a SOW, our standard practice is to render our invoices on a monthly basis. Client may, in good faith, dispute all or a portion of an invoice by written notice, delivered within 30 days of receipt of invoice, detailing the amounts in dispute and the reasons therefor; invoiced amounts that are not disputed within such time shall be deemed undisputed. Payment of our invoices is due upon receipt. Invoices that are unpaid 30 days past the invoice date are deemed delinquent and we reserve the right to charge interest on the past due amount at the lesser of 1.0% per month or the maximum amount permitted by law. If an account has fees that are not paid in a timely manner, we then reserve the right to suspend our Services, terminate the licensing arrangements under which you receive a license to use, or suspend your access to, External Computing Options provided through BDO, withhold delivery of any Deliverables, or withdraw from this engagement entirely. If any collection action is required, you agree to reimburse us for all our costs of collection, including without limitation, attorneys' fees.

**11. Assignment and Sole Recourse.** In performing the Services hereunder, BDO may, with Client's prior written consent, assign its rights to perform a portion of the Services to, and may engage, the service of Third-Party Service Providers. Notwithstanding the foregoing, BDO shall be permitted to use in the performance of the Services, without first obtaining Client's prior written consent, Affiliates and third parties who render auxiliary services to BDO. If a Third-Party

Service Provider is utilized or assignment is made, Client agrees that, unless Client contracts directly with the Third-Party Service Provider, substantially all of the applicable terms and conditions set forth in the Agreement, shall apply to the Third-Party Service Provider. BDO agrees that it shall not permit the Third-Party Service Provider to perform any work relating to the Services until the Third-Party Service Provider agrees to be bound by the applicable terms and conditions of the Agreement. BDO further agrees that it will remain primarily responsible for the Services, unless Client and BDO agree otherwise, and BDO will ensure that the work of the Third-Party Service Provider is performed in accordance with this Agreement. Although applicable privacy laws may vary depending on the jurisdiction and may provide less or different protection than those of Client's home country, BDO requires Third-Party Service Providers to agree to maintain the confidentiality of Client's information and observe BDO's policies concerning any confidential client information that BDO provides to Third-Party Service Providers. To the extent you have any Claims against a Member Firm that is a Third Party Service Provider in any way arising from, in respect of or in connection with the Services or this Agreement, you agree that you shall bring such Claim(s) against BDO instead of such Member Firm, except to the extent finally judicially determined to have resulted from the fraud or intentional misconduct of such Member Firm. A Member Firm may enforce any limitations or exclusions of liability available to BDO under this Agreement.

Without our prior written consent, Client may not assign this Agreement except to a party that acquires substantially all of your assets and operations.

**12. Dispute Resolution.** The parties hereby consent to the exclusive jurisdiction of the Third Judicial District, Superior or District Court at Valdez, Alaska for any dispute, controversy, or claim arising out of, relating to, or resulting from the Deliverables and/or the performance or breach of this Agreement, excluding claims

for non-monetary or equitable relief (collectively, the “Dispute”). EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULL EXTENT PERMITTED BY LAW, ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. This Agreement and any dispute arising hereunder shall be governed by the provisions of the laws of the state of Alaska, which shall be applied without reference to conflicts of law rules.

**13. Conflicts of Interest.** BDO is not aware of any conflicts of interest with respect to any of the names Client has provided. BDO is not responsible for continuously monitoring other potential conflicts that could arise during the course of the engagement, although we will inform Client promptly should any come to our attention. We reserve the right to resign from this engagement at any time if conflicts of interest arise or become known to us. Additionally, our engagement by Client will in no way preclude us from being engaged by any other party in the future. Notwithstanding anything contained in confidentiality provisions set forth herein, BDO shall be permitted to disclose that it is engaged to provide the Services to Client under this Agreement if BDO in its reasonable professional judgment determines that such disclosure is required in connection with BDO’s provision of services on behalf of other clients of BDO, including, without limitation, professional services engagements under which BDO personnel act as professionals in legal proceedings that require disclosures, arbitrators in post-acquisition disputes or act as expert witnesses.

**14. Power and Authority.** Each of the parties hereto has all requisite power and authority to execute and deliver this Agreement and to carry out and perform its respective obligations hereunder. This Agreement constitutes the legal, valid and binding obligations of each party, enforceable against such party in accordance with its terms.

**15. Subpoenas.** If Client requests BDO to object to or respond to, or BDO receives and responds to, a validly issued third party subpoena, court order, government regulatory inquiry, or other similar request for, or legal process for the production of, documents and/or testimony relative to information we obtained and/or prepared during the course of this or any prior engagements with Client, you agree to compensate us for all time BDO expends in connection with such response, at our standard rates, and to reimburse BDO for all related out-of-pocket costs (including outside attorneys’ fees) that we incur.

**16. Email Communications.** BDO disclaims and waives, and the Client releases BDO from all liability for the interception or unintentional disclosure of e-mail transmissions or for the unauthorized use or failed delivery of e-mails transmitted or received by BDO in connection with the performance of the Services.

**17. External Computing Options.** If, at the Client’s request, any member of the BDO Group agrees to use certain external commercial services, including but not limited to services for cloud storage, remote access, third party software and/or file sharing options (collectively “External Computing Options”), that are outside of BDO’s standard security protocol, the Client acknowledges that such External Computing Options may be associated with heightened security and privacy risks. Accordingly, BDO Group disclaims, and the Client agrees to release BDO Group from, and indemnify BDO Group for, all liability arising out of or related to the use of such External Computing Options.

**18. Electronic Transmissions.** This Agreement may be transmitted in electronic format and shall not be denied legal effect solely because it was formed or transmitted, in whole or in part, by electronic record; however, this Agreement must then remain capable of being retained and accurately reproduced, from time to time, by electronic record by the parties to this Agreement and all other persons or entities required by law. An electronically transmitted signature to this

Agreement will be deemed an acceptable original for purposes of consummating this Agreement and binding the party providing such electronic signature.

**19. Severability.** If any portion of this Agreement is held to be void, invalid, or otherwise unenforceable in whole or in part, for any reason whatsoever, such portion of this Agreement shall be amended to the minimum extent required to make the provision enforceable and the remaining portions of this Agreement shall remain in full force and effect.

**20. Independent Contractor.** BDO is providing the Services to Client as an independent contractor bound by the terms hereof to perform the Services pursuant to the Client's instructions. BDO's obligations to Client are exclusively contractual in nature. This Agreement does not create any agency, employment, partnership, joint venture, trust, or other fiduciary relationship between the parties. Neither BDO nor Client shall have the right to bind the other to any third party or otherwise to act in any way as a representative or agent of the other except as otherwise agreed in writing between the parties.

**21. Confidentiality.** Each of the parties hereto shall treat and keep all the "Confidential Information" as confidential, with at least the same degree of care as it accords to its own confidential information, but in no event less than a reasonable degree of care. Each party shall disclose the Confidential Information only to its employees, partners, contractors, agents or its legal or other advisors, provided that they have: (i) each been informed of the confidential, proprietary and secret nature of the Confidential Information, or are subject to a binding, preexisting obligation of confidentiality no less stringent than the requirements of this Agreement and (ii) a demonstrable need to review such Confidential Information. "Confidential Information" means all non-public information that is marked as "confidential" or "proprietary" or has commercial value in the party's business and is obtained by one

party (the "Receiving Party") from the other party (the "Disclosing Party"). All terms of this Agreement are considered Confidential Information. Notwithstanding the foregoing, Confidential Information shall not include any information that was or is: (a) known to the Receiving Party prior to disclosure by the Disclosing Party; (b) as of the time of its disclosure, or thereafter becomes, part of the public domain through a source other than the Receiving Party; (c) made known to the Receiving Party by a third person who is not subject to any confidentiality obligation known to Receiving Party and such third party does not impose any confidentiality obligation on the Receiving Party with respect to such information; (d) required to be disclosed pursuant to governmental authority, professional obligation, law, decree regulation, subpoena or court order; or (e) independently developed by the Receiving Party. If BDO is providing tax services for the Client, in no case shall the tax treatment or the tax structure of any transaction be treated as confidential as provided in Treas. Reg. sec. 1.6011-4(b)(3). If disclosure is required pursuant to subsection (d) above, the Receiving Party shall (other than in connection with routine supervisory examinations by regulatory authorities with jurisdiction and without breaching any legal or regulatory requirement), to the extent legally permissible, provide prior written notice thereof to allow the Disclosing Party to seek a protective order or other appropriate relief. Upon the request of the Disclosing Party, the Receiving Party shall return or destroy all of the Confidential Information except for: (y) copies retained in work paper files retained to comply with a party's professional or legal obligations; and (z) such Confidential Information retained in accordance with the Receiving Party's normal data back-up procedures.

**22. Restricted Federal Data.** The parties agree that the services are not intended to involve the processing, storage, disclosure, or transmissions of Restricted Federal Data, defined as data or information subject to laws, regulations, or government-wide policies that require safeguarding or dissemination controls, including but not

limited to the Federal Acquisition Regulations (“FAR”), the Defense Federal Acquisition Regulation Supplement (“DFARS”), the International Traffic in Arms Regulation (“ITAR”), the Export Administration Regulations (“EAR”), and the Arms Export Control Act (“AECA”), and any other data or information that is restricted for dissemination or disclosure to foreign nationals. For clarity, and without limiting the foregoing, controlled unclassified information (“CUI”) shall be included in the definition of Restricted Federal Data. Because BDO relies on this information in order to fulfil its own compliance obligations, the Client shall not provide or otherwise make available Restricted Federal Data to BDO or its employees unless expressly agreed to in advance in writing by BDO. If the Client becomes aware that any known or suspected Restricted Federal Data will be or has been disclosed to BDO by the Client or otherwise in connection with the Services, the Client will (a) immediately notify BDO in writing to [regulatedgovtdata@bdo.com](mailto:regulatedgovtdata@bdo.com) and will cease any further transfer of such data unless and until BDO expressly agrees in writing, (b) identify which documents at which pages contain such information, (c) identify which export control regulations apply where applicable, and (d) identify the relevant export control classifications that apply to the information in question. The Client will fully cooperate with BDO in the investigation of and response to any known or suspected Restricted Federal Data that the Client has disclosed to BDO notwithstanding the foregoing. The Client further agrees that it will be responsible for all fees, costs, and expenses associated with processing, storage, disclosure, or transmissions of such Restricted Federal Data, including without limitation additional fees, costs, and expenses related to compliance with obligations with respect to such Restricted Federal Data.

**23. Intellectual Property.** BDO shall retain the right to reuse the ideas, concepts, know-how, and techniques derived from the rendering of the Services so long as it does not require the disclosure of any of Client’s Confidential Information (as defined above). BDO shall be entitled to all protections

afforded under State and Federal statutory or common law with respect to any report, computer program (source code and object code) or programming and/or material documentation, manual, chart, specification, formula, database architecture, template, system model, copyright, diagram, description, screen display, schematic, blueprint drawing, tape, license, listing, invention, record, development frameworks, code libraries, best practices, general knowledge, skills and experience, or other materials preexisting the execution of this Agreement (“BDO Intellectual Property”). Unless otherwise specifically stated in this Agreement, the reproduction, distribution or transfer, by any means or methods, whether direct or indirect, of any of BDO’s or its agents’ Intellectual Property or proprietary information by the Client is strictly prohibited.

**24. Licensing Representation.** To the extent necessary for BDO to perform its obligations described in an applicable SOW, Client represents and warrants that it will obtain, maintain and comply with all of the licenses, consents, permits, approvals and authorizations that are necessary to allow BDO and its employees, contractors and subcontractors to access and use the services or software provided for the benefit of Client under Client’s third-party services contracts, licenses or other contracts granting Client the right to access, use or receive services or software (each a “Licensing Representation”). Upon BDO’s request, Client will provide BDO any references available evidencing the Licensing Representation (e.g., order number, customer support identifier). Tools subject to this Licensing Representation are hereby deemed External Computing Options (as defined in this Agreement). Client hereby releases BDO Group from all claims and liabilities resulting from (i) BDO’s reliance on a Licensing Representation and (ii) the functionality of any third-party software or services used or accessed by BDO.

**25. Non-CPA Notice Requirement.** BDO is owned by professionals who hold CPA licenses. Depending on the nature of the Services being provided, from time to time non-CPA



personnel may be involved in providing certain Services hereunder.

**26. Entire Agreement.** This Agreement sets forth the entire agreement between the parties with respect to the subject matter herein, superseding all prior agreements, negotiations, or understandings, whether oral or written, with respect to the subject matter herein. This Agreement may not be changed, modified, or waived in whole or part except by an instrument in writing signed by both parties.

**27. Officials Not to Benefit.** Each of BDO and Client hereby represents, warrants and covenants to the other that it has not, and covenants and agrees that it will not, in connection with the transactions involving the Services and Agreement corruptly make or promise or offer to make any payment or transfer of anything of value, directly or indirectly to any Government Official (or to an intermediary for payment to any Government Official) in order to obtain or retain business or to secure any improper advantage. It is the intent of the parties that no payments or transfers of value shall be made which have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business. This section shall not, however, prohibit normal and customary business entertainment or the giving of business mementos of nominal value; provided, however, that all such payments shall be lawful, reasonable, directly related to the business of Client and BDO, accurately and completely described in the books and records of Client and BDO relating to the Services and Agreement, and approved in advance in writing by the individual executing this Agreement on behalf of BDO.

For the purpose of this Agreement, a "Government Official" is defined as:

1. any employee or officer of a government of any country, including any federal, regional or local department, agency, instrumentality or enterprise owned or controlled by any government,

2. any official of a political party,

3. any employee or official of a public international organization,

4. any person acting in an official capacity for, or on behalf of, such entities, and

5. any candidate for political office.

**28. Inspection Rights.** Upon Client's request, not more than once per year and upon reasonable notice to BDO, BDO will provide Client, or a mutually acceptable independent certified public accountant, copies of Supplier's books and records (collectively, "Records"), whether belonging to or in the possession of the BDO to the extent directly pertaining to the Services and Deliverables in order to permit Client to substantiate Services performed, provided any such information is subject to conditions of confidentiality. All such examinations shall be conducted in accordance with BDO's policies and procedures for such examinations and in a manner designed to minimize disruption to BDO's performance of services and normal operations. BDO agrees to maintain all such Records for no less than 2 years after termination of this Agreement.

**29. Insurance.** During the term of this Agreement, BDO shall maintain the following limits of insurance coverage:

- Workers' Compensation: Statutory
- Employers' General:  
\$100,000/occurrence;  
\$300,000/aggregate
- Commercial General Liability  
(including Broad Form Property  
Damage Coverage and Completed  
Operations Coverage):  
\$1,000,000/occurrence;  
\$2,000,000/aggregate
- Comprehensive Automobile Liability:  
\$100,000/occurrence; \$  
300,000/aggregate
- Professional Liability:

\$1,000,000/occurrence;  
\$2,000,000/aggregate.

*[Signature Page to Follow]*



By signing below, the authorized signatory represents that he/she has power and authority and has obtained all approvals, authorizations and consents necessary to enter into this Agreement on behalf of the Client set forth below for whom the authorized signatory is executing this Agreement. The authorized signatory represents that this Agreement constitutes the legal, valid and binding obligation of the Client set forth below for whom the authorized signatory is executing this Agreement and is enforceable against the Client in accordance with its terms and conditions.

Accepted and Agreed to by:

**BDO USA**  
Authorized Signature

\_\_\_\_\_

Printed name

Date: \_\_\_\_\_

Title: \_\_\_\_\_

FEDERAL ID #:

\_\_\_\_\_

\_\_\_\_\_

Mailing Address

\_\_\_\_\_

City, State, Zip Code

\_\_\_\_\_

Signature of Company Secretary or Attest

Date: \_\_\_\_\_

\_\_\_\_\_

**CITY OF VALDEZ, ALASKA**  
**APPROVED:**

\_\_\_\_\_

Dennis Fleming, Mayor

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_

Sheri L. Pierce, MMC, City Clerk

Date: \_\_\_\_\_

**RECOMMENDED:**

\_\_\_\_\_

Jordan Nelson, Finance Director

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**  
Brena, Bell & Walker, P.C.

\_\_\_\_\_

Jake W. Staser

Date: \_\_\_\_\_