

**Trustee Agreement  
for Securities Pledged as Collateral to the State Treasurer of Ohio  
for the period of July 4, 2022 through June 30, 2024**

This Trustee Agreement (“Agreement”) is entered into among the State Treasurer of Ohio (“Treasurer”), having a place of business at 30 East Broad Street, 9th Floor, Columbus, Ohio 43215, \_\_\_\_\_, (“Financial Institution”), having a place of business at \_\_\_\_\_, and \_\_\_\_\_, (“Trustee”) having a place of business at \_\_\_\_\_, as of this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_. Collectively, Treasurer, Financial Institution, and Trustee shall be referred to as the “Parties”.

**Background**

Financial Institution is required to secure Treasurer’s deposits pursuant to Ohio Revised Code (“ORC”) § 135.18 and Ohio Administrative Code (“OAC”) 113-7-05. Financial Institution therefore pledges certain securities defined as eligible pursuant to ORC § 135.18(D) (“Securities”) as collateral (“Collateral”) to secure Treasurer’s deposits (“Deposits”).

In order to comply with ORC § 135.18, Financial Institution and Treasurer have entered into a Security Agreement for the Collateralization of State Treasurer of Ohio Funds (“Security Agreement”) for the biennium beginning July 4, 2022 and ending June 30, 2024. The Security Agreement grants Treasurer a first priority security interest under the Ohio Uniform Commercial Code in the Collateral to secure the Deposits.

Trustee hereby certifies that it meets the requirements of ORC § 135.18 to act as trustee for the safekeeping of Collateral pledged to Treasurer other than those securities belonging to itself or to an affiliate as defined in ORC § 1101.01.

Trustee is hereby appointed to hold, on behalf of Treasurer, the Collateral in accordance with the terms set forth below and Trustee accepts such appointment. Trustee covenants and agrees to maintain the Collateral for the benefit of Treasurer (which Collateral shall be clearly identified as such). There may be more than one account established with Trustee for each Financial Institution. Trustee shall maintain separate accounts with specific and separate pools of Collateral for each such account. Notwithstanding the fact that there may be separate Collateral pools, all Collateral in the Trustee’s possession, no matter which Collateral pool it is in, will secure all Deposits of Treasurer.

1. It is the intent of the Parties that Treasurer have a first priority perfected security interest in the Collateral. Trustee agrees to hold the Collateral under joint safekeeping receipts. Trustee shall apply any substitutions or additions of Collateral upon the terms and conditions set forth in this Agreement under the procedures enumerated in Schedule 1 attached hereto and incorporated herein by this reference. Trustee shall segregate the Collateral solely for the benefit of Treasurer, so that Treasurer may exercise its rights to the Collateral afforded by ORC Chapters 135 and 1309 and paragraph 4(a) of this Agreement.
2. The Financial Institution represents and warrants that, when the Collateral and any additional Securities, as such term is defined in the Security Agreement, are delivered to the Trustee pursuant to this Agreement, (i) the Financial Institution will have valid and marketable title thereto, free and clear of any claims, liens, or encumbrances other than the Security Agreement and this Agreement, (ii) the Financial Institution will have the full legal right, power and authority to deliver all of such Collateral and any additional Securities pledged in the manner provided in the Security Agreement or this Agreement, (iii) each item pledged as Collateral shall meet the definition of Eligible Collateral as defined in ORC § 135.18(D), and (iv) the Collateral shall have an aggregate market value of not less than that required by ORC § 135.18.
3. Trustee shall not permit the release or substitution of any of the Collateral, or the release of any cash proceeds resulting from the maturity or early redemption of any of the Collateral, without the prior written approval of Treasurer, which Treasurer shall not unreasonably withhold. Treasurer shall deliver such approval to Trustee in a fully executed approval letter substantially in the form of Schedule 1 attached hereto.
4. (a) Promptly upon the receipt of a written statement from Treasurer that Financial Institution is in default<sup>1</sup>, Trustee shall immediately deliver to Treasurer the Collateral held hereunder or such portion thereof as may be demanded without inquiring into the validity of such statement. Such demand shall state the dollar amount of the Deposits, including any interest which has accrued on the Deposits, as of the date of the demand and any costs or expenses for which Treasurer is entitled to reimbursement under the Security Agreement. Further, the demand shall instruct that Trustee deliver to Treasurer, for sale by Treasurer, Collateral with a market value equal to or greater than such reported Deposits, costs, and expenses. Upon receipt of such demand, Trustee shall immediately disregard any further notice or instruction by or on behalf of Financial Institution.  
  
(b) In the event a receiver or conservator is appointed for Trustee under federal and/or state banking or similar law, or there is commenced by or against Trustee any liquidation or dissolution proceeding, Trustee shall as soon as practicable transfer the Collateral to such other trustee meeting the requirements of ORC §135.18, as is designated by Financial Institution and approved by Treasurer. Trustee and Financial Institution shall notify Treasurer prior to any such transfer.

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<sup>1</sup> “Default” means the omission or failure to perform a legal or contractual duty including, but not limited to, filing for bankruptcy or insolvency, acquisition by another institution that fails to perform, or failure to return funds.

5. In consideration of Trustee's acceptance of its appointment as Trustee, Financial Institution agrees to indemnify and hold Trustee harmless as to any liability incurred by Trustee to any person, firm, or corporation, including, without limitation, to Treasurer, by reason of its having accepted the same or in carrying out any of the terms hereof, and to reimburse Trustee for all its expenses, including among other things, counsel fees and court costs, incurred by reason of its position hereunder or actions taken pursuant hereto, except in the event of the negligent, reckless, or willful misconduct of Trustee. In the event of its failure to exercise ordinary care, Trustee shall be liable to Financial Institution only to the extent of its direct damages. Trustee shall be deemed to have exercised ordinary care if its actions or failure to act is in conformity with reasonable banking industry practice. Notwithstanding any other provision of this Agreement, if it becomes necessary for the Treasurer to obtain court enforcement of its rights against Trustee, Trustee shall be liable for the legal fees and costs of Treasurer. Financial Institution agrees that Trustee shall not be liable to it for any actions taken by Trustee pursuant to the terms hereof. Financial Institution agrees to pay Trustee for its services under this Agreement according to the fee schedule in effect at the time of service. Financial Institution also agrees to pay on demand Trustee's costs and expenses, including the fees and expenses of counsel and independent appraisers used by Trustee, reasonably incurred in connection with its duties hereunder. Trustee shall not place a lien or claim on the Collateral for any unpaid fees.
6. (a) Trustee shall maintain and segregate all Collateral that at any time comes into its possession, in accordance with the customary standards in the industry for such possession. Under no circumstances shall Trustee be held responsible to Treasurer or Financial Institution for any loss arising from any cause whatsoever except such as may arise solely from its failure to comply with the terms and conditions in this Agreement, or from its negligent, reckless, or willful misconduct, or that of its officers, employees, or duly authorized agents. Trustee's duties shall be determined only with reference to this Agreement and ORC Chapters 135 and 1111 (as they relate specifically to the qualifications or duties of Trustee), and Trustee is not charged with knowledge of or any duties or responsibilities in connection with any other document or agreement.  
  
(b) Upon execution of this Agreement, Trustee shall deliver to Treasurer a certificate in a form substantially similar to the form attached hereto as Schedule 2, and incorporated herein by reference, stating that: (i) Trustee is authorized under the laws of the United States of America and/or the State of Ohio to exercise trust and fiduciary powers in Ohio; (ii) Trustee is qualified pursuant to ORC § 135.18 to hold Securities pledged to Treasurer; (iii) Trustee has complied with all applicable capital guidelines and requirements applicable to it, adopted by the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Board of Governors of the Federal Reserve System as from time to time amended; (iv) Deposits of Trustee are insured by the Federal Deposit Insurance Corporation; (v) Trustee has assets that exceed its liabilities; and (vi) this Agreement is a legal, valid, and binding obligation of Trustee, enforceable in accordance with its terms. Trustee agrees to notify Treasurer and Financial Institution immediately in writing if at any time (i), (ii), (iii), (iv), (v), or (vi) cease to be true and accurate.
7. Until receipt of notice by Treasurer under paragraph 4(a) and so long as the Collateral value after such payment is not less than that required by ORC § 135.18, Trustee shall

send to Financial Institution all income relating to the Collateral for a particular account at any time held hereunder. Further, so long as the Collateral value for such account after such payments is not less than that required by ORC § 135.18, Trustee shall send to Financial Institution all periodic coupon income on the Collateral for the relevant account and all principal payments and prepayments on mortgage-backed securities at any time held hereunder. Upon receipt of notice under paragraph 4(a), Trustee shall hold all such income, periodic coupon income, and principal payments and prepayments for the benefit of Treasurer.

8. Whenever the written consent of Treasurer or Financial Institution is required hereunder, the written consent of any authorized representative or agent of Treasurer or of Financial Institution, as provided by Treasurer (Appendix I, attached hereto and incorporated herein by reference) and Financial Institution (Appendix II, attached hereto and incorporated herein by reference) shall satisfy such requirements. Appendices I and II may be amended by either Treasurer or Financial Institution, respectively, by giving written notice to the Parties.
9. Each transfer of the Collateral, including the initial transfer of the Collateral under this Agreement, shall be accompanied by a pledge or release confirmation of Financial Institution stating, as applicable, the account number, the par value or original face amount, current par value, interest rate, CUSIP number, maturity date, market value, and such other information as may be reasonably required by Treasurer of the Collateral transferred. The certificate shall also contain a description of the Collateral and shall state that the Collateral is being transferred to Trustee pursuant to this Agreement. Trustee shall provide said certificate to Treasurer to confirm receipt of Collateral and that the Collateral is being held by Trustee for the benefit of the Treasurer.
10. (a) Upon the initial transfer of the Collateral under this Agreement, and by the fifteenth (15<sup>th</sup>) day of each month during the term of this Agreement, Trustee shall provide to Financial Institution and Treasurer a statement: (i) listing the Collateral held by the Trustee, including the CUSIP number and a description of each listed Collateral; (ii) stating the par value of each Collateral; and (iii) stating the Value (as defined below) of each Collateral; and (iv) such other information as may be reasonably required by Treasurer. The value of any item of Collateral shall be its market value, if the same is readily determinable (“Value”). If the market value an item of Collateral is not readily determinable from sources available to the Trustee in the ordinary course of its business, then Trustee shall have no obligation to determine the Value of such Collateral.  
  
(b) Trustee agrees to provide other reporting as may be required by Treasurer or Treasurer’s auditors.
11. The Parties hereto bind themselves and their successors and assigns, including any acquirer of the deposits of Financial Institution, for the faithful performance of the terms and conditions of this Agreement.
12. (a) This Agreement shall automatically terminate upon termination of the Security Agreement. Notice of termination of the Security Agreement shall be provided to Trustee by Treasurer as soon as practicable. Trustee shall not honor any purported notice of termination from Financial Institution.

- (b) This Agreement shall terminate upon delivery by Trustee of the Collateral to Treasurer pursuant to paragraph 4 hereof.
- (c) Further, this Agreement may be terminated ten (10) business days after Trustee's receipt of written notice from Financial Institution and Treasurer. As used in this Agreement, the term "business day" means any Monday through Friday, excluding any day on which Financial Institution is authorized or required to be closed under state or federal law.
- (d) Trustee shall have the right at any time to resign hereunder by giving written notice of its resignation to both Financial Institution and Treasurer at the addresses set forth in paragraph 17 hereof, or at such other address as Financial Institution and Treasurer shall provide, at least thirty (30) business days prior to the date specified for such resignation to take effect ("Effective Date"). Upon the Effective Date all moneys, Collateral, and proceeds of Collateral then held by Trustee hereunder shall be delivered by it to the successor trustee designated in writing by Financial Institution and approved by Treasurer. Any such resignation shall not be effective until a successor trustee has been appointed by Financial Institution and approved by Treasurer.
- (e) Upon termination as defined in paragraphs 12(c) and 12(d) hereof, Trustee shall immediately transfer the Collateral to a successor trustee as is designated by Financial Institution and approved by Treasurer.
13. Trustee shall, at its own expense, maintain at all times during the existence of this Agreement and keep in full force and effect: (i) fidelity insurance; (ii) theft of documents insurance; (iii) forgery insurance; and (iv) errors and omissions insurance. All such insurance shall be in amounts, with standard coverage and subject to deductibles as are customary for insurance typically maintained by banks that act as trustee in similar transactions. A certificate of the respective insurer as to each such policy shall be furnished to Treasurer, upon request, containing the insurer's statement or endorsement that such insurance shall not be materially altered or terminated without ten (10) days prior notice being sent to Treasurer by registered mail.
14. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. With respect to any disputes arising hereunder, the Parties hereto submit to the jurisdiction of the Ohio Court of Claims or a court of competent jurisdiction in Franklin County, Ohio.
15. No modification or amendment of or supplement to this Agreement shall be valid or effective unless the same is in writing and signed by the Parties.
16. If any of the provisions of this Agreement shall be held invalid, then such provisions shall be deemed severable from the remaining provisions of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.
17. Any notices, including Collateral statements, shall be sent to the respective Parties at the following addresses:

Treasurer:

State Treasurer of Ohio  
Director, Trust Department  
30 E. Broad Street, 9<sup>th</sup> Floor  
Columbus, OH 43215-3461

Financial Institution:

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Trustee:

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18. This Agreement may be executed in one or more counterparts (including by facsimile transmission), each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed counterpart of this Security Agreement by e-mail (PDF) or telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

*[Remainder of Page Intentionally Blank. Signatures on Following Page.]*

**IN WITNESS WHEREOF**, this Agreement has been duly executed by the Parties hereto as of the date of the Treasurer's signature.

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Trustee

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Signature

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Printed Name

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Title

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Date

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Financial Institution

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Signature

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Printed Name

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Title

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Date

State Treasurer of Ohio

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Signature

---

Printed Name

---

Title

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Date

## Schedule 1

### **State Treasurer of Ohio**

#### **Procedures for Submitting the Request for Release/Substitution of Collateral Form**

- The State Treasurer of Ohio (“Treasurer”) will provide the Trustee with a list of Authorized Treasurer Personnel for the purpose of approving the release or substitution of collateral (“Collateral”). This authorization letter is valid only if signed by Treasurer or their designee.
- The Treasurer’s public depository (defined as “Financial Institution” in the Trustee Agreement For Securities Pledged as Collateral to the State Treasurer of Ohio) shall complete the Request for Release/Substitution of Depository Bank Collateral form (“Request”), with the exception of areas for Treasurer use and the area for signature by Authorized Treasurer Personnel, when a substitution or release of Collateral is requested. A Request is required for the release of the proceeds for any matured securities or for any security that is called by the issuer prior to maturity.
- The completed form should be submitted to the Treasurer’s Trust Department by e-mail ([bank.collateral@tos.ohio.gov](mailto:bank.collateral@tos.ohio.gov)) or by fax (614-466-9948), no later than 4:00 p.m. Eastern Time (“ET”) on the business day prior to date of the requested release/substitution. Business day for this purpose is defined as any day that the Treasurer is open for business. Requests received after this time will be processed on a best efforts basis.
- The Treasurer’s Trust Department, Collateral Section, will calculate the amount of Collateral required to be pledged by the Financial Institution. If the amount of Collateral pledged, excluding the requested release, is sufficient, the Request form will be signed by Authorized Treasurer Personnel and forwarded to the Trustee. If a substitution is required, the Authorized Treasurer Personnel will notify the Financial Institution.
- Upon receipt of the Request signed by Authorized Treasurer Personnel, the Trustee shall release or permit the substitution of Collateral to the Financial Institution (“Pledgor”). The Trustee may require additional action from the Financial Institution.
- The Trustee shall provide confirmation of any release or substitution to the Treasurer no later than 10:00 a.m. ET of the following business day. The method of confirmation will be agreed upon by the Treasurer and the Trustee.

Any questions concerning this form should be directed to the Treasurer contacts listed on the Request form. Any other questions concerning the Treasurer’s collateral requirements should be directed to:

Blake Bishop, Trust Operations Manager	614-644-1292
Elizabeth McAndrew, Collateral Analyst	614-644-1285



**State Treasurer of Ohio**  
Trust Department – Collateral Section

Request for Release/Substitution of Depository Bank Collateral

**The Trustee shall not permit the release or substitution of any of the securities (“Securities”), or the release of any cash proceeds resulting from the maturity or early redemption of any of the Securities, without the written approval of the State Treasurer of Ohio or their designee.**

Request Date: \_\_\_\_\_ FAX to: (614) 466-9948 or E-mail to: [bank.collateral@tos.ohio.gov](mailto:bank.collateral@tos.ohio.gov)

To the Trustee: \_\_\_\_\_ Account #: \_\_\_\_\_  
(Trustee refers to the institution holding the Securities)

Financial Institution (Pledgor): \_\_\_\_\_ ABA #: \_\_\_\_\_

Financial Institution Contact: \_\_\_\_\_

Contact e-mail: \_\_\_\_\_ Telephone: \_\_\_\_\_

Account Number to which the Release/Substitution applies: \_\_\_\_\_

Note to FINANCIAL INSTITUTION: If substitution of collateral (“Collateral”) is required, please pledge the Securities directly to the Trustee and inform the Trustee to provide the State Treasurer of Ohio (“Treasurer”) with written confirmation of the pledge. The Treasurer will approve the release of Securities upon a pledge of sufficient Collateral.

<b>RELEASE</b> the following Securities to the ABA above (check one)				
For Treasurer Use Investment #	CUSIP	Asset Description	Par (Original Face)	Maturity Date

**Note to TRUSTEE:** Do not release the Securities until substituted security confirmation is delivered to the Treasurer.

If a SUBSTITUTION IS REQUIRED prior to release, enter security details below:

For Treasurer Use Investment #	CUSIP	Asset Description	Par (Original Face)	Maturity Date

**State Treasurer of Ohio Designee**

**Authorized Signature:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

**Approval Date:** \_\_\_\_\_

Treasurer’s Office Contacts:

30 E. Broad Street, 9<sup>th</sup> Floor  
Columbus, Ohio 43215-3461

Elizabeth McAndrew (614) 644-1285

[bank.collateral@tos.ohio.gov](mailto:bank.collateral@tos.ohio.gov)

State Treasurer of Ohio  
Securities Held by Trustee for Financial Institution

Instructions for completing the Request for Release/Substitution of Depository Bank Collateral form

E-mail completed form to: [bank.collateral@tos.ohio.gov](mailto:bank.collateral@tos.ohio.gov) or fax to: (614) 466-9948

Request Date	The date the form is being completed.
To the Trustee	The name of the institution holding the security.
Account #	The account number for which securities are held at the Trustee.
Financial Institution (Pledgor)	The name of the depository bank submitting the request.
ABA #	American Bankers Association assigned routing number.
Contact Name	The person from the Financial Institution requesting the release/substitution.
Authorized Signature	Person(s) authorized to sign the release of securities from the Financial Institution.
Contact e-mail	E-mail address for the Financial Institution contact.
Telephone	Phone number for the Financial Institution contact who is sending the request.
<b>RELEASE</b> Section	The date the funds are to be released (i.e., <b>at</b> maturity or <b>before</b> maturity).
For Treasurer Use Only	Please leave this column blank.
CUSIP	The security identifier.
Asset Description	The type of security or the security name (i.e., FNMA mortgage).
Par (Original Face) to be released	The par amount or original face amount (do not use market value) of the security to be released.
Maturity Date	Maturity date or call date of the security.
<b>SUBSTITUTION</b> Section	Enter the required information for any securities that will be pledged in addition to the release(s). Please send pledge information to the Trustee and request that the Trustee forward confirmation of the pledge to the Treasurer as soon as it is available.

**Schedule 2**

**Trustee's Certificate of Eligibility**

The undersigned, being a duly authorized officer of \_\_\_\_\_,  
as Trustee (in such capacity, "Trustee") under the Trustee Agreement for Securities Pledged as  
Collateral to the State Treasurer of Ohio ("Agreement") dated this \_\_\_\_ day of  
\_\_\_\_\_, 20\_\_ among the State Treasurer of Ohio ("Treasurer"),  
\_\_\_\_\_ ("Financial Institution")

and Trustee hereby certifies as follows:

1. Trustee is authorized under the laws of the United States of America and/or the State of Ohio to exercise trust and fiduciary powers in Ohio;
2. Trustee is qualified pursuant to Ohio Revised Code § 135.18(J) to hold securities pledged to Treasurer;
3. Trustee complies with all applicable capital guidelines and requirements applicable to it, adopted by the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Board of Governors of the Federal Reserve System as from time to time amended;
4. Deposits of Trustee are insured by the Federal Deposit Insurance Corporation;
5. Trustee has assets that exceed its liabilities; and
6. Agreement is a legal, valid, and binding obligation of Trustee, enforceable in accordance with its terms.

Trustee agrees to notify Treasurer and Financial Institution immediately in writing if at any time any of the above conditions cease to be true and accurate.

Certified this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

APPENDIX I

To Trustee: The following individuals have been designated as Authorized Treasurer Personnel in connection with the Trustee Agreement for Securities Pledged as Collateral to the State Treasurer of Ohio dated this \_\_\_ day of \_\_\_\_\_, 20\_\_

TREASURER

NAME	SIGNATURE
Elizabeth McAndrew	_____
Blake Bishop	_____
John McMahan	_____
Angie Canter	_____
Michael Rhoades	_____
Chris Litton	_____
Walter J. Myers	_____
Marjorie Kruse	_____

State Treasurer of Ohio

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

APPENDIX II

To Trustee: The following individuals have been designated as Authorized Personnel of Financial Institution in connection with the Trustee Agreement for Securities Pledged as Collateral to the State Treasurer of Ohio this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

FINANCIAL INSTITUTION

**NAME**

**SIGNATURE**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

\_\_\_\_\_  
Financial Institution

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date