



## **PROFESSIONAL SERVICES AGREEMENT**

(Version 9-22-2023)

This AGREEMENT (“Agreement”) is entered by and between **Meeder Public Funds, Inc.** (the “Professional”), located at **6125 Memorial Drive, Dublin, Ohio 43017** and the **City of League City** (“City”), a home-rule municipality, located at 300 W. Walker St., League City, Texas 77573 on the date set forth below.

### **Terms:**

- 1. Scope of Services:** Professional will perform the services as set forth in **Exhibit A**, which is attached and incorporated herein, and which can be generally described as **investment advisory services**. Services related to design, bid, or construction of a public work shall conform to the requirements set forth in **Exhibit B**, if applicable. If there is a conflict between the terms of this Agreement and Exhibits A (or B, if applicable), the terms of this Agreement will prevail.
- 2. Term and Termination:** This Agreement shall commence on **October 1, 2024** and shall expire on **September 30, 2026** City reserves the right to terminate this Agreement for convenience upon seven (7) days written notice to Professional. Upon such termination, City shall pay Professional, at the rate set out in **Exhibit A**, for services satisfactorily performed up through the date of termination. Notwithstanding any provision in this Agreement to the contrary, City will not be required to pay or reimburse Professional for any services performed or for expenses incurred by Professional after the date of the termination notice that could have been avoided or mitigated by Professional.
- 3. Compensation:** Professional shall be paid for the services as set forth in **Exhibit A**. In no event shall the total compensation exceed **\$85,000.00** during the term of this Agreement. City shall tender payment (including progress/partial payments) for services only after such services are completed and are deemed to be acceptable under this Agreement, in the sole reasonable discretion of City. Professional must submit to City invoices for all services provided, which invoices must include details and dates of service. Payment by City shall be made within thirty (30) days of receipt of an invoice, except for any portion of the invoiced amount that City disapproves as not compliant under this Agreement, in the sole reasonable discretion of City. If City disapproves any amount submitted for payment by Professional, City shall give Professional specific reasons for disapproval in writing.
- 4. Insurance:** Professional is required during the Contract Term to maintain insurance as set forth below: (a) Comprehensive General Commercial Liability insurance covering bodily injury and property damage, with minimum coverage limits—exclusive of defense costs—of \$1,000,000 per occurrence and \$2,000,000 aggregate; (b) Professional Liability (errors and omissions/malpractice) insurance with minimum coverage limits—exclusive of defense costs—of \$2,000,000 per occurrence; and (c) If at any point during the Contract Term it is foreseeable that Professional will enter upon City premises: (i) Worker’s Compensation coverage with statutory limits for the State of Texas, and (ii) Commercial Automobile Liability coverage with minimum coverage limits—exclusive of defense costs—of \$1,000,000 per occurrence and \$2,000,000 aggregate. All policies

must contain a waiver of subrogation against City. Comprehensive General Liability and Commercial Automobile Liability policies must name the City as Additional Insured. Professional shall pay all insurance deductibles and deductibles must not exceed \$10,000 unless approved in advance by City. Professional shall provide City Certificates of Insurance evidencing these insurance requirements prior to the start of work.

5. **Liquidated Damages:** Liquidated damages **are not** applicable to this transaction. Professional acknowledges that time is of the essence in performing this Agreement. City and Professional (collectively, the “Parties”) agree that if Professional is late in performing any service designated as **Time Critical** on the Scope of Services attached to this Agreement, City will suffer loss, damages, or other harm from Professional’s delay. The Parties agree that the amount of loss, damages, or harm likely to be incurred as a result of Professional’s delay is incapable or difficult to precisely estimate, and therefore the Parties desire to stipulate the amount of such loss, damages, or harm. Accordingly, Professional shall have deducted from any amounts owed under this Agreement liquidated damages equal to the number of calendar days of the delay(s) times the daily rate, which rate shall be one-tenth of one percent (0.1%) times the compensation shown in the Scope of Services for such Time Critical service. The Parties further agree that: (i) the liquidated damages specified herein are not a penalty but rather bear a reasonable relationship to, and is not plainly or grossly disproportionate to, the probable loss likely to be incurred by City as a result of Professional’s delay; (ii) one of the reasons for City and Professional to agree to such amounts is the uncertainty and cost of litigation regarding the question of actual damages; and (iii) City and Professional are sophisticated business parties and negotiated this Agreement at arm’s length.
6. **Independent Professional:** Professional is an independent Professional and is not an employee, partner, joint venture, or agent of City. Professional understands and agrees that he/she will not be entitled to any benefits generally available to City employees. Professional shall be responsible for all expenses necessary to carry out the services under this Agreement and shall not be reimbursed by City for such expenses except as otherwise provided in this Agreement.
7. **Intellectual Property:** This Agreement shall be an Agreement for services and the parties intend and consider any work created as a result of this Agreement, including any and all documentation, images, products or results, to be a work (the “Work”) for hire under federal copyright law. Ownership of the Work shall belong to and remain the exclusive property of City. The Work may be edited at any time within City’s discretion. If the Work would not be considered a work-for-hire under applicable law, Professional hereby assigns, transfers, and conveys any and all rights, title and interest to City, including without limitation all copyrights, patents, rights of reproduction, rights to ownership, and right to secure registrations, renewals, reissues and extensions thereof. As the sole copyright holder of the Work, City maintains and asserts the rights to use, reproduce, make derivative works from, and/or edit the Work in any form of medium, expression or technology now known or hereafter developed, at any time within City’s discretion. Professional shall not sell, disclose or obtain any other compensation for the services provided herein or the Work. If the Work is one to which the provisions of 17 U.S.C. § 106A apply, Professional hereby waives and appoints City to assert on Professional’s behalf Professional’s moral rights or any equivalent rights regarding the form or extent of any alteration to the Work (including, without limitation, removal or destruction) or the making of any derivative works based on the Work, including, without limitation, photographs, drawings or other visual reproductions of the work, in any medium, for City’s purposes.
8. **Confidentiality:** During the course of the services to be provided under this Agreement, Professional may become privy to confidential information of City. Professional agrees to treat as

confidential the information or knowledge that becomes known to Professional during performance of this Agreement and to not use, copy, or disclose such information to any third party unless authorized in writing by City. This provision does not restrict the disclosure of any information that is required to be disclosed under applicable law. Professional shall promptly notify City of any misuse or unauthorized disclosure of City's confidential information and upon expiration of this Agreement shall return to City all confidential information in Professional's possession or control. Professional shall further comply with all information security policies of City that may apply and shall not make any press releases, public statements or advertisement referring to the services provided under this Agreement or the engagement of Professional without the prior written approval of City.

9. **Warranties and Representations:** Professional warrants and agrees that Professional shall perform its services and conduct all operations in conformity with all applicable federal, state, and local laws, rules, regulations, and ordinances. For any service performed on premises owned or controlled by City, Professional warrants and agrees that Professional will perform said services in compliance with all City rules, including but not limited to, prohibitions related to tobacco use, alcohol, and other drugs.
10. **Licenses/Certifications:** Professional represents and warrants that it will obtain and maintain in effect, and pay the cost of, all licenses, permits or certifications that may be necessary for Professional's performance of this Agreement. If Professional is a business entity, Professional warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its formation; and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver the Agreement and is authorized to execute this Agreement according to its terms on behalf of Professional.
11. **Performance/Qualifications:** Professional agrees and represents that Professional has the personnel, experience, and knowledge necessary to qualify Professional for the particular duties to be performed under this Agreement. Professional warrants that all services performed under this Agreement shall be performed consistent with generally prevailing professional or industry standards.
12. **Conflict of Interest:** Professional warrants, represents, and agrees that Professional presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with Professional's performance of the services hereunder. Professional further warrants and affirms that no relationship or affiliation exists between Professional and City that could be construed as a conflict of interest with regard to this Agreement.
13. **INDEMNIFICATION: PROFESSIONAL SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS CITY , AND EACH OF ITS OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES AND LIABILITIES, INCLUDING WITHOUT LIMITATION ATTORNEYS' FEES AND REASONABLE LITIGATION COSTS, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY ACTS OR OMISSIONS OF PROFESSIONAL OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF PROFESSIONAL IN THE EXECUTION OR PERFORMANCE OF THIS**

**CONTRACT, TO THE EXTENT THE CLAIM ARISES FROM NEGLIGENCE, WILLFUL ACT, BREACH OF CONTRACT OR VIOLATION OF LAW.**

14. **Force Majeure:** Neither party shall be liable to the other for (i) any delay in performance; (ii) any other breach; (iii) any loss or damage; or (iv) any contribution to or aggravation of any of the foregoing; arising solely from uncontrollable forces such as fire, theft, storm, war, or any other cause that could not have been reasonably avoided by the party's exercise of due diligence.
15. **Notices:** Any notice given under this Agreement by either party to the other may be affected either by personal delivery in writing or by mail, registered or certified postage prepaid with return receipt requested. Mailed notices shall be addressed to the addresses of the Parties as they appear in the contract. Notices delivered personally shall be deemed communicated at the time of actual receipt. Mailed notices shall be deemed communicated three (3) days after mailing.
16. **Texas Family Code Child Support Certification:** Pursuant to Section 231.006 of the Texas Family Code, Professional certifies that it is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated, and payment may be withheld if this certification is inaccurate.
17. **State Auditor:** Professional understands that acceptance of funds under the Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, the "Auditor"), to conduct an audit or investigation in connection with those funds. Professional agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. Professional will include this provision in all contracts with permitted subprofessionals.
18. **Jurisdiction:** Any disputes under this Agreement shall be brought in a court of competent jurisdiction in Galveston, Texas and governed by Texas law.
19. **Alternative Dispute Resolution:** To the extent that Chapter 2260, Texas Government Code, is applicable to this Contract and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General Pursuant to Chapter 2260, shall be used by City and Professional to attempt to resolve any claim for breach of contract made by Professional that cannot be resolved in the ordinary course of business. The Director of Finance of City shall examine Professional's claim and any counterclaim and negotiate with Professional in an effort to resolve such claims. This provision shall not be construed as a waiver by City of its right to seek redress in the courts.
20. **Entire Agreement:** This Agreement contains the entire understanding between the Parties and supersedes all prior agreements, arrangements, and understanding, oral or written between the Parties relating to this Agreement. This Agreement may not be modified except by mutual written agreement of the Parties executed subsequent to this Agreement.
21. **Eligibility to Receive Payment:** Professional certifies that, as a matter of state law, it is not ineligible to receive the Agreement and payments pursuant to the Agreement and acknowledges that the Agreement may be terminated, and payment withheld if this representation is inaccurate.
22. **Payment of Debt/Delinquency to State:** Professional certifies that it is not indebted to the City of League City and is current on all taxes owed to the City of League City. Professional agrees

that any payments owing to Professional under the Agreement may be applied directly toward any debt or delinquency that Professional owes the City of League City regardless of when it arises, until such debt or delinquency is paid in full.

23. **Products and Materials Produced in Texas:** If Professional will provide services under the Agreement, Professional covenants and agrees that in performing its duties and obligations under the Agreement, it will purchase products and materials produced in Texas when such products and materials are available at a price and delivery time comparable to products and materials produced outside of Texas.
24. **Risk of Loss:** All work performed by Professional pursuant to the Agreement will be at Professional's exclusive risk until final and complete acceptance of the work by City. In the case of any loss or damage to the work, or the need to redo or revise the work for any reason except to accommodate a City request to materially alter the work, prior to City's acceptance, bearing the costs of such loss or damage to or such redo or revision of the work will be Professional's responsibility.
25. **Publicity:** Professional shall not use City's name, logo or likeness in any press release, marketing materials or other public announcement without receiving City's prior written approval.
26. **Legal Construction/Severability:** In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained in it. To this end, the provisions of this Agreement are declared to be severable. The Parties may mutually agree to renegotiate the Agreement to cure such illegality/invalidity or unconstitutionality if such may be reasonably accomplished.
27. **Limitations:** The Parties are aware that there are constitutional and statutory limitations on the authority of City to enter into certain terms and conditions of the Agreement, including, but not limited to, those terms and conditions relating to liens on City's property; disclaimers and limitations of warranties; disclaimers and limitations of liability for damages; waivers, disclaimers and limitations of legal rights, remedies, requirements and processes; limitations of periods to bring legal action; granting control of litigation or settlement to another party; liability for acts or omissions of third parties; payment of attorneys' fees; dispute resolution; indemnities; and confidentiality (collectively, the "Limitations"). Any terms and conditions related to the Limitations will not be binding on City except to the extent authorized by the laws and Constitution of the State of Texas.
28. **Sovereign Immunity:** The Parties agree that neither the execution of the Agreement by City nor any other conduct, action or inaction of any City representative relating to the Agreement constitutes a waiver of sovereign immunity by City.
29. **Authority:** The Parties stipulate that in entering into this Agreement, the City is performing a solely governmental function and not a proprietary function. Professional warrants and represents that Professional has full power and authority to enter into and perform this Agreement and to make the grant of rights contained herein. The person signing on behalf of City represents that he/she has authority to sign this Agreement on behalf of City.

30. **Non-Waiver:** The Parties specifically agree that neither the occurrence of an event giving rise to a breach of contract claim nor the pendency of a claim constitute grounds for the suspension of performance by Professional. No covenant or condition of this Agreement may be waived except by written consent of the waiving party. Forbearance or indulgence by one party in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by the other party.
31. **Prohibitions Pursuant to Texas Government Code:** By executing this Agreement Professional verifies that Profession (1) does not boycott Israel and will not during the term of this Agreement per Section 2274.002; (2) is not engaged in business with Iran, Sudan, or any company on the list referenced in Section 2252.152; (3) does not boycott energy companies and will not during the term of this Agreement per 2274.002; and (4) does not have a practice, policy, guidance, or directive of this Agreement against a firearm entity or firearm trade association and will not during the term of this Agreement per 2274.002.

*(signature block on next page)*

Executed on \_\_\_\_\_ . *(date to be filled in by City Secretary)*

**MEEDER PUBLIC FUNDS, INC - "Professional"**

  
\_\_\_\_\_  
Jason Headings, Senior Vice President

**CITY OF LEAGUE CITY – "City"**

\_\_\_\_\_  
John Baumgartner, City Manager

**Attest:**

\_\_\_\_\_  
Diana Stapp, City Secretary

**Approved as to Form:**

\_\_\_\_\_  
Office of the City Attorney

# Exhibit A

**Scope of Services/Description of Products/Payment  
Schedule** (21 pages, including this page)

See Next Page



### **III. Scope of Work**

#### **A. General**

The City is seeking advisors who demonstrate an extensive history, especially with fixed income securities, to provide investment and depository services related to the investment of City funds, including the execution of securities, purchases/sales for the City's operating and bond funds, investment advice, investment reporting, and review of the City's Investment Policy and procedures on an annual basis. A two-year contract, with three additional one-year extensions is anticipated. The investment of City funds is governed by Texas Government Code, Chapter 2256 – "Public Funds Investment Act" and the City's Charter. The City's primary investment objectives in order of importance are the preservation of principal, maintenance of sufficient liquidity, and a reasonable and competitive return.

The City currently has a depository and safekeeping contract with Wells Fargo Bank ("Custodian"). All City securities will be held at the Custodian in the name of the City of League City. Day to day management responsibility for the investment program is delegated by resolution, as investment officer(s), to members of the Finance Department. The advisor will receive instructions regarding securities purchases/sales from Finance Department authorized staff. Currently the City is working to pool its investment funds. The selected Advisor will be expected to provide expertise and recommendations in this process where necessary, specifically as it pertains to the investment portfolio tracking and reporting software, Tracker. The City's investment funds are managed according to the City's approved Investment Policy (Exhibit A). The City's Finance Committee generally meets quarterly to review investment performance and strategy and the advisor is expected to attend these meetings.

The City is further seeking a firm that has the capacity and banking institution knowledge to prepare specifications and evaluate responses for the depository and safekeeping arrangements. The City's depository contract will conclude April 30, 2025. A new five-year depository contract is anticipated.

#### **B. Requirements**

Proposer should:

- (1) Be a registered Investment Advisor as defined and regulated by the Securities and Exchange Commission and be registered with the Texas State Securities Board.
- (2) Be either completely independent of any financial institution or securities brokerage firm; or fully and continuously disclose any relationships with such financial

**Investment Advisory Services**

institution(s) and/or securities brokerage firm(s), and further disclose any commissions, bonuses, or soft-dollar payments resulting from the firm's relationship with the City.

- (3) Take no possession of City monies or investment securities, nor have access to or control over such monies and/or securities.
- (4) Be knowledgeable of and comply with Texas State law and the ordinances and policies of the City of League City.
- (5) Review and recommend changes to the City's Investment Policy.
- (6) Review the present investment management procedures and documentation and propose improvements.
- (7) Assist in developing and implementing investment strategies that will enhance portfolio performance under current and anticipated changes in market conditions within the parameters of established investment policies and cash flow needs.
- (8) Make presentations to the City's Investment Committee, as needed, to support recommendations relating to investment strategy.
- (9) Provide non-discretionary management of the City's investment portfolio by acting solely in an advisory and administrative capacity within the guidelines of the City's Investment Policy.
- (10) Provide daily, timely assessments of the market including market reaction to economic events.
- (11) Execute securities purchases/sales upon verbal instructions from authorized City staff. After a trade is executed, the advisor must confirm to the City by email or fax all details of the trade including the dealers contacted and the prices received. An official trade confirmation must be mailed to the City within five business days of the transaction. The City is responsible for instructing the Custodian to either accept or deliver securities transacted through the advisor.
- (12) Obtain a minimum of three offers/bids for each trade and provide monthly reports documenting total trades offered and awarded to each dealer.
- (13) Provide detailed monthly reports, in a format specified in State code and acceptable to the City.
- (14) Attend Investment Committee meetings and present quarterly performance reports which shall include current information regarding the creditworthiness of investments in the portfolio, total return comparisons of the City's portfolio to the established index for the quarter and since inception; and market commentary and future outlook as it pertains to the City's portfolio.
- (15) Demonstrate the capacity to research market instruments and evaluate for relative safety, liquidity and yield.

# City Of League City Investment Policy

Policy Number:	Effective Date:
Submitted By: Kimberly Corell	Approved By: Kimberly Corell
Date Submitted:	Date Approved:

## 1.0 Policy

The City will conform to all state laws and statutes which govern the investment of public funds, the Public Funds Investment Act, Chapter 2256, Texas Government Code (the Act). It is the policy of the City of League City (the City) to invest public funds in a safe manner which will provide the highest rate of return with the maximum security while meeting the daily cash flow demands of the City. The yield on investments will emphasize a rate of return commensurate with the City's risk constraints.

## 2.0 Scope

This Investment Policy applies to all financial assets of the City at the present time, any funds to be created in the future, and any other funds held in custody by the City, unless expressly prohibited by law. These funds are accounted for in the City's Annual Comprehensive Financial Report and include the General Fund, the Enterprise Fund, the Debt Service Funds, the Special Revenue Funds, the Internal Service Funds, and the Capital Project Funds. When possible, available funds will be accumulated for investment purposes to increase the purchasing power of the City.

## 3.0 Investment Strategy

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Investment guidelines by fund-type are as follows:

### (A) Operating Funds

City Funds Included: General Fund, Utility Fund and Special Revenue Funds

Suitability - Any investment eligible in the Investment Policy is suitable for the Operating Fund; except as excluded in section 11 of this Policy.

Safety of Principal - All investments shall be of high-quality securities with no perceived default risk. Market price fluctuations will however occur. Strict monitoring of the creditworthiness of the portfolio will minimize the overall market risk of the portfolio.

Marketability - Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash requirement. Historical market “spreads” between the bid and offer prices of a particular security type of less than a quarter of a percentage point shall define an efficient secondary market.

Liquidity - the Operating Fund requires the greatest short-term liquidity of any of the fund types. Short- term investment pools, money market accounts, and money market mutual funds shall provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Diversification - Investment maturities may be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Market cycle risk will be reduced by diversifying the appropriate maturity structure out through five years.

Yield - Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of the 2-year Treasury Note yield averaged over 24 months shall be the minimum yield objective.

## (B) Construction Funds

City Funds Include: all Capital Project Funds, including Water and Wastewater Capital Improvement Funds.

Suitability - Any investment eligible in the Investment Policy is suitable for the Construction Fund, except as excluded in section 11 of this Policy.

Safety of Principal - All investments shall be of high-quality securities with no perceived default risk. Market price fluctuations will however occur. By managing the Construction Fund portfolio to not exceed the anticipated expenditure schedule, the market risk of the overall portfolio will be minimized.

Marketability - Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash requirement. Historical market “spreads” between the bid and offer prices of a particular security- type of less than a quarter of a percentage point shall define an efficient secondary market.

Liquidity - Construction programs have reasonably predictable draw down schedules; therefore, investment maturities shall generally follow the anticipated cash flow requirements. Investment pools, money market accounts and money market mutual funds shall provide readily available funds generally equal to at least one month's anticipated cash flow needs, or a competitive yield alternative for short term fixed maturity investments.

Diversification - Market conditions and the arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for bond proceeds. Generally, if investment rates exceed the applicable arbitrage yield for a specific bond issue, the City is best served by locking in most investments. If the arbitrage yield cannot be exceeded, then concurrent market conditions will determine the attractiveness of diversifying maturities or changes in investment amounts. At no time shall the anticipated expenditure schedule be exceeded in an attempt to bolster yield.

Yield - Attaining a competitive market yield for comparable security types and portfolio restrictions is the desired objective.

(C) Debt Service Funds

Suitability - Any investment eligible in the Investment Policy is suitable for the Debt Service Fund, except as excluded in section 11 of this Policy.

Safety of Principal - All investments shall be of high-quality securities with no perceived default risk. Market price fluctuations will however occur. By managing the Debt Service Fund portfolio to not exceed the debt service payment schedule, the market risk of the overall portfolio will be minimized.

Marketability - Securities with active and efficient secondary markets are not required as the event of an unanticipated cash requirement is not probable.

Liquidity - Debt service funds have predictable payment schedules. Therefore, investment maturities shall not exceed the anticipated cash flow requirements. Investment pools, money market accounts and money market mutual funds shall provide a competitive yield alternative for short term fixed maturity investments.

Diversification - Market conditions influence the attractiveness of fully extending maturity to the next "unfunded" payment date. Generally, if investment rates exceed the applicable arbitrage yield for a specific bond issue, the City is best served by locking in most investments. If the arbitrage yield cannot be exceeded, then concurrent market conditions will determine the attractiveness of diversifying maturities or changes in investment amounts. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

Yield - Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of the 2-year Treasury Note yield averaged over 24 months shall be the minimum yield objective.

(D) Debt Service Reserve Fund

Suitability - Any investment eligible in the Investment Policy is suitable for the Debt Service Reserve Fund, except as excluded in section 11 of this Policy. Bond and loan documentation constraints and insurance company restrictions create issue-specific considerations in addition to the Investment Policy.

Safety of Principal - All investments shall be of high-quality securities with no perceived default risk. Market price fluctuations will however occur. Managing the Debt Service Reserve Fund portfolio to not exceed the call provisions of the bond issue, reduces the investment's market risk in the event that the City's bonds are called, and the reserve fund is liquidated. No investment maturity shall exceed the final maturity of the bond issue. Annual mark-to-market requirements or specific maturity and average life limitations within the bond issues' documentation will influence the attractiveness of market risk and reduce the opportunity for maturity extension.

Marketability - Securities with less active and efficient secondary markets are acceptable for Debt Service Reserve funds.

Liquidity - Debt Service Reserve Funds have no anticipated expenditures. The funds are deposited to provide annual debt service payment protection to the City's bond holders. The funds are "returned" to the City at the final debt service payment. Market conditions and arbitrage regulation compliance determine the advantage of security diversification and liquidity. Generally, if investment rates exceed the applicable arbitrage yield for a specific bond issue, the City is best serviced by locking in investment maturities and reducing liquidity. If the arbitrage yield cannot be exceeded, then concurrent market conditions will determine the attractiveness of locking in maturities or investing shorter and anticipating future increased yields.

Diversification - Market conditions and the arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for Debt Service Reserve Funds. At no time shall the final debt service payment date of the bond issue be exceeded in an attempt to bolster yield.

Yield - Attaining a competitive market yield for comparable security types and portfolio restrictions is the desired objective.

## 4.0 Prudence

Investments shall be made with judgment and care under circumstances, then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio.

Investment officers acting in good faith and in accordance with this Policy shall be relieved of personal liability. An investment officer shall be judged on the prudence of the overall portfolio, not any single investment transaction, over which the investment officer had control.

## 5.0 Objectives

The primary objectives, in priority order, of the City's investment activities shall be:

Safety: Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification along credit and maturity lines is required in order to reduce the potential losses on individual investments.

Liquidity: The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

Return on Investments: The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

The strategy of the portfolio is to assure cash flows are matched with adequate liquidity. This may be accomplished by purchasing quality, short-term securities in a laddered structure or utilizing an investment pool.

## 6.0 Delegation of Authority

Authority to manage the investment program is derived from the Act, specifically Sec. 2256.005 (f)-(h).

Management responsibility for the investment program is hereby delegated to the Director of Finance, the Controller, and the Revenue Manager, who shall establish written procedures for the operation of the investment program consistent with this Investment Policy, and for

purposes of this Policy shall be referred to herein as the Investment Officers. Procedures should include references to: safekeeping agreements, repurchase agreements, wire transfers agreements, collateral/depository agreements, and banking services contracts.

Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No persons may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the Investment Officers.

The Investment Officers will operate under the oversight of the Finance Committee (the Committee) who shall review the Investment Policy, market conditions, authorized broker/dealers, approved investment training sources, and working investment strategy. The City shall provide periodic training courses and seminars in order to ensure the quality and capability of the city's investment personnel making investment decision in compliance with the Act.

Investment Officers shall receive ten (10) hours of initial training within twelve (12) months after taking office or assuming investment duties. The Investment Officers shall continue to attend investment training no less than once in a two-year period that begins on the first day of the City's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than eight (8) hours of instruction. Training sessions must include education in diversification of investment portfolio, investment controls, security risks, strategy risks, market risks, and compliance with the Act.

Training must be provided by an independent source whose course specifically is stated as complying with training requirements under the Act. For purposes of this Policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institution of higher learning or any other sponsor other than a business organization with whom the City of League City may engage in an investment transaction. Thus, these independent sources will be approved by the Finance Committee and may include training sessions sponsored by Government Treasurers Organization of Texas (GTOT), University of North Texas (UNT), Government Finance Officers Association of Texas (GFOAT), and Texas Municipal League(TML).

## 7.0 Finance Committee

The Finance Committee is established by Section 2-219 of the Code of Ordinances of the City of League City.

### (A) Meetings:

The Investment Officers or any member of the Committee shall have the power to call meetings of the Committee. Meetings shall be called no less often than quarterly, or as required.



(B) Responsibilities:

It shall be the responsibility of the Committee to:

- (1) Review all working investment strategies.
- (2) Review and adopt annually a list of authorized broker/dealers and approved investment training sources.
- (3) Notify the Investment Officers in the event any information comes to their attention that may have a material adverse effect upon the portfolio or marketability of any of the investments purchased under the provisions of the Policy.
- (4) Review the City's general portfolio activity and performance for compliance with this Policy and recommend any amendments to this Policy to the City Council. Also recommend any actions necessary to bring the City into compliance with the scope of the Investment Policy and the Act.
- (5) Advise City investment staff as to recommendations relative to said portfolio activity/performance.
- (6) Inform the City Council of unaddressed concerns with the management of the City's investment portfolio.

Limits of liability: The City shall provide for the defense and indemnification of any Committee member who is made a party to any suit or proceeding, other than by any actions of the City, or against whom a claim is asserted by reason of their actions taken within the scope of their service as an appointed member of the Committee. Such indemnity shall extend to judgments, fines, and amounts paid in settlement, of any such claim, suit or proceeding, including any appeal thereof. This protection shall extend only to members who have acted in good faith and in a manner which they reasonably believe to be in, or not opposed to, the best interest of the City.

## 8.0 Ethics and Conflicts of Interest

Members of the Committee and all Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Members of the Committee and all Investment Officers shall disclose to the Director of Finance any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial investment positions that could be related to the performance of the City, particularly with regard to the time of purchases and sales.

The Investment Officers shall disclose to the Texas Ethics Commission, City's Ethics Review Board and City Council any personal business relationship and any relationship with the second degree of affinity or consanguinity to an individual seeking to sell an investment to the City.

## 9.0 Authorized Financial Institutions and Broker Dealers

The Investment Officers will maintain a list of broker/dealers who are authorized to provide investment services to the City. Financial Institutions seeking to establish eligibility for the City's competitive deposit placement programs must have its main office or a branch office in the State of Texas. No public deposit shall be made except in a qualified public depository as established by state laws. For broker/dealers of government securities and other investments, the Committee shall select only broker/dealers who are licensed and in good standing with the Texas Department of Securities, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, or other applicable self-regulatory organization. The approved broker/dealer list appears as Exhibit B. Before engaging in investment transactions with any local government investment pool or discretionary investment management firm, the Investment Officers shall receive from said firm a signed Investment Policy Affidavit similar in content to Exhibit "A". In the event the City is not utilizing a Registered Investment Advisor, individual security transactions will be accomplished through the competitive bidding process. When appropriate, a minimum of three quotes will be received from authorized broker/dealers. The investment decision will be made with the broker/dealer offering the "best value" to the City within the specified maturity window. If three quotes are not received within the time frame specified in the solicitation of the solicitation, the Investment Officer may act based upon the responses received as long as the solicitation of and failure to receive the quotes is documented. Evaluations of investments purchased must have the signature of at least two Investment Officers.

## 10.0 Authorized and Suitable Investments

The City is empowered by statute to invest in the following:

- (1) Obligations of or Guaranteed by the Governmental Entities except for those listed under section 11 (A-D).
- (2) Obligations of the United States or it's agencies and instrumentalities including the Federal Home Loan Banks.
- (3) Direct obligations of this state or its agencies and instrumentalities.
- (4) Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.
- (5) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
- (6) Obligations of agencies, counties, cities, and other political subdivisions located in the State of Texas with a rating no lower than AA by Standard and Poor's or equivalent rating by Moody's Investor Services.

- (7) Bond issued, assumed, or guaranteed by the State of Israel.
- (8) Interest-bearing banking deposits that are guaranteed or issued by:
  - i. The Federal Deposit Insurance Corporation or its successor; or
  - ii. The National Credit Union Share Insurance Fund or its successor; and
- (9) Interest-bearing banking deposits other than those described in subsection (8) if it is in compliance with 2256.009(a)8 of the Act.

**(B) Certificates of Deposit and other forms of deposit**

- (1) Issued by a federally insured depository that has its main office or a branch office in the State of Texas, guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor.
- (2) All collateralized deposits, in excess of the FDIC or NCUSIF, must be collateralized as described by Section 2256.009 (a) of the Act or in accordance with Chapter 2257. Collateral must be held by a third party and valued at least on a monthly basis.

**(C) Mutual Funds (including Money Market Mutual Funds)**

Shares of, or other interests in, any no load open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as amended from time to time, provided that:

- (1) No-load Money Market Mutual Funds
  - i is registered with and regulated by the Securities and Exchange Commission
  - ii provides the City with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940, and
  - iii complies with federal Securities and Exchange Commission Rule 2a-7, promulgated under the Investment Company Act of 1940.
- (2) In addition to a no-load money market mutual fund permitted under subsection (1), a no-load mutual fund is an authorized investment if the mutual fund is:
  - i. is registered with the Securities and Exchange Commission; ii has an average weighted maturity of less than two years; and iii either:
  - ii. has a duration of one year or more and is invested exclusively in obligations approved in the Public Funds Investment Act; or
  - iii. has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset – backed securities.
- (3) The City may not:
  - i. invest in the aggregate more than 15% of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in subsection (2);
  - ii. invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in subsection (2); or

- iii. invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in subsection (1) or (2) in an amount that exceeds 10 percent of the total assets of the mutual fund.

#### (D) Government/Private Sponsored Investment Pool

The investment pool must provide the Investment Officer with the following:

- (1) offering circular that contains specific detailed information as described in the Act,
- (2) investment transaction confirmations and detailed monthly transaction and performance reports as described in the Act,
- (3) be continuously rated no lower than AAA or AAA-m or an equivalent rating,
- (4) be marked-to-market daily if using amortized cost or fair value accounting and maintain a market value ratio of between .995 and 1.005,
- (5) maintain stable net asset value of \$1.00 when rounded and expressed to two decimal places, and
- (6) maintain ongoing compliance with the Act

#### (E) Repurchase Agreements

Repurchase Agreements which are fully collateralized as authorized by the Act. Flexible repurchase agreements may be used for capital project funds but will not extend past the anticipated expenditure schedule.

If an investment's rating is downgraded below the minimum required by the Act, the Investment Officers shall take all prudent measures that are consistent with this Investment Policy to liquidate the investment that does not have the minimum rating.

## 11.0 Non-Approved Investments

The following are not authorized under this Investment Policy for investment:

- (A) Obligations whose payment represents the coupon payment on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal (Interest only bonds).
- (B) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest (Principal only bonds).
- (C) Collateralized mortgage obligations that have a weighted average life of greater than 10 years.
- (D) Collateralized mortgage obligations the interest rate which is determined by an index that adjusts opposite to the changes in a market index. (Inverse floaters).

## 12.0 Collateralization

Collateralization will be required on two types of investments: certificates of deposit and repurchase (and reverse) agreements. The collateralization level must be adequate to cover all of the City's principal and accrued interest. In order to anticipate market changes and provide a level of security for all funds, when marketable securities are pledged, the market value of the pledged securities will be at least 102% of the market value of principal and accrued interest of the City's investment. When FHLB Letters of Credit are pledged, the value of the Letter of Credit must be at least 100% of the principal and accrued interest of the City's investment.

The City chooses to limit collateral to obligations eligible under the Public Funds Collateral Act. Collateral will always be held by an independent third party acceptable to the City. A clearly marked evidence of ownership (safekeeping or pledge receipt) must be supplied to the City and retained.

All deposits shall be insured or collateralized in compliance with applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Financial institutions serving as depositories will be required to sign a depository agreement with the City. The collateralized deposit portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- (A) The agreement must be in writing.
- (B) The agreement has to be executed by the Depository and the City contemporaneously with the acquisition of the asset.
- (C) The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City; and
- (D) The agreement must be part of the Depository's "official record" continuously since its execution. The right of custodial substitution is granted, subject to City approval.

## 13.0 Safekeeping

All securities purchased by the City under this Policy shall be designated as assets of the City, shall be conducted on a delivery-versus-payment (DVP) basis and shall be protected through the use of a third-party custody/safekeeping agent.

## 14.0 Diversification

Diversification by investment type shall be maintained by maintaining adequate cash-equivalent balances, and staggering maturities based first on cash flow estimates and second market conditions.

Bond proceeds may be invested in a single security or investment if the Investment Committee determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

## 15.0 Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than 5 years from the date of purchase.

## 16.0 Internal Control

In conjunction with the annual financial audit, the City's external auditor shall perform a compliance audit of the effectiveness of management controls on investments and adherence to the established investment policies as set forth in this document.

## 17.0 Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risks, constraints, and the cash flow needs. Weighted average yield to maturity shall be the portfolio performance measurement standard.

Given the City's investment strategy, the basis used by the Investment Officers to determine whether market yields are being achieved shall be the yield of a 2-year Treasury Note with a 24-month average.

## 18.0 Reporting

The Investment Officers in conjunction with the Finance Committee shall submit to the City Council a signed investment report no less than on a quarterly basis. The report will contain sufficient information to provide for a comprehensive review of investment activity, current investment instruments, independent and timely pricing information, and performance for that period.

The investment report also shall address any variations noted from the investment strategy of the City. For each pooled fund group, the report shall present for the reporting period the beginning market value and the ending market value.

The investment report shall present the book value and market value for each investment at the end of the reporting period. The market value shall be obtained from an independent source. The report shall also state the maturity date for each investment, the allocation of each investment to a fund or pool, any accrued interest, and the compliance with the Investment Policy and the Act.

Additionally, timely transaction data will be available, upon request, and kept on file, to record and document investment activity. Other information may be included in the report, such as recommendations to amend current specific investment strategies, and analysis of current market conditions. A formal review of the quarterly reports by an independent auditor will be performed in conjunction with the City's annual audit.

## 19.0 Existing Investments

The City is not required to liquidate investments that were authorized investments at the time of purchase.

## 20.0 Investment Policy Adoption

This Policy, with its incorporated strategies, shall be adopted by resolution of the City Council, and any modifications made thereto must be approved by the City Council. City Council shall take formal action to review the Investment Policy and strategies on an annual basis.

Exhibit A

CITY OF LEAGUE CITY

INVESTMENT POLICY AFFIDAVIT (Example)

Name of

Organization: Meeder Public Funds, Inc

Address: 6125 Memorial Drive, Dublin, Ohio 43017

Telephone #: 614-760-2111

Fax #: ( ) \_\_\_\_\_

Email: jheadings@meederinvestment.com

I hereby certify that I am the qualified representative as defined in Section 2256.002(10) of the Public Funds Investment Act of the above-named business organization offering to engage in an investment transaction with the City of League City, Texas.

I have received and have thoroughly reviewed the City of League City Investment Policy.

I acknowledge that the above named business organization of which I am a qualified representative has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City of League City and the organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio; requires an interpretation of subjective investment standards; or relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

I acknowledge that this instrument is transacted to comply with Chapter 2256, Government Code.

Signed on: 9/30/2024

Name: 

Title: Sr. Vice President



## City of League City Broker/Dealer and Safekeeping/Custodial Agent Lists

### Local Government Investment Pools

TexPool Participant Services	Houston, TX
TexStar Participant Services	Dallas, TX
Texas Class Participant Services	Austin, TX
Lone Star Investment Pool	Austin, TX

### Broker/Dealers - Current

FTN Financial (Formerly Coastal Securities)	Houston, TX
Duncan Williams	Houston, TX
Multi-Bank Securities	Chicago, IL
Wells Fargo Securities	Houston, TX
SAMCO Capital Markets, Inc	Dallas, TX
Hilltop Securities	Austin, TX
Ladenburg Thalmann	Houston, TX
BNY Mellon Capital Markets, LLC	Houston, TX
BofA Merrill Lynch	Houston, TX
D.A. Davidson & Co.	Houston, TX
StoneX	Dallas, TX
Goldman Sachs	Houston, TX
Huntington Bank	Houston, TX
J.P. Morgan	Houston, TX
Key Bank Capital Markets	Houston, TX
Raymond James	Dallas, TX
RBC Capital Markets	Dallas, TX
Stifel	Houston, TX
SunTrust Robinson Humphrey	Dallas, TX
Vining Sparks	Dallas, TX
TD Securities	Houston, TX
Rice Financial Products Co.	Houston, TX
Loop Capital Markets LLC	Dallas, TX
Amherst Pierpont Securities LLC	Houston, TX
BMO Capital Markets	Houston, TX
InspereX	Granbury, TX
Baird Capital Markets	Houston, TX
UBS Securities	Dallas, TX

### Safekeeping/Custodial Agent - Current

Wells Fargo Securities	Houston, TX
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<b>PAYMENT SCHEDULE</b>		
<b>YEAR 1:</b>	<b>\$</b>	<b>40,000.00</b>
<b>YEAR 2:</b>	<b>\$</b>	<b>45,000.00</b>
<b>YEAR 3:</b>	<b>\$</b>	<b>50,000.00</b> This rate will be honored for the first renewal.
<b>YEAR 4:</b>	<b>Renewal Negotiable</b>	No more than a 3% escalation factor per renewal
<b>YEAR 5:</b>	<b>Renewal Negotiable</b>	No more than a 3% escalation factor per renewal



# Terms of Service – Non-Discretionary Accounts

## Meeder Public Funds

The following Terms of Service are applicable to services offered by Meeder Public Funds, Inc. (“Meeder”) and shall be incorporated into any agreement for investment advisory services (“Agreement”).

1. **Investment Management Services.** Client has engaged Meeder to provide non-discretionary investment management services in accordance with the terms of the applicable state investment code and investment policy.

2. **Appointment.** Client appoints Meeder as non-discretionary investment adviser for the assets deposited in any account subject to the terms of this Agreement (“Account”). Meeder accepts the appointment as investment adviser and shall provide investment advice to Client and invest, reinvest and manage the securities, cash and other assets of the Account as directed by Client and in accordance with the written investment objectives and any specific investment restrictions or limitations of the Client. Meeder shall provide advice only with respect to assets in the Account and shall have no responsibility for the actions or non-actions of predecessor investment advisors or for the management of assets other than the assets allocated to the Account.

3. **Trading Authorization.** Decisions concerning investments in the Account shall be made by Client with the assistance of Meeder. When expressly instructed by Client, Meeder shall have authority as agent and attorney-in-fact to direct the purchase, sale, exchange, conversion, delivery or other acquisition or disposition of securities and other investments in the Account in conformance with any written criteria Client may provide to Meeder from time to time.

4. **Custody.** Meeder shall not act as custodian for the Account or any portion of it. Custody and possession of Account assets shall be the sole obligation of the Account's separately appointed “qualified custodian.” (“Custodian”). Client acknowledges that it receives, or will receive from the Custodian, at least quarterly, an account statement that identifies the assets in the Account with the Custodian at the end of the period and that lists all transactions in the Account for the period.

5. **Investment Objectives and Restrictions.** Client may provide Meeder with written Investment Guidelines, setting forth the investment objectives and any specific investment restrictions or limitations which govern the Account. Meeder shall be entitled to rely on such guidelines, objectives and restrictions relating to the Account as it may receive from Client. It is Client's responsibility to inform Meeder in writing of any changes or modifications to these directions, which shall be given ten days in advance of any such change.

6. **Brokerage.** Unless otherwise directed, Meeder will place trades for the Account through such brokers or dealers as it may select. When selecting brokers, Meeder's primary consideration will be the broker's ability to provide best execution of trades and Meeder may consider the quality and reliability of the brokerage services, trade price and commission, as well as research and other services provided by the broker-dealers.

7. **Trade Aggregation.** Meeder may aggregate trades for multiple clients when, in the adviser's judgment, aggregation is in the best interests of the clients involved. Orders are aggregated to facilitate best execution and allocate equitably among clients the effects of any market fluctuations that might have otherwise occurred had these orders been placed independently. Where it is not possible to obtain the same execution price for all securities purchased or sold on an aggregated basis, Meeder may allocate trades equitably among its clients using the average execution price.

8. **Promoter Arrangements.** Meeder accepts Clients referred through unaffiliated third parties (“Promoters”) and may pay cash compensation for the endorsement of Meeder's services, which provides the Promoter with an incentive to refer clients. Clients will not incur any additional fees for being referred to Meeder by a Promoter.

Clients that engage Meeder as their investment adviser as a result of a referral by a Promoter will receive a written Promoter disclosure statement describing the nature and terms of the arrangement, including the amount payable to the Promoter.

9. **Local Government Investment Pools.** Where appropriate, Meeder may recommend the use of local government investment pools in which Meeder or one of its affiliates earn advisory and/or administration fees. Assets placed in these pools are not included among eligible assets when calculating the investment advisory fee. Because Meeder or its affiliates receive fees in connection with programs we sponsor or recommend, use of these programs presents a conflict of interest.

10. **Third-Party Payments.** Meeder or its affiliates receive compensation from unaffiliated third parties for endorsing or recommending certain financial products to its clients. This arrangement presents a conflict of interest because it provides Meeder with an incentive to solicit and secure participation in the program. Asset based advisory fees are not charged for assets invested in products that pay indirect compensation to Meeder.

11. **Proxy Voting.** Meeder does not accept or assume authority to vote proxies for its public fund clients. Clients will receive their proxies or other solicitations directly from their Custodian. Client agrees that Meeder will not advise or act for Client in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the Account or the issuers of such securities.

12. **Electronic Delivery.** Client consents to electronic delivery of all documents from Meeder, including but not limited to a copy of the executed Agreement, statements, confirmations, Meeder's Form ADV Part 2 and amendments thereto, and other general communications delivered to Client's electronic mail address of record. Delivery of communications to Clients in this fashion will be deemed effective unless Meeder is notified otherwise. Client is responsible for maintaining an accurate and up to date email address and to ensure that Client at all times has the ability to receive communications directed in this manner.

13. **Confidentiality.** All information and advice furnished by either party to the other, including their respective agents and employees, shall be treated as confidential and shall not be disclosed to third parties except as otherwise required by law or as agreed to in writing by Client. Notwithstanding the foregoing, Client consents to the use of Client's name in sales and marketing material used by Meeder or its affiliates solely for the purpose of identifying the Client as an investment advisory client.

14. **Services to Other Clients.** Client understands that Meeder serves as investment adviser for other Clients and will continue to do so. Client also understands that Meeder, its personnel and affiliates ("Affiliated Persons") may give advice or take action in performing their duties to other clients, or for their own accounts, that differ from advice given to or action taken for Client. Meeder is not obligated to buy, sell or recommend for Client any security or other investment that Meeder or its Affiliated Persons may buy, sell or recommend for any other client or their own accounts.

15. **Meeder's Representations.** Meeder represents that it is a registered investment adviser under the Investment Advisers Act of 1940.

16. **Client's Representations.** Client represents and acknowledges that: (i) Client is the sole owner of the Account assets and has full power and authority to enter into this Agreement and to commit the assets to Meeder's management and supervision; (ii) that the person signing this Agreement on behalf of Client is authorized and empowered to establish accounts and commit the assets to Meeder's management and supervision on the entity's behalf; (iii) Client has received Meeder's current Form ADV, Part 2A and B; and (iv) Client has received a copy of Meeder's Privacy Policy.

## **Exhibit B**

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