

## **RESOLUTION NO. 2022-17**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, APPROVING THE ADOPTION OF THE PUBLIC AGENCIES POST-RETIREMENT HEALTH CARE PLAN TRUST ADMINISTERED BY PUBLIC AGENCY RETIREMENT SERVICES (PARS)**

**WHEREAS**, PARS has made available the Public Agencies Post-Retirement Health Care Plan Trust (Public Agencies Post-Retirement Health Care Plan Trust) (the “Program”) for the purpose of prefunding Other Post-Employment Benefits (“OPEB”) obligations; and

**WHEREAS**, the City of La Porte (“City”) is eligible to participate in the Program, a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code, as amended, and the Regulations issued there under, and is a tax-exempt trust under the relevant statutory provisions of the State of Texas; and

**WHEREAS**, the City’s adoption and operation of the Program has no effect on any current or former employee’s entitlement to post-employment benefits; and

**WHEREAS**, the terms and conditions of post-employment benefit entitlement, if any, are governed by contracts separate from and independent of the Program; and

**WHEREAS**, the City’s funding of the Program does not, and is not intended to, create any new vested right to any benefit nor strengthen any existing vested right; and

**WHEREAS**, the City reserves the right to make contributions, if any, to the Program.

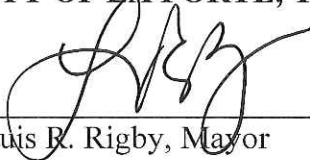
### **NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, THAT:**

1. The City Council of the City of La Porte, Texas, hereby adopts the PARS Public Agencies Post-Retirement Health Care Plan Trust, including the PARS Public Agencies Post-Retirement Health Care Plan, effective August 22, 2022; and
2. The City Council of the City of La Porte, Texas, hereby appoints the City Manager, or his/her successor or his/her designee, as the City’s Plan Administrator for the Program; and
3. The City’s Plan Administrator is hereby authorized to execute the PARS legal and administrative documents on behalf of the City and to take whatever additional actions are necessary to maintain the City’s participation in the Program and to maintain compliance of any relevant regulation issued or as may be issued; therefore, authorizing him/her to take whatever additional actions are required to administer the City’s Program.
4. The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the offices of City of La Porte for the time required by law

preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this resolution and the subject matter thereof has been discussed, considered, and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

**PASSED and APPROVED** this, the 23<sup>rd</sup> day of August, 2022.

**CITY OF LA PORTE, TEXAS**

  
\_\_\_\_\_  
Louis R. Rigby, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Lee Woodward, City Secretary



**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Clark T. Askins, Assistant City Attorney

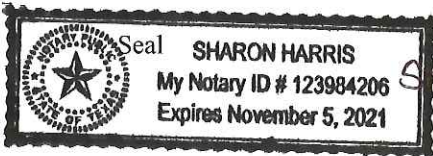
AYES: 9                      NOES: 0                      ABSENT: 0                      ABSTAIN: 0


STATE OF TEXAS  
COUNTY OF HARRIS

Sharon Harris Deputy

I, ~~Lee Woodward~~, the City Secretary of the City of La Porte, of Harris County, Texas, hereby certifies that the above foregoing resolution was duly and regularly adopted by the City of La Porte, Texas, at a regular meeting thereof held on the 22<sup>nd</sup> day of August, 2022, and passed by a 9-0 vote of said Council.

IN WITNESS WHEREOF I have hereunto set my hand and seal this August 22, 2022.



  
\_\_\_\_\_  
~~Lee Woodward~~, City Secretary  
Sharon Harris deputy

**ADOPTION AGREEMENT  
for the  
PRHCP SECTION 115 TRUST**

A.1.1. Trust agreement with U.S. Bank National Association (the “Bank”) (the “Trust Agreement”):

PRHCP Section 115 Trust. Public Agencies Post-Retirement Health Care Plan—Trust Agreement, effective November 1, 2005, as amended and restated as of May 16, 2007

**No guaranty that payments or reimbursements to employees, former employees, or retirees will be tax-free.** The Trust has obtained a ruling from the Internal Revenue Service concerning only the federal tax treatment of the Trust’s income. That ruling may not be cited or relied upon by the Employer whatsoever as precedent concerning any matter relating to the Employer’s health plan(s) (including post-retirement health plans). In particular, that ruling has no effect on whether contributions to the Employer’s health plan(s) or payments from the Employer’s health plans (including reimbursements of medical expenses) are excludible from the gross income of employees, former employees, or retirees, under the Internal Revenue Code. The federal income tax consequences to employees, former employees, and retirees depend on the terms and operation of the Employer’s health plan(s).

(The plan document is the Public Agencies Post-Retirement Health Care Plan—Master Plan Document, as amended and restated as of May 16, 2007 (the “Plan Document”).

A.1.2. Plan: Public Agencies Post-Retirement Health Care Plan Trust, as  
adopted by the City of La Porte, Texas

A.1.3. Plan’s effective date: August 22, 2022

A.2.1. Employer or Agency, as the case may be (the “Employer”):

Name: City of La Porte

U.S. mail address: 604 West Fairmont Parkway, La Porte, TX 77571

Phone number: (281) 470-5013

EIN: 74-6001552

Fiscal year end: September 30

A.2.2. Plan Administrator

Position at Employer: City Manager

Incumbent: Corby Alexander

U.S. mail address: 604 West Fairmont Parkway, La Porte, TX 77571

Phone number: (281) 470-5011

Email address: alexanderc@laportetx.gov

A.3.1 **Adoption.** The Employer hereby:

A.3.1.1. Adopts the Trust Agreement as part of the Plan and agrees to be bound by the Trust Agreement's terms, effective as of the Employer's signature date below and subject to the investment approach selected below.

A.3.1.2.(i) Adopts the Plan Document and agrees to be bound by the Plan Document's terms, effective as of the Employer's signature date below and (ii) acknowledges that the determination of Eligible Employees and Eligible Dependents is finally and conclusively made by the Employer according to the Employer's applicable policies and collective bargaining agreements.

A.3.1.3. Ratifies, affirms, and approves Employer's appointment of Phase II Systems as Trust Administrator and represents and warrants that attached hereto is a fully-executed original of Employer's Agreement for Administrative Services with Phase II Systems, d/b/a Public Agency Retirement Services (PARS).

A.3.1.4. Agrees that capitalized terms used herein but not defined herein shall have the same meaning attributed to them as in the Trust Agreement or Plan Document, as the case may be.

A.4.0. The Employer hereby represents and warrants that:

A.4.0.1. **Authorizing Law.** Employer has reviewed with its legal counsel and has determined that Employer is authorized to establish the Plan and to establish a financial-institution trust (separate and apart from the state) for the Plan, including the authority to adopt the Trust Agreement.

A.4.0.2. **Authorizing Resolution.** Attached hereto is a certified copy of a resolution of the Employer's governing body authorizing the adoption of the Trust Agreement as part of the Plan and authorizing the appointment of the Plan Administrator designated by position of employment at the Employer to act on the Employer's behalf in all matters relating to the trust.

A.4.0.3. **Tax Status.** The Plan is a "governmental plan" as defined in Section 414(d) of the Internal Revenue Code of 1986, as amended; is a "Section 401(a)(24) governmental plan" as defined in Revenue Ruling 2011-1; and is not subject to Federal income taxation. The Plan's governing document expressly provides that it is irrevocably impossible for any part of the corpus or income of the Plan to be used for, or diverted to, purposes other than for the exclusive benefit of the Plan participants and their beneficiaries. (In addition, the Employer hereby acknowledges that the Plan is prohibited from assigning any part of its equity or interest in the trust.)

A.4.1. **Investment Approach.** Trust assets are invested in the discretion of *(check one and only one of the following boxes)*:

Discretionary investment approach:

- The Bank, subject to **Exhibit A (Investment Strategy Selection and Disclosure Form)**, attached hereto.

Directed investment approach:

- The Plan Administrator.
- The following registered investment adviser, bank (other than the Bank), or insurance company (a "Third-Party Manager"): \_\_\_\_\_

Vanguard Advisers, Inc.. The Employer hereby represents and warrants that attached hereto is an executed copy of the agreement with the above appointed Third Party Manager.

A.4.2. It is intended that any references to GASB pronouncements and/or statements in the Public Agencies Post-Retirement Health Care Plan and Trust Agreement shall incorporate any applicable successor pronouncements and/or statements.

**CITY OF LA PORTE**

By:   
Corby Alexander

Its: City Manager

Date: August 23, 2022

*Accepted by:*

**PHASE II SYSTEMS, DBA PUBLIC AGENCY RETIREMENT SERVICES (PARS)**

By: \_\_\_\_\_  
Daniel Johnson

Its: President

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

**U.S. BANK NATIONAL ASSOCIATION**

By: \_\_\_\_\_  
Susan M. Hughes

Its: Vice President and Relationship Manager

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

## AGREEMENT FOR ADMINISTRATIVE SERVICES

This agreement ("Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2022, between Phase II Systems, a corporation organized and existing under the laws of the State of California, doing business as Public Agency Retirement Services and PARS (hereinafter "PARS") and the City of La Porte, Texas ("Agency").

WHEREAS, the Agency has adopted the PARS Public Agencies Post-Retirement Health Care Plan ("Plan") in conjunction with the PARS Public Agencies Post-Retirement Health Care Plan Trust ("Trust"), with PARS, as Trust Administrator to the Trust, to provide administrative services.

NOW THEREFORE, the parties agree:

1. **Services.** PARS will provide the services pertaining to the Plan as described in the exhibit attached hereto as "Exhibit 1A" ("Services") in a timely manner, subject to the further provisions of this Agreement.
2. **Fees for Services.** PARS will be compensated for performance of the Services as described in the exhibit attached hereto as "Exhibit 1B".
3. **Payment Terms.** Payment for the Services will be remitted directly from Plan assets unless the Agency chooses to make payment directly to PARS. In the event that the Agency chooses to make payment directly to PARS, it shall be the responsibility of the Agency to remit payment directly to PARS based upon an invoice prepared by PARS and delivered to the Agency. If payment is not received by PARS within thirty (30) days of the invoice delivery date, the balance due shall bear interest at the rate of 1.5% per month. If payment is not received from the Agency within sixty (60) days of the invoice delivery date, payment plus accrued interest will be remitted directly from Plan assets, unless PARS has previously received written communication disputing the subject invoice that is signed by a duly authorized representative of the Agency.
4. **Fees for Services Beyond Scope.** Fees for services beyond those specified in this Agreement will be billed to the Agency at the rates indicated in the PARS' standard fee schedule in effect at the time the services are provided and shall be payable as described in Section 3 of this Agreement. Before any such services are performed, PARS will provide the Agency with a detailed description of the services, terms, and applicable rates for such services. Such services, terms, and applicable rates shall be agreed upon in writing and executed by both parties.
5. **Information Furnished to PARS.** PARS will provide the Services contingent upon the Agency providing PARS the information specified in the exhibit attached hereto as "Exhibit 1C" ("Data"). It shall be the responsibility of the Agency to certify the accuracy, content, and completeness of the Data so that PARS may rely on such information without further audit. It shall further be the responsibility of the Agency to deliver the Data to PARS in such a manner that allows for a reasonable amount of time for the Services to be performed. Unless specified in Exhibit 1A, PARS shall be under no duty to question Data received from the Agency, to compute contributions made to the

Plan, to determine or inquire whether contributions are adequate to meet and discharge liabilities under the Plan, or to determine or inquire whether contributions made to the Plan are in compliance with the Plan or applicable law. In addition, PARS shall not be liable for nonperformance of Services to the extent such nonperformance is caused by or results from erroneous and/or late delivery of Data from the Agency. In the event that the Agency fails to provide Data in a complete, accurate and timely manner and pursuant to the specifications in Exhibit 1C, PARS reserves the right, notwithstanding the further provisions of this Agreement, to terminate this Agreement upon no less than ninety (90) days written notice to the Agency.

6. **Records.** Throughout the duration of this Agreement, and for a period of five (5) years after termination of this Agreement, PARS shall provide duly authorized representatives of Agency access to all records and material relating to calculation of PARS' fees under this Agreement. Such access shall include the right to inspect, audit and reproduce such records and material and to verify reports furnished in compliance with the provisions of this Agreement. All information so obtained shall be accorded confidential treatment as provided under applicable law.
7. **Confidentiality.** Without the Agency's consent, PARS shall not disclose any information relating to the Plan except to duly authorized officials of the Agency, subject to applicable law, and to parties retained by PARS to perform specific services within this Agreement. The Agency shall not disclose any information relating to the Plan to individuals not employed by the Agency without the prior written consent of PARS, except as such disclosures may be required by applicable law.
8. **Independent Contractor.** PARS is and at all times hereunder shall be an independent contractor. As such, neither the Agency nor any of its officers, employees or agents shall have the power to control the conduct of PARS, its officers, employees, or agents, except as specifically set forth and provided for herein. PARS shall pay all wages, salaries, and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.
9. **Indemnification.** PARS and Agency hereby indemnify each other and hold the other harmless, including their respective officers, directors, and employees, from any claim, loss, demand, liability, or expense, including reasonable attorneys' fees and costs, incurred by the other as a consequence of, to the extent, PARS' or Agency's, as the case may be, negligent acts, errors or omissions with respect to the performance of their respective duties hereunder.
10. **Compliance with Applicable Law.** The Agency shall observe and comply with federal, state and local laws in effect when this Agreement is executed, or which may come into effect during the term of this Agreement, regarding the administration of the Plan. PARS shall observe and comply with federal, state, and local laws in effect when this Agreement is executed, or which may come into effect during the term of this Agreement, regarding Plan administrative services provided under this Agreement.

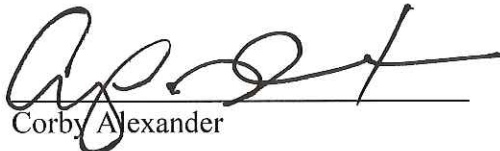
11. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. In the event any party institutes legal proceedings to enforce or interpret this Agreement, venue and jurisdiction shall be in any state court of competent jurisdiction.
12. **Force Majeure.** When a party's nonperformance hereunder was beyond the control and not due to the fault of the party not performing, a party shall be excused from performing its obligations under this Agreement during the time and to the extent that its performance is prevented by such cause. Such cause shall include, but not be limited to: any incidence of fire, flood, acts of God or unanticipated communicable disease, acts of terrorism or war commandeering of material, products, plants or facilities by the federal, state or local government, a material act or omission by the other party or any law, ordinance, rule, guidance or recommendation by the federal, state or local government, or any agency thereof, which becomes effective after the date of this Agreement that delays or renders impractical either party's performance under the Agreement.
13. **Ownership of Reports and Documents.** The originals of all letters, documents, reports, and data produced for the purposes of this Agreement shall be delivered to and become the property of the Agency. Copies may be made for PARS but shall not be furnished to others without written authorization from Agency.
14. **Designees.** The Plan Administrator of the Agency, or their designee, shall have the authority to act for and exercise any of the rights of the Agency as set forth in this Agreement, subsequent to and in accordance with the written authority granted by the Governing Body of the Agency, a copy of which writing shall be delivered to PARS. Any officer of PARS, or his or her designees, shall have the authority to act for and exercise any of the rights of PARS as set forth in this Agreement.
15. **Notices.** All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of the notices in person or by depositing the notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:
  - (A) To PARS: PARS; 4350 Von Karman Avenue, Suite 100, Newport Beach, CA 92660; Attention: President
  - (B) To Agency: City of La Porte; 604 West Fairmont Parkway, La Porte, TX 77571; Attention: City ManagerNotices shall be deemed given on the date received by the addressee.
16. **Term of Agreement.** This Agreement shall remain in effect for the period beginning August 22, 2022 and ending August 21, 2025 ("Term"). This Agreement may be terminated at any time by giving thirty (30) days written notice to the other party of the intent to terminate. Absent a thirty (30) day written notice to the other party of the intent to terminate, this Agreement will continue unchanged for successive twelve-month periods following the Term.
17. **Amendment.** This Agreement may not be amended orally, but only by a written instrument executed by the parties hereto.



18. **Entire Agreement.** This Agreement, including exhibits, contains the entire understanding of the parties with respect to the subject matter set forth in this Agreement. In the event a conflict arises between the parties with respect to any term, condition or provision of this Agreement, the remaining terms, conditions, and provisions shall remain in full force and legal effect. No waiver of any term or condition of this Agreement by any party shall be construed by the other as a continuing waiver of such term or condition.
19. **Attorneys Fees.** In the event any action is taken by a party hereto to enforce the terms of this Agreement the prevailing party herein shall be entitled to receive its reasonable attorney's fees.
20. **Counterparts.** This Agreement may be executed in any number of counterparts, and in that event, each counterpart shall be deemed a complete original and be enforceable without reference to any other counterpart.
21. **Headings.** Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
22. **Effective Date.** This Agreement shall be effective on the date first above written, and also shall be the date the Agreement is executed.

AGENCY:

BY:

  
Corby Alexander

TITLE:

City Manager

DATE:

8-22-22

PARS:

BY:



Tod Hammeras

TITLE:

Chief Financial Officer

DATE:

8/4/2022

## EXHIBIT 1A

### SERVICES

PARS will provide the following services for the City of La Porte PARS Public Agencies Post-Retirement Health Care Plan Trust:

1. Plan Installation Services:

- (A) Meeting with appropriate Agency personnel to discuss plan provisions, implementation timelines, actuarial valuation process, funding strategies, benefit communication strategies, data reporting, and submission requirements for contributions, and reimbursements/distributions;
- (B) Providing the necessary analysis and advisory services to finalize these elements of the Plan;
- (C) Providing the documentation needed to establish the Plan to be reviewed and approved by Agency legal counsel. Resulting final Plan documentation must be approved by the Agency prior to the commencement of PARS Plan Administration Services outlined in Exhibit 1A, paragraph 2 below.

2. Plan Administration Services:

- (A) Monitoring the receipt of Plan contributions made by the Agency to the trustee of the PARS Public Agencies Post-Retirement Health Care Plan Trust ("Trustee"), based upon information received from the Agency and the Trustee;
- (B) Performing periodic accounting of Plan assets, reimbursements/distributions and investment activity, based upon information received from the Agency and/or Trustee;
- (C) Coordinating the processing of reimbursement/distribution payments pursuant to authorized direction by the Agency, and the provisions of the Plan, and, to the extent possible, based upon Agency-provided Data;
- (D) Coordinating actions with the Trustee as directed by the Plan Administrator within the scope of this Agreement;
- (E) Preparing and submitting a monthly report of Plan activity to the Agency, unless directed by the Agency otherwise;
- (F) Preparing and submitting an annual report of Plan activity to the Agency;
- (G) Facilitating actuarial valuation updates and funding modifications for compliance with the applicable GASB pronouncements and/or statements;
- (H) Coordinating periodic audits of the Trust;
- (I) Monitoring Plan and Trust compliance with federal and state laws.

PARS is not licensed to provide and does not offer tax, accounting, legal, investment or actuarial advice.

EXHIBIT 1B  
FEES FOR SERVICES

PARS will be compensated for performance of Services, as described in Exhibit 1A based upon the following schedule:

An annual asset fee shall be paid from Plan assets based on the following schedule:

<u>For Plan Assets from:</u>		<u>Annual Rate:</u>
\$1	to \$10,000,000	0.25%
\$10,000,001	to \$15,000,000	0.20%
\$15,000,001	to \$50,000,000	0.15%
\$50,000,001	and above	0.10%

Annual rates are prorated and paid monthly. The annual asset fee shall be calculated by the following formula [Annual rate divided by 12 (months of the year) multiplied by the Plan asset balance at the end of the month]. Trustee and Investment Management Fees are not included.

EXHIBIT 1C  
DATA REQUIREMENTS

PARS will provide the Services under this Agreement contingent upon receiving the following information. Agency is solely responsible for ensuring that all information and documentation provided to PARS is true, correct, and authorized:

1. Executed Legal Documents:
  - (A) Certified Resolutions
  - (B) Adoption Agreement to the Public Agencies Post-Retirement Health Care Plan and Trust
  - (C) Trustee Investment Forms
  
2. Contribution – completed Contribution Transmittal Form signed by the Plan Administrator (or authorized Designee) which contains the following information:
  - (A) Agency name
  - (B) Contribution amount
  - (C) Contribution date
  - (D) Contribution method (Check, ACH, Wire)
  
3. Reimbursement/Distribution – completed Payment Reimbursement/Distribution Form signed by the Plan Administrator (or authorized Designee) which contains the following information:
  - (A) Agency name
  - (B) Payment reimbursement/distribution amount
  - (C) Applicable statement date
  - (D) Copy of applicable premium, claim, statement, warrant, and/or administrative expense evidencing payment
  - (E) Signed certification of reimbursement/distribution from the Plan Administrator (or authorized Designee)
  
4. Other information pertinent to the Services as reasonably requested by PARS and Actuarial Provider.

**VANGUARD ADVISERS, INC.**  
**VANGUARD INSTITUTIONAL ADVISORY SERVICES**  
**DISCRETIONARY INVESTMENT MANAGEMENT AGREEMENT**

Client(s) (hereinafter collectively referred to as "Client"): City of La Porte |

Client hereby engages Vanguard Institutional Advisory Services ("VIAS"), an operating division of Vanguard Advisers, Inc. ("VAI"), as a discretionary investment agent for the assets described on Schedule A, on any requisite Vanguard Forms associated herewith, and any future registrations designated by Client in writing (hereinafter collectively referred to as the "Portfolio"). This Agreement will not cover any registrations, or portion thereof, specifically excluded on Schedule A or subsequently removed from the Portfolio by Client or VIAS in writing. The following terms and conditions will apply to this Agreement:

**1. Client Representation.** Client represents and warrants the following:

- a. Client has adopted the Public Agencies Post-Retirement Health Care Plan Trust Agreement, effective November 1, 2005, as amended and restated as of May 16, 2007 ("Trust Agreement"), and thereby represents that it is a public agency of a state, a political subdivision of a state, or an entity the income of which is excludible from gross income under Section 115 of the Internal Revenue Code of 1986, as amended from time to time. Further in adopting the Trust Agreement, Client has elected a directed investment approach through which it may retain its own investment manager.
- b. Client is duly organized, validly existing, and in good standing under the laws by which it is governed.
- c. Client has all of the requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.
- d. Client has provided or attached to this Agreement a Vanguard Organization Resolution Form, a validly certified copy of a resolution of Client's Board authorizing officers, employees, or other agents of such Client to act for and on its behalf under this Agreement, or such other form as may be approved for use by VIAS for authorizing officers, employees, or other agents of such Client to act for and on its behalf under this Agreement.
- e. On behalf of the Portfolio, Client has full authority to control or manage the assets, receive investment advice, make and approve investment decisions, give instructions, retain investment agents and delegate investment management authority to investment agents.
- f. Client will promptly notify VIAS of any event that could alter any certification made by Client in this Agreement.

**2. VIAS Representation.** VIAS represents and discloses the following:

- a. VIAS is a division of VAI, a registered investment adviser. VIAS is responsible for providing the services to Client under this Agreement and will perform said services in accordance with applicable federal and state laws.
- b. VAI is a Pennsylvania corporation and an investment adviser registered with the Securities and Exchange Commission ("SEC"). VAI is a wholly owned subsidiary of Goliath, Inc., which in turn is a wholly owned subsidiary of The Vanguard Group, Inc. ("Vanguard"), maintaining its principal place of business in Chester County, Pennsylvania.
- c. VAI has satisfied the requirement under the Investment Advisers Act of 1940 to file Form ADV with the SEC and has provided a copy of Part II, or its equivalent thereof, to Client. Form ADV provides additional information about VAI and its investment advisory services.

**3. Client Responsibilities.** Client shall analyze its current investments, investment objectives, risk tolerance, tax circumstances, spending requirements, and other relevant factors and select an investment strategy for the Portfolio from among the four asset allocations recommended by VIAS, the Fixed Income, Conservative, Balanced, and Growth Strategies (the particular allocations for the four Strategies as of the date of this Agreement are set forth in Schedule B). In providing services under this Agreement, VIAS will rely on the information provided by Client without any duty or obligation

to investigate the accuracy or completeness of such information. Client may choose another investment strategy at any time.

It is further understood that Client shall be responsible for determining that the investment strategy is reasonably designed to further the purposes of the Portfolio, having taken into consideration: (i) the composition of the Portfolio's investments with respect to diversification; (ii) the liquidity and current return of the Portfolio relative to anticipated cash flow requirements or needs; and (iii) the projected return of the Portfolio relative to funding objectives.

#### **4. Investment Management Services.**

- a. Investment Strategy. VIAS will manage the Portfolio in accordance with the investment strategy selected by the Client. The investment strategy shall include the allocation of Client's Portfolio in securities including, but not limited to, and without limitation on the amount that may be invested therein, mutual funds sponsored, managed, maintained by, or affiliated with, Vanguard or any of its affiliates (collectively, "Vanguard Investments"). VIAS shall construct and manage, invest and reinvest Client's Portfolio on a discretionary basis in accordance with guidelines set forth in the investment strategy and in doing so, shall be fully entitled to rely on the investment strategy at all times. VIAS may change the investment recommendations set forth in the Strategies at any time upon 30 days prior notice to the Client.
- b. Appointment of Investment Agent and Delegation of Authority to Act. For purposes of managing the Portfolio, Client hereby appoints VIAS as its authorized investment agent and hereby delegates its investment authority to VIAS or an affiliate appointed by VIAS to purchase, sell, redeem, transfer, and exchange assets; rebalance and reallocate Portfolio assets when warranted; and execute other necessary and appropriate transactions, including transactions with third parties on behalf of Client in accordance with the guidelines outlined in the investment strategy. Client's investment agency appointment of VIAS shall remain in effect until such time as Client revokes it in writing, or either of the parties terminates this Agreement.
- c. Asset Rebalancing and Transaction Services. VIAS or an affiliate appointed by VIAS shall provide certain rebalancing and transaction services for the Portfolio, including rebalancing the Portfolio in accordance with the investment strategy outlined in Schedule B.
- d. Advice on Non-Vanguard Securities. Under this service, VIAS will not recommend or solicit orders to buy or sell non-Vanguard investments or individual securities.

**5. Records and Inspection of Records.** VIAS shall maintain such records as are legally required to be kept under the federal securities laws pertaining to the business of VIAS. As a VIAS client, Client (or the entity Client designates) will be the registered owner of Client's Vanguard Investments and will directly receive all regular Vanguard investment communications.

VIAS agrees that Client and/or its authorized designee shall have the right to reasonably request and audit, review, obtain, and copy, at the expense of Client, reports and other information containing records of VIAS that are specific to Client's Portfolio and to performance of this Agreement and that are maintained by VIAS ("Portfolio Records") including vouchers or invoices presented for payment pursuant to this Agreement, work papers, books, records and accounts upon which the vouchers or invoices are based, and any and all documentation and justification in support of expenditures or fees incurred pursuant to this Agreement, to the extent necessary to permit adequate evaluation and verification of VIAS' performance under this Agreement. VIAS agrees to make Portfolio Records available during VIAS' regular business hours at the location where Portfolio Records are normally maintained by VIAS. VIAS further agrees to maintain such records for a period of no less than three (3) years after final payment under this Agreement or (ii) the period of time required by its federal regulator, whichever is greater.

**6. No Guarantee of Investment Results.** Although VIAS will recommend investments and strategies that are consistent with widely-accepted principles of long-term investing, diversification, and prudent investment management, all investments are subject to risk. Client agrees that the investment strategies used by VIAS involve risk of loss, and fluctuations in the financial markets and other factors may cause declines, which may be significant, in the value of the Portfolio over short or extended periods of time. Neither VIAS nor any affiliated entity offers any guarantee that investment results or objectives sought by the Client, or outlined in the investment strategies will be achieved.

**7. Investment Management Services Fee.** In consideration of its services under this Agreement, Client will pay to VIAS an annual investment management services fee based upon the market value of all Vanguard Investments in the Portfolio in accordance with Schedule C attached. The annual investment management services fee is different from, and is in addition to, any fees or expenses assessed by the Vanguard Investments in the Portfolio. The investment management services fee will begin to accrue as of the execution date of the Agreement by all parties and will be prorated for services rendered during any period of time less than one calendar-year month or quarter, as applicable. VIAS reserves the right to change its fee schedule upon 90 days written notice to Client.

**8. Transfer of Assets.** Client may transfer cash to and from the Portfolio at any time, provided that Client gives VIAS prior notice of the transfer.

**9. Legal Title and Custody.** Assets contributed to the Portfolio shall retain their original ownership attributes as determined under applicable federal and state law. VIAS shall have authority to issue instructions to and receive information from the custodian of any asset in the Portfolio. VIAS shall not be responsible for the acts or omissions of any other entity or individual having custody over assets in the Portfolio.

**10. Affiliate Dealings.**

- a. Client understands and acknowledges that VAI is a subsidiary of Vanguard and affiliated with the mutual funds comprising The Vanguard Group of Investment Companies (the "Vanguard Funds"). VAI will not be compensated on the basis of a share of capital gains upon or capital appreciation of the Vanguard Funds or any portion of the Vanguard Funds. Client further understands and acknowledges that although investments in the Vanguard Funds are not subject to loads, commissions, or asset-based distribution fees (commonly known as "12b-1" fees), the Vanguard Funds pay advisory and other fees to, and reimburse the expenses of, Vanguard and its affiliates including VAI, as set forth in the prospectus of each of the funds. Vanguard administers the Vanguard Funds in which the Portfolio will be invested. Additionally, Vanguard is the parent corporation of Vanguard Marketing Corporation ("VMC"), Member FINRA and SIPC, a registered broker-dealer, which acts as the sales agent in connection with the sales of shares of the Vanguard Funds. With this knowledge, Client specifically authorizes VIAS or an affiliate appointed by VIAS to invest and reinvest assets of the Portfolio, including the entire Portfolio, in Vanguard Funds. Client further authorizes VIAS to engage Vanguard or any entity affiliated with Vanguard to provide additional services to the Portfolio.
- b. Some Vanguard Funds charge fees on the purchase of shares. These fees, designed to offset the cost of buying and selling securities, are paid directly to the fund and are not sales charges. Additionally, some Vanguard Funds charge redemption fees to discourage short-term trading. VIAS may recommend that the Portfolio be invested in Vanguard Funds with either or both of these types of fees. Client acknowledges that these fees will be assessed on the Portfolio's purchase or deducted from the Portfolio's redemption proceeds in accordance with the conditions set forth in the prospectus of the particular Vanguard Fund being bought or sold.
- c. Client further understands and acknowledges that if Client so chooses, Client can purchase shares of Vanguard Funds independently, without the investment advice provided by VIAS pursuant to this Agreement or its related fees.

### **11. Amendment, Term and Termination.**

- a. This Agreement may be amended or modified at any time. Any amendment or modification to this Agreement must be in writing and signed by duly authorized representatives of both parties.
- b. This is a continuous Agreement with no set expiration date. Either party may terminate this Agreement with thirty (30) days prior written notice to the other, which notice may be waived by the receiving party. Unless otherwise agreed upon, the effective date of termination shall be the first business day after the 30-day notice period. Final fees will be collected prior to transfer of assets. The market value of the Portfolio will be determined as of one business day prior to the effective date of the termination notice or the date asset transfers begin, whichever is earlier. VIAS shall be afforded a reasonable time in which to effect the termination. Upon termination, VIAS will have no obligation to recommend or take any action with regard to the assets in the Portfolio. In the event Client terminates the Agreement within six (6) months of its effective date, any applicable termination fees as set forth on Schedule C will apply.

**12. Proxy Voting and Legal Actions.** The exercise of all voting rights associated with any security or other property held in the Portfolio shall be the responsibility of Client or Client's authorized designee. Client understands and agrees that VIAS will not advise Client or act for Client in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the Portfolio or the issuers of those securities.

### **13. Extent of Duty and Indemnification.**

- a. VIAS will perform its services under this Agreement in good faith and in accordance with applicable law. The rights, powers and duties of VIAS with respect to the Portfolio assigned to it under this Agreement shall be those specifically set forth in this Agreement or as set forth under applicable law, and VIAS shall have no other duty, responsibility or liability with respect to the Portfolio or any duty, responsibility or liability with respect to any other assets of the Portfolio not under management by VIAS. When managing employee benefit or other retirement plans, VIAS shall have no duty, responsibility or liability with respect to the operation or administration of the employee benefit or other retirement plan.
- b. VIAS, VAI and any VAI affiliate, officer, director, or employee ("Related Parties") will not be held liable for: (1) any loss arising from Client's direction or from any information supplied by Client; (2) any losses to the Portfolio resulting from VIAS following the investment strategies, following VIAS' existing policies or investment methodology, or making a reasonable judgment, including any action performed or omitted, in managing Client's Portfolio; (3) any act or failure to act by an unaffiliated third party; (4) any improper conduct or breach by an unaffiliated fiduciary of which VIAS had no actual knowledge or no reasonable notice of such conduct or breach; or (5) any other losses arising out of any action performed or omitted, or for errors of judgment made within the scope of the performance of such services, except for losses arising from their gross negligence, willful malfeasance, bad faith, or breach of fiduciary duty.
- c. Client understands that VIAS does not guarantee or ensure any specific investment results for the Portfolio, nor does VIAS guarantee that Client's investment objectives will be achieved.
- d. Except for losses arising from VIAS' gross negligence, willful misconduct or malfeasance, lack of good faith, breach of its fiduciary duties under this Agreement, or violation of applicable law or material terms of this Agreement, Client agrees to indemnify and hold harmless VIAS, VAI and its affiliates from and against, for and in respect of any and all damages, losses, obligations, liabilities, liens, deficiencies, costs and expenses, including without limitation, reasonable attorney's fees incident to any suit, action, investigation,



claim or proceedings, that are suffered, sustained, incurred or required to be paid by VIAS in connection with this Agreement.

- e. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and, therefore, nothing contained in this Agreement shall constitute a waiver or limitation of rights that Client may have under federal or state securities laws that are not permitted to be contractually waived.

**14. Non-exclusivity.** Each Party acknowledges and agrees that this Agreement and the arrangement described herein are intended to be non-exclusive and each Party is free to enter into similar agreements and arrangements with other entities. Client also understands that VIAS may give advice or take action in performing its duties for other clients that differs from the advice given to or action taken for Client. Neither VIAS nor any affiliated entity offers any guarantee that investment results or objectives sought by the Client, or outlined in the investment strategies will be achieved.

**15. Arbitration.** All controversies arising out of or relating to any services provided by VAI, VIAS, Vanguard, or any of their affiliates, directors, or employees with respect to transactions of any kind executed pursuant to this Agreement, with respect to any accounts serviced according to this Agreement, or which related in any way to this Agreement which cannot be resolved by negotiation will be resolved by arbitration and, to the extent not governed by federal law, governed by the laws of the Commonwealth of Pennsylvania without reference to its conflicts of laws rules.

Arbitration shall be conducted in accordance with and subject to the then-applicable Commercial Dispute Resolution procedures of the American Arbitration Association (the "AAA Rules"). Unless otherwise mutually agreed upon by the parties, the arbitration hearings will be held in the City of Philadelphia, Pennsylvania. A panel of three arbitrators will be selected in accordance with the AAA Rules and the arbitrators will allow such discovery as is appropriate and consistent with the purposes of arbitration in accomplishing a fair, speedy, and cost-effective resolution of disputes. The arbitrators will reference the Federal Rules of Evidence and the Federal Rules of Civil Procedure then in effect in setting the scope of discovery. Judgment upon the award rendered in any such arbitration may be entered in any court having jurisdiction thereof, or application may be made to such court for a judicial acceptance of the award and any enforcement, as the law of such jurisdiction may require or allow. Client and VAI consent to service of process by first-class mail to the addresses set forth on the signature page(s) of this Agreement or maintained on record at Vanguard.

Arbitration awards will be final and binding on all parties. By obtaining VIAS investment management services, all parties are waiving their right to seek remedies in court, including the right to a jury trial. Prearbitration discovery is generally more limited than and different from court proceedings. The arbitrator's decision is not required to include a factual findings or legal reasoning. Any party's right to appeal or to seek modification of ruling by arbitrators is strictly limited.

This clause does not constitute a waiver of any right under federal or state securities laws, including the right to choose the forum in which to seek resolution of disputes.

**16. Binding Agreement.** This Agreement will bind and be for the benefit of the parties to the Agreement and their successors and permitted assigns, except that this Agreement may not be assigned by either party without the prior written consent of the other party.

**17. Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions, except to the extent such laws have been specifically superseded by federal law as applicable, such as ERISA.

**18. Severability.** If any part of this Agreement is held to be invalid or void, such invalidity shall not affect any other part of this Agreement and the remainder of the Agreement shall be effective as though such invalid or void part was not contained herein.

## 19. Confidentiality.

- a. VIAS agrees that all information and data relating to the Client, is the property of the Client and proprietary information of the Client and shall be treated as confidential information ("Client Confidential Information"). Client Confidential Information shall also include any other information disclosed by one party to the other in writing and marked "Confidential" or disclosed visually or orally and subsequently confirmed in writing to be confidential. VIAS agrees to comply with applicable privacy laws and to exercise at least the same standard of care in safeguarding the Client Confidential Information as it uses to protect the confidential information of its other clients and, in any event, no less than a reasonable degree of care.
- b. VIAS shall not share, transfer, disclose, or otherwise provide access to any Client Confidential Information to any third party, except as set forth below, unless Client has authorized VIAS to do so. VIAS may use, share, transfer, disclose, or provide access to Client Confidential Information as follows:
  - (i) To VIAS employees who have a business need for access to Client Confidential Information in order to perform their job functions; VIAS shall provide training to its employees with respect to their obligation to safeguard and keep confidential any nonpublic information, including Client Confidential Information, they may obtain in the course of their employment, and shall require its employees to sign an undertaking to comply with this obligation;
  - (ii) To VIAS affiliates, to the extent permitted by law; and to VIAS's attorneys, accountants, professional advisors, independent contractors, consultants, and agents, who (A) have a business need for access to Client Confidential Information and (B) are subject to fiduciary, professional, or written confidentiality obligations substantially similar to those imposed on VIAS under this Agreement;
  - (iii) To other third parties, not referenced in subsection (b)(ii) above, upon each such third party's written agreement to confidentiality obligations with respect to Client Confidential Information that are substantially similar to those imposed upon VIAS under this Agreement; and
  - (iv) As required by applicable law, regulation, or order of a court or regulatory agency or other authority having jurisdiction.

Notwithstanding the foregoing, third party written agreements described in (b)(iii) above shall not be required for disclosure of Client Confidential Information to government authorities, regulatory agencies, self-regulatory organizations with appropriate jurisdiction, provided, that in connection with any such disclosure, VIAS shall seek to limit the scope of the disclosure and provide only the Client Confidential Information necessary to respond to or comply with the disclosure request, in each case insofar as reasonably possible under the circumstances.

**20. Communications between Parties.** Client will designate an agent that will communicate requests to process purchases, redemptions, and other transactions (e.g., changes to the Portfolio's investment strategy) in the Portfolio. Client's agent may communicate such requests to VIAS either by providing written instructions to VIAS at the address provided on the signature page of this Agreement or other such address as VIAS may designate in writing, or via email by sending communications to the following Vanguard email address: VIAS-IA@vanguard.com. VIAS will not be held liable for correspondence relating to such requests that is not directed to VIAS' physical mailing address or to VIAS-IA@vanguard.com.

**21. Modifications, Additions, or Changes to Agreement.** This Agreement represents the sole agreement with respect to the Portfolio between VIAS and Client. Any modifications, additions, or changes thereto must be in writing and agreed upon by all parties to this Agreement. Any and all

Schedules, Certifications, Riders, investment strategy, or other documentation or correspondence referenced in this Agreement and which relate to the Portfolio, are incorporated into this Agreement by reference.

**22. Effective Date.** The effective date of this Agreement shall be the later of the date both parties sign the agreement.

**23. Additional Documents.** The following documents are attached and made part of this Agreement:

- a. Schedule A - Identification of Assets
- b. Schedule B - Investment Strategy
- c. Schedule C - Annual Fee Schedule

**24. Client Signatures.** By signing this Agreement, Client agrees that Client has read and will be bound by this Agreement and Client acknowledges having received either a copy of the Vanguard Advisers, Inc. Form ADV Part II, or a brochure restatement of it. Federal law requires VAI to furnish Client with the Form ADV Part II or a brochure restatement of it on or prior to the date of signing this Agreement. Client may terminate this Agreement, without penalty, for five business days from the date of Client's signing this Agreement.

**25. Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement.

**26. Waiver.** The failure of any Party at any time or times to require performance of any provision hereof shall in no manner affect the right of such Party at a later time to enforce the same. No waiver by any Party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term or covenant contained in this Agreement.

**27. Force Majeure.** Neither party shall be held responsible for any losses resulting if the fulfillment of any terms or provisions of the Agreement are delayed or prevented by any cause not within the control of the party whose performance is interfered with, and which, by the exercise of reasonable diligence, said party is unable to prevent.

**28. Conflicting Agreements.** After the Effective Date, any provision of any agreement or other understanding between the Client and VAI relating to the subject matter of this Agreement that is inconsistent with this Agreement is null and void.

*[Signature page follows.]*

The parties have executed this Agreement on the dates set forth below their respective signatures.

**VANGUARD ADVISERS, INC.**

Mail: Attn. Vanguard Institutional Advisory Services, P.O. Box 2900, Valley Forge, PA 19482-2900

Overnight Delivery: Vanguard Institutional Advisory Services, 400 Devon Park Dr., Wayne, PA 19087

By \_\_\_\_\_  
Vanguard Authorized Signer

\_\_\_\_\_  
Date

**CITY OF LA PORTE**

By Corby Alexander  
Corby Alexander, City Manager

8-23-22  
Date

Address: 604 West Fairmont Parkway, La Porte, TX 77571

(Optional)

Sharon Harris  
Witness Name (Please Print)

Sharon Harris 8-23-22  
Witness Signature and Date

**VANGUARD ADVISERS, INC.**  
**VANGUARD INSTITUTIONAL ADVISORY SERVICES**  
**DISCRETIONARY INVESTMENT MANAGEMENT AGREEMENT**

**Schedule A-Identification of Assets**

VIAS will provide investment management services for the assets with the registration(s) identified below, on the attached forms, and/or on the attached Client correspondence, which together comprise the Portfolio. VIAS' investment management services will commence when such assets have been delivered to VIAS, its affiliate(s), or to a third party contracted by Client to custody such assets during the period of VIAS' management.

**Portfolio Registrations:**

PARS Public Agencies Post-Retirement  
Health Care Plan/Trust, as adopted by the  
City of La Porte |

**Employer Identification Number:**

74-6001552

**VANGUARD ADVISERS, INC.**  
**VANGUARD INSTITUTIONAL ADVISORY SERVICES**  
**DISCRETIONARY INVESTMENT MANAGEMENT AGREEMENT**

**SCHEDULE B—INVESTMENT STRATEGIES**

Please review each investment strategies' objectives and allocations, as well as VAI's general investment policies provided below. Determine and select which strategy you would like the Portfolio to be managed in accordance with. Client may change strategies upon notification to VIAS. Portfolio assets will, under normal circumstances, be allocated across broad asset classes in accordance with the following guidelines:

**FIXED INCOME STRATEGY:** Seeks to provide current income consistent with its allocation.

<b>Asset Class</b>	<b>Target Allocation</b>
Fixed Income	100%
<b>Total</b>	<b>100%</b>

**CONSERVATIVE STRATEGY:** Seeks to provide current income and low to moderate capital appreciation consistent with its allocation.

<b>Asset Class</b>	<b>Target Allocation</b>
Equity	40%
Fixed Income	60%
<b>Total</b>	<b>100%</b>

**BALANCED STRATEGY:** Seeks to provide capital appreciation and a low to moderate level of current income consistent with its allocation.

<b>Asset Class</b>	<b>Target Allocation</b>
Equity	60%
Fixed Income	40%
<b>Total</b>	<b>100%</b>

**GROWTH STRATEGY:** Seeks to provide capital appreciation and some current income consistent with its allocation.

<b>Asset Class</b>	<b>Target Allocation</b>
Equity	75%
Fixed Income	25%
<b>Total</b>	<b>100%</b>

**DIVERSIFICATION.**

Reasonable precautions will be taken to avoid excessive investment concentrations to protect the portfolio against unfavorable outcomes within an asset class. Specifically, the following guidelines will be in place:

- 1) With the exception of fixed income investments explicitly guaranteed by the U.S. Government, no single, individual investment security (i.e., excluding pooled funds) will represent more than 5% of total Portfolio assets.
- 2) With respect to fixed income investments, the minimum average credit quality of these investments will be investment grade (Standard & Poor's BBB or Moody's Baa or higher).
- 3) Cash investments will, under normal circumstances, only be considered as temporary portfolio holdings, and will be used to fund liquidity needs or to facilitate a planned program of dollar-cost averaging into investment in either or both of the equity and fixed income asset classes.

**REBALANCING.**

VIAS will seek to rebalance the Portfolio to the target normal asset allocation described above as follows:

- 1) Utilize incoming cash flow (contributions) or outgoing money movements (disbursements) to realign the current weightings closer to the target asset allocation of the portfolio.
- 2) To determine the deviation(s) from target weightings, the investment manager will review the portfolio quarterly (March 31, June 30, September 30, and December 31). The following parameters will be applied.
  - a) If any asset class (equity, fixed income, alternatives or cash) within the portfolio is +/- 5 percentage points from its target weighting, the portfolio will be rebalanced.
- 3) The investment manager may provide a rebalancing recommendation at any time.
- 4) The investment manager shall act within a reasonable period of time to evaluate variance from these ranges.

**OTHER INVESTMENT POLICIES.**

Unless expressly authorized in writing by the Client, VIAS will not engage in the following transactions directly on behalf of the Portfolio:

- 1) Purchasing securities on margin, or executing short sales,
- 2) Pledging or hypothecating securities, except for loans of securities that are fully collateralized,
- 3) Purchasing or selling derivative securities for speculation or leverage,
- 4) Engaging in investment strategies that have the potential to amplify or distort the risk of loss beyond a level that is reasonably expected given the objectives of the Portfolio.

\* VIAS expects to invest the Portfolio in mutual funds and other pooled funds that may employ strategies that include short selling, securities lending, derivatives and leverage.

**VANGUARD ADVISERS, INC.**  
**VANGUARD INSTITUTIONAL ADVISORY SERVICES**  
**DISCRETIONARY INVESTMENT MANAGEMENT AGREEMENT**

**Schedule C—Investment Management Fees**

In accordance with this Agreement, VIAS' annual fees for investment management services are as follows:

<b>Vanguard Investments Asset Level</b>	<b>Management Fee</b>
First \$50 million	0.07%
Next \$100 million	0.04%
Next \$100 million	0.03%
Next \$250 million	0.01%
Over \$500 million	0.005%

**Additional Information:**

- Fees will be collected in quarterly installments. The market value of the Vanguard Investments contained in the Portfolio will be determined as of the last business day of such calendar quarter. Fees may be changed by VIAS upon ninety (90) days written notice to Client.
- VIAS shall determine the appropriate Vanguard Funds in the Portfolio from which to deduct said fees.
- Mutual funds held in the Portfolio are subject to the normal management expenses associated with ownership of mutual funds and disclosed by prospectus. Such fees are paid at the fund level and do not reduce the account level fees described on this schedule.



# Directed Trustee Services Fee Schedule

This document is entered into by client and U.S. Bank National Association ("U.S. Bank"), as trustee.

## Annual Fees

### Trust/Custody Fees

- Fees are calculated on the market value of the assets held in the account at the following rates:

.05% first	\$ 25,000,000
.04% next	\$ 25,000,000
.03% over	\$ 50,000,000

## Extraordinary Fees


Other services performed by the Trustee not specifically mentioned above shall be subject to an extraordinary fee based upon the time and services rendered in performing services. By way of example, services subject to extraordinary fees shall include, but not limited to the following:

- Employee presentations
- Follow-up on loan delinquencies and foreclosure proceedings
- Management of individual Guaranteed Investment Contracts
- Other special services
- Out-of-pocket expenses
- Preparation of non-qualified plan reporting requirements (i.e. Form 1041, Form W-2, etc.), if applicable
- Proxy services for pass-through voting to participants
- Real estate acquisition, holding, management or disposition
- Review or amendment of documents
- Special reports or schedules
- Tax preparation charges

## Payment of Fees

- Market values used for fee calculations on fee invoices may differ slightly from market values on client statements due to posting of accruals, late pricing of securities and/or other timing issues.
- Fees are calculated and charged to the account monthly. If account cannot be charged after 30 days, fees not paid will be subject to a late charge of 1% per month on the unpaid balance.
- Changes to this Fee Schedule may be made at any time by U.S. Bank upon a sixty (60) days notice.

## Acknowledged and Approved

PARS Public Agencies Post-Retirement Health Care Plan/Trust Name of Plan/Trust	City of La Porte Name of Employer
Corby Alexander Name of Authorized Signer for Employer	City Manager Title
 Signature of Authorized Signer for Employer	8-24-22 Date

U.S. Bank and its representatives do not provide tax or legal advice. Each client's tax and financial situation is unique. Clients should consult their tax and/or legal advisor for advice and information concerning their particular situation.