

TRUST AGREEMENT

THIS TRUST AGREEMENT (“**Agreement**”) is entered into by and between the employer named on the signature page hereof (the “**Employer**”) and Matrix Trust Company (“**Matrix Trust**”), as trustee (the “**Trustee**”) for the Galveston County Employees' Social Security Replacement Plan (the “**Plan**”) and is entered into as of this 3rd day of January, 2025.

PRELIMINARY STATEMENTS

WHEREAS, the Trustee is a trust company that is subject to supervision of the United States or a State;

WHEREAS, the Employer desires to appoint the Trustee as a nondiscretionary, directed trustee of the Plan for the purposes hereinafter set forth, and the Trustee desires to act as a nondiscretionary, directed trustee of the Plan subject to the terms and conditions stated herein.

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I

The Trust; Employer Certifications

1.1 The Trust.

- (a) The Employer hereby establishes with the Trustee a trust, consisting of such sums of money and such other assets acceptable to the Trustee and actually delivered to the Trustee, together with the earnings and profits thereon, less any payments or distributions that are made by the Trustee as provided herein (the “**Trust**”). This Agreement shall be effective as of the later of the date hereof or the first date on which the assets are transferred to the Trust.
- (b) The Plan, this Agreement and the Trust created hereby are intended to meet the applicable requirements of Sections 401(a) and 501(a) of the Internal Revenue Code of 1986 (the “**Code**”) as it has been and may be amended from time to time.
- (c) This Agreement restates, replaces or amends any existing trust agreement covering assets held or to be held in the Trust. The administration of the Trust shall be subject to all of the terms and conditions of the Operational Guidelines attached hereto as Appendix A, which are hereby incorporated by reference. Notwithstanding anything to the contrary set forth in this Agreement, the Trustee may amend the Operational Guidelines at any time upon written notice to the Employer.
- (d) The Trustee shall rely upon the determination of the Plan Administrator (as defined in Section 2.1) that all assets received by it are properly contributed or transferred to the Trust in accordance with the provisions of the Plan. Such assets may be cash or in-kind, subject to the requirements of the Operational Guidelines and provided that in-kind contributions will be permitted only in defined contribution plans as long as such contributions have been determined by the Plan Administrator to be discretionary and unencumbered. The Employer shall place any assets which are unacceptable to the Trustee with another trustee under a separate trust agreement or shall retain such assets in any other “appropriate account” as defined in Section 401(f) of the Code. The Trustee shall have no responsibility for such assets.
- (e) The Trustee shall have such responsibility to enforce the collection from the Employer of any contribution to the Trust or to determine the correctness of the amount or timing of any contribution, or such responsibility for the sufficiency of the Trust, to the extent required by applicable law, except to the extent any such responsibility has been properly delegated to another Plan fiduciary or party in

compliance with applicable law, including as set forth in Section 1.2(d) below. The Employer or another named fiduciary of the Plan or an Investment Manager (as defined in Section 3.2 below), and not the Trustee, shall have all power over and responsibility for determining the correctness, amount and timing of contributions and for the collection of any contributions under or required by the Plan and the collection of loan repayments and any other amount required to be transferred or paid to the Trust. Such responsibility has been assigned to another "named fiduciary" as set forth in Section 1.2(d) below. The Trustee shall rely upon the determination of the Plan Administrator (as defined in Section 2.1) with respect to the matters set forth in this Section 1.1(e).

- (f) Except as otherwise permitted by the terms of the Plan and any applicable law, rule, regulation or order, decision or award of any governmental authority, including without limitation the Code ("**Applicable Law**"), no part of the Trust shall be used for or diverted to purposes other than the exclusive benefit of the Plan participants and their beneficiaries, except that payment of administration expenses may be made from the Trust as provided in Article V. The Employer shall have no right, title or interest in the Trust, nor shall any part of the Trust revert or be repaid to the Employer, directly or indirectly, except for contributions properly returned to Employer in accordance with Applicable Law.
- (g) The Trustee shall maintain, or cause to be maintained, such accounts as may be necessary to properly administer the Trust, including accounts with the Trustee, the Appointed Custodian (as defined in Section 3.6(k)) or either of their successors or assigns.
- (h) Except as authorized by Applicable Law, the Trustee shall not maintain indicia of ownership in any assets of the Trust outside the jurisdiction of the District Courts of the United States.

1.2 Employer Certifications. The Employer hereby represents and warrants that:

- (a) The Employer has established and will maintain the Plan in compliance with the qualification requirements of Section 401(a) of the Code (including, where applicable, receipt from the Internal Revenue Service of a favorable qualification letter) and shall promptly notify the Trustee of any change in such qualified status.
- (b) All instructions under this Agreement, including investment instructions provided pursuant to Section 3.4 below, by the Employer, Plan Administrator, Investment Manager (as defined in Section 3.2) or Authorized Person (as defined in Section 2.1) will be made in accordance with the terms of the Plan and Applicable Law. Further, the Employer represents and warrants that to the extent instructions are required by the Plan or Applicable Law to be made by a fiduciary, the Employer, Plan Administrator, Investment Manager or Authorized Person shall have been properly named or appointed as a fiduciary for such purposes.
- (c) The terms of the Plan provide for the creation of a trust and the appointment of a trustee and one or more Investment Managers.
- (d) The Employer is responsible for maintaining the adequacy of the Trust and for transmitting contributions to the Trustee at such times and in such manner as is mutually agreed between the Employer and the Trustee and as required by the Plan and Applicable Law. Further, the Employer represents, warrants, agrees and covenants that either (i) the Plan appoints a named fiduciary (other than the Trustee) who is responsible for determining the correctness, amount and timing of contributions and for the collection of contributions, or (ii) an Investment Manager (as defined in Section 3.2 below) has been properly appointed to have such responsibility and exercise authority on behalf of the Plan with respect to such matters. In addition, the Employer represents and warrants that either (i) it has responsibility as a named fiduciary or has properly delegated the responsibility to another such "named fiduciary", or the Plan names another such "named fiduciary" (other than the Trustee) to be responsible, for voting and exercising all other shareholder rights with respect to the

assets of the Trust, or (ii) or an Investment Manager has been properly appointed to have such responsibility and exercise authority on behalf of the Plan with respect to such matters.

- (e) The Employer is a United States entity.
- (f) The Employer is the plan sponsor of the Plan (the “**Plan Sponsor**”) and has the authority to act for all related participating employers, if any, designated under the Plan.
- (g) The terms of the Plan do not impose any duties or obligations upon the Trustee that are not contained in, or are inconsistent with, this Agreement.
- (h) The Employer has full power and authority under Applicable Law, and has taken all action necessary, to enter into and perform this Agreement, and the person executing this Agreement on its behalf is duly authorized and empowered to execute and deliver this Agreement.
- (i) This Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.
- (j) No consent or authorization of, filing with, or other act by or in respect of any governmental authority is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement.
- (k) The execution, performance and delivery of this Agreement shall not result in a violation of any Applicable Law or a breach or impairment of any of its contractual obligations.

ARTICLE II

Duties and Responsibilities of the Plan Administrator

- 2.1 Plan Administrator; Authorized Person. The term “**Plan Administrator**” means the person (including any individual, individuals, committee, partnership or corporation) authorized to instruct the Trustee under this Agreement and so designated in writing by the Employer, or, if no such person is so designated, such term shall mean the Employer. The Plan Administrator or the Employer may also designate in writing persons, including a recordkeeper for the Plan (“**Recordkeeper**”), authorized to act on behalf of the appointing party (“**Authorized Person**”).
- 2.2 Distributions from the Trust. The Trustee shall make distributions out of the Trust upon instruction from the Plan Administrator or Authorized Person specifying the manner and amount of payment. The Trustee shall have no responsibility for determining the accuracy or appropriateness of any such distribution. The Trustee shall not be required to make any such distribution out of the Trust in excess of the available funds in the Trust.
- 2.3 Participant Loans. If, as provided in the Plan, loans to participants may be made in the discretion of the Plan Administrator, the Plan Administrator or Authorized Person will instruct the Trustee as to each loan to be made from the Trust and the repayments thereof. Upon receipt of such instruction, the Trustee will reflect the amount of each loan and its repayments on the records of the Trust. The Plan Administrator or Authorized Person will administer all participant loans and retain custody of all loan documentation unless the Trustee otherwise agrees in writing to accept such duties. Loan administration duties shall include, without limitation, approving or disapproving loan applications, loan origination and closing, providing proper disclosures under federal and state laws, notifying borrowers of default, and collecting current and past due payments.

ARTICLE III

Powers, Duties and Obligations of the Trustee

- 3.1 No Discretion. The Trustee shall have no discretionary control over, or any other discretion regarding, the investment of the Trust or the administration of the Plan. The Employer hereby instructs the Trustee to act solely in accordance with instructions received from the Employer, the Plan Administrator, the Investment Manager, or Authorized Person, as the case may be, with respect to the investment of the assets held in the Trust and the administration of the Plan. To the full extent permitted by Applicable Law, the Trustee shall have (a) no duty to inquire whether instructions by the Employer, Investment Manager, Plan Administrator or Authorized Person conform to the Plan or Applicable Law, and (b) no liability or responsibility for following any such instruction, or for failing to act in the absence of any such instruction.
- 3.2 The Investment Manager. The Plan Administrator may designate in writing an investment manager (the "**Investment Manager**"), to direct investment of the Trust in whole or in part.
- 3.3 Individually Directed Accounts. If, as provided in the Plan, participants may direct investments in individual accounts, the Plan Administrator shall be responsible for investment selections available in such program and for ensuring that such program complies with the terms of the Plan and Applicable Law and the prohibitions of Section 16 of Rev. Proc. 2011-49, I.R.B. 2015-44 (October 28, 2011). Except as otherwise agreed in writing, the Trustee shall not be responsible for the allocation of contributions among participants.
- 3.4 Investments. The Employer or Investment Manager may instruct the Trustee to invest assets of the Trust in any security or other property listed in the Operational Guidelines. A decision by the Trustee that an investment is or is not administratively acceptable shall not constitute a determination by the Trustee of the prudence or advisability of the investment nor shall it constitute investment advice on the part of the Trustee. The Trustee shall have no duty or obligation to review any investment to be acquired, held or disposed of pursuant to proper instructions, to determine the diversification policy of the Plan assets, or to make any recommendation with respect to the suitability, acquisition, disposition or continued retention of any investment. Notwithstanding the appointment, if any, of an Investment Manager, it shall be the responsibility of the Employer to determine the diversification policy with respect to the investment of Plan assets, for monitoring adherence to such policy, and for instructing the Trustee with respect to its compliance with any investment limitations on employer or other securities or property contained in the Plan or imposed on the Plan by Applicable Law. The Trustee is not required to accept to the Trust, or hold or invest any assets of the Trust in securities ("**Employer Securities**") issued by any employer of employees covered by the Plan or any affiliate of such employer ("**Company**") except as set forth in the Operational Guidelines. If the Trust includes any Employer Securities, the Employer and Plan Administrator shall not provide any material non-public information regarding the Company or any Employer Securities held by the Trust or otherwise to the Trustee. Further, if the Trustee shall obtain material non-public information regarding any entity in which the Trust assets are invested, or in which the Trustee has been instructed to invest (including the Employer Securities), the Trustee may expend Trust assets to investigate such material non-public information. For so long as the Trust holds Employer Securities, the Plan Administrator shall provide the Trustee copies of public information which may call into serious question the viability of the Company as a going concern, including but not limited to an 8-K filing with the Securities and Exchange Commission or a notice of filing for protection in the bankruptcy courts, within five (5) days of such information becoming public. In addition, the Plan Administrator shall promptly notify the Trustee if the Company and/or one or more of its officers or directors has been formally charged by state or federal regulators with financial irregularities. Notwithstanding anything to the contrary in Section 3.3, Section 3.4 or the Operational Guidelines, neither the Employer nor Investment Manager shall instruct the Trustee to hold or invest any assets of the Trust in Employer Securities or any other security or property (including without limitation qualifying Employer real property) to the extent such investment or holding would violate the prohibitions of Section 16 of Rev. Proc. 2011-49, I.R.B. 2015-44 (October 28, 2011).

- 3.5 Contracts. If the Plan permits life insurance policies, group annuities, guaranteed investment contracts, bank investment contracts or similar vehicles (collectively, "**Contracts**") as Plan assets, the following provisions shall apply with respect to any such Contracts that become part of the Trust.
- (a) The Trustee shall have no obligation to take any action with respect to any Contract, including to pay any premium on any Contract, except upon instructions from the Plan Administrator or Authorized Person; provided, however, that the Trustee may (although shall not be obligated to) make such payment in order to avoid the lapse of such Contract and the Trustee shall not be liable for the application of any part of the Trust made solely for this purpose in the absence of specific instructions. Contract premiums, assessments, dues, charges and interest shall be paid only from cash available in the Trust. The Trustee shall not be liable for losses arising out of the lapse in such Contract unless such lapse is due to the Trustee's negligence or willful misconduct.
 - (b) The Trustee shall have no responsibility or liability with respect to the selection or monitoring of the issuers of such Contracts. The Trustee is not responsible for (i) the form, genuineness, validity, sufficiency or effect of any Contract, (ii) the failure of any issuing company to make payments provided by any Contract (iii) the action of any person that may delay payment or render a Contract null and void or unenforceable in whole or in part, or (iv) the fact that for any reason whatsoever any Contract shall lapse or otherwise be uncollectible.
 - (c) Any company issuing a Contract may deal with the Trustee as owner of any Contract issued by such company and held in the Trust, without inquiry as to the authority of the Trustee to so act, and may accept and rely upon any written notice, instruction, direction, certificate or other communication signed by the Trustee, and shall incur no liability or responsibility by so doing. Any sums paid by an issuing company under any of the terms of a Contract issued by it, either to the Trustee, or, in accordance with the direction of the Trustee, to any other person or persons designated in such Contract as the person or persons to whom such payment shall be made, shall be a full and complete discharge of the liability to pay such sums, and the issuing company shall have no obligation to look into the terms of this Agreement.
- 3.6 Nondiscretionary Powers. The Trustee shall have the following nondiscretionary powers which it shall exercise upon the instructions of, as applicable pursuant to the terms of this Agreement, the Employer, Plan Administrator (directly or indirectly through an Authorized Person), or Investment Manager:
- (a) To accept, purchase, or subscribe for any securities or property as permitted by, and subject to the conditions set forth in, the Operational Guidelines and to retain the same in the Trust.
 - (b) To sell, exchange, convey, transfer, or otherwise dispose of, any securities or property held by it, by private contract or public auction, with or without notice or advertisement of any kind, and no person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity, expediency, or propriety of any such sale or other disposition.
 - (c) To purchase or sell, write or issue, puts, calls or other options, covered or uncovered, to enter into financial futures contracts, forward placement contracts and standby contracts and, in connection therewith, to deposit, hold or pledge assets of the Trust.
 - (d) To execute any securities transactions and to perform any other services required to be provided by a registered broker dealer through the Trustee's affiliate brokers, at the affiliate's normal rates of compensation and without diminution of the compensation payable to the Trustee hereunder, provided such transactions are executed in accordance with Applicable Law.
 - (e) To transfer, from time to time, all or any part of the Trust to any common, collective or commingled trust fund exempt from taxation under the Code, including any such fund maintained, managed or advised by the Trustee or its affiliates, to be held and administered subject to the terms and provisions

of the relevant trust agreement, and such trust agreement shall be deemed adopted as part of this Agreement and the Plan to the extent that any portion of the Trust is invested therein.

- (f) To give general or special proxies or powers of attorney with or without powers of substitution; to exercise any conversion privileges, voting rights, subscription rights, rights to participate in voting trusts with other stockholders, or other options, and to make payments incidental thereto; to oppose, or to consent to, or otherwise participate in, corporate reorganizations or other changes affecting corporate securities, and to delegate discretionary powers, and to pay any assessments or charges in connection therewith; to abandon any property determined by it to be worthless; and generally to exercise any of the powers of an owner with respect to stocks, bonds, securities and other property held as part of the Trust.
- (g) To lend securities or enter into repurchase agreements, to extend the time of payment of any obligation owing to the Trust, and to borrow money for the purposes of the Trust from others, excluding the Trustee in its corporate capacity and excluding any other party in interest; provided, however, the Trustee may agree to an arrangement to borrow from a party in interest upon such terms and conditions as it may deem acceptable. Any such loan shall be upon such terms and conditions as the Employer or Plan Administrator may deem comply with the requirements of Applicable Law and, for the sum so borrowed or advanced, the Trustee may issue a promissory note and secure the repayment thereof by creating a lien upon assets of the Trust.
- (h) To settle or compromise claims, debts or damages due or owing to or from the Trust, to commence or defend suits or legal or administrative proceedings, and to represent the Trust in suits and legal and administrative proceedings; provided, however, the Trustee shall have no duty to begin or maintain any legal or administrative proceeding unless it has been indemnified by the Employer to its satisfaction for its counsel fees, costs, disbursements, and all other expenses and liabilities to which it may be subjected as a consequence of beginning or maintaining such legal or administrative proceeding.
- (i) To make, execute, acknowledge and deliver documents of transfer and conveyance and other instruments that may be necessary or appropriate to carry out the powers granted herein.
- (j) To distribute benefits or make payments to participants or their designated beneficiaries, as instructed by the Plan Administrator or Authorized Person.
- (k) To engage a custodian (“**Appointed Custodian**”) to perform certain custodial duties and responsibilities for the Trust as instructed by the Plan Administrator. The Trustee shall have no responsibility or liability with respect to the selection or monitoring of the Appointed Custodian, for the actions delegated to the Appointed Custodian upon such instruction, or for the actions or omissions of any Appointed Custodian.

3.7 Administrative Powers. The Trustee shall have the following administrative powers with respect to the Trust, which it may exercise in its sole discretion:

- (a) To keep any portion of the Trust, including, but not limited to, amounts with respect to which the Trustee has not received instructions from the Employer, Plan Administrator, Investment Manager, or Authorized Person, or for which instructions furnished are, in the opinion of the Trustee, incomplete or ambiguous, in cash, it being understood that the Trustee shall not be required to pay any interest on any such balances, unless otherwise agreed by the parties.
- (b) To register any investment held by the Trustee as part of the Trust in its own name or in the name of a nominee, including the Appointed Custodian or Sub-Custodian (as defined in Section 3.7(e)), to hold any investment in bearer form or to hold any investment unregistered or in such form that title will pass by delivery; provided, however, that the books and records of the Trustee, the Appointed Custodian and Sub-Custodian shall at all times show that all such investments are part of the Trust, and

further provided that to the extent such investment consists of securities held in the name of a nominee or in street name, such securities shall be held by (i) a bank or trust company that is subject to supervision by the United States or a State, or a nominee of such bank or trust company; (ii) a broker or dealer registered under the Securities Exchange Act of 1934, or a nominee of such broker or dealer; or (iii) a "clearing agency", as defined in Section 3(a)(23) of the Securities Exchange Act of 1937, or its nominee.

- (c) To hold such investments for safekeeping or to deposit such securities, or cause them to be deposited, in a clearing system established to settle transfers of securities and cause them to be held in the nominee name of such clearing system.
 - (d) To engage attorneys (who may also serve as counsel for the Employer or the Trustee), accountants and other professional advisors, and, anything contained herein to the contrary notwithstanding, to engage in legal or administrative proceedings as the Trustee deems reasonably required in connection with the administration of the Trust, and to compensate any persons so engaged at such wages, fees, remuneration, consideration or otherwise, and upon such terms and conditions as the Trustee deems reasonable under the circumstances. Unless otherwise noted in this Agreement, such compensation shall be a charge upon the Trust and may be paid from the Trust as provided in Article V and shall in no event be deducted from any compensation payable to the Trustee.
 - (e) To engage a custodian, which may be an affiliate of the Trustee, to perform certain custodial duties and responsibilities for the Trust, including maintaining physical control of Trust assets, providing record maintenance and producing statements on such assets (the "**Sub-Custodian**").
 - (f) To do all such acts, and exercise all such rights and privileges, although not specifically mentioned, unless specifically prohibited by the Employer or Plan Administrator, which shall be reasonably required in the performance of the Trustee's duties hereunder.
- 3.8 Proxies. The Trustee shall have no responsibility to vote proxies or exercise other shareholder rights with respect to the assets of the Trust, including without limitation Employer Securities, unless otherwise agreed by the Trustee under a separate written agreement. The Employer or another "named fiduciary" of the Plan as defined in section 402(a)(2) or an Investment Manager, and not the Trustee, shall have all power over and responsibility for voting proxies and exercising other shareholder rights. Notwithstanding the foregoing, in its sole discretion, the Trustee may (in an administrative but not a fiduciary capacity) carry out the voting of proxies or exercising of shareholder rights with respect to Employer Securities strictly as directed by the Employer or another "named fiduciary" of the Plan or an Investment Manager, it being understood that the discretion with respect to voting or exercising such rights shall remain with the Employer, another "named fiduciary" or an Investment Manager. If the Trustee declines to perform such administrative function, it shall only be responsible for forwarding any proxies or other shareholder materials it receives to the Employer, a "named fiduciary" or an Investment Manager for handling.

ARTICLE IV

Maintenance of Records and Accounts

- 4.1 Records. The Trustee shall keep accurate and detailed records of all its receipts, investments, disbursements and other transactions and shall provide the Plan Administrator with copies of such records upon request. Trustee will retain such records in accordance with its records management policy.
- 4.2 Written Statement of Account. As soon as reasonably practicable after the close of each Plan year (as designated in the Plan), at such other times as agreed to by the Employer and the Trustee, and upon the removal or resignation of the Trustee as provided in Section 7.1 or the termination of the Plan or this Agreement as provided in Article VIII, as applicable, the Trustee shall deliver to the Employer a written statement of account of all its transactions relating to the Trust including the value of the assets held by such

Trustee. Values shall be reported in accordance with the Trustee's established reporting procedures, as may be amended from time to time. Such account statements shall be delivered via such means to which the parties may agree from time to time. Upon the expiration of ninety (90) days from the date of the Trustee's account statement, Trustee shall be forever released and discharged from all liability and further accountability to Employer or any other person with respect to the accuracy of such accounting and all acts and failures to act of Trustee reflected in such account, except to the extent that Employer shall, within such 90-day period, file with the Trustee specific written objections to the account.

- 4.3 **Judicial Settlement.** The Trustee shall have the right at any time to apply to a court of competent jurisdiction for judicial settlement of its accounts or for determination of any questions of construction which may arise or for instructions. The only necessary party defendant to any such action shall be the Plan Administrator, but the Trustee may, if it so elects, join in as a party defendant any other person or persons. The cost, including attorneys' fees, of any such accounting shall be a charge against the Trust and may be paid from the Trust as provided in Article V.
- 4.4 **Taxes.** Unless otherwise agreed in writing by the Employer and the Trustee, the Trustee shall be responsible for the reporting and withholding of federal and state taxes that may be required to be withheld with respect to payments to participants or their beneficiaries, and for remitting amounts withheld to the appropriate taxing authorities. The Plan Administrator or Authorized Person shall calculate all taxes and withholding and shall provide the Trustee all information necessary for the Trustee to report on, withhold and remit such taxes. Except as provided herein, unless otherwise agreed in writing by the Employer and the Trustee, the Trustee is not responsible for preparation of any tax-related return or report including, but not limited to, the Form 5500 Annual Return/Report of Employee Benefit Plan or any return or report required as a result of liability incurred by the Plan for tax on unrelated business taxable income, windfall profits tax or any return or report necessary to preserve the availability of any credit or deduction with respect thereto.

ARTICLE V

Compensation and Expenses

- 5.1 **Compensation.** The Trustee shall receive compensation for the performance of its services in accordance with its fee schedule in effect when such services are rendered. The Trustee's compensation shall include, without limitation, earnings ("**float**") on amounts held by the Trustee uninvested pending investment or disbursement as further described by the Trustee's fee schedule or other disclosure delivered to the Plan Administrator, and also amounts credited to non-interest bearing cash accounts under Section 3.7(a). Trustee's fee schedule or other disclosure delivered to the Plan Administrator shall include the following disclosures: (i) the specific circumstances under which float will be earned and retained, including in the case of float on contributions pending investment direction, the specific time frames within which cash pending investment direction will be invested following direction from the plan fiduciary, as well as exceptions that might apply; (ii) in the case of float on distributions, when the float period commences and ends and time frames for mailing and other administrative practices that may affect the duration of the float period; and (iii) the rate of the float or the specific manner in which such rate will be determined. In the event that the Trustee shall be called upon to render any extraordinary services, it shall be entitled to additional compensation in accordance with the fee schedule. Such compensation shall constitute a charge against the Trust. The Employer represents that it has determined that the compensation to be paid to the Trustee is reasonable, that it will, upon notice of a fee schedule amendment, determine if the fees to be paid under such amendment are reasonable, and that it will object to the amendment of the fee schedule if it determines such amended fees are not reasonable.
- 5.2 **Expenses.** Expenses for legal, accounting and all other proper charges and disbursements of the Trustee in connection with the administration of the Trust shall constitute a charge to be paid by the Trust. The Trustee shall also charge against the Trust any taxes paid by the Trustee which may be imposed upon the Trust or which the Trustee is required to pay.

- 5.3 Withdrawals from Trust. The Trustee may withdraw from the Trust amounts sufficient to pay any proper charge against the Trust. The Employer shall be responsible for payment of any deficiency. To the extent permitted by Applicable Law, the Employer may reimburse the Trust for any charges paid from the Trust.
- 5.4 Employer Option. Notwithstanding the foregoing, the Employer may pay directly any fees or expenses that otherwise would be charged against the Trust. If this option is exercised, the Employer hereby covenants and agrees to pay such charges within forty-five (45) days after receiving notice thereof provided that, until paid, such charges shall constitute a charge upon the Trust.

ARTICLE VI

Additional Provisions

- 6.1 Designation of Plan Administrator, Authorized Persons and Investment Manager. The Plan Administrator, Authorized Person and Investment Manager may be designated by providing the name and signatures of such person(s) to the Trustee pursuant to Sections 2.1 and 3.2. The Trustee shall be entitled to rely entirely, without having to make further inquiry, and shall not be held liable for any actions taken in assuming, that the identity and duties of such persons so designated are valid until such time as it is otherwise notified in writing. Notice of authorization or removal of the Plan Administrator shall be accompanied by evidence of proper action of the Employer approving such instruction pursuant to Section 6.6.
- 6.2 Reliance on Instruction. The Trustee may rely in all respects, without having to make further inquiry, upon instructions appearing to be instructions from any person designated as the Employer, Plan Administrator, Investment Manager or Authorized Person. Instructions given by an Authorized Person in accordance with this Agreement shall be treated for all purposes hereof as instructions from the party appointing the Authorized Person. The Trustee shall be deemed to have received proper instructions upon receipt of written instruction given to the Trustee in a form and manner required by or acceptable to the Trustee.
- 6.3 Conflicting Instructions. In the event of any ambiguous or conflicting instructions to, or adverse claims or demands upon, the Trustee, the Trustee shall be entitled, at its option, to refuse to comply with any such instruction, claim or demand as long as such ambiguity or conflict shall continue, and in so refusing the Trustee may elect not to make any payment or other disposition of assets held pursuant to this Agreement. The Trustee shall not be or become liable in any way for its failure or refusal to comply with any such ambiguous or conflicting instructions or adverse claims or demands, and it shall be entitled to continue to so refrain from acting until such ambiguous, conflicting or adverse demands (a) have been resolved and it has been notified in writing thereof or (b) have finally been determined in a court of competent jurisdiction.
- 6.4 Reliance on Professional Advisors. The Trustee may consult with a professional advisor who may also be an advisor for the Employer, and the Trustee shall be fully protected in respect of any action taken or suffered by the Trustee in good faith and in accordance with the advice or opinion of such professional advisor.
- 6.5 Bond. The Trustee shall not be required to give any bond or other security for the faithful performance of the Trustee's duties under this Agreement, except as may be required by Applicable Law.
- 6.6 Action by Employer. Except as otherwise agreed by Trustee, any action by Employer pursuant to any of the provisions of this Agreement, the Plan, or Applicable Law shall be, (a) in the case of a corporation, partnership or similar organization, evidenced by (i) a resolution of its governing body certified to the Trustee over the signature of its secretary or assistant secretary or other duly authorized agent under seal, if there be one, or (ii) by appropriate written authorization of any person or committee to which the governing body had delegated the authority to take such action, and (b) in the case of a sole proprietorship or any other entity, evidenced by written certification of a duly and legally authorized agent, individual or entity. The Trustee shall not be liable for any actions taken in accordance with any such resolution or other authorization.

- 6.7 Bankruptcy. Trustee shall have no duty, in the event of the Employer's bankruptcy or insolvency, to take any action until directed to do so by the bankruptcy trustee or a court that has jurisdiction over Plan assets.
- 6.8 Scope of Trustee's Liability. To the full extent permitted by Applicable Law, the Trustee shall not be liable for assets that are not included in the Trust or for losses of any kind that may result (a) by reason of any action taken by it in accordance with the instructions of the Employer, the Plan Administrator, the Investment Manager, or Authorized Person, (b) by reason of any failure to act as a result of the absence of, or ambiguity of, instructions, or (c) by reason of any actions taken by any prior trustee, additional trustee, successor trustee or Appointed Custodian. The Trustee has no duty to perform any actions other than those specified in this Agreement or pursuant to proper instructions. The Trustee shall not be responsible for any lost profits or any special, indirect or consequential damages in respect of any breach or wrongful conduct in any way related to this Agreement. The Trustee shall have no liability for any matters beyond its control such as market loss or diminution, impact of government regulations, third-party bankruptcies or otherwise.
- 6.9 General Indemnity. The Employer shall, to the full extent permitted by Applicable Law, indemnify and hold harmless the Trustee and the Trustee's directors, officers, employees, agents and affiliates ("**Trustee Indemnitees**") from and against any and all damages, losses, costs, judgments, fines, penalties, and expenses (including attorney's fees and disbursements) of any kind or nature (collectively, "**Losses**") imposed on or incurred by the Trustee Indemnitees, by reason of its or their service pursuant to this Agreement, including any Losses arising out of any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative (including any such action by or in the right of the Employer), except to the extent such Losses were caused by the negligence or willful misconduct of the Trustee. Reasonable expenses incurred in defending any such claim, action, suit or proceeding shall be paid by the Employer in advance of a final disposition of such claim, action, suit, or proceeding, upon presentation of statements therefor by the Trustee.
- 6.10 Specific Indemnities. In addition to and not in derogation of any other indemnification or hold harmless provisions in this Agreement, the Employer agrees to indemnify and hold the Trustee Indemnitees harmless from and against any liability that it or they may incur because of:
- (a) The Employer's failure to make any contribution to the Trust or the insufficiency of the Trust to discharge any liabilities under the Plan.
 - (b) Actions taken or omitted by the Trustee pursuant to any instructions from the Employer, Plan Administrator, Investment Manager or Authorized Person, as the case may be, or actions not taken in the absence of any such instruction.
 - (c) The application of any part of the Trust by the Trustee in accordance with the instructions of the Employer, Plan Administrator, Investment Manager or Authorized Person.
 - (d) The failure of an individually directed account or participant loan to satisfy the requirements of the Plan and Applicable Law.
- 6.11 Waiver. The Trustee shall not, by act, delay, omission or otherwise, be deemed to have waived any right or remedy it may have either under this Agreement or generally, unless such waiver is in writing, signed by the Trustee, and such waiver shall only be effective to the extent expressly therein set forth. A waiver by the Trustee of any right or remedy granted by this Agreement shall not be construed as a bar to, or waiver of, the same or any other such right or remedy which it would otherwise have on any other occasion.
- 6.12 No Affiliation. The Trustee is not affiliated with the Recordkeeper and there is no agency, partnership or joint venture relationship between the Trustee and the Recordkeeper.
- 6.13 Survival. The provisions of Articles V and X and Sections 6.7, 6.8, 6.9, 6.10, 7.5, 7.6 and 9.3 of this Agreement shall survive termination of this Agreement for any reason.

ARTICLE VII

Removal or Resignation of Trustee; Appointment of Successor

- 7.1 Removal or Resignation. The Trustee may be removed by the Employer at any time by written notice to the Trustee and the Trustee may resign at any time by written notice to the Employer; provided that, unless otherwise agreed, the effective date of such removal or resignation shall be greater than sixty (60) days from the date of said written notice. Notice of removal shall be accompanied by evidence of proper action of the Employer approving such removal pursuant to Section 6.6.
- 7.2 Successor. The Employer shall appoint a successor trustee to act hereunder within sixty (60) days after notice provided pursuant to Section 7.1. If within sixty (60) days after such notice the Employer has not designated a successor trustee, which has accepted such appointment, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor trustee or may appoint an employee of Employer as successor trustee in accordance with Applicable Law.
- 7.3 Powers of Successor. Each successor trustee shall have the powers and duties conferred upon the Trustee in this Agreement and the term “Trustee” as used in this Agreement shall be deemed to include any successor trustee. Any business entity into which the Trustee may be merged or converted or with which it may be consolidated, or any entity resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any entity succeeding to or receiving by assignment all or substantially all of the corporate trust or retirement services business of the Trustee, shall be the successor of the Trustee hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto.
- 7.4 Delivery of Assets. Upon receipt of a notice that the successor trustee has accepted such appointment, the Trustee shall transfer and deliver the assets comprising the Trust to the successor trustee, except for any such assets held as a charge against the Trust as provided in Section 7.5.
- 7.5 Reserving for Expenses. The Trustee may reserve such sums as it deems necessary to defray its expenses in settling its accounts, to pay any of its compensation due and unpaid, and to discharge any liabilities constituting a charge on or against the assets of the Trust or on or against the Trustee. If the reserve is not sufficient for all amounts otherwise payable hereunder, the resigning or removed Trustee shall be entitled to reimbursement for any deficiency from the successor trustee and the Employer, each of which shall be jointly and severally liable therefor.
- 7.6 Termination of Liability. When the assets comprising the Trust have been transferred and delivered to the successor trustee, and the accounts of the Trustee have been settled pursuant to Section 4.2, the Trustee shall be released and discharged from all further accountability or liability for the Trust and shall not be responsible in any way for the further disposition of the Trust or any part thereof.

ARTICLE VIII

Plan Termination and Trust Amendment

- 8.1 Plan Termination. If the Plan is discontinued in whole or in part, or this Agreement is terminated, the Trustee, after reserving such sums as the Trustee deems reasonably necessary as provided in Section 7.5, shall apply or distribute the Trust in accordance with the instructions of the Plan Administrator; provided that if the reserve is not sufficient for all amounts otherwise payable hereunder, the Trustee shall be entitled to reimbursement for any deficiency from the Employer. When the Trust has been so applied or distributed, and the accounts of the Trustee have been settled pursuant to Section 4.2, the Trustee shall not be responsible in any way for the further disposition of the Trust (or that part of the Trust so applied or distributed, if the Plan is terminated only in part) or any part thereof so applied or distributed. If the Plan is subject to the jurisdiction of the Pension Benefit Guaranty Corporation (“PBGC”), the Trustee shall have the

right to withhold distribution or application of any part of the Trust unless and until written approval of the termination has been granted by the Internal Revenue Service and the PBGC.

- 8.2 Amendment or Termination. Except as otherwise set forth in this Agreement, this Agreement may be amended only by a written agreement signed by the parties hereto. Either party may terminate this Agreement at any time upon sixty (60) days' written notice to the other party. In the event of a termination by the Employer, such notice of termination shall be accompanied by evidence of proper action of the Employer approving such termination pursuant to Section 6.6. In the event of termination of this Agreement, the Trust shall be distributed pursuant to Article VII or VIII.

ARTICLE IX

Discharge of Duties by Trustee; Allocation of Responsibilities

- 9.1 Discharge of Duties. The Trustee shall be responsible only for complying with the terms of this Agreement as amended from time to time and performance of those duties expressly assigned herein. The Trustee shall discharge its duties set forth in this Agreement with respect to the Plan (a) solely in the interests of the Plan participants and their beneficiaries and for the exclusive purpose of providing benefits to Plan participants and their beneficiaries and defraying reasonable expenses of administering the Trust; and (b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.
- 9.2 Plan Assets Not Held in Trustee's Trust. If, as provided in the Plan, other trustees of separate trusts under the Plan may be appointed, the Trustee under this Trust Agreement shall have no duties or responsibilities for Plan assets not held in the Trust by the Trustee, except as required by Applicable Law. In no event shall the Trustee be considered a co-trustee with any other such trustee.
- 9.3 Relationship of Fiduciaries. To the full extent permitted by Applicable Law, each fiduciary of the Plan shall be solely responsible for its own acts or omissions and the Trustee shall have no duty to question any other fiduciary's performance of its duties. In the event that "knowledge" of the Trustee shall be a prerequisite to imposing a duty upon, or determining liability of, the Trustee, or determining the Trustee's right to indemnification, then it is expressly understood and agreed that the Trustee's performance of ministerial duties (such as processing of investment orders, or custodial, reporting, recording or bookkeeping functions) shall not be deemed to constitute "knowledge" by the Trustee of the substance of matters contained therein. For the purpose of this section, the Trustee shall include its directors, officers, employees, agents and affiliates.

ARTICLE X

General Provisions

- 10.1 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed by interpreting that invalid or unenforceable provision as nearly to the original meaning as possible so as to make it enforceable and valid or, if that is not possible or permitted by Applicable Law, by omitting that invalid or unenforceable provision.
- 10.2 Non-Assignability of Interest. No benefit that is payable out of the Trust to any person (including any participant or beneficiary) shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, garnishment, levy, execution or charge, either voluntary or involuntary, prior to actually being received by the person or persons entitled thereto, and where there is any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge or otherwise dispose of any right to amounts payable hereunder, the same shall be void; and no such benefit shall in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements or torts of any such person, nor shall it be subject to

attachment or legal process for or against such person, and the same shall not be recognized by the Trustee. The foregoing provisions notwithstanding, the Trustee is authorized to make any payments required by Applicable Law.

- 10.3 Titles and Headings. The titles and headings of the Articles and Sections in this Agreement are placed herein for convenience of reference only. In the case of any conflict, the text of this Agreement, rather than such titles or headings, shall control.
- 10.4 Notices. Except as the parties may otherwise agree in writing, all notices, reports, accounts and other communications from the Trustee to the Employer, the Plan Administrator, the Investment Manager(s) or any Authorized Person shall be in writing and deemed to have been duly given as of the first date on which the Trustee transmits or otherwise makes the communication available. Except as the parties may otherwise agree in writing, all instructions, notices, objections and other communications to the Trustee shall be in writing and shall be deemed to have been given when received by the Trustee at its office below:

Matrix Trust Company
717 17th Street, Suite 1300
Denver, CO 80202
Attn: Senior Vice President

With a copy to:

Matrix Trust Company
P.O. Box 52129
Phoenix, AZ 85072-2129
Attn: Vice President

- 10.5 Governing Law. This Agreement shall be governed and administered under the laws of the State of Colorado, without regard to conflict of law principles. Any suit, action or proceeding arising out of this Agreement may be instituted in any federal or Colorado State court sitting in Denver, Colorado, and the parties irrevocably submit to the nonexclusive jurisdiction of any such court in any such suit, action or proceeding and waive, to the fullest extent permitted by law, any objection which they may now or hereafter have to the venue of any such suit, action, or proceeding, brought in such a court and any claim that such suit, action, or proceeding was brought in an inconvenient forum.
- 10.6 Force Majeure. The Trustee shall have no liability for any losses arising out of delays in performing the services which it renders under this Agreement when such delays result from events beyond its control, including without limitation, interruption of the business of the Trustee due to acts of God, acts of governmental authority, acts of war, terrorism, riots, civil commotions, insurrections, labor difficulties (including, but not limited to, strikes and other work slippages due to slow-downs), unauthorized access to its systems, or any action of any courier or utility, mechanical or other malfunction, or electronic interruption.
- 10.7 Entire Agreement. This Agreement, including all Appendices hereto and all documentation submitted in connection with the engagement of the Trustee, contains the entire understanding between the parties relating to the subject matter hereof, and supersedes all prior agreements or understandings between the parties relating to the subject matter hereof, whether written or oral, express or implied.
- 10.8 Confidentiality.
- (a) Definitions. In connection with this Agreement, including without limitation the evaluation of new services contemplated by the parties to be provided by Trustee under this Agreement, information will be exchanged between Trustee and Plan. Trustee shall provide information that may include, without limitation, confidential information relating to the Trustee's products, trade secrets, strategic information, information about systems and procedures, confidential reports, customer information,

vendor and other third party information, financial information including cost and pricing, sales strategies, computer software and tapes, programs, source and object codes, and other information that is provided under circumstances reasonably indicating it is confidential (collectively, the “**Trustee Information**”), and Plan shall provide information required for Plan to use the services received or to be received, including customer information, which may include Personal Information (defined below), to be processed by the services, and other information that is provided under circumstances reasonably indicating it is confidential (“**Plan Information**”) (the Trustee Information and the Plan Information collectively referred to herein as the “**Information**”). Personal Information that is exchanged shall also be deemed Information hereunder. “**Personal Information**” means personal information about an identifiable individual including, without limitation, name, address, contact information, age, gender, income, marital status, finances, health, employment, social security number and trading activity or history. Personal Information shall not include the name, title or business address or business telephone number of an employee of an organization in relation to such individual’s capacity as an employee of an organization. The Information of each party shall remain the exclusive property of such party.

- (b) Obligations. The receiver of Information (the “**Receiver**”) shall keep any Information provided by the other party (the “**Provider**”) strictly confidential and shall not, without the Provider’s prior written consent, disclose such Information in any manner whatsoever, in whole or in part, and shall not duplicate, copy or reproduce such Information, including, without limitation, by means of photocopying or transcribing of voice recording, except in accordance with the terms of this Agreement. The Receiver shall only use the Information as reasonably required to carry out the purposes of this Agreement.
- (c) Disclosure Generally. Trustee and Plan agree that the Information shall be disclosed by the Receiver only to: (i) the employees, agents and consultants of the Plan and the Designated Representative in connection with Receiver’s performance or use of the services, as applicable, and (ii) auditors, counsel, and other representatives of the Plan and Designated Representative for the purpose of providing assistance to the Receiver in the ordinary course of Receiver’s performance or use of the services, as applicable. Each party will take reasonable steps to prevent a breach of its obligations by any employee or third party.
- (d) Compelled Disclosure. If the Receiver or anyone to whom the Receiver transmits the Information pursuant to this Agreement becomes legally compelled to disclose any of the Information, then the Receiver will provide the Provider with prompt notice before such Information is disclosed (or, in the case of a disclosure by someone to whom the Receiver transmitted the Information, as soon as the Receiver becomes aware of the compelled disclosure), if not legally prohibited from doing so, so that the Provider may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If such protective order or other remedy is not obtained, then the Receiver will furnish only that portion of the Information which the Receiver is advised by reasonable written opinion of counsel is legally required and will exercise its reasonable efforts to assist the Provider in obtaining a protective order or other reliable assurance that confidential treatment will be accorded to the Information that is disclosed.
- (e) Exceptions. Except with respect to Personal Information, nothing contained herein shall in any way restrict or impair either party’s right to use, disclose or otherwise deal with:
 - (i) Information which at the time of its disclosure is publicly available, by publication or otherwise, or which the Provider publicly discloses either prior to or subsequent to its disclosure to the Receiver;
 - (ii) Information which the Receiver can show was in the possession of the Receiver, or its parent, subsidiary or affiliated company, at the time of disclosure and which was not acquired, directly

or indirectly, under any obligation of confidentiality to the Provider; or

- (iii) Information which is independently acquired or developed by the Receiver without violation of its obligations hereunder.

In addition, each employee of the Receiver shall be free to use for any purpose, upon completion of the services rendered under this Agreement, any general knowledge, skill or expertise that (i) is acquired by such employee in performance of those services, (ii) remains part of the general knowledge of such employee after access to the tangible embodiment of the Provider's Information, (iii) does not contain or include any such Information, and (iv) is not otherwise specific to the Provider.

- (f) Return or Destroy. Upon the termination of this Agreement for any reason, the parties shall return to each other, or destroy, any and all copies of Information of the other that are in their possession relating to the terminated Agreement, except for any copies reasonably required to maintain such party's customary archives or computer back-up procedures, and as otherwise required by applicable law, rule or regulation. Notwithstanding the foregoing, Trustee shall have the right to keep one copy of such Information as may be reasonably required to evidence the fact that it has provided the services to Plan. In the event that Plan requires Trustee to return any Plan Information, Plan shall pay Trustee (at the rates set forth in the applicable Schedule, or, if no such rates are set forth, at Trustee's then current charges) for Trustee's actual time spent and incidental expenses actually incurred in connection with such return.

(g) Nonpublic Personal Information

- (i) Obligations. The Trustee shall not disclose or use any nonpublic Personal Information of the Company's employees except to the extent reasonably required to carry out its obligations under this Agreement or as otherwise directed by Company. In connection with each party's use or provision of the rendered services, as applicable, each party shall comply with any applicable law, rule or regulation of any jurisdiction applicable to such party relating to the disclosure or use of Personal Information (including, without limitation, with respect to Company and its Affiliates and their employees, Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, as the same may be amended or supplemented from time to time).
- (ii) Security Measures. The Trustee shall (a) implement and maintain commercially reasonable measures to protect the security, confidentiality and integrity of nonpublic Personal Information of Company's employees against anticipated threats, unauthorized disclosure or use, and improper disposal, and (b) provide the Company with information regarding such security measures upon the reasonable request of Company.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Employer and Trustee have executed this Agreement, as of the date first written above.

Agreed To By:

TRUSTEE:
MATRIX TRUST COMPANY

BY: _____

NAME: _____

TITLE: _____

EMPLOYER:
THE COUNTY OF GALVESTON, TEXAS

BY:  _____

January 6, 2025 _____

NAME: MARK HENRY

TITLE: COUNTY JUDGE

APPENDIX A

OPERATIONAL GUIDELINES

Capitalized terms used but not otherwise defined have the meanings given to such terms in the Agreement.

INSTRUCTIONS

The Trustee must receive instructions from an Instructing Party, as defined below, for each purchase, sale acquisition and disposition. The Trustee reserves the right not to effect any transaction unless given sufficient time and information to review and process the transaction. All purchases, sales, acquisitions, and dispositions of assets must be made in accordance with terms of the Agreement, the Plan and Applicable Law.

LIQUIDITY

Sufficient liquidity must be maintained in accounts to meet foreseeable obligations of the Trust. The Trustee specifically reserves the right (a) not to follow any instruction that it reasonably believes would result in insufficient liquidity (b) not to make any disbursement unless the Investment Manager, Plan Administrator or other Authorized Person (the “**Instructing Party**”) has provided instruction as to the assets to be converted to cash for the purposes of making such payment, and (c) to sell securities from the Trust to recover any funds advanced for any trades not settled immediately upon placement.

TRUST ASSETS

Acceptable Assets

Assets are considered to be acceptable assets depending upon the Trustee's ability to support and administer the asset, the Trustee's proposed responsibilities with respect to such assets, the type of account, the availability of the asset to be acquired through the Trustee or an affiliate (approved for this purpose by the Trustee) and other factors. The Instructing Party should consult with the Trustee prior to the acquisition of any asset to determine acceptability of such asset. The following types of assets are generally acceptable:

- (1) Cash.
- (2) Publicly traded stock listed on a U.S. stock exchange or regularly quoted over-the-counter.
- (3) Publicly traded bonds listed on a U.S. bond exchange or regularly quoted over-the-counter.
- (4) Mutual funds that are NSCC and DCC&S eligible.
- (5) Registered limited partnership interests, REITs and similar investments listed on a U.S. stock exchange or regularly quoted over-the-counter.
- (6) Commercial paper, bankers' acceptances eligible for rediscounting at the Federal Reserve, repurchase and reverse repurchase agreements and other “money market” instruments for which trading and custodial facilities are readily available.
- (7) U.S. Government and U.S. Government Agency issues.
- (8) Municipal securities whose bid and ask values are readily available.
- (9) Federally insured savings accounts, certificates of deposit and bank investment contracts. The Instructing Party is responsible for determining federal insurance coverage and limits and for diversifying account assets in accordance with those limits.
- (10) American Depositary Receipts, Eurobonds, and similar instruments listed on a U.S. exchange or regularly quoted domestically over-the-counter for which trading and custodial facilities are readily available.
- (11) Life insurance, annuities, and guaranteed investment contracts issued by insurance companies licensed to do business in one or more states in the U.S. The Instructing Party is responsible for determining the safety of such investments and the economic viability of the underwriter and for diversifying account assets accordingly.

In certain circumstances a particular asset which otherwise may be considered an acceptable asset may be determined by the Trustee to be unacceptable or conditionally acceptable.

Unacceptable Assets

Trustee generally cannot acquire or hold the following assets:

- (1) Tangible personal property (e.g., precious metals, gems, works of art, coins, furniture and other household items, motor vehicles, etc.).
- (2) Foreign currency and bank accounts.
- (3) Short sales.
- (4) Commodity futures and forward contracts.
- (5) Oil, gas, and mineral interests.
- (6) Intangible personal property (e.g., patents and rights).
- (7) Unsecured loans.
- (8) Interests in real property.
- (9) Loans secured by first deeds of trust.
- (10) Other secured loans.

Conditionally Acceptable Assets

The Trustee may, but shall not be obligated, to acquire or continue to hold any of the assets listed below:

- (1) General partnerships.
- (2) Unregistered limited partnerships.
- (3) Other unregistered securities, closely held stock and other securities for which there is no readily available market, except for qualifying Employer securities.
- (4) The securities of the broker/dealer's corporate entity or its affiliates and subsidiaries. These securities may be subject to legal and regulatory prohibitions or restrictions. In any event, no Trust may acquire and hold securities of the broker/dealer's corporate entity unless specifically authorized by the underlying Trust agreement.
- (5) Foreign securities for which trading and custodial facilities are readily available.
- (6) Options.
- (7) Securities of the Employer.
- (8) Any other asset not listed under "Acceptable Assets" or "Unacceptable Assets" above.

The acquisition and continued retention of the foregoing assets is subject to providing the Trustee with the cost basis, if any, of any such assets and with a valuation of the assets on at least an annual basis. The Trustee, in its sole discretion, may impose other conditions to acquire or hold such assets, including imposing additional fees.

PROXIES AND OTHER SHAREHOLDER ACTION***Calls, Conversions, Expirations, Tenders, etc.***

The Instructing Party must monitor and determine the existence of and initiate all actions necessary or appropriate in connection with calls, conversions, tenders, and similar events or transactions relating to Trust assets. The Trustee will pass on to the Instructing Party any information it receives regarding such actions.

Proxies

The Instructing Party is responsible for voting proxies and exercising other shareholder rights with respect to securities under the Instructing Party's investment authority, and the Trustee shall not vote proxies and exercise other shareholder rights with respect to any securities held by the Trust, including Employer Securities, unless the Trustee agrees to undertake such responsibility under a separate written agreement or as otherwise explicitly provided for in the Trust Agreement. The Instructing Party shall provide the Trustee with instructions as to where to deliver any proxies it receives, and the Trustee will use commercially reasonable efforts to deliver proxies in a timely manner to such party. The Trustee is not responsible for ascertaining whether, or how, the proxies were subsequently voted or disposed of and shall bear no liability for the actions or inactions relating to voting of proxies by the Plan Administrator, Employer, "named fiduciary" of the Plan, or an Investment Manager. The Plan Administrator is exclusively responsible for reviewing whether the provisions of the Trust Agreement and these

Operational Guidelines for the voting of securities and the exercise of other shareholder rights are consistent with the requirements of the Plan documents and Applicable Law.

Employer Securities

If the Trust consists of Employer Securities that are not traded on a recognizable market, or the information necessary to ascertain the fair market value is not readily available, the Plan Administrator shall provide to the Trustee the value of such securities for all purposes under the Plan and the Agreement, and the Trustee shall be entitled to rely upon the value of such Employer Securities provided by the Plan Administrator. If the Plan Administrator fails or refuses to instruct the Trustee on the value of such Employer Securities, the Trustee, in its sole discretion, may engage an independent appraiser to determine the fair market value of such Employer Security and shall be entitled to rely upon the value placed upon such Employer Security by the independent appraiser. Any expenses with respect to such appraisal shall be a charge against the Trust and may be paid from the Trust as provided in the Agreement.

The Plan Administrator is responsible for providing specific instructions to the Trustee regarding any acquisition limits applicable to Employer Securities as required by the Plan or Applicable Law.

Employer Securities may be accepted only if the Employer and Plan Administrator provide the Trustee with all instructions, representations, and assurances and other information that the Trustee may in its sole discretion require from time to time for the proper administration of Employer Securities in the Trust. The Plan Administrator is responsible for providing specific instructions to the Trustee regarding any acquisition limits applicable to Employer Securities as required by the Plan or Applicable Law. The Employer and Plan Administrator, and not the Trustee, shall be responsible to ensure that the Employer Securities are acquired and held under the Plan solely in accordance with all applicable federal and state securities laws and regulations thereunder and law and regulation governing the acquisition and holding of employer securities by plans under ERISA.

Charges

Certain securities may impose charges and penalties on the sale and/or redemption of such security, including, without limitation, sales load, redemption, exchange, account, distribution, administrative and other charges. The Trustee is not responsible for notifying the Employer, any Instructing Party or any other party of the existence, potential or imposition of any such charges or penalties or to negotiate or attempt to negotiate the reduction, waiver, rebate or reimbursement of any such charges or penalties; nor shall the Trustee have any liability or responsibility for any such charges or penalties of any kind or nature, whether current, deferred or contingent, that are charged or imposed pursuant to the terms of any securities purchased, held, sold or redeemed in the Trust, and all such charges and penalties shall be borne by the Trust unless otherwise provided for.

UNITIZATIONS

In General

The Trustee may provide unitization services for Employer Securities or for other assets, if agreed by the Trustee in a separate written agreement with the Plan Administrator. Unitization services are not an investment product, but rather an administrative recordkeeping service that the Trustee provides for the convenience of the Plan and participants on request, and no person (including the Employer or Plan Administrator) may hold out, market, or otherwise indicate that the unitization service is an investment product whose shares may be offered to retirement plans and their participants. The Plan Administrator shall provide the Trustee for approval a copy of any materials to be used by or on behalf of a Plan which refer to the unitization services before their distribution or use.

Unitization services are available only if the account to be unitized consists of assets eligible for daily valuation under the Trustee's procedures, as determined by the Trustee. In order for the Plan to receive unitization services, the Plan Administrator is required to provide the Trustee with all instructions, representations, and assurances and other information that the Trustee may in its sole discretion require from time to time for the proper administration of Employer Securities in the Trust. Such instructions shall include without limitation, instructions with respect to maintaining a cash component adequate to address anticipated distribution activity, the investment of the cash

component, instructions for placing and settling transactions for the unitized account, valuation instructions, and accrual of fees and expenses.

Pricing

The Trustee will obtain pricing information from sources believed to be reliable, but the Trustee shall not be responsible or liable for the accuracy, completeness, timeliness, or correct sequencing of any pricing information received or for any decision made or action taken in reliance upon such information. The Trustee makes no warranty of merchantability, warranty of fitness for a particular purpose, or other warranty of any kind, express or implied, regarding the pricing information received or transmitted by the Trustee. If the Plan Administrator does not, within ninety (90) days of receiving a unitization statement, notify the Trustee of any objection to the valuation, the unitization shall be deemed final, and the Trustee will have no obligation to correct or reimburse the net asset value (NAV).

NAV Correction Procedures

The Trustee will apply its customary standards and procedures for NAV corrections, a copy of which may be provided upon request.

Expenses

Plan expenses can be charged directly to the unitized account. The Plan Administrator must instruct the Trustee as to any specific fees and expenses to be accrued in the unitized account and the rates at which such fees and expenses should be accrued. The Trustee requires five (5) business days advance notice of any adjustment or termination to fee accruals. The Plan Administrator is responsible for notifying the Trustee when money comes in or out of the unitized account and if, as a result of any such money movement, the fee accruals should be adjusted. From time to time, fee accruals may go negative. On a periodic basis, Trustee will provide to the Plan Administrator a written account of the fee accrual(s) for review. The Plan Administrator or Instructing Party is responsible for reviewing such account and for promptly advising Trustee of any necessary adjustments.