

**Adoption Agreement  
For The  
Post-Employment Benefits Trust**



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## **INTRODUCTION**

By executing this Adoption Agreement, the Employer named in Article 2 of this Adoption Agreement hereby adopts and agrees to be bound by the terms of the Post-Employment Benefits Trust Agreement (the "Trust Agreement"), a copy of which is attached as Exhibit A. To the extent there is a conflict between this Adoption Agreement and the Trust Agreement, the Trust Agreement will control. Unless otherwise specified below, initially capitalized terms used in this Adoption Agreement are defined in the Trust Agreement.

## **ARTICLE 1**

### **EMPLOYER INFORMATION**

#### **1.1 Employer's Name, Address, and Telephone Number**

- (a) Name: \_\_\_\_\_
- (b) Address: \_\_\_\_\_
- (c) Telephone: \_\_\_\_\_

#### **1.2 Employer's Taxpayer Identification Number: \_\_\_\_\_**

## **ARTICLE 2**

### **PLAN INFORMATION**

#### **2.1 Plan Names:**

OPEB Plan(s): \_\_\_\_\_

Pension Plan(s): \_\_\_\_\_

(Each a "Plan" and collectively, the "Plans")

#### **2.2 Employer-designated: Plan Administrator's Name, Title, Address, and Telephone Number:**

- (a) Name: \_\_\_\_\_
- (b) Title: \_\_\_\_\_
- (c) Address: \_\_\_\_\_
- (d) Telephone: \_\_\_\_\_

## **ARTICLE 3**

### **TRUST ADMINISTRATIVE SERVICES**

As a condition of the Employer's participation in the Trust, the Employer and the Trust Administrator have executed the Trust Administrative Services Agreement attached as Exhibit B.

## **ARTICLE 4**

### **INVESTMENTS**

The Employer hereby directs the Trust Administrator to direct the Trustee to invest the assets in the Employer's Account in accordance with the investment strategy mutually agreed to by the Employer and the Trust Administrator as set forth in the Investment Policy Statement attached as Exhibit C.

## **ARTICLE 5**

### **TRUST FEES AND EXPENSES**

5.1 Method of Payment. Unless the Employer otherwise elects below, the Trust Administration Fees (as defined in Section 9.2 of the Trust Agreement), Trustee Fees (as defined in Section 9.3 of the Trust Agreement), and any other reasonable fees and expenses of administering the Employer's Account will be paid from the Employer's Account. In lieu of payments from its Account, the Employer hereby elects to pay the following amounts:

- ☐ Trust Administration Fees
- ☐ Trustee Fees
- ☐ All expenses of the Employer's Account other than fees
- ☐ Other (please insert description):

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Please refer to Section 4 of the Trust Administrative Services Agreement for further information about payment of fees and expenses.

## **ARTICLE 6**

### **REPRESENTATIONS AND WARRANTIES**

- 6.1 The Employer hereby represents and warrants that each of the following statements is true and correct to the best of its knowledge:
- (a) The Employer is a state, a political subdivision of a state or another public agency whose income is excludable from gross income under section 115 of the Code that is established and maintained under the laws of the \_\_\_\_\_ of \_\_\_\_\_.
  - (b) The Employer has established and maintains one or more Plans the exclusive purpose of each is to provide OPEB or retirement benefits to its former employees.
  - (c) The exclusive purpose of the Employer's participation in the Trust is to fund the Pension Obligation or OPEB Obligation, or both, under the Employer's Plans.



- (d) The Employer's participation in the Trust for the purpose of funding, as applicable, the Pension Obligation or OPEB Obligation, or both, under the Employer's Plans is authorized under the laws of the [ ] of .
- (e) The Employer's Plans do not permit participants to direct or otherwise exercise in any manner, whether direct or indirect, control over the investment of their accounts or benefits accrued under the Plans.
- (f) The Employer has received copies, and has read and understands the terms, of the Trust Agreement.

## **ARTICLE 7**

### **STANDARD OF CARE AND INDEMNIFICATION**

- 7.1 Standard of Care. The Trustee and the Trust Administrator must discharge their duties with respect to the investment and management of Trust assets in accordance with the standard of care set forth in Section 11.2 of the Trust Agreement.
- 7.2 Employer Indemnification of Trustee. The Employer, from its own funds and not from any assets of the Trust, agrees to indemnify the Trustee and each of its affiliates against, and will hold them harmless from, any and all loss, claims, liability, and expense, including cost of defense and reasonable attorneys' fees, imposed upon or incurred at any time by any of them by reason of or in connection with the performance of the Trustee's services under this Agreement, except to the extent such damages resulted from the Trustee's or affiliate's performance (or non-performance) of its duties under the Trust Agreement in a manner that constitutes willful misconduct or willful breach of the standard of care articulated in Section 11.2 of the Trust Agreement.
- 7.3 Employer Indemnification of Trust Administrator. Employer, from its own funds and not from any assets of the Trust, agrees to indemnify the Trust Administrator and each of its affiliates against, and will hold them harmless from, any and all damages imposed upon or incurred by any of them by reason of, or in connection with its services under the Trust Agreement or the Trust Administrative Services Agreement, except to the extent that such damages resulted from the Trust Administrator's or affiliate's performance (or non-performance) of its duties under the Trust Agreement or the Trust Administrative Services Agreement in a manner that constitutes willful misconduct or willful breach of the standard of care articulated in Section 11.2 of the Trust Agreement.

## **ARTICLE 8**

### **AMENDMENT**

The Employer understands and agrees that the Trust Agreement may be amended from time to time by the Trustee and the Trust Administrator with the approval of two-thirds of the Employers then participating in the Trust.

## ARTICLE 9

### NO GUARANTEE OF INVESTMENT RESULTS

The Employer understands and acknowledges that investments in the Trust involve risk and that there is no guarantee of investment performance or other performance of the Trust, including but not limited to custodians, depositories, or counterparties to investment strategies of the Trust.

### ADOPTION OF TRUST AGREEMENT

By executing this Adoption Agreement, the Employer hereby adopts and agrees to be bound by the terms of the Trust Agreement and hereby approves, ratifies and confirms the appointment of Wells Fargo Bank, N.A. as the Trustee and PFM Asset Management LLC as the Trust Administrator as of the effective date of this Adoption Agreement. This Adoption Agreement and the Trust Agreement are effective on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

#### EMPLOYER

\_\_\_\_\_  
Agency Name

By: \_\_\_\_\_

Its: \_\_\_\_\_

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

#### ACCEPTED:

**TRUST ADMINISTRATOR  
PFM ASSET MANAGEMENT LLC**

By: \_\_\_\_\_

Its: \_\_\_\_\_

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

**TRUSTEE  
WELLS FARGO BANK, N.A.**

By: \_\_\_\_\_

Its: \_\_\_\_\_

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



**PFM Asset Management LLC**

**EXHIBIT A**  
**TRUST AGREEMENT**



**PFM Asset Management LLC**

**EXHIBIT B**

**TRUST ADMINISTRATIVE SERVICES AGREEMENT**





**PFM Asset Management LLC**

**EXHIBIT C**

**INVESTMENT POLICY STATEMENT**