



**STATE OF MISSOURI  
OFFICE OF THE MISSOURI STATE TREASURER  
CUSTODIAL CONTRACT**

**THIS CUSTODIAL CONTRACT, is made and entered into this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the State Treasurer of Missouri (“State Treasurer”) and \_\_\_\_\_ (“Custodian”), a corporation, located at \_\_\_\_\_, \_\_\_\_\_, Missouri.**

WHEREAS, pursuant to the provisions of Article IV, Section 15 of the Constitution of Missouri, as amended, and Chapter 30, RSMo, as Amended, the State Treasurer may from time to time designate a financial institution as a depository of state moneys; and

WHEREAS, the State Treasurer and the designated depository of state moneys intend to secure the preservation and payment of state funds by pledging to the State Treasurer collateral securities and perfecting a security interest in and creating a lien upon same as contemplated and permitted by state law; and

WHEREAS, the State Treasurer desires to have the pledged securities held by or through a custodian who shall safely keep and deal with the pledged securities under the terms and conditions of this Custodial Contract: and

WHEREAS, Custodian desires to safely keep and deal with the securities pledged to the State Treasurer by designated state depositories as security for state moneys in the form and manner, and under the terms and conditions set forth in this Custodial Contract;

NOW, THEREFORE, the State Treasurer and Custodian hereby agree as follows:

1. Pursuant to the provisions of Article IV, Section 15 of the Constitution of Missouri, as amended, and the provisions of Chapter 30, RSMo, as amended, Custodian has been selected by the State Treasurer as a depository for the safekeeping of the instruments, bonds or other securities (whether certificated, uncertificated, book-entry or otherwise) described in Section 30.270, RSMo, as amended (“Securities”), which have been and from time to time will be pledged to the State Treasurer by banking institutions as security for the safekeeping and payment of deposits made and to be made by the State Treasurer in selected and approved banking institutions (“State Depositories”). As established in the Depository Contract and Pledge Agreement between the State Treasurer and a State Depository (“Depository Contract and Pledge Agreement”), a copy of which is attached hereto and incorporated herein, the intent and effect of a State Depository’s transfer of such Securities to the State Treasurer is to grant and

convey to the State Treasurer a perfected security interest in and lien upon the Securities (including any proceeds therefrom) in accordance with the provisions of Chapter 400 RSMO 1994, as amended, and the above-referenced constitutional and statutory provisions, all of which are hereby incorporated in this Custodial Contract.

2. Pursuant to the requirements of the Depositary Contract and Pledge Agreement, the State Treasurer will from time to time cause State Depositaries to designate, identify, transfer or deliver to Custodian, as appropriate, Securities pledged to the State Treasurer to secure the deposit of state funds. As part of such designation, identification or delivery, the State Depositary pledging the Securities will take all steps necessary to effect a “transfer” of the Securities to the State Treasurer under Chapter 400 RSMo, as amended, or, if applicable, under any federal regulations governing transfers of securities. Upon such designation or delivery, custodian will accept, issue appropriate receipts for, and safely keep the Securities for the benefit of the State Treasurer as set forth in this Custodial Contract. Custodian’s acceptance and issuance of the appropriate receipts for the Securities shall be deemed an effective transfer of the Securities to the State Treasurer for the purpose of creating a valid lien upon and security interest in the Securities for the benefit of the State Treasurer.
3. Immediately upon designation or delivery of the Securities, Custodian will acknowledge the deposit and pledge the Securities by issuing and delivering directly to the State Treasurer a written receipt for the Securities, signed by an authorized officer of the Custodian, designating the State Treasurer’s status as a lien holder with respect to the Securities. The receipt shall be neither assignable nor transferable. The receipt shall serve as confirmation of the pledging of the Securities and the custody of same by custodian. If Custodian transmits a facsimile receipt to the State Treasurer at the time of designation or delivery of the pledged Securities, Custodian will deliver the original, hard copy of the receipt to the State Treasurer within five (5) business days of transmission of the facsimile receipt.
4. The receipt delivered to the State Treasurer by Custodian will clearly identify the State Depositary pledging the Securities, will clearly describe the Securities being pledged, will reflect the State Treasurer’s status as lien holder with respect to the pledged Securities, and will clearly indicate whether it is an original, duplicate or reissued receipt. In describing the Securities, the receipt will show the original face value of the Securities being pledged as well as the current face value or par value of the securities. If a mortgage pool security is pledged, the receipt will further indicate if the Securities being pledged are Collateralized Mortgage Obligations (“CMOs”) or pass-through Mortgage-Backed Securities (“MBS”).
5. Custodian shall hold (either directly or through the use of third party depositaries or agents) and safely keep the designated or delivered Securities (and the proceeds therefrom) for the benefit of the State Treasurer until authorized in writing by the State Treasurer to release, transfer, liquidate or otherwise dispose of the Securities

(including any proceeds therefrom), in part or in whole, in accordance with the provisions of this Custodial Contract.

6. Custodian shall hold all pledged Securities (including the proceeds therefrom) until such time as Custodian has received from the State Treasurer a release of the safekeeping receipt issued to the State Treasurer describing the pledged Securities, signed by an authorized representative of the State Treasurer (as described below). The execution and return to Custodian of the safekeeping receipt shall constitute a release of the State Treasurer's lien upon and security interest in the pledged Securities (including any proceeds therefrom). Custodian is thereafter authorized to transfer or otherwise deal with the released Securities as directed by the State Depository which pledged the released Securities.
7. Custodian shall permit State Depositories to substitute replacement Securities for one or more pledged Securities in accordance with the following provisions: (a) the State Depository shall first obtain verbal consent of the State Treasurer to a replacement of Securities; (b) the State Depository shall then designate, identify, deliver or transfer to Custodian the replacement Securities; (c) upon receipt of the replacement Securities, Custodian shall issue and deliver to the State Treasurer a receipt which conforms to the requirements of paragraph four (4), above and also includes the CUSIP and receipt number of the security to be substituted and released; (d) when the State Treasurer receives the receipt for the replacement Securities and confirms that the replacement Securities, together with the Securities which are not proposed for release, satisfy the collateralization requirements for the State Depository, an authorized representative of the State Treasurer shall execute a release of the Securities and return to the Custodian the receipt for the Securities being replaced. This shall constitute a release of the State Treasurer's lien upon and security interest in the previously pledged Securities. Custodian is thereafter authorized to transfer or otherwise deal with the released Securities as directed by the State Depository which pledged the released Securities.
8. Custodian's sole duty under this Custodial Contract shall be the safekeeping and disposition of the Securities (and proceeds thereof) as provided herein. Custodian shall have no duty or obligation to determine if the pledged Securities or any substitutes or replacements therefore are sufficient in amount or legally qualified under applicable law as collateral for deposits of state funds.
9. Custodian is authorized to act upon any written instruction or document (including, without limitation, any release of a safekeeping receipt) which, in good faith, Custodian believes to be signed by an authorized representative of the State Treasurer (a list of such authorized representatives, with specimen signatures, is attached hereto and incorporated herein as Appendix A). Unless Custodian has reason to question the validity of the writing, Custodian has no duty to investigate or confirm the identity or continuing authority of the individual signing such instruction or document other than to confirm that the individual is on Appendix A and that the individual's signature

reasonably conforms to the specimen signature on Appendix A. The State Treasurer may amend Appendix A from time to time, but to be valid, all such amendments must be in writing and executed by the State Treasurer or the Assistant State Treasurer. Custodian shall be entitled to rely on the authorizations set forth in Appendix A (and any further amendments thereto) until such time as Custodian receives notice from the State Treasurer (whether verbal or written) of any revocation of authority. Custodian is expressly authorized to rely and act upon any facsimile copy of such instruction or document as if, and to the same effect that, an original executed copy thereof has been received by Custodian.

10. Custodian shall present for collection, and shall receive all interest and other income from or due on the Securities. All such interest and income shall be paid over or made available to the pledging State Depository by Custodian, unless Custodian has received written notice from the State Treasurer of the occurrence of an event of default under the Depository Contract and Pledge Agreement, in which case Custodian shall hold such interest or other income from the Securities until Custodian has received written instructions from the State Treasurer regarding disposition of the funds.
11. Scheduled or permitted installment payments or principal received by Custodian with respect to any outstanding Securities, such as those payable under mortgage-backed and similar type securities (including CMOs), shall be disbursed by Custodian to the State Depository which pledged the Securities unless the State Treasurer notifies the custodian in writing to hold such sums pending receipt of additional collateral from the State Depository. In such cases, when the State Treasurer has determined that the State Depository has pledged sufficient collateral with Custodian, the State Treasurer shall notify Custodian in writing to disburse the retained sums as directed by the State Depository.
12. Any payments of interest or principal received by Custodian with respect to any Securities held to maturity shall be retained by Custodian until such time as Custodian has received written instructions from the State Treasurer directing Custodian as to disposition of such sums.
13. Custodian shall provide electronic versions of safekeeping reports to the State Treasurer in the manner and form indicated by the State Treasurer at least once per month as of the last day of the month and, if requested by the State Treasurer, on a more frequent basis. Such reports shall list the CUSIP, security description, coupon rate, maturity date, par value and any other fields as required by the State Treasurer of all collateral securities held on behalf of the State for State Depositories and shall additionally identify the State Depository associated with each collateral security. Transmission of monthly file(s) shall be uploaded to a secure website maintained by the State Treasurer's Office, and connection to the website will require user authorization and SSL 128-bit encryption unless otherwise directed by the State

Treasurer's Office. The electronic reports shall be in a flat file format that can be reformatted by the State Treasurer for its purposes.

14. If Custodian fails to perform any duty set forth in this Custodial Contract, unless due to situations or matters beyond Custodian's control, Custodian shall be deemed to have breached this Custodial Contract, and Custodian shall be liable to the State Treasurer for all direct and incidental damages and expenses (including attorneys fees) and interest losses experienced by the State Treasurer as a result of such breach.
15. The State Treasurer shall not, by any act, delay, or omission, be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing, signed by an authorized officer or official, and then only to the exact extent specified.
16. Any provisions of this Custodial Contract which may prove to be unenforceable under law or judicial decision shall not affect the validity of any other provisions hereunder. The terms of this Custodial Contract and the rights, responsibilities and liabilities of the parties hereto shall be interpreted in accordance with and controlled by the laws of the State of Missouri.
17. This Custodial Contract shall continue to force and effect until terminated. Either the State Treasurer or Custodian may terminate this Custodial Contract, at any time, upon giving ten (10) days notice to the other party, in writing, of the intent to terminate this Custodial Contract. Notice of intent to terminate this Custodial Contract shall be deemed effective when received by the other party. Upon termination of this Custodial Contract, Custodian shall immediately deliver, transfer or take other action necessary to convey to the State Treasurer, or to a successor custodian designated by the State Treasurer, all Securities (including any income or proceeds therefrom) delivered to and/or held by Custodian pursuant to this Custodial Contract.
18. This Custodial Contract replaces and supersedes any existing agreement between the parties regarding the safekeeping of securities pledged to the State Treasurer by State Depositories to secure the preservation and payment of state funds, and any such agreement shall terminate as of the time this Custodial Contract becomes effective.
19. All fees and charges for the safekeeping of the Securities under this Custodial Contract shall be paid to Custodian by the State Depository pledging the Securities to the State Treasurer.

**There is attached hereto and incorporated herein a certified copy of the resolution adopted by the board of directors of Custodian authorizing the execution**

**and delivery of this Custodial Contract by the officers of Custodian, whose names are affixed to this Custodial Contract on behalf of Custodian.**

IN WITNESS WHEREOF, the parties have executed this Custodial Contract, in duplicate, as of the date first noted above.

FOR CUSTODIAN:

FOR THE STATE TREASURER:

\_\_\_\_\_

\_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**CERTIFIED COPY OF RESOLUTION  
AUTHORIZING EXECUTION OF STATE OF MISSOURI  
CUSTODIAL CONTRACT**

I, \_\_\_\_\_, being the duly elected and acting Secretary of \_\_\_\_\_, hereby certify that the following is a true, complete and correct copy of the resolution duly adopted by the Board of Directors of said \_\_\_\_\_, at its regular meeting held on \_\_\_\_\_, at which a quorum of said Board was present and participating, and further certify that said resolution is now in full force and effect:

**WHEREAS**, this corporation has been selected by the State Treasurer of Missouri as a custodian for the safekeeping of securities pledged to the State Treasurer by depositaries of state funds to secure the preservation and payment of state funds; and

**WHEREAS**, the Custodial Contract required to be executed by such custodians in connection with the safekeeping of such pledged securities has been duly considered; and

**NOW, THEREFORE, BE IT RESOLVED**, that \_\_\_\_\_, President, and \_\_\_\_\_, Secretary, be and are hereby authorized and directed to execute and deliver to the State Treasurer of Missouri, on behalf of this corporation, the Custodial Contract referenced above, and are further authorized and directed to do all things necessary in carrying out the provisions of the Custodial Contract.

Given under my hand and the seal of the corporation on this \_\_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
Secretary