

**EXHIBIT "A"**  
**THE STATE OF TEXAS**

**COLLATERAL CUSTODIAL AGREEMENT**

**This Agreement is made and entered into on the date last herein written by and between TEXAS STATE TECHNICAL COLLEGE, and \_\_\_\_\_ (BANK), and \_\_\_\_\_ (CUSTODIAN) under which \_\_\_\_\_ (CUSTODIAN) is to act as CUSTODIAN for TSTC to hold securities delivered by \_\_\_\_\_ (BANK) including its component institutions (BANKS) as set forth in an official Bank Depository Agreement (Exhibit "A") executed by TSTC, BANK, and CUSTODIAN of Securities, if applicable.**

**The parties agree as follows:**

- 1. \_\_\_\_\_ (CUSTODIAN) is to be CUSTODIAN for TSTC of all securities and cash (Collateral) which are delivered to \_\_\_\_\_ (CUSTODIAN) by BANK pursuant to this Agreement and the Bank Depository Agreement. \_\_\_\_\_ (CUSTODIAN) agrees to serve as Custodian of the Collateral during the entire term of this Agreement. BANK may from time to time, deliver additional securities as Collateral, or with the written approval of TSTC, withdraw the Collateral, or substitute the Collateral except as restricted herein.**
- 2. With respect to the Collateral, CUSTODIAN agrees to:**
  - a. Hold the Collateral in custody.**
  - b. Collect all income with respect to the Collateral and disburse to BANK on its instructions.**
  - c. Collect the principal of all securities which may mature while held in custody, or with respect to which payments of principal are otherwise made.**
  - d. Release Collateral to BANK only upon written instruction of TSTC. Any release and delivery of Collateral by CUSTODIAN shall be completed on the same business day as long as any notice from TSTC or any new Collateral in substitution is delivered by not later than 10:30 a.m.**
  - e. Sale of Collateral may be made in any recognized market for such Collateral if BANK closes. CUSTODIAN shall provide a full accounting of any such transactions to TSTC and BANK within 30 days. Charges and expenses of**

**CUSTODIAN related to the sale of Collateral shall be for the account of BANK from its portion of proceeds thereof or if no such proceeds are available then from TSTC.**

- f. Charge and bill to the account of BANK all charges and fees related to receipt, holding, accounting, and delivery of Collateral, the collection, receipt, investment, accounting, and transfer of income of Collateral, and any other charges related to the custody services provided to BANK.**
  - g. Carry out all instructions of TSTC relating to the Collateral.**
- 3. With respect to the Collateral, TSTC agrees to:**
  - a. Promptly notify CUSTODIAN, of any collateral substitution, released collateral, or additional collateral.**
  - b. Promptly notify CUSTODIAN, in writing, of the addition of new BANKS including a copy of the Bank Depository Agreement.**
  - c. Promptly notify CUSTODIAN of any amendments to or the termination of the Bank Depository Agreement.**
  - d. Renegotiate fees in good faith for the account of TSTC as a result of any such amendment to the Bank Depository Agreement.**
- 4. CUSTODIAN may in its discretion register any securities held by it hereunder in the name of nominees and the books and records of BANK shall at all times disclose that such securities are part of the Collateral.**
- 5. CUSTODIAN may in its discretion hold Collateral on deposit at other financial institutions provided, however, TSTC must be notified of any Collateral held at other institutions if the institution is allowable, and it shall at all times be readily deliverable upon direction of TSTC.**

**Note: CUSTODIANS must be:**

- a. A bank with its main office or a branch office in Texas;**
- b. Texas Treasury Safekeeping Trust Company;**
- c. A Federal Reserve Bank or a branch of the Federal Reserve Bank; or**
- d. A Federal Home Loan Bank.**

6. **TSTC shall indemnify and hold CUSTODIAN harmless, to the extent authorized by the Constitution and laws of the State of Texas, from all costs, damages, expenses, liabilities, suits or other claims arising out of or from any actions taken by instructions from TSTC. CUSTODIAN shall be protected in acting upon any written notice, request, waiver, consent, certificate, receipt, authorization, or other paper or document from TSTC which it believes to be genuine and what it purports to be. CUSTODIAN shall not be liable for anything which it may do or refrain from doing in connection with this Agreement except its own negligence or willful misconduct.**
7. **Notices and other communications to be delivered to TSTC pursuant to this Agreement will be effective only if in writing and delivered to:**

**Texas State Technical College  
Vice Chancellor for Finance  
3801 Campus Drive  
Waco, Texas 76705**

**Notices, instructions and other communications to BANK pursuant to this Agreement will be effective only if in writing and delivered to:**

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8. **CUSTODIAN shall keep adequate records of its activities as Custodian, and shall deliver to BANK and TSTC a monthly statement of its transactions as Custodian and of the assets held at the end of each month. Such records shall be available to BANK and TSTC or persons authorized by BANK and TSTC for inspection during CUSTODIAN's regular business hours.**

9. **CUSTODIAN may resign as Custodian upon giving written notice to TSTC and BANK ninety (90) days before the termination shall become effective. TSTC may terminate this Agreement upon fifteen (15) days notice to CUSTODIAN and BANK. Upon termination, CUSTODIAN shall deduct proper charges payable to it pursuant to paragraph 6 but only from the undistributed income on hand from the Collateral, and shall deliver the remainder of the Collateral to the person designated by TSTC.**

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Custodian Signature

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Bank Signature

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Custodian Title

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Bank Name

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Custodian Name

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TSTC Signature

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Custodian Address

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TSTC Name

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Custodian Phone Number