

GLOBAL CUSTODY AGREEMENT

Between

THE TREASURER OF THE

STATE OF IOWA

AND

CUSTODIAL BANK

GLOBAL CUSTODY AGREEMENT

Global Custody Agreement (“Agreement”) is effective as of *insert date*, and is made by and between the TREASURER OF THE STATE OF IOWA acting in such official capacity, and the Treasurer’s successor in office from time to time while this Agreement is in effect (“Treasurer”), and *Custodial Bank* (“Custodian”), with its principal place of business at *custodial bank’s address*.

WITNESSETH:

WHEREAS, the Treasurer has the authority and the power to establish a custodial account with Custodian for the safekeeping of certain securities, funds and other property in the United States and also in foreign countries, and wishes to obtain custodial and transactional settlement services for Property in the United States and in foreign countries;

WHEREAS, the Treasurer published a Request for Proposal for Global Custody Services (“RFP”) on *Date*, and Custodian submitted its proposals and supporting documents thereto, in response to the Treasurer’s RFP on *Date* (“Proposal”), which are attached hereto as Exhibit A;

WHEREAS, Custodian has represented that it has the capacity and expertise to provide effective custody of public funds, both in the United States and in certain foreign countries, and to handle such public funds with a high degree of care which includes timely and accurate communication, accounting and execution of the Treasurer’s instructions;

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained, the Treasurer and Custodian hereby agree as follows:

ARTICLE I. DEFINITIONS

The following words shall have the following meanings in this Agreement as set forth below.

Account

shall mean all assets, whether cash or securities, held in the custodial account established hereunder, including any portion segregated as a sub-account pursuant to the instructions of either the Treasurer or a State Fund Administrative Entity.

Authorized Manager

shall mean a Manager, certified by the Treasurer on Exhibit “C”.

Authorized Person

shall mean a person certified by the Treasurer on Exhibit “D” or by an Authorized Manager in a list provided to Custodian, the terms of the authority of each person to be specified in writing by the Treasurer, Deputy Treasurer or Authorized Manager. Such

person may be an employee or agent of the Treasurer or of a State Fund Administrative Entity or an employee of an Authorized Manager.

Bank Account

shall mean any account of Custodian which is with a Qualified Sub-Custodian and is segregated or which complies with Article III sections E (1) (a) and (E) (1) (b) (4) of this Agreement and which is clearly recorded as containing assets of the Account.

Bank Sub-Account

shall mean an account with a Qualified Sub-Custodian which is a portion of the Bank Account segregated and clearly recorded as containing assets of a Manager Sub-Account.

Deputy Treasurer

shall mean any Deputy of the Treasurer of the State of Iowa who is responsible for custody and settlement services and is designated as such by the Treasurer to Custodian on Exhibit "D".

Domestic Property

shall mean Property located within the United States.

Domestic Transaction

shall mean the purchase or sale of domestic securities or U.S. currency, the purchase or sale of foreign securities or currency, or the purchase or sale of options, futures or other contracts with respect to all of the foregoing where the purchase, sale or contract is to settle in the United States.

Eligible Foreign Depositories

shall mean a foreign securities depository or clearing agency which complies with the requirements of Rule 17f-4 or 17f-5 under the 1940 Act, or is subject to an exemptive order or written no-action letter issued by the United States Securities and Exchange Commission, which order permits registered investment companies under the 1940 Act to utilize such depository.

Foreign Property

shall mean Property located outside of the United States, either in another country or in transit to or from another country.

Foreign Transaction

shall mean any purchase or sale of foreign securities or currency, the purchase or sale of United States securities or currency, or the purchase or sale of options, futures or other contracts with respect to all of the foregoing where the purchase, sale or contract is to settle in a foreign country.

Fund Account

shall mean a sub-account which is a part of the Account and which contains Property of a State Fund.

Manager

shall mean an investment advisor registered with the United States Securities and Exchange Commission pursuant to the 1940 Act, and under contract to manage a Fund Account or a portion thereof.

Manager Sub-Account

shall mean a sub-account which is part of a Fund Account which contains Property managed by one Manager in accordance with contractual authority as established by the Treasurer or by a State Fund Administrative Entity governing the investment of said Fund Account.

Proper Instructions

shall mean instructions from an Authorized Person, which are within the limitations of the Authorized Person's authority as specified on Exhibit "C" or "D", and which are otherwise consistent with the terms of the Agreement, and which meet the following criteria:

1. Written Instructions (instructions on an original written document, a copy of such document, or a wired or faxed facsimile of such document, which contains the signature of an Authorized Person) from an Authorized Person, verified by Custodian by comparing the written signature of such Authorized Person with the signature on Exhibit C or D; or
2. Electronic instructions (instructions sent by wire or computer) from an Authorized Person which are: (a) in accordance with existing clearinghouse or central depository requirements; (b) are pursuant to a written agreement between Custodian and an Authorized Manager which is consistent with such parties' fiduciary obligations and responsibilities to the Treasurer; or (c) are pursuant to a written agreement between Custodian and the Treasurer.

Property

shall mean certain securities, funds, assets and other property for which the Treasurer is custodian or otherwise responsible under the laws of the State of Iowa and that are custodied pursuant to this Agreement or otherwise held, maintained or serviced by Custodian in accordance with this Agreement. Property includes, but is not limited to, any securities, funds, assets and other property of State Entities for or with respect to which Custodian is providing custodial, transactional settlement or any other services pursuant to this Agreement.

Qualified Sub-Custodian

shall mean the following:

1. Domestic. A Qualified Sub-Custodian shall mean any bank, clearing house or central depository with which Custodian has contracted in writing for settlement of Domestic Transactions, and/or the custody of Domestic-Property for Custodian's clients' accounts.

2. Foreign. A Qualified Sub-Custodian shall mean an Eligible Foreign Depository or bank with which Custodian has contracted in writing for settlement of Foreign Transactions, and/or the custody of property for Custodian's clients' accounts; and which is (a) a branch of a United States bank, (b) an eligible foreign custodian under Rule 17-f-5 under the 1940 Act, or (c) a bank or other entity which has received a written no-action letter issued by the United States Securities and Exchange Commission, which order or letter permits such bank or other entity to be a foreign custodian for assets of a registered investment company under the 1940 Act.

State

shall mean the State of Iowa.

State Entities

Shall mean the State, the Treasurer, State Fund Administrative Entities, and any and all other State governmental agencies and entities for which Custodian may at any time be providing custody, safekeeping, settlement, investment or other services under this Agreement. Each of the foregoing State Entities shall be individually referred to herein as a "State Entity."

State Fund

shall mean specific Property, including but not limited to property of a State Fund Administrative Entity, which is segregated from other Property based on ownership or statutory use.

State Fund Administrative Entity

shall mean the following administrative entities responsible for a State Fund: the Iowa Public Employees' Retirement System ("IPERS") as authorized under Iowa Code chapter 97B; the Public Safety Peace Officers' Retirement, Accident and Disability System ("PORS") as authorized under Iowa Code chapter 97A; and the Judicial Retirement System ("Judicial") as authorized under Iowa Code section 602.9101.

**ARTICLE II. APPOINTMENT, ACCEPTANCE AND DOCUMENTS
INCORPORATED**

A. APPOINTMENT OF CUSTODIAN

The Treasurer hereby appoints Custodian to settle Domestic and Foreign Transactions, to provide custody for Domestic and Foreign Property, to keep such Domestic and Foreign Property safe; and to perform the duties discussed below.

B. ACCEPTANCE OF CUSTODIAN

Custodian hereby agrees to act as custodian and settlement agent for Domestic and Foreign Property and Domestic and Foreign Transactions, to hold and maintain all property in the Account in safekeeping, and to settle Domestic and Foreign Transactions efficiently and in accordance with Proper Instructions and with the terms and conditions of this Agreement. Custodian acknowledges that it is a fiduciary with respect to the performance of its duties, obligations and responsibilities under this Agreement. Custodian shall have no responsibility for any Property until such time as it is initially

received by, or under the control of, Custodian, an agent or affiliate of Custodian, or a Qualified Sub-Custodian.

C. DOCUMENTS INCORPORATED

Incorporation of Proposal Documents. The Treasurer's RFP and Custodian's Proposal in response to the RFP, excluding any exceptions taken by Custodian with respect to any of the terms, conditions, requirements or provisions of the RFP ("Custodian Exceptions"), together with any related clarifications, attachments, appendices, amendments or other writings of Treasurer or Custodian are incorporated into this Agreement by this reference as if fully set forth in this Agreement.

Contractual Obligations of Custodian. The terms and conditions of the RFP and of the Proposal (excluding any Custodian Exceptions) are made contractual obligations of Custodian.

Contents of Agreement. The parties acknowledge that this Agreement consists of this document as well as the RFP and the Proposal (excluding any Custodian Exceptions) and that Custodian is obligated to perform as set forth in the RFP and the Proposal (excluding any Custodian Exceptions) to the same extent that it is obligated to perform the specific duties set forth in this Agreement.

Order of Preference. In the case of any inconsistency or conflict between the specific provisions of this document, the RFP or the Proposal, any inconsistency or conflict shall be resolved as follows:

1. First by giving preference to the specific provisions of this document.
2. Second, by giving preference to the specific provisions of the RFP.
3. Third, by giving preference to the specific provisions of the Proposal, excluding any Custodian Exceptions.

Intent of References to Bid Documents. The references to the parties' obligations, which are contained in this document, are intended to change, supplement or clarify the obligations as stated in the RFP and the Proposal. The failure of the parties to make reference to the terms of the RFP or Proposal in this document shall not be construed as creating a conflict and will not relieve Custodian of the contractual obligations imposed by the terms of the RFP and the Proposal. Terms offered in the Proposal that exceed the requirements of the RFP, shall not be construed as creating an inconsistency or conflict with the RFP or this document. The contractual obligations of Treasurer cannot be implied from the Proposal.

Costs and Expenses. Custodian shall be responsible for all costs, expenses, charges and fees of any kind whatsoever related to or arising from this Agreement. Treasurer and the State shall not be liable or responsible for any such costs, expenses, charges or fees unless otherwise agreed in a written instrument executed by Treasurer or the State.

ARTICLE III. OPERATIONAL DUTIES OF CUSTODIAN

A. RECEIPT OF PROPERTY BY CUSTODIAN

Custodian shall receive Property, and place such Property in custody in the Account as directed by the Treasurer, a Deputy Treasurer, or a State Fund Administrative Entity.

B. QUALIFIED SUB-CUSTODIANS

1. Contracts with Sub-Custodians.

Custodian will contract in writing with Qualified Sub-Custodians to provide settlement services and custodial services for domestic and foreign securities. Custodian shall provide and utilize a comprehensive system for selecting Qualified Sub-Custodians and evaluating and monitoring their internal control structures, performance, and financial condition. Custodian will, consistent with its fiduciary duty and the standard of care set forth herein, exercise prudence in the selection of Qualified Sub-Custodians and shall regularly review the performance of each Qualified Sub-Custodian to confirm the continued retention of such Qualified Custodian is prudent. Custodian shall take prompt, appropriate action in any case where it is determined that such standard has not been satisfied. Custodian represents and covenants that its Qualified Sub-Custodians can and will efficiently settle Domestic and Foreign Transactions and provide safe custody for Domestic Property and Foreign Property; and that Custodian will monitor its Qualified Sub-Custodians' performance regarding securities custody and settlement. The use of Qualified Sub-Custodians by Custodian shall not relieve Custodian of any of its duties or obligations under this Agreement. For purposes of this Agreement, the acts or omissions of a Qualified Sub-Custodian shall be deemed to be the direct actions of Custodian, and Custodian shall be liable for the acts, omissions or negligence of its Qualified Sub-Custodians, including without limitation, any financial losses or damages sustained by any State Entity caused by such acts, omissions or negligence.

2. Notice of Termination.

Custodian shall promptly notify the Deputy Treasurer of any notice of termination of any agreement it has with a Qualified Sub-Custodian. Upon a notice of termination to a Qualified Sub-Custodian, Custodian shall take all actions necessary to protect Domestic Property and Foreign Property, and shall inform the Treasurer or Deputy Treasurer of such actions, including any transfer of Property to another Qualified Sub-Custodian. Any such transfer shall be at the expense of Custodian.

3. Request for Additional Qualified Sub-Custodians.

Upon the written request of the Treasurer or the Deputy Treasurer, Custodian shall attempt to engage a Qualified Sub-Custodian to settle Foreign Transactions and to provide custody for Foreign Property in a foreign country not listed in the previous Custody Report or amendment thereto. Custodian shall either engage a Qualified Sub-Custodian as requested within six months,

or shall notify the Treasurer or Deputy Treasurer of the reasons for Custodian's election not to obtain such a Qualified Sub-Custodian.

C. PROPER INSTRUCTIONS

Custodian and its Qualified Sub-Custodians shall act only upon Proper Instructions which are consistent with the terms of this Agreement. Authorized Person(s) of the Treasurer are listed and certified in Exhibit "D" along with the authority of each person.

Authorized Manager(s) are listed and certified in Exhibit "C" along with the authority of each Manager. The authority of any Authorized Manager to provide Custodian or a Qualified Sub-Custodian with Proper Instructions is limited to Proper Instructions to invest, reinvest or sell Property, to vote proxies, to implement foreign exchanges, to effect corporate actions and to certify Authorized Persons, who are employees of the Authorized Manager, to act on behalf of the Authorized Manager. In no event shall Custodian or a Qualified Sub-Custodian act on the instruction of an Authorized Person or Authorized Manager if the instruction is inconsistent with the terms of this Agreement.

D. CUSTODY

1. Method of Custody.

- a) Domestic. Custodian shall hold Domestic Property either in its vaults, the vaults of a Qualified Sub-Custodian, or in book entry with a Qualified Sub-Custodian, as appropriate. Custodian may select another Qualified Sub-Custodian facility; however, in advance of placing Domestic Property in such facility, Custodian shall notify the Treasurer or Deputy Treasurer of such selection. Property physically held in the Account shall be physically segregated from the general assets of any Qualified Sub-Custodian and the assets of Custodian in their individual capacities. Except where held by a central depository or such practice is disclosed in the Custody Report, Domestic Property shall not be held in omnibus or commingled accounts.
- b) Foreign. Custodian shall hold Foreign Property only with itself, a Qualified Sub-Custodian, or an Eligible Foreign Depository with which Custodian maintains a direct contractual relationship.
 - i. Custodian shall permit each Qualified Sub-Custodian to hold Foreign Property only with itself or an Eligible Foreign Depository with which the Qualified Sub-Custodian maintains a direct contractual relationship.
 - ii. Custodian shall not transfer custody of Foreign Property to an entity other than a Qualified Sub-Custodian or an Eligible Foreign Depository except upon Proper Instructions, or in order to prevent seizure, restrictions on access, or loss.
 - iii. Custodian shall establish a Bank Account for the Account with each Qualified Sub-Custodian. Custodian shall cause each Qualified Sub-Custodian to establish Bank Sub-Accounts for each Fund Account and Manager Sub-Account transacting settlements

through, or maintaining custody of, securities with the Qualified Sub-Custodian. The Bank Accounts and Bank Sub-Accounts shall be used exclusively to hold, acquire, transfer or otherwise care for Foreign Property under this Agreement. Foreign Property held by Custodian in an Eligible Foreign Depository will be held within accounts used by Custodian on behalf of its clients and not for Custodian's own account.

- iv. Except where held with Eligible Foreign Depositories and such practice is disclosed in the Custody Report, Foreign Property shall not be held in omnibus or commingled accounts. Foreign Property physically held in the Account shall be physically segregated from the general assets of the Qualified Sub-Custodian and the assets of Custodian in their individual capacities.

2. Registration.

- a) Domestic. Securities held by Custodian or a Qualified Sub-Custodian in the United States shall be: registered in the name of Custodian; registered in the name of a nominee of Custodian or the nominee of a central depository or clearing corporation; held in bearer form; or held or registered as otherwise directed by the Treasurer.
- b) Foreign. Securities, which are not held in an Eligible Foreign Depository and are ordinarily held in registered form, shall be registered in the name of Custodian, a Qualified Sub-Custodian, a nominee of Custodian or a Qualified Sub-Custodian, or if required by foreign law or practice, in the name of the beneficial owner of the security. If foreign law or practice requires that the name of the beneficial owner must be utilized, such information shall be provided in the Custody Report. Foreign securities held in an Eligible Foreign Depository shall be held in the name of a nominee of Custodian or of a Qualified Sub-Custodian.

3. Record of Ownership.

- a) Domestic. The books and records of Custodian shall at all times indicate that Domestic Property is owned by, and is part of, the Account, Fund Accounts and Manager Sub-Accounts.
- b) Foreign. The books and records of Custodian shall at all times indicate that all Foreign Property is owned by, and is part of, the Account, Fund Accounts and Manager Sub-Accounts. Ownership of Foreign Property in Bank Accounts or Bank Sub-Accounts, whether held by a Qualified Sub-Custodian or an Eligible Foreign Depository used by the Qualified Sub-Custodian, shall be clearly recorded on the Qualified Sub-Custodian's books as belonging to Custodian on behalf of the Account and not for Custodian's own account or the Qualified Sub-Custodian's own account.

4. Transferability.

Beneficial ownership of Domestic and Foreign Property in the Account shall be freely transferable without payment of money or value by the Treasurer, other than for safe custody and administration.

E. TRANSACTION SETTLEMENT

1. Settlement Systems.

Custodian shall provide at a minimum the following settlement systems:

a) Domestic

- i. Security settlement at central depositories;
- ii. Security settlement at Federal Fund Book Entry; and
- iii. Physical settlement of physically held securities.

b) Foreign

- i. Security settlement at central depositories; and
- ii. Physical settlement of physically held securities.

2. Payment-Versus-Delivery Settlement Basis.

Custodian shall settle all transactions on a payment-versus-delivery settlement basis except those transactions specifically exempted in this subsection or unless otherwise directed by Proper Instructions of an Authorized Person who is specifically authorized to give such instructions by the Treasurer in Exhibit “D”. The following transactions are specifically exempted and Custodian is authorized to release and deliver securities or cash as follows:

a) Corporate Actions. To resolve mandatory corporate actions pursuant to Proper Instructions in the following instances:

DOMESTIC	FOREIGN
Tender Offers	Tender Offers
Mergers	Mergers
Rights and Warrants	Rights and Warrants
Offers – Sales and Exercises	Offers – Sales and Exercises
Liquidation/Bankruptcy	Liquidation/Bankruptcy
Put Bond	Put Bond
Exchange Offers	Exchange Offers
Maturities	Stock/Cash Options
Redemption/Calls	

b) FX Contracts. To exchange one currency for another, where one currency is delivered out of Custodian or a Qualified Sub-Custodian before the other currency is received at Custodian or a Qualified Sub-Custodian pursuant to Proper Instructions;

c) Financial Futures and Options on Financial Futures. To deliver funds to a broker’s account at a clearinghouse or to deliver collateral or funds to

purchase collateral to a broker's account at a clearinghouse, pursuant to Proper Instructions;

- d) Cash and Securities Transfers within Custodian. To other Fund Accounts, Manager Sub-Accounts and Bank Accounts containing Property at Custodian pursuant to Proper Instructions;
 - e) Cash Wires and Other Cash Transfers Outside of Custodian. To locations outside of Custodian or its Qualified Sub-Custodians based on Proper Instructions;
 - f) Registration and Exchange. To the issuer thereof, or its agent, for transfer into the name of Custodian or of any nominee of Custodian or the nominee of a depository or clearing corporation, in exchange for a different number of bonds, certificates or other evidence representing the same aggregate face amount or number of units provided that, unless otherwise directed by Proper Instructions, the new securities are to be delivered to Custodian; and
 - g) Custodian Changes. To another custodian or bank of the Treasurer in accordance with Proper Instructions.
3. Resolution of Fails.

Custodian shall have the duty in accordance with industry standards to obtain information regarding any failed settlement of a Domestic or Foreign Transaction. Custodian shall promptly notify the Authorized Manager in writing regarding any failed settlement, but in no case later than twenty-four hours after becoming aware of the failed settlement. In conjunction with the Authorized Manager, Custodian shall take prompt action to resolve each and every failed settlement. As a minimum, Custodian shall communicate on a weekly basis with the Authorized Manager to resolve any and all existing unresolved failed settlements.

F. FOREIGN TAX PAYMENT AND RECLAIM

Custodian shall pay, or cause to be paid from the Account, all legally applicable taxes and levies in the nature of taxes imposed on the Property in the Account by any foreign governmental authority, and shall take all steps necessary to obtain all tax exemptions, privileges or other benefits, including reclaiming and recovering any foreign withholding tax, as soon as possible following the reclamation date and shall, unless otherwise directed by the Treasurer or any State Fund Administrative Entity, execute any tax reclaim forms, declarations, affidavits, or certificates of ownership which may be necessary in connection therewith. Custodian shall notify an Authorized Manager of all actions taken under this section.

G. COLLECTION OF PAYMENTS AND INCOME FOR THE ACCOUNT

Custodian shall, either directly or through its Qualified Sub-Custodians, promptly collect all dividends, income, principal, proceeds from transfer, and other payments with respect to securities held hereunder to which the Account, Fund Accounts or Manager Sub-Accounts shall be entitled. To ensure the collection of payments, Custodian or its Qualified Sub-Custodians shall present for payment all Domestic and Foreign Property

which is called, redeemed, or retired, or otherwise becomes payable, shall detach and present for payment all coupons and other income items requiring presentation as they come due, and shall credit cash receipts from such items to the Account, Fund Account or Manager Sub-Accounts.

H. CURRENCY CONVERSION RESTRICTIONS

Custodian shall, upon Proper Instructions and to the extent legally permissible, promptly convert one type of currency to another type of currency. Any restrictions or required information regarding currency conversion shall be contained in the Custody Report and updated by Custodian as Custodian becomes aware of such changes.

Custodian will conduct foreign exchange transactions at the best available rate at the time of each transaction and will timestamp each trade. Custodian will provide to the Treasurer such documentation as the Treasurer may request which shall, among other things, specify the time and at what price each transaction is made. Custodian and the Treasurer shall agree upon execution and other procedures to be used in connection with foreign exchange transactions, and such procedures shall become a part of this Agreement. In addition, Custodian shall permit the Treasurer or its designee (including any third party) to audit all foreign exchange transactions conducted by Custodian under this Agreement.

I. CASH MANAGEMENT

1. Domestic

a) Credit of Payments and Income for Domestic Property.

Custodian shall credit payments and income to the Account, or to the appropriate Fund Account or Manager Sub-Account, and shall credit income on securities, in accordance with the standards set forth in the Custody Report. Such credits shall be given to the Account regardless of collection, because Custodian shall claim and obtain uncollected payments and income for the Account. However, Custodian reserves the right to debit uncollected payments and income previously credited if, after using its best efforts to claim and obtain uncollected payments and income, Custodian is unable to obtain the payments and income due the Account.

b) Earnings Credit on All Uninvested Domestic Funds.

Custodian shall give to the Account or the appropriate Fund Account or Manager Sub-Account, an earnings credit based on written Cash Investment Management Guidelines of Custodian, for Property which may be left uninvested as of the close of each business day. The Cash Investment Management Guidelines are attached as Exhibit "F" and are incorporated by this reference as if written here.

c) Earnings Eligibility of Domestic Settlement Date Cash.

Custodian shall give domestic settlement date cash the earnings as follows:

i) Cash for Purchases

- (a) Cash for purchases that settle in Federal Reserve funds shall receive earnings until actual settlement date.
 - (b) Cash for purchases that settle in clearing house funds shall receive earnings until the business day following actual settlement date.
- ii) Cash from Sales
 - (a) Cash from the sale of securities settling in Federal Reserve funds shall receive earnings as of actual settlement date.
 - (b) Cash from the sale of securities settling in clearing house funds shall receive earnings as of actual settlement date plus one business day.
- d) Earnings Credit Eligibility of Domestic Cash Uninvested Due to Failed Settlements.
 - i) Failure Caused By Custodian
 - (a) Purchases. When cash remains uninvested due to a failed settlement of a purchase of Property which is caused by factors controlled by Custodian either directly or through a Qualified Sub-Custodian or other agent of Custodian, Custodian shall give the Account or appropriate Fund Account or Manager Sub-Account an earnings credit on the settlement amount. Credit shall be given for the period that the cash remains in the Account.
 - (b) Sales. When a security remains in the Account due to a failed settlement of a sale, which is caused by factors controlled by Custodian either directly or through a Qualified Sub-Custodian or other agent of Custodian, Custodian shall give the Account or the appropriate Fund Account or Manager Sub-Account an earnings credit on the amount to cash which should have been in the Account but for the failed settlement. Credit shall be given for the period that the cash would have been in the Account if the transaction had settled.
 - ii) Failure Caused by Another Party. Custodian shall claim and then also use its best efforts to obtain an earnings credit for the Account, against any counter-party or other person, whose actions have caused a delay in a settlement and a resulting loss of earnings.
 - iii) Refund of Earning Credits By the Treasurer. In the event that the parties agree that a settlement failed solely as a result of an employee of the Treasurer, Custodian may request the refund of an earnings credit, which was previously credited to the Account by Custodian, if the earnings credit exceeds the earnings received by Custodian.

- e) Earnings Debit on All Over-invested Domestic Funds.
The Treasurer may receive an earnings debit based on the Cash Investment Management Guidelines for funds of Treasurer which may be over-invested as of the close of each business day but for which Treasurer was not entitled to so invest.

2. Foreign.

- a) Credit of Payments and Income for Foreign Property.
Custodian shall credit payments and income to the Account, or to the appropriate Fund Account or Manager Sub-Account, and shall credit income on securities, in accordance with the standards set forth in the Custody Report. Such credits shall be given to the Account regardless of collection, because Custodian shall claim and obtain uncollected payments and income for the Account. However, Custodian reserves the right to debit uncollected payments and income previously credited if, after using its best efforts to claim and obtain uncollected payments and income, Custodian is unable to obtain the payments and income due the Account.
- b) Credits on Cash on Foreign-Property.
Custodian shall provide in the Custody Report all information regarding the availability, legality and extent of the credit which the Account may receive for interest on cash balances from Custodian or each foreign Qualified Sub-Custodian. Credit will be paid only where the foreign country's law allows interest to be paid to foreign investors and the arrangements with foreign Qualified Sub-Custodians permit such payments. Custodian shall update the Treasurer regarding such interest allowances and arrangements with Qualified Sub-Custodians in foreign countries on a monthly basis.

J. SECURITIES LENDING

- 1. Subject to the mutual agreement of the Treasurer and Custodian, Treasurer may direct the Custodian as agent to lend certain securities in the Account held by the Custodian by entering into a written agreement with the Custodian, which shall govern the obligations of, and compensation payable to, the Custodian with respect to the securities lending activities provided for therein.
- 2. The Treasurer may enter into a securities lending agreement with a third party institution (which may be an Investment Manager). In connection with such third party securities lending program, the Treasurer shall direct the Custodian to enter into a third party securities lending operating agreement reasonably acceptable to the Custodian, pursuant to which the Custodian shall be authorized to release and deliver securities in accordance with the provisions of any such program, and the Custodian agrees to cooperate with regard to the establishment of reasonable arrangements regarding the custody of securities and other matters related to the administration of any such program.

K. INFORMATION, REPORTS, NOTIFICATIONS AND LEGAL CLAIMS

1. Custody Report

Custodian shall provide the Treasurer and State Fund Administrative Entities with a report (“Custody Report”) containing current information regarding Custodian and each Qualified Sub-Custodian and Eligible Foreign Depository which shall include, but not be limited to:

- a) Delivery instructions
- b) Trade notification standards
- c) Dividend payment policies
- d) Interest payment policies
- e) Contractual settlement date policy
- f) Pricing sources, frequencies and methodologies
- g) Global tax rates and related information
- h) Registration guidelines
- i) Central Securities Depository risk reviews
- j) any other information requested by the Treasurer or a State Entity

2. Corporate Action.

Custodian shall have the duty, in accordance with industry standards, to obtain all information regarding corporate actions in reference to securities being held for the Account, Fund Accounts and for Manager Sub-Accounts. Upon receipt, Custodian shall, within twenty-four hours, or earlier if reasonably necessary to enable action upon such notification, forward notice to the Authorized Managers on Exhibit “C” and the Authorized Persons on Exhibit “D” having the authority to resolve corporate actions and to vote proxies.

3. Other Reports.

Custodian shall provide the Treasurer, and Authorized Managers and State Fund Administrative Entities as may be specified from time to time by the Deputy Treasurer with each of the following reports by Fund Account and Manager Sub-Account, and in consolidated form as requested by the Deputy Treasurer:

- a) Monthly asset reports;
- b) Monthly, quarterly and annual transaction reports;
- c) Monthly, year-to-date and annual broker’s commission reports;
- d) Monthly and annual income received reports;
- e) Monthly income accruals (including past due interest and dividends receivable);
- f) Monthly amortization (straight line or constant yield method) by security. Custodian shall forward a Treasurer-specified set of standard reports no later than ten business days after each month-end.
- g) Daily cash flow projection reports.
- h) Monthly and quarterly performance, analytics, and compliance reports.

4. Notification of Enhancements.

Custodian shall notify the Deputy Treasurer concerning each and every material service enhancement which affects any service provided to the Account.

5. Claims

Custodian shall forward to Authorized Persons on Exhibit “D” and Authorized Managers on Exhibit “C” within twenty-four (24) hours of receipt by Custodian or its agents or Qualified Sub-Custodians, all notices of, and other material relating to, legal claims actually or potentially held by the State or any State Fund Administrative Entity, including, but not limited to, notices of securities class action claims and derivative action claims. The Custodian will: (a) maintain a database of all such claims and actions that may impact the Account or any Fund Account; (b) collect and maintain in such database all information and data necessary or desirable to file claims and maximize the recovery for the Account and each Fund Account; (c) at the direction of the Treasurer or a State Fund Administrative Entity, file accurate and complete claims for the Account and each Fund Account and take appropriate steps to resolve any disputes with claim administrators; (d) use its best efforts to collect proceeds in connection with such claims, account for any proceeds realized from such claims; and (e) credit the applicable Account or Fund Account with its applicable share of any proceeds distributed in connection with such claims. The Custodian will allow each State Entity to designate up to five law firms that will have access to the data and other information maintained by the Custodian in accordance with this paragraph, and any other information necessary for the maintenance of a securities monitoring and litigation program. The Custodian will provide each State Entity (and the designated law firms) with online access to monitor the data and information maintained under this paragraph and provide each State Entity with a monthly report of all activities undertaken by Custodian pursuant to this paragraph.

L. ACCOUNTING

1. Audit Report.

Custodian shall provide to the Deputy Treasurer a copy of Custodian’s annual independent public accountant’s audit report and opinion letter, and any SSAE 16 or similar type of internal control report acceptable to the Treasurer within thirty (30) days after receipt of such letter by Custodian.

2. Notification of Audit or Regulatory Comments and of Failure to Comply with this Agreement.

Custodian shall provide immediate written notice to the Treasurer upon receipt of an audit by an independent or internal auditor or regulatory authority which indicates that there is a material weakness in Custodian’s internal control structure or receipt of a regulatory order or sanction which relates to the type of work performed by this Agreement. Custodian shall include in the written notice a detailed description of the comment or sanction and any curative measures which have been implemented or are contemplated by Custodian.

Custodian shall continually monitor its compliance with this Agreement and shall notify the Treasurer in writing of any failure of Custodian to comply with this Agreement. This notice shall be provided within twenty-four (24) hours following detection of the failure to comply by Custodian.

3. Accounting Standard.

Custodian shall keep accurate, complete and detailed accounts of all investments, receipts, disbursements, and other transactions under or relating to this Agreement. Custodian shall provide trade-date accounting with full accruals for assets according to Generally Accepted Accounting Principles. Each Fund Account and Manager Sub-Account shall be accounted for separately.

4. Accounting by Manager.

Custodian shall provide separate accounting for each Manager Sub-Account, and consolidated accounts as directed by the Treasurer's Office or a State Fund Administrative Entity.

5. Requirements.

No later than sixty (60) days after the close of each fiscal year, the Custodian shall provide to the Treasurer and State Fund Administrative Entities a written account, setting forth all investments, receipts, and other transactions of the Account for such fiscal year, and thereafter shall provide the Treasurer, State Fund Administrative Entities and their auditors with all information and any other assistance reasonably required to complete all applicable fiscal year-end audits for the most recent year or any portion thereof in which the Custodian has provided services pursuant to this Agreement. The Treasurer or any State Fund Administrative Entity may also direct in writing that the Custodian provide such accountings at more frequent intervals. Further, no later than sixty (60) days after the effective date of termination of this Agreement, the Custodian shall provide such a written account to the Treasurer and State Fund Administrative Entities for the period from the end of the prior fiscal year through the effective date of such termination, and thereafter shall provide the Treasurer, State Fund Administrative Entities and their auditors with all information and any other assistance reasonably required to complete all applicable fiscal year-end audits.

6. Miscellaneous Capabilities.

Custodian shall have the capability to account for the following: mergers, acquisitions, tenders, changes in bond ratings, dividend reinvestment programs, timely processing of monthly cash flows on mortgage-backed securities, stock splits and dividends, commingled units, spin-offs, name changes, CUSIP changes, options and futures, and noncustodial assets including, but not limited to, real estate, venture capital, leveraged buy-outs and guaranteed investment contracts.

7. Valuation

Custodian will provide daily pricing for all publicly traded securities on a non-audited basis and end-of-month audited pricing for all securities, including but not limited to private placements and non-publicly traded securities.

M. SYSTEMS

Custodian shall provide to the Treasurer the following system capabilities:

1. Internet-based, on-line access to the Account's accounting, custody, performance and analytical information which will be available 24/7, 365 days per year, excluding scheduled maintenance;
2. Daily processing and updating of transactions (including purchases, sales and income);
3. Daily access to single accounts, and month-end access to consolidated accounts reflecting the positions as of the immediately prior month's end and other prior months if available from Custodian;
4. Reporting of prior day settlement date cash and trade date cash positions;
5. System security control for all users through the assignment of system access identification codes;
6. Electronic storage for transactions and holdings at each month end for ten years from the date this Agreement terminates;
7. Delivery of an annual CD regarding transactions and holdings to the Treasurer within 60 days after fiscal year-end;
8. Technical support;
9. Programming support (costs for enhancements exclusive to the Treasurer shall be borne by the Treasurer); and
10. Backloading of Treasurer-provided total return data regarding Fund Account and Manager Sub-Account performance measurement data relating to prior time periods.

ARTICLE IV. MISCELLANEOUS DUTIES OF CUSTODIAN

A. ACCESS TO RECORDS

1. Custodian.

The Custodian shall maintain and make available to the Treasurer and its designees, accurate, current, and complete books, documents, papers, and records that sufficiently and properly document the Custodian's performance under this Agreement, including records that document all fees and other amounts charged

and all transactions occurring during the term of this Agreement, for a period of at least five (5) years following the later of the date of final payment, termination or expiration of this Agreement, or the completion of any audit, investigation, or administrative or legal proceeding related in any way to this Agreement. If any litigation, claim, negotiation, audit or other action involving the books, documents, papers and records has been started before the expiration of the five-year period, the Custodian must retain and make available all such books, documents, papers and records until completion of the audit or action and resolution of all issues which arise from it, or until the end of the above-described five-year period, whichever is later. Custodian shall permit the Auditor of the State or any authorized representative of the Treasurer, any State Fund Administrative Entity, or the State (or any authorized representative of the United States government), at no charge, to access and examine, audit, excerpt and transcribe any directly pertinent validation records, financial records, accounting records, books, documents, papers, electronic or optically stored and created records or other records of Custodian relating to or created as a result of this Agreement, wherever located. At the request of the Treasurer, the Custodian shall deliver and provide to the Treasurer or the Treasurer's designee, at no charge, complete copies of such books, papers, documents and records in such formats and within such time period as may be specified by the Treasurer in its request. The Custodian shall not impose a charge or seek payment for any fee, charge, costs or expense associated with any audit, examination or delivery of any books, documents, papers and records. Based on the audit or examination findings, the Treasurer reserves the right to address the Custodian's board of directors or other managing entity regarding performance and other issues identified during any audit or examination.

2. Qualified Sub-Custodians.

Upon written request from the Treasurer, Custodian shall arrange for a person authorized by the Treasurer to have access to the books and records of any Qualified Sub-Custodian as those records pertain to the Account. The specific level of access provided by a Qualified Sub-Custodian to the authorized representative may be governed by restrictions under applicable foreign law. All such restrictions shall be set forth in the Custody Report.

B. INSURANCE

Custodian shall, at its sole expense, maintain in full force and effect, with insurance companies admitted to do business in the State of Iowa and acceptable to the Treasurer, insurance covering its work of the type and in amounts required by this Agreement. Custodian's insurance shall, among other things, insure against any loss or damage resulting from or related to Custodian's performance of this Agreement regardless of the date the claim is filed or expiration of the policy. All insurance policies required by this Agreement shall: (i) be subject to the approval of the Treasurer; (ii) remain in full force and effect for the entire term of this Agreement and comply fully with and conform to the requirements of this Section IV.B.; and (iii) not be canceled, reduced or materially changed without the Treasurer's prior written consent. Except with respect to Workers Compensation Insurance, the State Entities shall be named as additional insureds

or loss payees, or the Custodian shall obtain an endorsement to the same effect, as applicable. Custodian's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available. Any insurance or self-insurance coverage maintained the State Entities shall be in excess of and not contribute to any Custodian coverage. The amount of the insurer's liability under this policy shall not be reduced by the existence of such other insurance.

Unless otherwise requested by the Treasurer, Custodian shall cause to be issued insurance policies with the coverages set forth in Exhibit E:

[Note: the types and amounts of coverage set forth in Exhibit E are subject to modification by the Treasurer. The Treasurer will consult with any selected Custodian regarding the insurance coverages required to be maintained by Custodian under this Agreement.]

Claims Provision. All insurance policies required by this Agreement must provide coverage on an "occurrence basis" for all claims arising from activities occurring during the term of the policy regardless of the date the claim is filed or expiration of the policy, unless otherwise agreed to in writing by the Treasurer. The policy for Errors and Omissions Insurance will provide coverage on a "claims made" basis, provided however, that such policy includes Extended Reporting Period or Tail Coverage acceptable to the Treasurer. If the Treasurer consents to any of the required insurance policies providing coverage on a "claims made" basis, "tail" coverage acceptable to the Treasurer will be required at the completion, expiration or termination of this Agreement for a duration of thirty-six (36) months, or the maximum time period reasonably available in the marketplace. Custodian shall furnish certification of "tail" coverage as described or continuous "claims made" coverage will be acceptable in lieu of "tail" coverage, provided its retroactive date is on or before the effective date of this Agreement set forth on page 2. If continuous "claims made" coverage is used, Custodian shall be required to keep the coverage in effect for a duration of not less than thirty-six (36) months from the completion, expiration or termination of the Agreement.

Certificates of Coverage. At the time of execution of this Agreement and at any time upon the written request of the Treasurer, Custodian shall deliver to the Treasurer certificates of insurance certifying the types and the amounts of coverage, certifying that said insurance is in force before the Custodian starts work, certifying that said insurance applies to, among other things, the work, activities, products and liability of the Custodian related to this Agreement, certifying that the State Entities are named as additional insureds or loss payees on the policies of insurance by endorsement as required herein, and certifying that no cancellation or modification of the insurance will be made without at least thirty (30) days prior written notice to the Treasurer. All certificates of insurance shall be subject to approval by the Treasurer. Upon the Treasurer's written request, Custodian shall provide one duplicate original of each insurance policy.

Liability of Custodian. Acceptance of the insurance certificates by the Treasurer shall not act to relieve Custodian of any obligation under this Agreement. It shall be the responsibility of Custodian to keep the respective insurance policies and coverages current and in force during the life of this Agreement. Custodian shall be responsible for all premiums, deductibles and for any inadequacy, absence or limitation of coverage, and the Custodian shall have no claim or other recourse against the State or the Treasurer for any costs or loss attributable to any of the foregoing, all of which shall be borne solely by the Custodian. Notwithstanding any other provision of this Agreement, Custodian shall be fully responsible and liable for meeting and fulfilling all of its obligations under Section IV.B. of this Agreement.

Waiver of Subrogation Rights. Custodian shall obtain a waiver of any subrogation rights that any of its insurance carriers might have against the Treasurer or the State. The waiver of subrogation rights shall be indicated on the certificates of insurance coverage supplied to the Treasurer for all policies.

Filing of Claims. In the event any State Entity suffers a loss and is unable to file a claim under any policy of insurance required under this Agreement, the Custodian shall, at the Treasurer's request, immediately file a proper claim under such policy. Custodian will provide the Treasurer with proof of filing of any such claim and keep the Treasurer fully informed about the status of the claim. In addition, Custodian agrees to use its best efforts to pursue any such claim, to provide information and documentation requested by any insurer providing insurance required hereunder and to cooperate with the Treasurer and any other State Entity. Custodian shall pay to the Treasurer or the affected State Entity any insurance proceeds or payments it receives in connection with any such claim immediately upon Custodian's receipt of such proceeds or payments.

Proceeds. In the event any State Entity suffers a loss that may be covered under any of the insurance policies required under this Section IV. B., neither the Custodian nor any subsidiary or affiliate thereof shall have any right to receive or recover any payments or proceeds that may be made or payable under such policies until all State Entities have fully recovered any losses, damages or expenses sustained or incurred by them (subject to applicable policy limits), and Custodian hereby assigns to the Treasurer, the State, and all other State Entities all of its rights in and to any and all payments and proceeds that may be made or payable under each policy of insurance required under this Agreement.

Custodian's obligations under this Section IV. B. shall survive termination or expiration of this Agreement.

C. PERSONNEL AND QUALITY ASSURANCE

Custodian's personnel assigned to the Account shall have the knowledge and experience required of a custodian of public pension funds. Custodian shall allocate such personnel and devote such efforts as are necessary to it to carry out its duties under this Agreement. Custodian shall conduct quality assurance meetings at the Treasurer's site at least annually with the account administrator in attendance.

D. TRAINING

Custodian shall, without charge, train State personnel as designated by the Treasurer regarding both Domestic and Foreign Transactions and custody upon the Treasurer's reasonable request. Such training shall include, without limitation, training concerning Custodian's systems, operations, and accounting functions. Custodian shall notify the Deputy Treasurer of all Custodian-sponsored training conferences. The custodial fees paid under this Agreement include payment for all training and conferences customarily provided by Custodian to its clients.

E. NOTIFICATION AND PROTECTION AGAINST LOSS

Custodian, in accordance with industry standards, shall have a duty to obtain information regarding any fact or occurrence which might result in any risk of loss, seizure, loss of use, or restrictions or limitations on accessibility, transferability, or repatriation with respect to Property. Upon becoming aware of such a fact or occurrence, Custodian shall as soon as possible, and in no case later than within twenty-four (24) hours, notify the Deputy Treasurer of any risk of: loss, seizure, loss of use, or restrictions or limitations on accessibility, transferability, or repatriation with respect to Property. Custodian shall use its best efforts to protect Property from: loss, seizure, loss of use, or restrictions or limitations on accessibility, transferability, or repatriation, and shall, as directed by the Treasurer or Deputy Treasurer: transfer Property to another custodian; repatriate Foreign Property; convert the funds to the Account in the United States, or do as otherwise directed by Proper Instructions. Custodian shall promptly confirm and/or notify the Deputy Treasurer by telephone regarding the nature of any actions taken to protect Property, and shall within 24 hours send a written notice of such actions by wire or facsimile.

F. COMPLIANCE WITH LAWS AND REGULATIONS

Custodian and its employees, agents, contractors, subcontractors and Qualified Sub-Custodians shall comply with all applicable Federal, state, foreign and local laws, rules, ordinances, regulations and orders when performing within the scope of this Agreement, including, without limitation, all laws applicable to the prevention of discrimination in employment, the administrative rules of the Iowa Department of Management or the Iowa Civil Rights Commission which pertain to equal employment opportunity and affirmative action, laws relating to prevailing wages, occupational safety and health standards, prevention of discrimination in employment, payment of taxes, gift laws, lobbying laws and laws relating the use of targeted small businesses as subcontractors or suppliers.

Custodian represents, warrants and covenants that it has complied with, and shall comply with, all Federal, state, foreign and local laws regarding business permits and licenses that may be required to perform under this Agreement, including without limitation, laws governing State procurement and contracting.

Custodian shall give notice to any labor union with which it has a bargaining or other agreement of its commitment under this section of the Agreement. Custodian shall make the provisions of this section a part of its contracts with any subcontractors or Qualified Sub-Custodians providing goods or services related to the fulfillment of this Agreement.

Custodian shall comply with any applicable reporting and compliance standards of the Department of Management regarding equal employment.

Custodian may be required to submit its affirmative action plan to the Department of Management to comply with the requirements of 541 IAC Chapter 4.

The Treasurer may consider the failure of Custodian to comply with any law or regulation as a material breach of this Agreement. In addition, Custodian may be declared ineligible for future State contracts or be subjected to other sanctions for failure to comply with this Section.

G. CONFIDENTIALITY

Custodian and its employees, agents, Qualified Sub-Custodians, contractors and subcontractors may have access to private or confidential information or data owned or maintained by the Treasurer or other State Entities (“State Confidential Information”) to the extent necessary to carry out its responsibilities under the Agreement. Such State Confidential Information shall at all times remain the property of the the State Entities. Custodian shall preserve the confidentiality of State Confidential Information and shall maintain procedures for safeguarding such property. Custodian must designate one individual who shall remain the responsible authority in charge of all State Confidential Information collected, used, or disseminated by Custodian in connection with the performance of this Agreement. Custodian shall accept responsibility for providing adequate supervision and training to its agents, employees, Qualified Sub-Custodians, contractors and subcontractors to ensure compliance with the terms of this Agreement. Custodian and its employees, agents, Qualified Sub-Custodians, contractors and subcontractors may be required by the Treasurer or any other State Entity to execute confidentiality or non-disclosure agreements to obtain access to certain State Confidential Information. Custodian and its employees, agents, Qualified Sub-Custodians, contractors and subcontractors shall not disclose, publish, reproduce, disseminate or otherwise use any State Confidential Information received, collected, maintained, or used in the course of performance of the Agreement except as permitted by the Treasurer or any other State Entity to enable Custodian to perform its obligations under this Agreement and except as required by applicable laws, rules or regulations, either during the term of this Agreement or thereafter. Custodian agrees to return any and all State Confidential Information in whatever form it is maintained promptly at the request of the Treasurer or any other State Entity. In the event that Custodian receives a request for access to any State Confidential Information, Custodian shall immediately communicate such request to the Treasurer and any other affected State Entity for consideration and handling.

Custodian shall indemnify the State Entities and all other Indemnitees in the manner provided for indemnification elsewhere in this Agreement for a violation of this section. In the event of a breach of this section, the Treasurer may terminate this Agreement immediately without notice of default and opportunity to cure. Custodian acknowledges that the disclosure of any State Confidential Information will immediately give rise to continuing irreparable injury to the State Entities, and others that is inadequately compensable in damages at law. Accordingly, and without prejudice to any other available remedy, the State Entities will be entitled to injunctive relief, without the

necessity of posting a bond. Custodian's obligations under this section shall survive expiration or termination of this Agreement.

H. REPORTS

Custodian shall promptly notify Treasurer in writing (1) of any change in the Custodian's representations and warranties in this Agreement during the term of this Agreement; (2) of any change in the senior management or key professionals, or material changes in ownership of the Custodian's organization; (3) of any change in the personnel specifically assigned to the Account; (4) of any other material change in the Custodian's business activities or circumstances; (5) of any action taken by the Custodian that is contrary to or inconsistent with this Agreement; and (6) of the commencement by any governmental regulatory or law enforcement agency of any investigation, examination or other proceeding directly involving the Custodian, its owners, or employees, except such investigations, examinations or other proceedings as are routinely conducted in the ordinary course of the Custodian's business.

I. CARE OF PROPERTY

Custodian shall be responsible for the proper custody and care of all Property, and Custodian will reimburse and indemnify the Treasurer, the State, State Fund Administrative Entities, and other State Entities for any loss or damage occurring with respect to any Property to the extent such loss or damage was caused by, or results from: (i) any breach or violation of this Agreement (or any standard of care set forth herein) by the Custodian or any of its employees, agents, Qualified Sub-Custodians, contractors or subcontractors; (ii) the negligence of Custodian or any of its employees, agents, Qualified Sub-Custodians, contractors or subcontractors; or (iii) any failure on the part of Custodian to maintain and administer the Property in accordance with sound management practices. If any Property is lost, destroyed or damaged, Custodian shall immediately so notify the Treasurer and shall take all reasonable steps to protect the Property from further damage or loss.

J. BUSINESS CONTINUITY

Custodian will provide an established and tested business continuation plan. Within a timeframe sufficient to meet business requirements, Custodian shall restore records and resume operations necessary for the daily investment activities of the State Entities following an event or other cause which results in the unavailability of records and/or interrupts normal operation of the Custodian's systems, including but not limited to, trade settlement, money movement, and cash sweep. Such restoration shall include portfolio holding data essential to portfolio management. The Custodian's business continuation protocol shall include temporary emergency measures to allow verbal instructions from the Treasurer and State Fund Administrative Entities for limited duration of any interrupted transmittal of written or electronic signatures. During such times, verbal instruction shall be recorded and verifying call-backs will be placed by the Custodian to an Authorized Person certified or designated by the Treasurer. To ensure security, the Custodian will require written confirmation of verbal instructions within a reasonable timeframe (reasonableness determined by the then prevailing circumstances) following the restoration of the capacity for the transmittal of such written confirmation. The

Custodian shall periodically test its business continuation plan and corresponding operating procedures. Upon request of the Treasurer made at reasonable intervals, the Custodian shall provide assurance that the most recent testing of the Custodian's business continuation plan confirm the ability to operate at anticipated levels. Custodian will work with the Treasurer to develop a business continuation plan to provide the means to access the Custodian's information via an alternative method in the event that the Internet or other connection normally used as temporarily nonfunctional or when circumstances require the usage of the Treasurer's off-site backup location.

ARTICLE V. DUTIES OF THE TREASURER

A. NOTIFICATION OF AUTHORIZED MANAGERS AND AUTHORIZED PERSONS

The Treasurer shall certify Authorized Managers and the authority of each Authorized manager to Custodian on Exhibit "C". The Treasurer shall certify the Deputy Treasurer to Custodian on Exhibit "D". The Treasurer may also certify other Authorized Persons of the Treasurer to Custodian on Exhibit "D". Each certification made by the Treasurer to Custodian on Exhibit "D" shall include the name, a specimen signature and the extent of the authority of each person certified. Authorized Managers shall certify employees of the Authorized Managers as Authorized Persons to Custodian by providing Custodian with the name, address, a specimen signature and the extent of the authority of each person certified. The Treasurer or Authorized Managers shall provide Custodian with Proper Instructions indicating any amendment or addition to such certifications, or any change or termination of authority. Exhibits "C" and "D" may be modified at any time by the Treasurer by providing Custodian with written notification of any change. Exhibits "C" and "D" are fully incorporated by this reference into this Agreement as if written here.

B. COMPENSATION

In consideration of the Custodian providing the custodial, transactional settlement, and other services in accordance with the terms and conditions of this Agreement, Custodian shall be entitled to receive the fees or other compensation associated with such services as specified in the fee schedule which is attached hereto as Exhibit "B," subject to the terms and conditions of this Agreement. Exhibit "B" is incorporated by this reference into this Agreement as if fully set forth in this Agreement. Custodian is not entitled to payment for any services provided under this Agreement if the Treasurer reasonably determines that such services have not been satisfactorily or completely performed in accordance with the terms and conditions of this Agreement. No advance payments shall be made for any services provided by the Custodian pursuant to this Agreement. However, Custodian shall pay all the fees of the Qualified Sub-Custodians of Custodian. The Custodian shall submit detailed invoices for services rendered on a [quarterly] basis. All invoices submitted by Custodian shall comply with all applicable State rules and procedures concerning the payment of fees, charges or other claims and shall contain appropriate documentation as necessary to support the fees reflected on the invoice and all information reasonably requested by the Treasurer. In addition, the invoices shall reflect the manner in which the Custodian calculated the fees and expenses. The Treasurer will, subject to the terms and conditions of this Agreement, pay all approved invoices in arrears and in conformance with Iowa Code Section 8A.514 and 11 Iowa

Admin. Code 41.1(2). The Treasurer may vary the terms of this provision by paying the invoice for services in fewer than sixty (60) days as provided in Iowa Code Section 8A.514. However, an election to pay in fewer than sixty (60) days shall not act as an implied waiver of Iowa Code Section 8A.514. No invoice shall contain charges for any fees or expenses not expressly provided for in this Agreement. The Treasurer's obligation to make payments or reimbursements hereunder for fees and expenses shall be subject to and limited by all applicable laws, rules, regulations and procedures. Notwithstanding anything herein to the contrary, the Treasurer shall have the right to dispute any invoice submitted for payment and withhold payment of any disputed amount if the Treasurer believes the invoice is inaccurate or incorrect in any way.

In the event that Custodian owes the any State Entity any sum under the terms of this Agreement, any other agreement, pursuant to a judgment, or pursuant to any law, the Treasurer or any other State Entity may set off such sum against any sum that may be due to the Custodian hereunder in the Treasurer's or the State's sole discretion, unless otherwise required by law. Any amounts due to any State Entity as damages may be deducted by such State Entity without a judgment or any court action from any money or sum payable to Custodian pursuant to this Agreement or any other agreement between Custodian and the Treasurer or State.

In addition to pursuing any other remedy provided herein or by law, the Treasurer may withhold compensation or payments to Custodian, in whole or in part, without penalty or liability to any State Entity, or work stoppage by the Custodian, in the event the Treasurer determines that Custodian has failed to perform any of its duties or obligations as set forth in this Agreement. No interest shall accrue or be paid to Custodian on any compensation or other amounts withheld or retained by the Treasurer under this Agreement.

Custodian shall promptly pay or refund to the Treasurer the full amount of any overpayment or erroneous payment within thirty (30) business days after either discovery by the Custodian or notification by the Treasurer of the overpayment or erroneous payment. In the event Custodian fails to timely pay or refund any amounts due the Treasurer under this paragraph, the Treasurer may charge interest of one percent (1%) per month compounded on the outstanding balance after the date payment or refund is due, or the maximum amount allowed by law, whichever is greater. The Treasurer may, in his sole discretion, elect to have Custodian apply any amounts due to the Treasurer under this paragraph against any amounts payable to Custodian under this Agreement.

There shall be no reimbursable expenses associated with this Agreement separate from the compensation referred to in this section. Custodian shall be solely responsible for all costs, charges and expenses it incurs in connection with its performance under this Agreement, including, but not limited to, travel, meals, lodging, equipment, supplies, personnel, salaries, benefits, insurance, training, telephone, utilities, start-up costs, and all other costs and expenses of Custodian.

**ARTICLE VI. STANDARD OF CARE,
INDEMNIFICATION AND CHOICE OF LAW**

A. STANDARD OF CARE

Custodian acknowledges and agrees that it is a fiduciary with respect to the performance of its duties, obligations and responsibilities under this Agreement, and Custodian will perform its contractual obligations as a fiduciary to the State Entities. The Custodian's fiduciary obligations shall include, but are not limited to, a duty of loyalty, to take action and otherwise perform solely in the best interests and for the benefit of the State Entities and their funds, assets, property, participants and beneficiaries. Custodian shall exercise the highest degree of care and skill expected of, and demonstrated by, like fiduciaries in holding, maintaining, safekeeping, protecting, investing, and servicing Property under this Agreement, in monitoring its Qualified Sub-Custodians, and in fulfilling all other duties and obligations of Custodian set forth in this Agreement. The Custodian shall not: (i) deal with Property or Accounts in the Custodian's own interests or for its own account, or the account of its principals or affiliates; or (ii) act in any transaction involving the Property or Accounts on behalf of a party, or represent a party, whose interest are adverse to the interests of any State Entity or the interest of its participants or beneficiaries.

B. INDEMNIFICATION OF THE STATE OF IOWA AND THE TREASURER

INDEMNIFICATION BY CUSTODIAN. Custodian agrees to indemnify and hold harmless the State Entities and their employees, agents, board members, appointed officials and elected officials (collectively, "Indemnitees"), from and against any and all demands, debts, liabilities, damages, loss, claims, suits or actions, settlements, judgments, deficiencies, costs and expenses, including the reasonable value of time expended by the Attorney General's Office, and the costs and expenses and attorney fees of other counsel required to defend Indemnitees, directly or indirectly related to, resulting from, or arising out of this Agreement, including, but not limited to, claims related to, resulting from, or arising out of:

1. Any violation or breach of this Agreement by or on behalf of the Custodian, including, without limitation, any breach of any representations, warranties, covenants or the standard of care set forth herein;
2. Any acts or omissions, including, without limitation, negligent acts or omissions or willful misconduct of Custodian, its officers, employees, agents, board members, affiliates, Qualified Sub-Custodians, contractors, subcontractors, or counsel employed or utilized by Custodian in the performance of this Agreement, or any other reason in connection with the goods and services provided under this Agreement;
3. Any claim of misappropriation of a trade secret or violation or infringement of any intellectual property or proprietary rights of any third party, including, but not limited to, patents, trademarks, trade dress, trade secrets, or copyrights;
4. Custodian's performance or attempted performance of this Agreement;

5. Any failure by Custodian or its Qualified Sub-Custodians, contractors, subcontractors or agents to comply with all applicable foreign, federal, state and local laws, rules and regulations;
6. Any failure by Custodian to make all reports, payments and withholdings required by Federal and State law with respect to social security, employee income and other taxes, fees or costs required by Custodian to conduct business in the State of Iowa.

Custodian's duties as set forth in this section shall survive the expiration or termination of this Agreement and shall apply to all acts taken in the performance of this Agreement regardless of the date any potential claim is made or discovered by the Treasurer or State.

Custodian's indemnification obligations under this Agreement are not limited to third-party claims, but shall also apply to any claims that either party may assert against the other in connection with this Agreement.

C. GOVERNING LAW

Choice of Law and Forum.

This Agreement shall be governed in all respects by, and construed in accordance with, the laws of the State of Iowa, without giving effect to the choice of law principles thereof. Any and all litigation or actions commenced in connection with this Agreement, including after expiration or termination of this Agreement, shall be brought only in Des Moines, Iowa, in Polk County District Court for the State of Iowa, if jurisdiction is proper. However, if jurisdiction is not proper in the Iowa District Court for Polk County, but is proper only in a United States District Court, the matter shall be commenced only in the United States District Court for the Southern District of Iowa, Central Division. Custodian irrevocably: (i) consents and agrees that any legal or equitable action or proceeding arising under, in connection with or arising out of this Agreement shall be brought and maintained exclusively in the aforesaid courts; (ii) submits to and accepts, with respect to any such action or proceeding, for it and in respect of its properties and assets regardless of the physical or legal situs thereof, generally and unconditionally, the jurisdiction of the aforesaid courts; and (iii) waives any objection to such jurisdiction based on forum non conveniens or otherwise.

This provision shall not be construed as waiving any immunity to suit or liability, in state or federal court, which may be available to the Treasurer, the State, or State Fund Administrative Entities, including sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise.

Custodian irrevocably consents to service of process by certified or registered mail addressed to the Custodian's designated agent. The Custodian appoints [name] at [address] Des Moines, Iowa, as its agent to receive service of process. If for any reason the Custodian's agent for service is unable to act as such or the address of the agent changes, Custodian shall immediately appoint a new agent and provide the Treasurer with written notice of the change in agent or address. Any change in the appointment of the agent or address will be effective only upon actual receipt by the Treasurer. Nothing

in this provision will alter the right of the Treasurer to serve process in any other manner permitted by law.

This Article VI, and Custodian's duties and obligations under Article VI, shall survive termination or expiration of this Agreement.

ARTICLE VII. AMENDMENT, ASSIGNMENT, TERMINATION, DEFAULT, REMEDIES, AND MISCELLANEOUS PROVISIONS

A. AMENDMENT

With the exception of Exhibits "C" and "D", this Agreement may not be amended or modified in any manner except by a written agreement executed by Custodian and the Treasurer. Exhibits "C" and "D" may be unilaterally amended, in writing, by the Treasurer. Failure of either party to require strict compliance with this Agreement shall not be deemed an amendment of this Agreement or a waiver of the right to require strict compliance.

B. ASSIGNMENT

This Agreement may not be assigned in whole or in part by either party without the prior written consent of the other party. Any attempted assignment in contravention of this provision is null and void.

C. TERM AND TERMINATION.

Term. The term of this Agreement will be from July 1, 2014 to July 1, 2019, unless terminated or cancelled earlier in accordance with the terms of this Agreement.

Termination for Breach. The Treasurer may terminate this Agreement upon written notice for the breach by Custodian of this Agreement, if such breach is not cured within the time period specified in the notice of breach or any subsequent notice delivered by Treasurer to Custodian. In addition, Treasurer may terminate this Agreement effective immediately, without advance notice and without penalty for any of the following reasons:

1. Custodian furnished any statement, representation, warranty or certification in connection with this Agreement, which is materially false, deceptive, incorrect or incomplete.
2. Custodian (or any of its Qualified Sub-custodians) fails to perform, to Treasurer's satisfaction, any material requirement of this Agreement or is in violation of any material provision of this Agreement, including, without limitation, any express warranties made by Custodian.
3. Treasurer determines that satisfactory performance of this Agreement is substantially endangered or that a default is likely to occur.
4. Custodian becomes subject to any bankruptcy or insolvency proceeding under Federal or State law to the extent allowed by applicable Federal or State law including bankruptcy laws.

5. Custodian or any Qualified Sub-Custodian terminates or suspends its business.
6. Treasurer reasonably believes that Custodian has become insolvent or unable to pay its obligations as they accrue consistent with applicable federal or state law.
7. It is alleged that Custodian's processes or materials violate any valid patent, trademark, copyright, other intellectual property right or contract, and Treasurer reasonably believes that the allegation may impair Custodian's performance of this Agreement.
8. Custodian (or any of its Qualified Sub-Custodians) has failed to comply with any applicable Federal, state, foreign and local laws, rules, ordinances, regulations and orders when performing within the scope of this Agreement.
9. Custodian (or any of its Qualified Sub-Custodians) has engaged in conduct that has or may expose Treasurer, the State or any State Fund Administrative Entity to liability, as determined in Treasurer's sole discretion.
10. Custodian has a conflict of interest that interferes with fair competition or conflicts with an interest of Treasurer, the State or any State Fund Administrative Entity as determined in Treasurer's sole discretion.

If a cure is feasible and an opportunity to cure is provided, the notice shall specify the exact date by which the condition must be cured. Following expiration of the opportunity to cure or notice from the Treasurer, the Treasurer may seek any legal or equitable remedy authorized by this Agreement or by law.

Termination for Convenience. Following 30 days written notice, Treasurer may terminate this Agreement in whole or in part (including, without limitation, the termination of any specific service or services provided by Custodian hereunder) for convenience without the payment of any penalty or incurring any further obligation or liability to Custodian. Termination for Convenience can be for any reason or no reason at all.

Termination for Lack of Authority or Funding. Notwithstanding anything in this Agreement to the contrary, the Treasurer shall have the right to terminate this Agreement without penalty or liability and without any advance notice as a result of any of the following:

1. The Legislature or Governor fails, in the sole opinion of Treasurer, to appropriate funds sufficient to allow Treasurer, or any State Fund Administrative Entity, to either meet its obligations under this Agreement or to operate as required to fulfill its obligations under this Agreement; or
2. If funds are de-appropriated, not allocated or if the funds needed by the Treasurer or any State Fund Administrative Entity, in Treasurer's sole discretion, are insufficient for any other reason; or

3. If Treasurer's, or any State Fund Administrative Entity's authorization to conduct its business is withdrawn or there is a material alteration in any program, trust or retirement system administered by Treasurer or any State Fund Administrative Entity; or
4. If Treasurer's or any State Fund Administrative Entity's duties are substantially modified.

In the event of termination of this Agreement for any reason by Treasurer (except for termination by the Treasurer for Custodian's breach), Custodian shall only be entitled to receive the amount of any fees earned by it in accordance with the terms of this Agreement up to and including the effective date of termination and for which the Treasurer is obligated to pay pursuant to this Agreement; provided, however, that in the event the Treasurer terminates this Agreement for lack of authority or funding, the Treasurer's obligation to pay Custodian such amounts and other compensation shall be limited by, and subject to, legally available funds. Notwithstanding the foregoing, this Section 17.5 in no way limits the rights or remedies available to any State Entity, and shall not be construed to require any State Entity to pay: (i) any compensation or other amounts hereunder in the event this Agreement is terminated for breach; or (ii) any amounts withheld by the Treasurer. The Treasurer may withhold from any amounts due to Custodian such sum or amount as the Treasurer determines to be necessary to protect the State Entities or any State Entity against potential loss or liability. This provision in no way limits the remedies available to Treasurer in the event of a termination under this Agreement. In no event shall Treasurer, the State, any State Fund Administrative Entity, or any other State Entity, be obligated to pay or reimburse Custodian for any expenses, fees, charges, costs or any other amounts, including, but not limited to, the following:

1. The payment of Unemployment Compensation to Custodian's employees;
2. The payment of Workers' Compensation claims, which occur during the Agreement or extend beyond the date on which the Agreement terminates.
3. Any costs, expenses or other amounts incurred by Custodian in its performance of the Agreement including but not limited to startup costs, overhead or other costs associated with the performance of the Agreement.
4. Any damages or other amounts for the loss of prospective profits, anticipated sales, goodwill, or for expenditures, investments or commitments made in connection with this Agreement.
5. Any damages or other amounts to which Qualified Sub-Custodians may be entitled or awarded, including, without limitation, damages or judgments or other amounts resulting from any termination or breach by Custodian of its agreements with such Qualified Sub-Custodians;

6. Any taxes that may be owed by Custodian in connection with its performance of this Agreement including but not limited to sales taxes, excise taxes, use taxes, income taxes or property

Custodian's Obligations. Upon expiration or termination of this Agreement, or at any time upon the written request of the Treasurer, Custodian shall:

1. Take such action as may be necessary, or as the Treasurer may direct, for the protection and preservation of all or any part of the Property and take all actions with respect to such Property as the Treasurer or Deputy Treasurer may direct by written instructions;
2. Cooperate in good faith with Treasurer, Treasurer's Authorized Persons and Authorized Managers, and any successor custodian appointed or hired by the Treasurer (the "Successor Custodian") during the transition period between the notification of termination and the complete and final transition of Custodian's duties and obligations hereunder (and the complete transfer of all Property) to the Successor Custodian;
3. Transfer or cause to be transferred, all Property to the Successor Custodian as the Treasurer or Deputy Treasurer directs (all Property shall be duly endorsed and transferred at no cost);
4. Comply with any other request or instruction of Treasurer related to this Agreement, the transition of the Custodian's duties to the Successor Custodian, the transfer or return of all Property in accordance with the Treasurer's instructions, and the transfer and return of all data, materials and other property of the Treasurer and all other State Entities in accordance with the Treasurer's instructions;
5. Custodian will ensure that all Property is returned to the Treasurer or to the Successor Custodian in accordance with Proper Instructions, and shall perform all such acts and duties as the Treasurer or any State Fund Administrative Entity may request until all duties of the Custodian have been completely transitioned to the Successor Custodian and all Property has been returned according to the Treasurer's instructions;
6. Custodian will cooperate fully with the Treasurer and the Successor Custodian to facilitate the complete and timely transition from the Custodian's system to the Successor Custodian's system. During transition, the Custodian shall provide to the Treasurer and the Successor Custodian any information about the Custodian's system and any records as may reasonably be needed by the Successor Custodian or the Treasurer to prepare for and effectuate the transition. Such information might include data formats, data element definitions, update frequencies, etc. The Custodian shall not be expected to provide proprietary information about its internal systems. The Custodian shall provide to the Successor Custodian a copy of all holdings and transaction data in a mutually agreed form and format for parallel processing and reconciliation purposes. As of the day before or the

Each such notice shall be deemed to have been provided:

1. At the time it is actually received; or,
2. Within one day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day of delivery; or,
3. Within five days after deposited the U.S. Mail in the case of registered U.S. Mail.

Copies of such notice to each party shall be provided separately.

From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party and as provided herein.

E. SEVERABILITY.

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the invalid portion shall be severed from this Agreement. Such a determination shall not affect the validity or enforceability of any other part or provision of this Agreement.

F. SURVIVAL OF PROVISIONS AFTER TERMINATION.

This Agreement shall remain in full force and effect to the end of the specified term or until terminated or canceled pursuant to this Agreement. Custodian's obligations under this Agreement which by their nature would continue beyond the termination or expiration of this Agreement, including, by way of illustration and not by limitation, those obligations set forth in Sections II.B., IV.A., IV.B., IV.E., IV.F., IV.G., IV.I., VI.A., VI.B., VI.C., VII.C., VII.L., VII.Q., VII.S., and VII.W., shall survive termination or expiration of this Agreement.[The Treasurer reserves the right to review and update these sections before the contract is finalized.]

G. NON-EXCLUSIVE RIGHTS.

This agreement is not exclusive and the Treasurer reserves the right to enter into custody agreements with others during the term of this Agreement.

H. COUNTERPARTS AND FACSIMILE SIGNATURE.

The parties agree that this Agreement has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument. The parties further agree that the signatures on this Agreement or any amendment or Schedule may be manual or a facsimile signature of the person authorized to sign the appropriate document. All authorized facsimile signatures shall have the same force and effect as if manually signed.

I. HEADINGS.

The headings of the various sections and paragraph herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

J. THIRD PARTY BENEFICIARIES.

This Agreement is intended only to benefit the Custodian, the Treasurer, the State and State Fund Administrative Entities. There are no other third party beneficiaries to this Agreement.

K. WAIVER.

Any breach or default by either party shall not be waived or released other than by a writing signed by the other party. Failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Agreement shall not be construed as affecting any subsequent breach or the right to require performance with respect thereto or to claim a breach with respect thereto.

L. FURTHER ASSURANCES AND CORRECTIVE INSTRUMENTS.

Custodian agrees that it shall take all steps and actions reasonably requested by Treasurer to protect Treasurer and the State's interests. Custodian agrees that it shall cause its Qualified Sub-Custodians to take such steps or actions as may be reasonably requested by Treasurer. Custodian agrees that it will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Agreement.

M. INDEPENDENT CONTRACTOR.

For purposes of this Agreement, Custodian shall be considered an independent contractor. Custodian, its employees, agents and Qualified Sub-Contractors performing under this Agreement are not employees or agents of the Treasurer, State of Iowa or any State Fund Administrative Entity. Neither Custodian nor its employees shall be considered employees of the State of Iowa for federal or state tax purposes. The State will not withhold taxes on behalf of Custodian (unless required by law).

N. INTEGRATION.

This Agreement, including all the documents incorporated by reference, represents the entire Agreement between the parties and neither party is relying on any representation that may have been made which is not included in this Agreement. The parties agree that if a Schedule, Addendum, Rider or Exhibit or other document is attached hereto by the parties, and referred to herein, then the same shall be deemed incorporated herein by reference. Notwithstanding anything herein to the contrary, no shrink-wrap, click-wrap, click-through, click-accept, browse-wrap, sneak-wrap, online terms or website terms ("Additional Terms") provided with or related to any products, software or services hereunder will be binding on the Treasurer or any other State Entity, even if use of such products, software or services requires an affirmative "acceptance" of those Additional Terms before access is permitted. All such Additional Terms shall be of no force or effect and shall be deemed rejected by the Treasurer and all other State Entities in their entirety. The Custodian acknowledges that it has thoroughly read this Agreement and all related schedules, exhibits, and other documents and has had the opportunity to receive competent advice and counsel necessary for it to form a complete understanding of all rights and obligations herein and to accept same freely and without coercion of any kind. Accordingly, this Agreement shall not be construed or interpreted against the Treasurer or any other State Entity on the basis of draftsmanship or preparation thereof.

O. NOT A JOINT VENTURE.

Nothing in this Agreement shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent/principal relationship) between the parties hereto. No Party, unless otherwise specifically provided for herein, has the authority to enter into any agreement or create an obligation or liability on behalf of, in the name of, or binding upon another Party to this Agreement.

P. SUPERSEDES FORMER AGREEMENTS.

This Agreement supersedes all prior Agreements, if any, between Custodian and Treasurer for the services provided in connection with this Agreement.

Q. CUMULATIVE RIGHTS.

The various rights, powers, options, elections and remedies of either party, provided in this Agreement, shall be construed as cumulative and no one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law. Nothing in this Agreement shall be construed as affecting, impairing or limiting the equitable or legal remedies to which either party may be entitled as a result of any breach of this Agreement.

R. WARRANTY REGARDING SOLICITATION.

Custodian warrants that no person or selling agency has been employed or retained to solicit and secure this Agreement upon an agreement or understanding for commission, percentage, brokerage or contingency except bona fide employees or selling agents maintained for the purpose of securing business.

S. OBLIGATIONS OF JOINT ENTITIES.

If Custodian is a joint entity consisting of more than one individual, partnership, corporation or other business organization, all such entities shall be jointly and severally liable for carrying out the activities and obligations of this agreement, and for any default of such activities and obligations.

T. OBLIGATIONS BEYOND AGREEMENT TERM.

This Agreement shall remain in full force and effect to the end of the specified term or until terminated or canceled pursuant to this Agreement. All obligations of Custodian incurred or existing under this Agreement as of the date of expiration, termination or cancellation will survive the expiration, termination or cancellation of this Agreement.

U. TIME IS OF THE ESSENCE.

The parties acknowledge that time is of the essence in connection with the parties' performance under this Agreement.

V. AUTHORIZATION.

Custodian represents and warrants that it has the right, power and authority to enter into and perform its obligations under this Agreement, that it has taken all requisite action (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Agreement, and that this Agreement constitutes the legal, valid and binding obligation of Custodian enforceable in accordance with its terms.

W. SUCCESSIONS IN INTEREST.

All the terms, provisions, and conditions of the Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

X. USE OF THIRD PARTIES/CUSTODIAN'S RESPONSIBILITIES.

Treasurer acknowledges that Custodian may contract with Qualified Sub-Custodians or other subcontractors for the performance of certain of Custodian's obligations under this Agreement; provided, however, that Custodian shall remain fully responsible for fulfilling all of its obligations under this Agreement. All restrictions, obligations and responsibilities of Custodian under this Agreement shall also apply to its Qualified Sub-Custodians and any other subcontractors. Treasurer shall consider Custodian to be the sole point of contact with regard to all matters related to this Agreement and is not required to initiate or maintain contact with any Qualified Sub-Custodians or other subcontractors of Custodian. Custodian shall be fully responsible and liable for all acts or omissions of any Qualified Sub-Custodian, contractor or subcontractor. Any action of a Qualified Sub-Custodian, subcontractor, or contractor, which, if done by Custodian, would constitute a breach of this Agreement, shall be deemed a breach by Custodian and have the same legal effect.

Y. FORCE MAJEURE.

Neither Custodian nor Treasurer shall be liable to the other for any delay or failure of performance of this Agreement; and no delay or failure of performance shall constitute a default or give rise to any liability for damages if, and only to the extent that, such delay or failure is caused by a "force majeure".

As used in this Agreement, "force majeure" includes acts of God, war, civil disturbance and any other causes which are beyond the control and anticipation of the party effected and which, by the exercise of reasonable diligence, the party was unable to anticipate or prevent. Failure to perform by a Qualified Sub-Custodian, subcontractor or an agent of Custodian shall not be considered a "force majeure" unless the Qualified Sub-Custodian, subcontractor or agent is prevented from timely performance by a "force majeure" as defined in this Agreement. "Force majeure" does not include: financial difficulties of Custodian or any parent, subsidiary, affiliated or associated company of Custodian or any Qualified Sub-Custodian, subcontractor or agent of Custodian; claims or court orders which restrict Custodian's ability to deliver the goods or services contemplated by this Agreement;

If a "force majeure" delays or prevents Custodian's performance, Custodian shall immediately commence to use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be reasonably determined solely by Treasurer.

During any such period, Custodian shall continue to be responsible for all costs and expenses related to alternative performance.

This Section shall not be construed as relieving Custodian of its responsibility for any obligation which is being performed by a Qualified Sub-Custodian, subcontractor or

other supplier of services unless the Qualified Sub-Custodian, subcontractor or supplier is prevented from timely performance by a “force majeure” as described here.

Z. PUBLICITY

Custodian shall not issue a press release or public announcement or otherwise make a disclosure concerning this Agreement or the terms hereof, without prior approval by Treasurer (which approval shall not be unreasonably withheld).

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Agreement and have caused their duly authorized representatives to execute this Agreement.

THE TREASURER OF THE STATE OF IOWA

MICHAEL L. FITZGERALD
CUSTODIAN

Name
Title

Exhibit A

Exhibit B

CUSTODY FEE SCHEDULE

Exhibit C

AUTHORIZED MANAGERS AND THE AUTHORITY OF EACH

Exhibit D.1

**AUTHORIZED PERSONS CERTIFIED BY THE TREASURER
AND THE AUTHORITY OF EACH AUTHORIZED PERSON**

Exhibit D.2

AUTHORIZED PERSON OF IPERS

Exhibit E

Insurance Coverage

Financial Institutions Bond / Computer Crime Includes Safe Deposit Box Coverage	
Per Loss Limit:	\$100,000,000
Deductible:	\$5,000,000 Safe Deposit Box Coverage Deductible: \$500,000
Carrier:	
Coverage Type:	a) Dishonesty of Employees b) Forgery of securities, checks, drafts or other written instruments c) On premises & In Transit coverage for money and securities
Excess J-Form and Transit All Risk Money and Securities Coverage (On premises and in transit)	
Per Loss Limit:	\$400,000,000
Deductible:	None
Carrier:	
Coverage Type:	Loss or destruction of cash or securities on or off premises (including securities or others held in custody).
Mail Insurance (per envelope limit)	
Per Envelope Limit:	\$100,000,000 non-negotiable \$10,000,000 negotiable
Deductible:	None
Carrier:	
Coverage Type:	All risk of physical loss of property sent by registered mail or overnight courier
Bankers Professional Liability	
Per Loss Limit:	\$20,000,000
Deductible:	\$5,000,000
Carrier:	
Coverage Type:	Losses due to errors or omissions
Directors and Officers Liability	
Per Loss Limit:	Corporate: \$20,000,000 Individual: \$20,000,000
Deductible:	Corporate: \$3,000,000 Individual: None
Carrier:	
Coverage Type:	Coverage for wrongful acts in respective capacities of Directors or Officers of the Company
Primary Liability	
Per Loss Limit:	\$1,000,000
Deductible:	None
Carrier:	
Coverage Type:	Bodily Injury / Property Damage
Excess Liability	
Per Loss Limit:	\$50,000,000
Deductible:	\$10,000
Carrier:	
Coverage Type:	Liability coverage in excess of primary coverage
Property	
Per Loss Limit:	\$800,000,000
Deductible:	\$100,000
Carrier:	
Coverage Type:	Coverage includes Data Processing, Business Interruption, Boiler and Machinery Service Interruption / Extra Expense, Earthquake / Flood, Fine Arts

Exhibit F

Cash Investment Guidelines