

**CUSTODY AGREEMENT**  
**First National Bank and Trust**  
**Trust Department**  
**Phillipsburg Logan Long Island**  
**Smith County Bank - Smith Center**  
**Solomon Valley Bank - Beloit**

This CUSTODY AGREEMENT entered into this \_\_\_\_ day of August, 2023, by and between USD # 212, (herein referred to as "OWNER"), and FIRST NATIONAL BANK AND TRUST, a banking corporation headquartered in Phillipsburg, Phillips County, Kansas, (herein referred to as "CUSTODIAN") witnessed:

**ARTICLE I**  
**THE INVESTMENT FUND**

OWNER has delivered to CUSTODIAN the assets listed in Schedule "A", attached hereto and made a part hereof, the receipt of which is hereby acknowledged by CUSTODIAN. OWNER may, from time to time, deliver to CUSTODIAN other assets, subject to the acceptance by CUSTODIAN. Said assets listed in Schedule "A", such other assets which may be delivered to and accepted by CUSTODIAN and any assets or property collected, purchased, received or acquired by CUSTODIAN for the account of OWNER shall be referred to as the "Investment Fund" and held in an "Investment Fund Account" in the name of OWNER.

The CUSTODIAN shall hold, supervise, and administer the Investment Fund subject to the terms and conditions herein set forth. The CUSTODIAN shall not exercise independent discretion with respect to the Investment Fund, but shall act in accordance with the oral or written direction of the OWNER.

**ARTICLE II**  
**POWERS AND DUTIES OF CUSTODY**

Section 1. Powers. CUSTODIAN is hereby authorized and empowered to hold, supervise, and administer the securities in the Investment Fund in such manner as CUSTODIAN, deems advisable. Without limitation of the general powers to it herein granted CUSTODIAN is specifically authorized to:

- (a) Hold any securities in negotiable or unregistered form, or to cause any of the securities to be registered in the name of OWNER, in the name of CUSTODIAN as Custodian, in the name of the CUSTODIAN individually (without disclosing the custody relationship) or in the name of a nominee of the CUSTODIAN.
- (b) Collect interest, dividends and other forms of income from the securities in the Investment fund, and to collect the principal of any of the securities having a maturity date

(c) CUSTODIAN is considered the "beneficial owner" of all securities covered by this agreement under SEC rules implementing the Shareholder Communication Act of 1985.

Section 2. Income and sale proceeds. Income and proceeds from the sale of assets shall be retained and reinvested or held for reinvestment by CUSTODIAN, pending direction from OWNER.

Section 3. Principal. The proceeds of any payments for maturing securities, or of any other principal payments, shall be credited to OWNER'S Investment Fund and reinvested or accumulated for reinvestment by CUSTODIAN, pending direction from OWNER.

Section 4. Statements. Quarterly statements will be mailed from CUSTODIAN to OWNER at the address specified. The statement will contain receipts and disbursements, transactions and an inventory of securities in the account for that period. An annual statement will also be provided as of the last day of each calendar year.

### **ARTICLE III WITHDRAWAL OF ASSETS AND AMENDMENT/TERMINATION OF AGREEMENT**

Section 1. Withdrawals. Assets within the Investment Fund may be withdrawn by OWNER upon reasonable written notice to CUSTODIAN. OWNER shall provide a signed, written order or request upon removal of any such assets.

Section 2. Amendment or Termination of Agreement. This agreement may be amended at any time by letter or other written instrument in such manner as may be mutually agreed upon by CUSTODIAN and OWNER. This agreement may be terminated at any time either by CUSTODIAN or OWNER by written notice. CUSTODIAN shall be authorized to execute such endorsements, assignments, and conveyances without recourse or warranty on CUSTODIAN as may be needed or proper to effectuate delivery of the Investment Fund to Owner. CUSTODIAN shall provide to OWNER a receipt for the property so delivered.

### **ARTICLE IV GENERAL TERMS AND CONDITIONS**

Section 1. Ownership and responsibility. It is understood that OWNER is the owner of all property from time to time comprising the Investment Fund and that CUSTODIAN is acting as the Custodian of OWNER designated to supervise and administer the property pursuant to the powers set forth in this agreement.

Section 2. Indemnity of Custodian. CUSTODIAN, its officers, custodians, and employees shall not be liable either in holding property originally delivered to it or in acquiring and afterwards holding additional property, nor for any loss arising out of any investment, nor for any depreciation in the value of any securities, assets or other property in the Investment Fund, nor for any act, or omission to act, performed or omitted by CUSTODIAN, its officers, employees, or custodians in the execution of this agreement in good faith.

Section 3. Safekeeping of Assets. CUSTODIAN shall be responsible for the safekeeping of any securities in the Investment Fund. CUSTODIAN is not liable or responsible for any act or omission to act of any broker or similar custodian employed by CUSTODIAN to affect a transaction on OWNER'S behalf, or for the financial solvency of any such broker or custodian, so long as CUSTODIAN exercises the same care in selecting such broker or custodian as CUSTODIAN employs in handling similar transactions involving its own property.

Section 4. Payment of Income and Taxes. It is understood that OWNER assumes the duty of filing any and all tax reports and returns as well as full responsibility for the payment of all taxes assessed on or with respect to any property in the Investment Fund.

Section 5. Compensation. In consideration of the services to be rendered by CUSTODIAN hereunder, OWNER agrees to pay CUSTODIAN compensation according to CUSTODIAN'S published fee schedule.

Section 6. Residency. OWNER'S residency and present address are as follows:  
512 W. Bryant  
Almena, KS

This agreement shall bind the heirs, distributees, executors, administrators, legal representatives and assigns of OWNER and shall bind the successors and assigns of CUSTODIAN and all rights and obligations arising hereunder shall be determined according to the laws of the State of Kansas.

PRINCIPAL certifies that PRINCIPAL is of legal age and has full capacity to contract.

IN WITNESS WHEREOF, the parties hereto have executed this instrument on the day and year first above written.

**OWNER:  
UNIFIED SCHOOL DISTRICT NO. 212**

By: \_\_\_\_\_  
Name: Hilary Van Patten  
Title: President Board of Education

**CUSTODIAN:  
THE FIRST NATIONAL BANK AND TRUST**

By: \_\_\_\_\_  
Name: John W. George  
Title: Vice-President & Trust Investment Officer