



# Indenture of Trust

**July 13, 2012**



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# **AMENDED AND RESTATED**

## **INDENTURE OF TRUST**

Florida Surplus Asset Fund Trust

Amended and Restated as of July 13, 2012



## INDENTURE OF TRUST

THIS AMENDED AND RESTATED INDENTURE OF TRUST (the "Indenture of Trust"), hereby amends and restates the Original Indenture of Trust dated as of December 11, 2007, as amended on February 29, 2008 and April 30, 2008. The original Indenture of Trust was made by and among Tradition Community Development District No. 1, Tradition Community Development District No. 2, and Tradition Community Development District No. 3, hereafter referred to as the "Initial Participants."

### WITNESSETH

WHEREAS, Sec. 218.415, Fla. Stat., authorizes units of local government to invest and reinvest public funds in excess of the amounts needed to meet current expenses in certain enumerated investments, in any other investments authorized by the municipality or county by law or by ordinance or by a school district or special district by law or by resolution, and in addition authorizes units of local government to invest and reinvest such surplus public funds in any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Sec. 163.01, Fla. Stat.;

WHEREAS, Sec. 163.01, Fla. Stat., authorizes a political subdivision, agency, or officer of the State of Florida, including but not limited to state government, county, city, school district, single and multipurpose special district, single and multi-purpose public authority, metropolitan or consolidated government, a separate legal entity or administrative entity created under subsection (7) of Section 163.01, Fla. Stat., or an independently elected county officer (each of the foregoing a "Local Government Entity" or "Entity"), to exercise jointly with any other Entity any power, privilege, or authority which such Entities share in common and which each might exercise separately;

WHEREAS, Section 163.01, Fla. Stat., further authorizes such public agencies to enter into contracts in the form of interlocal agreements to accomplish such purposes;

WHEREAS, it is the intent of the Initial Participants to create an intergovernmental investment pool pursuant to Sections 163.01 and 218.415, Fla. Stat. and that this Indenture of Trust serve as an interlocal agreement for such purpose under Section 163.01, Fla. Stat.;

WHEREAS by resolutions duly adopted, Tradition Community Development District No. 1, Tradition Community Development District No. 2, and Tradition Community Development District No. 3, respectively, found the creation of an intergovernmental investment pool pursuant to this Indenture of Trust serves a governmental purpose for said Entities and would therefore be in the best interests of said Entities, their officials, officers, and citizens in that such a program would offer diversified and professionally managed portfolios to meet investment needs, would



result in economies of scale that would create greater purchasing powers, and would thereby lower the costs traditionally associated with the investment of the assets of said Entities;

WHEREAS, each of the Initial Participants has duly taken all official action necessary and appropriate to become a party to this Indenture of Trust and perform hereunder, including, without limitation, the establishment of a written investment policy and the passing of any ordinances, resolutions or taking of other actions required under Section 218.415, Fla. Stat. and other applicable law and regulations;

WHEREAS, it is proposed that the beneficial interest in the assets of the trust fund created pursuant to the provisions of this Indenture of Trust shall be divided into non-transferable shares of beneficial interest, which shall be evidenced by a share register maintained by the Trustees or its agent, (each as defined herein); and

WHEREAS, the Initial Participants anticipate that other Local Government Entities may wish to become Participants (as defined herein) by adopting this Indenture of Trust and thus becoming a party hereto;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, the parties hereto, now and hereafter added pursuant to the provisions herein, , promise and agree subject to the terms, covenants, conditions, purposes and provisions hereof as follows:

## **ARTICLE I**

### **The Trust**

#### **1.1     Establishment; Name.**

A common law trust is hereby established under this Indenture of Trust and shall be called the "Florida Surplus Asset Fund Trust" (the "Trust"). So far as may be practicable, the Trustees shall conduct the Trust's activities, execute all documents and sue or be sued under that name, which name (and the word "Trust") wherever used in this Indenture of Trust, except where the context otherwise requires, shall refer to the Trustees in their capacity as Trustees, and not individually or personally, and shall not refer to the officers, agents, employees, counsel, advisors, consultants, or accountants of the Trustees, nor shall such terms refer to the Participants. Should the Trustees determine that the use of such name is not practicable, legal or convenient, they may use such other designation or they may adopt such other name for the Trust as they deem proper, and the Trust may hold property and conduct its activities under such designation or name. The Trustees shall take such action as they, acting with the advice of counsel, shall deem necessary or appropriate to file or register such name in accordance with the laws of the State of Florida or the United States of America so as to protect and reserve the right of the Trust in and to such name.

#### **1.2     Purpose; Participant Requirements; Changes of Incumbency.**

(a) The purpose of the Trust is to provide a surplus funds trust fund in accordance with statute through which a Local Government Entity may invest any moneys in its treasury, which are not immediately required to be disbursed, in short and medium-term investments in accordance with



the provisions of Sections 218.415 and 163.01, Fla. Stat., or other laws of the State of Florida, from time to time in effect, governing the investment of moneys in the treasury of a Local Government Entity, and as extensively as allowed by law. No Participant shall be required to appropriate any funds or levy any taxes to establish the Trust. The Board of Trustees may provide for the payment or repayment of any establishment expenses from the earnings of the Trust.

(b) Only those Local Government Entities who have adopted this Indenture of Trust and have complied with the provisions of this Section 1.2 and Section 14.6 hereof may become Participants. The Treasurer empowered to invest funds of each Local Government Entity shall be the legal representative to act for and on behalf of such Local Government Entity for purposes of this Indenture of Trust and as such shall be a member of the Participants, which is vested with the authority to supervise the Trust as provided herein and elect the Trustees to act as fiduciary on its behalf.

(c) Each Local Government Entity adopting this Indenture of Trust, and otherwise complying with the provisions of Sections 1.2 and 14.6 hereof, shall become a Participant only upon depositing into the Trust the minimum total investment as that amount is set from time to time by the Trustees. Initially and until changed by affirmative action of the Trustees, the minimum total investment shall be \$1.00 for each account. Whenever the balance in a Participant's account is less than the minimum established by the Trustees, the Trustees may redeem the shares and close the account, provided that thirty days (30) prior notice is given to such Participant. If the Trustees change the minimum total investment to an amount greater than the investment of any Participant at the time that such change becomes effective, the investment of such Participant shall not be redeemed without such Participant's consent.

(d) In the event that a Treasurer shall die, resign, or be removed from his office or his office shall otherwise become vacant, or he shall no longer be authorized to act on behalf of such Participant as a Treasurer, any funds placed by him in the Trust shall be held hereunder for the benefit of the Local Government Entity for which he was acting at the time the vacancy or termination of authority occurred. Any Treasurer assuming office as such either to fill a vacancy in such office or to begin a new term following the expiration of the term in office of his predecessor, or otherwise becoming authorized to act as Treasurer on behalf of such Participant, shall be the succeeding legal representative of the Local Government Entity by filing written notification of such with the Trustees in a form acceptable to the Trustees.

### **1.3    Location.**

The Trust shall maintain an office of record in the State of Florida and may maintain such other offices or places of business as the Trustees may from time to time determine. The office of record of the Trust shall be: Florida Surplus Asset Fund Trust, c/o Florida Management and Administrative Services, Florida Safe Administration, 10151 University Blvd., Suite 227, Orlando, Florida 32817. The office of record may be changed from time to time by resolution of the Trustees, and notice of such change of the office of record shall be given to each Participant.



**1.4 Nature and Indenture of Trust; Interlocal Agreement; Filing of Indenture of Trust.**

(a) The Trust shall be a common law trust organized and existing under the laws of the State of Florida. The Trust is not intended to be, shall not be deemed to be, and shall not be treated as, a general partnership, limited partnership, joint venture, corporation, investment company or joint stock company. The Participants shall be beneficiaries of the Trust, and their relationship to the Trustees shall be solely in their capacity as Participants and beneficiaries in accordance with the rights conferred upon them hereunder.

(b) This Indenture of Trust is an agreement of indefinite term regarding the deposit, redeposit, investment, reinvestment and withdrawal of surplus public funds within the meaning of Section 218.415, Fla. Stat.

(c) This Indenture of Trust is an interlocal agreement within the meaning Section 163.01, Fla. Stat. This Indenture shall be filed as provided in Section 12.01 hereof.

**1.5 Definitions.**

As used in this Indenture of Trust, the following terms shall have the following meanings unless the context hereof otherwise requires:

“Administrator” shall mean any Person or Persons appointed, employed or contracted with by the Trustees under the applicable provisions of Section 3.1 hereof.

“Administration Agreement” shall mean the agreement with the Administrator referred to in Section 3.3 hereof as the same may be amended from time to time. The Administration Agreement and the Investment Advisory Agreement may be contained in the same agreement.

“Advisor” shall mean any Person or Persons appointed, employed or contracted with by the Trustees under the applicable provisions of Section 3.1 hereof.

“Affiliate” shall mean, with respect to any Person, another Person directly or indirectly controlled, controlled by or under common control with such Person, or any officer, director, partner or employee of such Person.

“Board of Trustees” shall mean the Trustees of the Trust.

“Custodian” shall mean any Person or Persons appointed, employed or contracted with by the Trustees under the applicable provisions of Section 11.2 hereof.

“Indenture of Trust” shall mean this Indenture of Trust as amended, restated or modified from time to time, pursuant to the terms hereof. References in the Indenture of Trust to “Indenture,” “hereof,” “herein,” “hereby” and “hereunder” shall be deemed to refer to the Indenture of Trust, as amended, and shall not be limited to the particular text, article or Section in which such words appear unless otherwise stated.



“Information Statement” shall mean the information statement or other descriptive document or documents adopted as such by the Trustees and distributed by the Trust to Participants and potential Participants of the Trust as the same may be amended by the Trustees from time to time.

“Initial Participants” shall mean those local government entities which have executed and adopted this Indenture of Trust as of the date of its establishment.

“Investment Advisory Agreement” shall mean the agreement with the Advisor referred to in Section 3.2 hereof as the same may be amended from time to time.

“Laws” shall mean common law and all ordinances, statutes, rules, regulations, orders, injunctions, decisions, opinions or decrees of any government or political subdivision or agency thereof, or any court or similar entity established by any thereof applicable to entities like the Trust and to documents like this Indenture of Trust.

“Local Government Entity” or “Local Government Entities” means a political subdivision, agency, or officer of the State of Florida, including but not limited to state government, county, city, school district, single and multipurpose special district, single and multi purpose public authority, metropolitan or consolidated government, a separate legal entity or administrative entity created under subsection (7) of Section 163.01, Fla. Stat., or an independently elected county officer.

“Non-Treasurer Trustee” means a Trustee appointed hereunder that is not a Treasurer of one of the Participants.

“Participants” shall mean the Local Government Entities which are the Initial Participants and the Local Government Entities which adopt this Indenture of Trust pursuant to Section 14.6 hereof.

“Permitted Investments” shall mean the investments of the type and nature defined as such in the Permitted Investments List.

“Permitted Investments List” shall mean the list of authorized investments for the Trust adopted as such by the Participants and distributed by the Trust to potential Participants of the Trust, as the same may be modified or amended from time to time as provided in Section 13.1 of this Indenture of Trust.

“Person” shall mean and include individuals, corporations, limited partnerships, general partnerships, joint stock companies or associations, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other entities (whether or not legal entities) and governments and agencies and political subdivisions thereof.

“Share” shall mean the unit used to denominate and measure the respective Pro Rata beneficial interests of the Participants in the Trust Property as described in Article VI.

“Share Register” shall mean the register of Shares maintained pursuant to Article VII hereof.



“Treasurer” shall mean the treasurer, chief financial officer, or other local official who is properly authorized to invest the respective Local Government Entity’s surplus public funds or as provided by statute.

“Trust” shall mean the common law trust created by this Indenture

“Trust Property” shall mean, as of any particular time, any and all property, real, personal or otherwise, tangible or intangible, which is transferred, conveyed or paid to the Trust or Trustees and all income, profits and gains therefrom and which, at such time, is owned or held by, or for the account of, the Trust or the Trustees.

“Trustees” shall mean the Persons who become fiduciaries of the Trust pursuant to Article IX hereof.

## **ARTICLE II**

### **Trust Operations**

#### **2.1    General.**

(a) Powers of the Participants. Subject to the provisions hereof the Participants shall have the power of supervision over the Trust and the Board of Trustees, including the power to monitor and supervise the operation of the Trust. The Participants has the full exclusive and absolute power and authority to amend this Indenture of Trust, as provided in Article VIII, to direct the investments of the Trust through the amendment of the Trust, to elect the Board of Trustees and to terminate the Trust, as well as all other powers provided herein. The Participants hereby direct that the Trust shall be administered by a Board of Trustees elected from the Participants as provided herein, subject to all rights of Participants stated in the Indenture of Trust and subject to all other restrictions set forth in this Indenture of Trust.

(b) Powers of the Board of Trustees. Subject to the rights of the Participants as provided herein, the Trustees shall be the investment officer of the Trust and shall have authority over the Trust Property and the affairs of the Trust to administer the operation of the Trust, subject to the requirements and restrictions of this Indenture of Trust. The Trustees may do and perform such acts and things as in their judgement and discretion, subject to the requirements and restrictions of this Indenture of Trust, are necessary and proper for conducting the affairs of the Trust or promoting the interest of the Trust and the Participants. The enumeration of any specific power or authority herein shall not be construed as limiting the aforesaid general power or authority or any specific power or authority. The Trustees may exercise any power authorized and granted to them by this Indenture of Trust. Such powers of the Trustees may be exercised without the necessity of any order of, or resort to, any court.



## **2.2 Permitted Investments.**

The Trustees shall have full and complete power, subject in all respects to Article IV hereof:

- (a) To conduct, operate and provide investment programs for the pooling of surplus public funds of Local Government Entities to take advantage of short and medium-term investments and maximize net interest earnings;
- (b) For such consideration as they may deem proper and as may be required by Laws, to subscribe for, invest in, assign, transfer, exchange, distribute and otherwise deal in or dispose of Permitted Investments; and
- (c) To contract for, and enter into agreements with respect to, the purchase and sale of Permitted Investments.

## **2.3 Legal Title.**

(a) Legal title to all of the Trust Property shall be vested in the Trustees on behalf of the Participants, who shall be the beneficial owners except that the Trustees shall have full and complete power to cause legal title to any Trust Property to be held, on behalf of the Participants, by or in the name of the Trust, or in the name of any other Person as nominee, on such terms, in such manner, and with such powers as the Trustees may determine, so long as in their judgment the interest of the Trust is adequately protected in accordance with reasonable and customary practices.

(b) The right, title and interest of the Trustees in and to the Trust Property shall vest automatically in all persons who may hereafter become Trustees upon their due election and qualification without any further act. Upon the resignation, disability, removal, adjudication as an incompetent, or death of a Trustee he (and in the event of his death, his estate) shall automatically cease to have any right, title or interest in or to any of the Trust Property, and the right, title and interest of such Trustee in and to the Trust Property shall vest automatically in the remaining Trustees without any further act.

## **2.4 Disposition of Assets.**

Subject in all respects Article IV hereof, the Trustees shall have full and complete power to sell, exchange or otherwise dispose of any and all Trust Property free and clear of any and all trusts and restrictions, at public or private sale, for cash or on terms, with or without advertisement, and subject to such restrictions, stipulations, agreements and reservations as they shall deem proper, and to execute and deliver any deed, power, assignment, bill of sale, or other instrument in connection with the foregoing including giving consents and making contracts relating to Trust Property or its use.



## **2.5     Taxes.**

The Trustees shall have full and complete power:

- (a) To pay all taxes or assessments, of whatever kind or nature, validly and lawfully imposed upon or against the Trust or the Trustees in connection with the Trust Property or upon or against the Trust Property or income or any part thereof;
- (b) To settle and compromise disputed tax liabilities; and
- (c) For the foregoing purposes to make such returns and do all such other acts and things as may be deemed by the Trustees to be necessary or desirable.

## **2.6     Rights as Holders of Trust Property.**

The Trustees shall have full and complete power to exercise on behalf of the Participants all of the rights, powers and privileges appertaining to the ownership of all or any Permitted Investments or other property forming part of the Trust Property to the same extent that any individual might, and, without limiting the generality of the foregoing, to vote or give any consent, request or notice or waive any notice either in person or by proxy or power of attorney, with or without the power of substitution, to one or more Persons, which proxies and powers of attorney may be for meetings or actions generally, or for any particular meeting or action, and may include the exercise of discretionary powers.

## **2.7     Delegation: Committees.**

The Trustees shall have full and complete power (consistent with their continuing exclusive authority over the management of the Trust, the conduct of its affairs, their duties and obligations as Trustees, and the management and disposition of the Trust Property) to delegate from time to time to such one or more of their number (who may be designated as constituting a Committee of the Trustees) or to officers, employees or agents of the Trust (including, without limitation, the Administrator and, the Advisor), the doing of such acts and things and the execution of such instruments either in the name of the Trust, or the names of the Trustees or as their attorney or attorneys, or otherwise as the Trustees may from time to time deem expedient and appropriate in the furtherance of the business affairs and purposes of the Trust.

## **2.8     Collection Powers.**

The Trustees shall have full and complete power:

- (a) To collect, sue for, receive and receipt for all sums of money or other property due to the Trust including, without limitation, the power to file proofs of claim in any bankruptcy or insolvency matter;
- (b) To consent to extensions of the time for payment, or to the renewal of any securities, investments or obligations;



- (c) To engage or intervene in, prosecute, defend, compromise, abandon or adjust by arbitration or otherwise any actions, suits, proceedings, disputes, claims, demands or things relating to the Trust Property;
- (d) To foreclose any collateral, security or instrument securing any investments, notes, bills, bonds, obligations or contracts by virtue of which any sums of money are owed to the Trust;
- (e) To exercise any power of sale held by the Trustees, and to convey good title thereunder free of any and all trusts, and in connection with any such foreclosure or sale, to purchase or otherwise acquire title to any property;
- (f) To be parties to reorganization and to transfer to and deposit with any corporation, committee, voting trustee or other person any securities, investments or obligations of any person which form a part of the Trust Property, for the purpose of such reorganization or otherwise;
- (g) To participate in any arrangement for enforcing or protecting the interests of the Trustees as the owners or holders of such securities, investments or obligations and to pay any assessment levied in connection with such reorganization or arrangement;
- (h) To extend the time (with or without security) for payment or delivery of any debts or property and to execute and enter into releases, agreements and other instruments; and
- (i) To pay or satisfy any debts or claims upon any evidence that the Trustees shall deem sufficient.

## **2.9 Powers: Payment of Expenses.**

The Trustees shall have full and complete power:

- (a) To incur and pay charges or expenses which in the opinion of the Trustees are necessary or incidental to or proper for the carrying out any of the purposes of this Indenture of Trust;
- (b) To reimburse others for the payment therefor; and
- (c) To pay appropriate compensation or fees from the funds of the Trust to Persons with whom the Trust has contracted or transacted business.

The Trustees shall fix the compensation, if any, of all officers and employees of the Trust; provided, however, that the Trustees shall not themselves be entitled to receive compensation. Notwithstanding the foregoing, the Trustees may pay themselves or any one or more of themselves reimbursement for expenses reasonably incurred by themselves or any one or more of themselves on behalf of the Trust.

Notwithstanding any provision of this Indenture of Trust to the contrary, in no event shall any expenses of administration of the Trust be payable from any source other than income received from the earnings of the Trust.



#### **2.10 Borrowing and Indebtedness.**

The Trustees shall not incur indebtedness on behalf of the Trust, or authorize the Trust to borrow money or incur indebtedness, except as provided in clause (b) of Section 4.2 of this Indenture of Trust.

#### **2.11 Local Operating Deposits.**

The Trustees shall have full and complete power to deposit, in such a manner as may now and hereafter be permitted by this Indenture of Trust or applicable Law, any moneys or funds included in the Trust Property which are intended to be used for the payment of expenses of the Trust or the Trustees, with one or more banks, trust companies or other banking institutions whether or not such deposits will draw interest. Such deposits are to be subject to withdrawal in such manner as the Trustees may determine, and the Trustees shall have no responsibility for any loss which may occur by reason of the failure of the bank, trust company or other banking institution with which the moneys, investments, or securities have been deposited. Each such bank, trust company or other banking institution shall comply, with respect to such deposit, with all applicable requirements of all applicable Laws including, without limitation, maintaining local operating accounts in banks, trust companies or other banking institutions with branches located in the State of Florida.

#### **2.12 Valuation.**

The Trustees shall have full and complete power to determine in good faith conclusively the value of any of the Trust Property and to revalue the Trust Property as the Trustees deem appropriate.

#### **2.13 Fiscal Year; Accounts.**

The Trustees shall have full and complete power to determine the fiscal year of the Trust and the method or form in which its accounts shall be kept and from time to time to change the fiscal year or method or form of accounts. Unless otherwise determined by the Trustees pursuant to this Section 2.13, the fiscal year of the Trust shall terminate on December 31 and commence on January 1 of each calendar year.

#### **2.14 Self-Dealing Prohibited.**

(a) No Treasurer, Trustee, officer, employee or agent of the Trust shall cause or permit the Trust to make any investment or deposit, enter into any contract or other arrangement, or perform any act which confers or might reasonably be expected to confer any special benefit upon such person or any Affiliate of such person.

(b) Unless otherwise approved by the Trustees, the Trust shall not enter into any investment transaction with any Affiliate of the Trust, or with the Advisor or the Administrator or any Affiliate thereof, or with any other officer, director, employee or agent of the Trust or any Affiliate thereof. The Trust may purchase and sell Permitted Investments from and to the Custodian or an Affiliate of the Custodian.



## **2.15 Investment Program.**

The Trustees shall use their best efforts to obtain through the Advisor or other qualified persons a continuing and suitable investment program, consistent with the investment policies and objectives of the Trust set forth in Article IV of this Indenture of Trust, and the Trustees shall be responsible for reviewing and approving or rejecting the investment program presented by the Advisor or such other Persons. Subject to the provisions of Section 2.7 and Section 3.1 hereof, the Trustees may delegate functions arising under this Section 2.15 to one or more of their number or to the Advisor. The Trustees also shall have full and complete power to contract for or to otherwise obtain from or through the ~~Advisor~~ Advisor, the Administrator or other qualified Persons for the benefit of, and to make available to, the Participants of the Trust from time to time, additional investment programs and services distinct from the Trust's program of investments measured by Shares, but consistent with the investment goals and objectives of the Trust and the general purposes of the Indenture of Trust. The Trustees shall have the power to review and approve or reject, in their sole discretion, such additional investment programs as may be presented to the Trustees by the Advisor, the Administrator or any other qualified Persons.

## **2.16 Power to Contract, Appoint, Retain and Employ.**

Subject to the provisions of Section 2.7 and Section 3.1, the Trustees shall have full and complete power to appoint, employ, retain, or contract with any Person of suitable qualifications and high repute as the Trustees may deem necessary, or desirable for the transaction of the affairs of the Trust, or the transaction of the affairs of any additional investment programs or services or non-investment programs or services of any nature affiliated with the Trust or otherwise contracted for or by the Trust, including any Person or Persons who under the supervision of the Trustees, may, among other things:

- (a) Serve as the Trust's Advisor and consultant in connection with policy decisions made by the Trustees;
- (b) Serve as the Trust's administrator or co-administrators;
- (c) Furnish reports to the Trustees and provide research, economic and statistical data in connection with the Trust's investments;
- (d) Act as consultants, accountants, technical advisors, attorneys, brokers, underwriters, corporate fiduciaries, escrow agents, depositaries, custodians or agents for collection, insurers or insurance agents, registrars for Shares or in any other capacity deemed by the Trustees to be necessary or desirable;
- (e) Investigate, select, and, on behalf of the Trust, conduct relations with Persons acting in such capacities and pay appropriate fees to, and enter into appropriate contacts with, or employ, or retain services performed or to be performed by, any of them in connection with the investments acquired, sold, or otherwise disposed of, or committed, negotiated, or contemplated to be acquired, sold or otherwise disposed of;



- (f) Substitute any other Person for any such Person;
- (g) Act as attorney-in-fact or agent in the purchase or sale or other disposition of investments, and in the handling, prosecuting or other enforcement of any lien or security securing investments;
- (h) Assist in the performance of such ministerial functions necessary in the management of the Trust as may be agreed upon with Trustees; and
- (i) Any of the foregoing as may be agreed upon by the Trustees with regard to any additional investment programs and services for the benefit of the Participants.

#### **2.17 Insurance.**

The Trustees shall have full power to and may obtain general and official liability and property damage insurance for the protection of the Trust Property and the Trustees, Treasurers, Participants, officers, auditors, employees and agents of the Trust in the operation and conduct of the Trust in such amounts as the Board of Trustees deems adequate to ensure against all claims and liabilities of every nature, to the extent such insurance may be available at reasonable rates.

#### **2.18 Seal.**

The Trustees shall have full and complete power to adopt and use a seal for the Trust, but, unless otherwise required by the Trustees, it shall not be necessary for the seal to be placed on, and its absence shall not impair the validity of, any agreement, document, instrument or other paper executed and delivered by or on behalf of the Trust.

#### **2.19 Indemnification.**

In addition to the indemnification in Section 5.3 hereof, the Trustees shall have full and complete power, to the extent permitted by applicable Laws, to indemnify or enter into agreements with respect to indemnification with any Person with whom the Trust has dealings, including, without limitation, the Advisor, the Administrator, and the custodian, to such extent as the Trustees shall determine in accordance with statute.

#### **2.20 Remedies.**

Notwithstanding any provision in this Indenture of Trust, when the Trustees deem that there is a significant risk that an obligor to the Trust may default or is in default under the terms of any obligation to the Trust, the Trustees shall have full and complete power to pursue any remedies permitted by Law which, in their sole judgment, are in the interests of the Trust, and the Trustees shall have full and complete power to enter into any investment, commitment or obligation of the Trust resulting from the pursuit of such remedies as are necessary or desirable to dispose of property acquired in the pursuit of such remedies.



### **2.21 Information Statement.**

The Trustees shall have full and complete power to adopt, prepare, publish and distribute, or to delegate such functions, of an Information Statement regarding the Trust and to amend or supplement the same from time to time.

### **2.22 Further Powers.**

The Trustees shall have full and complete power to take all actions, do all such matters and things and execute all such agreements, documents and instruments as they deem necessary, proper or desirable in order to carry out, promote or advance the interests and purposes of the Trust although such actions, matters or things are not herein specifically mentioned. Any determination as to what is in the best interests of the Trust made by the Trustees in good faith shall be conclusive. In construing the provisions of this Indenture of Trust, the presumption shall be in favor of a grant of power to the Trustees. The Trustees shall not be required to obtain any court order to deal with the Trust Property.

### **2.23 Sovereign Immunity.**

Section 13, Art. X of the Florida Constitution and the laws of the State of Florida provide sovereign immunity to Local Government Entities ("Sovereign Immunity"). Nothing contained in this Indenture of Trust, whether by action or provisions hereof, shall constitute a waiver by a Participant of any of the benefits of Sovereign Immunity. By way of example, and not by limitation, the participation of any Participant (or any Participant's officer, employee, agent or representative) on the Board of Trustees or in any action, determination, or vote under this Indenture of Trust, shall not affect a waiver of any of the benefits of Sovereign Immunity.

## **ARTICLE III**

### **The Advisor and the Administrator**

### **3.1 Appointment.**

The Trustees are responsible for implementing the investment policy and program of the Trust, as provided in Article IV, and for supervising the officers, agents, employees, Advisors, administrators, distributors, and independent contractors of the Trust. The Trustees are not required personally to conduct all of the routine business of the Trust and, consistent with their ultimate responsibility as stated herein, the Trustees shall appoint, employ or contract with an Advisor (herein "Advisor"), and may grant or delegate such authority to the Advisor, and the Administrator or to any other Person whose services are obtained by such persons, as the Trustees may, in their sole discretion, deem to be necessary or desirable for the efficient management of the Trust, without regard to whether such authority is normally granted or delegated by Trustees or other fiduciaries.

### **3.2 Duties of the Advisor.**

The duties of the Advisor shall be those set forth in the Investment Advisory Agreement to be entered into between the Trust and the Advisor. Such duties may be modified by the Trustees,



from time to time, by the amendment of the Investment Advisory Agreement subject to the limitations contained therein. Subject to Article IV hereof, the Trustees may authorize the Advisor to effect purchases, sales, or exchanges of Trust Property on behalf of the Trustees or may authorize any officer, employee, agent or Trustee to effect such purchases, sales, or exchanges pursuant to recommendations of the Advisor, all without further action by the Trustees. Any and all of such purchases, sales, and exchanges shall be deemed to be authorized by all the Trustees. The Investment Advisory Agreement may authorize the Advisor to employ other persons to assist it in the performance of its duties. The Investment Advisory Agreement shall provide that it may be terminated without cause and without the payment of any penalty by the Trust on sixty (60) days written notice to the Advisor. Nothing in this Indenture of Trust or in the Investment Advisory Agreement shall limit or impair the right of the Trustees to terminate the said Investment Advisory Agreement for cause, or to suspend the authority of the Advisor to act for or on behalf of the Trust immediately upon written notice to the Advisor, upon a showing of reasonable cause to believe that the Advisor has committed a material breach of the Investment Advisory Agreement or any of its fiduciary obligations to the Trust.

### **3.3 Duties of the Administrator.**

The duties of the Administrator shall be those set forth in the Administration Agreement to be entered into between the Trust and the Administrator. Such duties may be modified by the Trustees, from time to time, by the amendment of the Administration Agreement. The Administration Agreement may authorize the Administrator to employ other persons to assist it in the performance of its duties. The Administration Agreement shall provide that it may be terminated without cause and without the payment of any penalty by the Trust on sixty (60) days written notice to the Administrator. Nothing in this Indenture of Trust or in the Administration Agreement shall limit or impair the right of the Trustees to terminate the said Administration Agreement for cause, or to suspend the authority of the Administrator to act for or on behalf of the Trust immediately upon written notice to the Administrator, upon a showing of reasonable cause to believe that the Administrator has committed a material breach of the Administration Agreement or any of its fiduciary obligations to the Trust.

### **3.6 Successors.**

In the event that, at any time, the position of Advisor, or of Administrator shall become vacant for any reason, the Trustees may appoint, employ or contract with a successor thereto .

## **ARTICLE IV Investments**

### **4.1 Statement of Investment Policy and Objective.**

Subject to the prohibitions and restrictions contained in Section 4.2 hereof, the general investment policy and objective of the Trustees shall be to provide to the Participants of the Trust safety of capital, liquidity of funds, and investment income, in that order, by investing in Permitted Investments in accordance with this Indenture of Trust and any other applicable provisions of Law, as the same may be amended from time to time.



#### **4.2 Restrictions Fundamental to the Trust.**

Notwithstanding anything in this Indenture of Trust which may be deemed to authorize the contrary, the Trust:

- (a) May not make any investment other than investments authorized by this Indenture of Trust and the Permitted Investments List, as the same may be amended from time to time;
- (b) May not borrow money or incur indebtedness whether or not the proceeds thereof are intended to be used to purchase Permitted Investments, except as a temporary measure to facilitate withdrawal requests which might otherwise require unscheduled dispositions of portfolio investments and only as and to the extent permitted by Laws;
- (c) May not make loans, provided that the Trust may make Permitted Investments (which may include securities lending);
- (d) May not hold or provide for the custody of any Trust Property in a manner not authorized by Law or by any institution or Person not authorized by Law; and
- (e) May purchase securities or shares of investment companies or any entities similar to the Trust.

#### **4.3 Amendment of Restrictions.**

The restrictions set forth in Section 4.2 hereof are fundamental to the operation and activities of the Trust and may not be changed without the affirmative vote of a majority of the Participants entitled to vote, except that such restrictions may be changed by the Trustees so as to make them more restrictive when necessary to conform the investment program and activities of the Trust to the Laws of the State of Florida and the United States of America as they may from time to time be amended.

### **ARTICLE V Limitations of Liability**

#### **5.1 Liability to Third Persons.**

No Participant shall be subject to any personal liability whatsoever, in tort, contract or otherwise to any Person or Persons other than the Trust in connection with Trust Property or the affairs of the Trust; and no Trustee, officer, employee or agent (including without limitation, the Advisor, the Administrator, and the Custodian) of the Trust shall be subject to any personal liability whatsoever in tort, contract or otherwise, to any Person or Persons other than the Trust in connection with Trust Property or the affairs of the Trust, except that each shall be personally liable for his bad faith, willful misconduct, gross negligence or reckless disregard of his duties or for his failure to act in good faith in the reasonable belief that his action was in the best interests of the Trust, and except that the Advisor and the Administrator shall each have personal liability for his willful or negligent failure to take reasonable measures to restrict investments of Trust Property to those permitted by Law and this Indenture of Trust. All Persons other than the Trust



shall look solely to the Trust Property for satisfaction of claims of any nature arising in connection with the affairs of the Trust. If any Participant, Trustee, officer, employee or agent (including, without limitation, the Advisor, the Administrator, and the Custodian) of the Trust is made a party to any suit or proceedings to assert or enforce any such liability, he shall not on account thereof be held to any personal liability.

## **5.2 Liability to the Trust or to the Participants.**

No Trustee, officer, employee or agent (including, without limitation, the Advisor, the Administrator and the Custodian) of the Trust shall be liable to the Trust or to any Participant, Trustee, officer, employee or agent (including, without limitation, the Advisor, the Administrator, and the Custodian) of the Trust for any action or failure to act (including, without limitation, the failure to compel in any way any former or acting Trustee to redress any breach of trust) except for his own bad faith, willful misfeasance, gross negligence or reckless disregard of his duties, and except that the Advisor, and the Administrator shall each have personal liability for his willful or negligent failure to take reasonable measures to restrict investments of Trust Property to those permitted by Law and this Indenture of Trust; *provided, however*, that the provisions of this Section 5.2 shall not limit the liability of any agent (including, without limitation, the Advisor, the Administrator, and the Custodian) of the Trust with respect to breaches by it of a contract between it and the Trust.

## **5.3 Indemnification.**

(a) As used in this Section 5.3:

(1) "Trust Representative" means an individual who is or was a Trustee, officer, employee, or agent (including without limitation the Advisor, the Administrator, and the Custodian).

(2) "Expenses" includes attorney fees.

(3) "Liability" means the obligation to pay a judgment, settlement, penalty, fine, or reasonable expense incurred with respect to a proceeding.

(4) "Party" includes an individual who was, is, or is threatened to be named a defendant or respondent in a proceeding.

(5) "Proceeding" means any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal.

(b) Except as provided in subsection (c) hereof, the Trust shall, to the extent of income or earnings of the Trust, indemnify against liability incurred in any proceeding by an individual made a party to the proceeding because of his status as a Trust Representative if he conducted himself in good faith, and (i) he reasonably believed that his conduct was in the Trust's best interests or, (ii) in the case of a criminal proceeding, he had no reasonable cause to believe his conduct was unlawful.



(c) In no event may the Trust indemnify the Advisor, the Administrator or other agents for expenses or liability arising out of any willful or negligent violation by any of them of the restrictions on investments of the Trust Property. Further, the Trust shall not indemnify any Trust Representative under this Section either (i) in connection with a proceeding by or in the right of the Trust in which the Trust Representative was adjudged liable to the Trust, or (ii) in connection with any proceeding charging improper personal benefit to him, in which such person was adjudged liable on the basis that personal benefit was improperly received by him. In connection with a proceeding by or in the right of the Trust, indemnification is in all cases limited to reasonable expenses incurred.

(d) Except as provided in subsection (c) of this Section, the termination of any proceeding by judgment, order, settlement, or conviction, or upon a plea of *nolo contendere* or its equivalent, is not of itself determinative that the individual did not meet the standard of conduct set forth in subsection (b) of this Section.

(e) No indemnification shall be made unless and until a specific determination has been made that indemnification is authorized under this Section 5.3. Such determination shall be made by the Board of Trustees by a majority vote of a quorum, which quorum shall consist of Trustees not parties to the proceeding. If such quorum cannot be obtained, the determination shall be made by a majority vote of a committee of Trustees designated by the Board of Trustees, which committee shall consist of two or more Trustees not party to the proceeding. Trustees who are parties to the proceeding may participate in designating Trustees for the committee. If the said quorum cannot be obtained or the committee cannot be established, or if such quorum is obtained or committee is designated and such quorum or committee so directs, the determination may be made by independent legal counsel selected by a vote of the Board of Trustees or the committee as specified above, or by the Participants. If independent counsel determines that indemnification is required under this Section, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by the body that selected such counsel.

(f) The Trust may pay for or reimburse the reasonable expenses incurred by a Trust Representative who is a party to a proceeding in advance of final disposition thereof if (i) the Trust Representative furnishes the Trust a written affirmation of his good faith belief that he has met the standard of conduct described in subsection (b) of this Section and a written undertaking executed personally to repay the advance if it is ultimately determined that indemnification is not authorized under this Section, and (ii) it is determined as provided in subsection (f) above that the facts then known would not preclude indemnification under this Section.

(g) Any indemnification of or advance of expenses to a Trust Representative pursuant to this Section shall be reported in writing to the Participants with or before notice of the next Participants meeting, if such indemnification of or advance of expenses arises out of a proceeding by or on behalf of the Trust.

(h) No Trust Representative entitled to indemnification may take or be paid the same except out of the earnings of the Trust, and no Participant shall be personally liable to any such Trust Representative for all or any portion of such indemnity.



#### **5.4 Surety Bonds.**

The Board of Trustees shall require the Trustees, the Advisor, the Administrator, any Custodian, the Auditor, and any other agent of the Trust to give such surety and other bonds as the Board of Trustees from time to time determines are necessary to protect the Trust. The cost of any and all such bonds may be paid as an expense of administration of the Trust.

#### **5.5 Apparent Authority.**

No purchaser, seller, transfer agent or other Person dealing with the Trustees or any officer, employee or agent of the Trust shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by the Trustees or by such officer, employee or agent or make inquiry concerning or be liable for the application of money or property paid, transferred or delivered to or on the order of the Trustees or of such officer, employee or agent.

#### **5.6 Representative Capacity; Recitals.**

Any written instrument creating an obligation of the Trust shall be conclusively taken to have been executed by a Trustee or an officer, employee or agent of the Trust only in his capacity as a Trustee under this Indenture of Trust or in his capacity as an officer, employee or agent of the Trust. Any written instrument creating an obligation of the Trust shall not personally bind upon, nor shall resort be had to the property of, any of the Trustees, Participants, officers, employees or agents of the Trust, and that only the Trust Property or a specific portion thereof shall be bound, and such written instrument may contain any further similar recital which may be deemed appropriate; *provided however*, that the omission of any recital pursuant to this Section 5.6 shall not operate to impose personal liability on any of the Trustees, Participants, officers, employees or agents of the Trust, or to void any obligations created in the instrument.

#### **5.7 Reliance on Experts.**

Each Trustee and each officer of the Trust shall, in the performance of his duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Trust, upon an opinion of counsel or upon reports made to the Trust by any of its officers or employees or by the Advisor, the Administrator, the Custodian, accountants, appraisers or other experts or consultants selected with reasonable care by the Trustees or officers of the Trust.

#### **5.8 Liability Insurance.**

The Trustees shall have full power to and may obtain general and official liability and property damage insurance for the protection of the Trust Property and the Trustees, Treasurers, Participants, officers, auditors, employees and agents of the Trust in the operation and conduct of the Trust in such amounts as the Board of Trustees deems adequate to ensure against all claims and liabilities of every nature, to the extent such insurance may be available at reasonable rates.



## **ARTICLE VI**

### **Interests of Participants**

#### **6.1 General.**

The beneficial interest of the Participants hereunder in the Trust Property and the earnings thereon shall, for convenience of reference, be divided into Shares, which shall be used as units to measure the proportionate allocation to the respective Participants of the beneficial interest hereunder. The number of Shares that may be used to measure and represent the proportionate allocation of beneficial interest among the Participants is unlimited. All Shares shall be of one class representing equal distribution, liquidation and other rights. The beneficial interest hereunder measured by the Shares shall not entitle a Participant to preference, preemptive, appraisal, conversion, or exchange rights of any kind with respect to the Trust or the Trust Property, except as the Trustees may determine with respect to any Series. Title to the Trust Property of every description and the right to conduct any affairs herein described are vested in the Trustees on behalf, and for the beneficial interest, of the Participants, and the Participants shall have no interest therein other than the beneficial interest conferred hereby and measured by their Shares, and they shall have no right to call for any partition or division of any property, profits, rights or interests of the Trust nor can they be called upon to share or assume any losses of the Trust or suffer an assessment of any kind by virtue of the allocation of Shares to them, except as provided in Section 10.2 hereof.

The Trustees, in their discretion, from time to time, may authorize the establishment of two or more series of Shares, each such series relating to a separate Series of investments. In such event, each Series shall represent interest in the Trust Property of the Series and all shares of such Series shall have identical voting, dividend and liquidation rights except that expenses related directly or indirectly to a Series may be borne solely by such Series (as shall be determined by the Trustees). The bearing of such expenses solely by such Series shall be appropriately reflected (in the manner determined by the Trustees) in the net asset value, dividend and liquidation rights of the Shares of such Series. The division of the Shares of the Trust and the terms and conditions pursuant to which the Shares of the Series will be issued and the provisions applicable thereto will be determined by the Trustees in their sole discretion. No division of Shares of a Series into Classes shall result in the creation of a Class of Shares having a preference as to dividends or distributions or a preference in the event of any liquidation, termination or winding up of the Trust. All references to Shares in the Indenture of Trust shall be deemed to be Shares of any one Series, any one or more Series, or all Series as the context may require.

(b) If the Trustees shall divide the Shares into two or more Series, the following provisions shall be applicable:

(i) The number of Shares of each Series that may be used to measure the respective beneficial interests of the Participants in the portfolio of investments to which such Series relates to shall be unlimited.



(ii) The Trustees shall have the power to invest and reinvest the Trust Property applicable to each Series in accordance with the investment policy and restrictions set forth in this Indenture of Trust, or otherwise. The Trustees may establish more restrictive investment policies and restrictions for any particular Series.

(iii) All funds received by the Trust from a Participant with respect to a particular Series, together with all assets in which such funds are invested or reinvested, all income, earnings, profits and proceeds thereof, including any proceeds derived from the sale, exchange or liquidation of such assets, and (except to the extent otherwise determined by the Trustees pursuant to Section 10.4 hereof) any funds or payments derived from any reinvestment of such proceeds in whatever form the same may be, shall irrevocably belong to that Series for all purposes, subject only to the rights of creditors, and shall be so recorded upon the books of account of the Trust. In the event that there are any assets, income, earnings, profits, and proceeds thereof, funds, or payments which are not readily identifiable as belonging to any particular Series, the Trustees shall allocate them among any one or more of the Series (or to a reserve pursuant to Section 10.4 hereof) established and designated from time to time in such manner and on such basis as they, in their sole discretion, deem fair and equitable. Each such allocation by the Trustees shall be conclusive and binding upon all Participants of such Series for all purposes.

(iv) The assets belonging to each particular Series shall be charged with the liabilities of the Trust in respect of that Series and all expenses, costs, charges and reserves attributable to that Series in such manner and on such basis as the Trustees in their sole discretion deem fair and equitable. Any general liabilities, expenses, costs, charges or reserves of the Trust which are not readily identifiable as attributable to any particular Series shall be allocated and charged by the Trustees to and among any one or more of the Series established and designated from time to time in such manner and on such basis as the Trustees in their sole discretion deem fair and equitable. Each allocation of liabilities, expenses, costs, charges and reserves by the Trustees shall be conclusive and binding upon the Participants of all Series for all purposes. The Trustees shall have full discretion to determine which asset items will be treated as income and which as funds placed in the Trust by Participants and each such determination and allocation shall be conclusive and binding upon the Participants of all Series.

(v) The net income of the Trust shall be determined separately for each Series and shall be credited to the respective Share account of the Participants in each Series in the manner and at the time provided in Article X hereof.

(vi) The terms designated by the Trustees with respect to a Series may provide that the Shares of such Series shall only relate to a particular Participant or shall relate to



all Participants or otherwise provide for a limitation on the number and identity of the Participants to which the Shares of such Series shall relate.

(vii) The terms designated by the Trustees with respect to a Series may provide that such Series shall be established on a particular date and be terminated on a particular date.

(viii) The terms designated by the Trustees with respect to a Series may provide for limitations of time or otherwise with respect to the ability of the Participants participating in such Series to withdraw funds relating to Shares of such Series from the Trust.

(ix) To effect the division of the Shares into one or more Series of definite duration or to establish a Series of definite duration, the Trustees shall authorize and adopt one or more resolutions authorizing the creation of each such Series. In connection with effecting the division of Shares into one or more Series or establishing a Series pursuant to this Section 6.1(b)(ix), the Trustees may establish by resolution each such Series' date of establishment, duration, Participants, investments, and any other characteristics that the trustees may wish to establish in their resolution(s).

(x) To effect the division of the Shares into one or more Series of indefinite duration or to establish a Series of indefinite duration on, the Trustees shall authorize and adopt a Certificate of Designation for each such Series. Such Certificate of Designation shall become effective when: (A) executed, (I) by the Chairman of his Trust, or in his absence, the Vice Chairman of the Trust or; (II) by such other Trustees or officer(s) of the Trust as shall be determined by the Trustees, and (B) lodged in the records of the Trust. Any such Certificate of Designation may be filed or recorded pursuant to Article XII of this Indenture of Trust, but no such recordation or filing shall be a condition precedent to the effectiveness of such Certificate of Designation. No Certificate of Designation shall be, or shall be deemed to be, an amendment of this Indenture of Trust within the meaning of Article XIII of this Indenture of Trust. It shall not be necessary for each Participant to be advised of the adoption of any Certificate of Designation prior to its effectiveness, but the Trustees shall take, or shall cause to be taken, such measures as are reasonably intended to notify the Participants on at least a quarterly basis of the authorization and adoption by the Trustees of any Certificate or Certificates of Designation during the preceding quarter.

(xi) A copy of the Certificate of Designation relating to any Series shall be provided, upon request, to any Participant whether or not such Participant is participating in such Series.



(xii) A Certificate of Designation authorized and adopted by the Trustees pursuant to this Article VI shall be in substantially the following form, with the Trustees being hereby authorized to make such changes in the form set forth in this Subclause (xii) as may be necessary from time to time to conform to, or accommodate, changes in Law or regulation or the circumstances applicable or pertaining to a particular Series.

Florida Surplus Asset Fund Trust

Certificate of Designation

The Trustees of the Florida Surplus Asset Fund Trust (the "Trust") by action taken by them on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, pursuant to the authority vested in them by the Participants of the Fund in accordance with the Indenture of Trust of the Trust do hereby adopt this Certificate of Designation authorizing and establishing a Series of the Trust.

The terms of such Series (the "Series") shall be as follows:

Nomenclature. The Portfolio shall be known and referred to as \_\_\_\_\_.

Date of Establishment. The Series shall be established as of \_\_\_\_\_.

Duration. The duration of the Series shall be \_\_\_\_\_.

Series Participants. The Participant or Participants that may participate in the Series (the "Series Participants") are \_\_\_\_\_.

Investments. The nature of the investments in which funds of the Series Participant or Participants placed in the Trust with respect to the Series may be invested is \_\_\_\_\_.

Trustees and Custodians. The Trustees of the Trust designated as the Trustees assigned to the Series are \_\_\_\_\_.

Average Weighted Maturity. In accordance with the Indenture of Trust of the Trust, the average dollar weighted maturity of the Series is intended to be no greater than \_\_\_\_\_.

Net Asset Value. The method of determining the net asset value of the Series is \_\_\_\_\_.

Other Terms. (Insert a description of any other terms applicable to the Series.)



Indenture of Trust. To the extent not specifically set forth in this Certificate of Designation, the terms of the Series and the rights of the Series Participants shall be governed by the Indenture of Trust of the Trust of which this Certificate of Designation is deemed to be an integral part.

Definitions. Terms and phrases not otherwise defined in this Certificate of Designation shall have the definitions given to them in the Indenture of Trust.

IN WITNESS WHEREOF, the Trustees of the Trust have caused this Certificate of Designation to be executed by the undersigned officers of the Trust, such officers having been thereunto duly authorized.

Florida    Surplus    Asset    Fund    Trust

\_\_\_\_\_  
Authorized Signatory

-----End of Certificate of Designation-----  
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The Trustees shall be deemed to have been conclusively and fully appointed by the Participants participating in such Series as the official custodians (within the mean of Section 330.14 of Title 12 of the Code of Federal Regulations or its successor provisions or any similar law or regulation) of the assets of said Participants placed in the Fund with respect to such Series.

The Trustees shall have the power to designate one or more Series in which all Participants shall be deemed to be participants.

The provisions of the Certificate of Designation of a Series may be amended by action of the Trustees for the purposes of curing any ambiguity or supplying any omission or curing or correcting any defect or inconsistent provision in the Certificate of Designation or to insert such provision clarifying matters or questions arising under the Certificate of Designation as are necessary or desirable and are not contrary to or inconsistent with the Certificate of Designation theretofore in effect. The Participants participating in the Series to which the amendment relates shall be given notice thereof.

(c) At any time there are no Shares outstanding of any particular Series previously established and designated, the Trustees may by an instrument executed by a majority of their number (or by an officer of the Trust pursuant to a vote of the majority of Trustees) abolish that Series and the establishment and designation thereof. No such instrument shall be, or shall be deemed to be, an amendment of this Indenture of Trust.



## **6.2 Allocation of Shares.**

(a) The Trustees in their discretion may from time to time without vote of the Participants allocate Shares, in addition to the then allocated Shares, to such party or parties for such amount and such type of consideration (including, without limitation, income from the investment of Trust Property), at such time or times (including, without limitation, each business day in accordance with the maintenance of a constant net asset value per Share as set forth in Section 10.2 hereof), and on such terms as the Trustees may deem best. In connection with any allocation of Shares, the Trustees may allocate fractional Shares. The Trustees may from time to time adjust the total number of Shares allocated without thereby changing the proportionate beneficial interests in the Trust. Reductions or increases in the number of allocated Shares may be made in order to maintain a constant net asset value per Share as set forth in Section 10.2 hereof. Shares shall be allocated and redeemed as whole shares and/or one hundredths (1/100ths) of a Share or multiples thereof.

(b) Shares may be allocated only to a Local Government Entity that has become a Participant of the Trust in accordance with Section 1.2 and Section 14.6 hereof. Each Participant may establish more than one account within the Trust or Series for such Participant's convenience in accordance with such procedures as the Trustee may establish.

(c) Unless otherwise determined by the Trustees pursuant to Section 1.2(c), the minimum amount of funds which may be maintained in an account in the Trust by a Participant at any one time shall be \$1.00.

## **6.3 Evidence of Share Allocation.**

Evidence of Share allocation shall be reflected in the Share Register maintained by or on behalf of the Trust pursuant to Section 7.1 hereof, and the Trust shall not be required to issue certificates as evidence of Share allocation.

## **6.4 Redemption to Maintain Constant Net Asset Value.**

Each Share of the Trust shall be subject to redemption pursuant to the procedure for reduction of outstanding Shares set forth in Section 10.2 hereof in order to maintain the constant net asset value per Share.

## **6.5 Redemptions.**

Payments by the Trust to Participants and the reduction of Shares resulting therefrom are for convenience referred to in this Indenture of Trust as "redemptions." Any and all allocated Shares may be redeemed at the option of the Participant whose beneficial interest hereunder is measured by such Shares, upon and subject to the terms and conditions provided in this Indenture of Trust. The Trust shall, upon application of any Participant, promptly redeem from such Participant allocated Shares for an amount per Share equivalent to the proportionate interest measured by each Share in the net assets of the Trust at the time of the redemption. The procedures for effecting redemption shall be as adopted by the Trustees and as set forth in the Information Statement of the Trust, as the same may be amended from time to time; *provided, however,*



except as set forth in Sections 6.6 and 6.7, such procedures shall not be structured so as to substantially and materially restrict the ability of the Participants to withdraw funds from the Trust by the redemption of Shares, and *provided further* that no early withdrawal or other penalty charges shall be imposed upon any Participant for the redemption of its shares or withdrawal of its funds from the Trust.

#### **6.6 Suspension of Redemption; Postponement of Payment.**

Each Participant, by its adoption of this Indenture of Trust, agrees that the Trustees may, without the necessity of a formal meeting of the Trustees, temporarily suspend the right of redemption or postpone the date of payment for redeemed Shares for the whole or any part of any period:

(a) During which there shall have occurred any state of war, national emergency, act of God, banking moratorium or suspension of payments by banks in the State of Florida or any general suspension of trading or limitation of prices on any major stock or bond trading exchanges in the United States, including the NYSE Euronext or the NYSE Amex Equities (other than customary week-end and holiday closing); or

(b) During which any emergency situation exists, as a result of which disposal by the Trust of Trust Property is not reasonably practicable because of the substantial losses which might be incurred, or it is not reasonably practicable for the Trust fairly to determine the value of its net assets.

Such suspension or postponement shall not alter or affect a Participant's beneficial interest hereunder as measured by its Shares or the accrued interest and earnings thereon. Such suspension or payment shall take effect at such time as the Trustees shall specify but not later than the close of business on the business day next following the declaration of suspension, and thereafter there shall be no right of redemption or payment until the Trustees shall declare the suspension or postponement at an end, except that the suspension or postponement shall terminate in any event on the first day on which the period specified in subsection (a) or in this subsection (b) shall have expired, as to which the determination of the Trustees shall be conclusive. In the case of a suspension of the right of redemption or a postponement of payment for redeemed Shares, a Participant may either (i) withdraw its request for redemption or (ii) receive payment based on the net asset value existing after the termination of the suspension.

#### **6.7 Minimum Redemption.**

There shall be a minimum of one (1) Share which may be redeemed at any one time at the option of a Participant.

#### **6.8 Defective Redemption Requests.**

In the event that a Participant shall submit a request for the redemption of a greater number of Shares than are then allocated to such Participant, such request shall not be honored and, each Participant, by its adoption of this Indenture of Trust, agrees that the Trustees shall have full and complete power to redeem an amount of the Shares allocated to such Participant, at a redemption price determined in accordance with Section 6.5 hereof, sufficient to reimburse the Trust for any



fees, expenses, costs or penalties actually incurred by the Trust as a result of such defective redemption request.

## **ARTICLE VII**

### **Record of Shares**

#### **7.1     Share Register.**

The Share Register shall be kept by or on behalf of the Trustees, under the direction of the Trustees, and shall contain (i) the names and addresses of the Participants (including both a post office address for regular United States mail and a valid electronic mail address), (ii) the number of Shares representing their respective beneficial interests hereunder, and (iii) a record of all allocations and redemptions thereof. Such Share Register shall be conclusive as to the identity of the Participants to which the Shares are allocated. Only Participants whose allocation of Shares is recorded on such Share Register shall be entitled to receive distributions with respect to Shares or otherwise to exercise or enjoy the rights and benefits related to the beneficial interest hereunder represented by the Shares. No Participant shall be entitled to receive any distribution, nor to have notices given to it as herein provided, until it has given its appropriate address to such officer or agent of the Trust as shall keep the Share Register for entry thereon.

#### **7.2     Registrar.**

The Trustees shall have full and complete power to employ a registrar. The registrar shall record the original allocations of Shares in the Share Register. Such registrar shall perform the duties usually performed by registrars of certificates and shares of stock in a corporation, except as such duties may be modified by the Trustees.

#### **7.3     Owner of Record.**

No Person becoming entitled to any Shares in consequence of the merger, reorganization, consolidation, bankruptcy or insolvency of any Participant or otherwise, by operation of Law, shall be recorded as the Participant to which such Shares are allocated and shall only be entitled to the redemption value of such Shares. Until the person becoming entitled to such redemption value shall apply for the payment thereof and present any proof of such entitlement as the Trustees may in their sole discretion deem appropriate, the Participant of record to which such Shares are allocated shall be deemed to be the Participant to which such Shares are allocated for all purposes hereof, and neither the Trustees nor the registrar nor any officer or agent of the Trust shall be affected by any notice of such merger, reorganization, consolidation, bankruptcy, insolvency or other event.

#### **7.4     No Transfers of Shares.**

The beneficial interests measured by the shares shall not be transferable, in whole or in part, other than to the Trust itself for purposes of redemption.



### **7.5 Limitation of Fiduciary Responsibility.**

The Trustees shall not, nor shall the Participants or any officer, registrar or other agent of the Trust, be bound to see to the execution of any trust, express, implied or constructive, or of any charge, pledge or equity to which any of the Shares or any interest therein are subject, or to ascertain or inquire whether any redemption of any such Shares by any Participant or its representatives is authorized by such trust, charge, pledge or equity, or to recognize any Person as having any interest therein except the Participant recorded as the Participant to which such Shares are allocated. The receipt of the Participant in whose name any Share is recorded or of the duly authorized agent of such Participant shall be a sufficient discharge for all moneys payable or deliverable in respect of such Shares and from all liability to see to the proper application thereof.

### **7.6 Notices.**

Any and all notices to which Participants are hereunder entitled and any and all communications shall be deemed duly served or given if (a) mailed, postage prepaid, addressed to Participants of record at their last known post office addresses, or (b) sent by electronic mail addressed to the Participants of record at their last known electronic mail address, in each case as recorded in the Share Register provided for in Section 7.1 hereof.

## **ARTICLE VIII Participants**

### **8.1 The Rights of Participants.**

The rights of Participants as established in this Article shall be exercised by the Participant's representative, the Treasurer, as set forth in this Indenture of Trust. Each Participant, through its Treasurer, shall be entitled to one vote with respect to the following matters:

- (a) Amendment of this Indenture of Trust or termination of the Trust as provided in Section 4.3 and Section 13.1 hereof;
- (b) Election of Trustees; and
- (c) The approval or disapproval of the annual report, as provided in Section 8.9.

It shall not be necessary for any minimum number of Shares other than one (1) to be allocated to a Participant for the Participant to be entitled to vote. Participants may vote at either an annual or special meeting or without a meeting. A vote may be called by the Participants at any time if at least 10% of the members thereof contact the Secretary of the Trust requesting a vote and stating the question to be voted on. Within twenty (20) days of the receipt of such request, the Board of Trustees shall cause a ballot to be sent to each Participant, setting forth the matter to be voted on and the manner in which such ballots should be executed and delivered. All votes of Participants shall be administered and the results thereof promptly certified in writing to the Participants and the Board of Trustees by the Secretary, or by such other person as the Participants may from time



to time direct, in such a manner as to assure complete and accurate voting lists and vote counts and anonymity of votes.

## **8.2 Inspection of Records.**

The records of the Trust shall be open to inspection by any Participant at all reasonable business hours.

## **8.3 Meetings and Votes of Participants.**

(a) A meeting or a vote of the Participants may be called at any time by the Trustees, or upon written request of at least 10% of the members of the Participants filed with the Secretary of the Trust stating the purpose for the meeting or the matter to be voted upon. Any such meeting shall be held within the State of Florida at such place, on such day, and at such time as the Trustees shall designate, except that a meeting called by the Participants must be held within thirty (30) days after the qualifying request is made.

(b) A majority of the Participants entitled to vote at such meeting present in person or by proxy shall constitute a quorum at any annual or special meeting. For the purposes of this subsection (b), Participants shall be deemed present in person or by proxy if they or their proxies are participating by conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear and communicate with each other.

## **8.4 Annual Meetings or Annual Votes.**

Annual Meetings or Annual Votes of the Participants held without a meeting, shall be held within one hundred twenty (120) days after the completion of the Trust's first fiscal year and thereafter within one hundred twenty (120) days after the completion of each succeeding fiscal year of the Trust. The business transacted at such meetings, or matters considered in such votes, shall include the election of Trustees and may include the transaction of such other business or consideration of such matters as Participants may be entitled to vote upon as provided in this Article VIII, or as the Trustees may determine.

## **8.5 Notice of Meetings and Votes.**

Notice of all meetings of the Participants, stating the time, place and purposes of the meeting, and notice of any vote without a meeting, stating the purpose and method thereof, shall be given by the Trustees by mail or electronic mail to each Participant at its registered address, sent at least ten (10) days and not more than thirty (30) days before the meeting or the day by which votes must be cast. Only business stated in the notice of a meeting shall be considered at such meeting. Any adjourned meeting may be held as adjourned without further notice. Any notice required by any "open meeting," "sunshine" or similar law, whether now or hereafter in effect, shall also be given.



#### **8.6 Record Date for Meetings and Votes.**

For the purposes of determining the Participants that are entitled to vote or act at any meeting or any adjournment thereof, or who are entitled to participate in any vote, or for the purposes of any other action, the Trustees may from time to time fix a date not more than thirty (30) days prior to the date of any meeting or vote of Participants or other action as a record date for the determination of Participants entitled to vote at such meeting or any adjournment thereof or to cast a ballot in such vote or to be treated as Participants of record for purposes of such other action. Any Participant which was a Participant at the time so fixed shall be entitled to vote at such meeting or any adjournment thereof, or to cast a ballot in such vote, even though it then had no Shares allocated to it or has since that date redeemed its Shares. No Participant becoming such after that date shall be so entitled to vote at such meeting or any adjournment thereof or to cast a ballot in such vote or to be treated as a Participant of record for purposes of such other action.

#### **8.7 Proxies.**

At any meeting of Participants, if permitted by applicable law, any Participant entitled to vote thereat may vote by proxy, provided that no proxy shall be voted at any meeting unless it shall have been placed on file with the Secretary of the Trust, or with such other officer or agent of the Trust as the Secretary of the Trust may direct, for verification prior to the time at which such vote shall be taken. Pursuant to a resolution of a majority of the Trustees, proxies may be solicited in the name of one or more of the officers of the Trust. All proxies shall be revocable at the option of the Participant.

#### **8.8 Number of Votes.**

Only Participants of record shall be entitled to vote. Each Participant shall be entitled to one vote without regard to the number of Shares allocated to it. A proxy purporting to be executed by or on behalf of a Participant shall be deemed valid unless challenged at or prior to its exercise, and the burden of proving invalidity shall rest on the challenger.

#### **8.9 Reports.**

The Trustees shall cause to be prepared at least annually (i) a report of operations containing a statement of assets, liabilities, operations, changes in investments and earnings thereon, and changes in net assets of the Trust, prepared in conformity with generally accepted accounting principles and (ii) an opinion of an independent certified public accountant on such financial statements based on an examination of the books and records of the Trust made in accordance with generally accepted auditing standards. A signed copy of such report and opinion shall be filed with the Trustees within ninety (90) days after the close of the period covered thereby. The Participants shall review the annual report submitted by the Trustees. This review is to establish that the Trust is operating in compliance with the Indenture of Trust as set forth herein. The approval or disapproval of the annual report, either in whole or in part, shall be by vote without a meeting. Results of the vote shall be reported to the Participants within thirty (30) days after the voting deadline. Any votes not submitted by the deadline will be counted as approval of the annual report. In addition, the Trustees shall furnish to the Participants at least quarterly an



interim report prepared in conformity with generally accepted accounting principles containing an unaudited balance sheet of the Trust as at the end of such quarterly period and statements showing details of operations and changes in net assets for the period from the beginning of the then current fiscal year to the end of such quarterly period.

## **ARTICLE IX**

### **Trustees and Officers**

#### **9.1 Number, Qualification and Succession of Trustees.**

(a) The governing body of the Trust shall be the Board of Trustees, the membership of which shall be determined as herein provided.

(b) The number of Trustees shall initially be three (3) and shall thereafter be fixed from time to time by resolution of a majority of the Participants, *provided, however*, that the number of Trustees shall at no time be less than three (3) or more than fifteen (15). No reduction in the number of Trustees shall have the effect of removing any Trustee from office prior to the expiration of his term.

(c) The Trustees shall be natural persons. A majority of the authorized number of Trustees shall be members of the Participants and thus a Treasurer of a Participant. The Participants may elect one or more Non-Treasurer Trustees to serve on the Board of Trustees, but the number of Non-Treasurer Trustees serving on the Board of Trustees shall at all times be less than one-half (1/2) in number of the authorized number of Trustees. If any Trustee who was a Treasurer of a Participant at the time of election or appointment ceases to be a Treasurer of a Participant during his term as Trustee, he shall be deemed not to meet the requirements for office within the meaning of Section 9.3(a)(v) hereof.

(d) Except as provided by Section 9.2 hereof concerning the initial Trustees, Trustees shall be elected or appointed as provided in Section 9.4 hereof. No such election or appointment shall become effective, however, until the person elected or appointed qualifies for such office by delivering to the Secretary or Chairman of the Board of Trustees a writing signed by him (i) accepting such appointment, and (ii) agreeing to be bound by the terms of this Indenture of Trust. Qualification must be completed within twenty (20) days after such person is notified of his election or appointment, and failure to meet this requirement shall void the election or appointment.

(e) Whenever a vacancy in the number of Trustees shall occur until such vacancy is filled the Trustees or Trustee continuing in office, regardless of their number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by this Indenture of Trust.

(f) Upon the election or appointment and qualification of any person to the office of Trustee, the Trust Property shall vest in such new Trustee without necessity of any further act or conveyance.

(g) The Trustees, in their capacity as Trustees, shall not be required to devote their entire time to the business and affairs of the Trust.



## **9.2     Reserved.**

## **9.3     Vacancies.**

(a) A Trustee's office shall be deemed vacant upon the occurrence of anyone of the following events:

(i) If for any reason a properly qualified person is not elected to such Trustee's office by the Participants at the Regular Election next preceding the expiration of the Trustee's term;

(ii) If a person who was duly elected or appointed fails, neglects or refuses to qualify for office as required by subSection 9.1(d) hereof within twenty (20) days after the date he is notified of such election or appointment;

(iii) If a person who was duly elected or appointed submits a written resignation to the Board of Trustees;

(iv) If a person who was duly elected or appointed dies during his term of office;

(v) If a person who was duly elected or appointed ceases to meet the requirements for the office of Trustee as set forth in Section 9.1 hereof;

(vi) If a person who was duly elected or appointed is convicted of a felony or is or becomes the subject of an Order for Relief entered pursuant to the United States Bankruptcy Code (11 USC §§101 *et seq.*);

(vii) If a court of competent jurisdiction voids the election or appointment or removes a person duly elected or appointed for any cause whatsoever, but only after his right to appeal has been waived or otherwise exhausted; or

(viii) If the person who was duly elected or appointed is removed from office pursuant to Section 9.5 hereof.

(b) No vacancy in the office of any Trustee shall operate to annul this Indenture of Trust or to revoke any existing agency created pursuant to the terms of this Indenture of Trust, and title to any Trust Property held in the name of such Trustee and the other Trustees or otherwise, shall, in the event of a vacancy in the office of such Trustee, vest in the continuing or surviving Trustees without necessity of any further act or conveyance.

## **9.4     Election; Appointment; Term of Office.**

(a) Trustees are elected for overlapping terms of three years by a majority vote of the Participants present and entitled to vote at an annual meeting or voting in an annual vote of Participants, herein called a "Regular Election." At any time the Participants change the number of Trustees it shall by the same action specify the number of three-year terms to be filled at the next Regular



Election, but shall maintain as nearly equal as possible the number of three-year terms to be filled at each subsequent Regular Election. Trustees may succeed themselves in office.

(b) Any vacancy on the Board of Trustees may be filled by an appointee qualified under the terms of this Indenture of Trust selected by the remaining Trustees, but such appointment is valid only until the next Regular Election, at which time the vacancy for the then unexpired portion of the term is filled by the Participants.

(c) A Trustee remains in office until a vacancy occurs in his office as provided in Section 9.3 hereof, or until his successor is duly elected and qualifies for office as provided in Section 9.1(d) hereof, whichever shall first occur.

#### **9.5     Resignation and Removal.**

(a) Any Trustee may resign (without need for prior or subsequent accounting) by an instrument in writing signed by him and delivered to the Chairman, the Vice Chairman or the Secretary, and such resignation shall be effective upon such delivery or at a later date according to the terms of the notice.

(b) Any Trustee may be removed without cause by the Participants, or for good cause by action of two-thirds of the other Trustees.

(c) Upon ceasing to be a Trustee, such person shall execute and deliver such documents as the remaining Trustees shall require for the purpose of conveying to the Trust or the remaining Trustees any Trust Property held in the name of the resigning or removed Trustee. Upon the incapacity or death of any Trustee, his or her legal representative shall execute and deliver on his or her behalf such documents as the remaining Trustees shall require as provided in the preceding sentence.

#### **9.6     Officers and Advisors.**

The Trustees shall annually designate a Chairman who shall be the Chief Executive Officer of the Trust and a Vice Chairman, who shall have such duties as the Trustees shall deem advisable and appropriate. The Trustees shall elect or appoint, from among their number or otherwise, a Treasurer and a Secretary, who shall have such powers, duties and responsibilities as the Trustees may deem to be advisable and appropriate. The Trustees may elect or appoint, from among their number or otherwise, or may authorize the Chairman to appoint, one or more Assistant Secretaries and Assistant Treasurers, and such other officers or agents, who shall have such powers, duties and responsibilities as the Trustees may deem to be advisable and appropriate. Two or more officers, except those of Chairman and Vice Chairman, may be held by the same person. The Treasurer, the Secretary, the Advisor, the Administrator, the Custodian and Legal Counsel may attend meetings of the Trustees but, except in the case of a Treasurer or a Secretary who may be a member of the Board of Trustees, shall have no voting power.



## **9.7 By-Laws; Quorum of Trustees.**

(a) The Trustees may adopt and, from time to time, amend or repeal By-Laws for the conduct of the business of the Trust, and in such By-Laws, among other things, may define the duties of the respective officers, agents, employees and representatives of the Trust. Notwithstanding the foregoing, absent adoption of By-Laws addressing the same, the Trustees may define the duties of the respective officers, agents, employees and representatives of the Trust, and such other matters regarding administration of the Trust not specifically addressed in this Indenture of Trust, by resolution of the Board of Trustees.

(b) A quorum for the purposes of any meeting or vote of the Trustees shall consist of a majority of the Trustees entitled to vote at a meeting of the Board of Trustees, which majority may include Non-Treasurer Trustees who number less than one-half (1/2) of the total number of Trustees included in such quorum. The intent of this provision is that the majority of any quorum of Trustees consist of Trustees who are Treasurers of the Participants.

## **ARTICLE X**

### **Determination of Net Asset Value and Net Income: Distributions to Participants**

#### **10.1 Net Asset Value.**

The net asset value of each allocated Share of the Trust shall be determined once on each business day at 8:00 a.m. Eastern Time for the prior business day, or such time as the Trustees by resolution may determine. The method of determining net asset value shall be established by the Trustees and shall be set forth in the Information Statement as the same may be amended from time to time. The duty to make the daily calculations may be delegated by the Trustees to the Advisor, the Administrator, the Custodian or such other Person as the Trustees by resolution may designate.

#### **10.2 Constant Net Asset Value; Reduction of Allocated Shares.**

(a) The Trustees shall have full and complete power to determine the net income (including unrealized gains and losses on the portfolio assets) of the Trust once on each business day as provided in Section 10.1 hereof and, upon each such determination such net income shall be credited proportionately to the accounts of the Participants in such manner, and with the result, that the net asset value per Share of the Trust shall remain at a constant dollar value of \$1.00 or integral of 1/100ths thereof. Any change in the constant dollar value shall be made on a *pro rata* basis by increasing or reducing the number of each Participant's shares. The general method used for the determination of the net income of the Trust and the crediting thereof proportionately to the respective accounts of the Participants shall be determined by the Trustees and shall be set forth in the Information Statement as the same may be amended from time to time. The duty to make the daily calculations may be delegated by the Trustees to the Advisor, the Administrator, the Custodian or such other Person as the Trustees by resolution may designate. Fluctuations in value will be reflected in the number of Shares allocated to each Participant. If there is a net loss, the Trustees will first offset such amount against income accrued to each Participant. To the extent that such a net loss would exceed such accrued



income, subject to the last paragraph of Section 2.9 hereof, the Trustees will reduce the aggregate number of the Trust's allocated Shares in an amount equal to the amount by which the net loss exceeds accrued income by having each Participant contribute to the Trust's corpus its *pro rata* portion of the total number of Shares required to be redeemed in order to permit the net asset value per Share of the Trust to be maintained at a constant dollar value. Each Participant will be deemed to have agreed to such contribution in these circumstances by its investment in the Trust and its adoption of this Indenture of Trust. The purpose of the foregoing procedure is to permit the net asset value per Share of the Trust to be maintained at a constant dollar value per Share.

(b) The Trustees may discontinue or amend the practice of attempting to maintain the net asset value per Share at a constant dollar amount at any time and such modification shall be evidenced by appropriate changes in the Information Statement as the same may be amended from time to time.

### **10.3 Supplementary Distributions to Participants.**

In addition to redemptions made at the request of individual Participants pursuant to Section 6.5 hereof, the Trustees may from time to time also declare and make to the Participants, in proportion to their respective allocation of Shares, out of the earnings, profits or assets in the hands of the Trustees, such supplementary distributions as they may determine. The declaration and making of such supplementary distributions and the determination of earnings, profits, and other funds and assets available for supplemental distributions and other purposes shall lie wholly in the discretion of the Trustees and may be made at such time and in such manner as the Trustees may in their sole discretion from time to time determine. Any or all such supplementary distributions may be made among the Participants of record at the time of declaring a distribution or among the Participants of record at such other date as the Trustees shall determine.

### **10.4 Retained Reserves.**

The Trustees may retain from the earnings of the Trust such amount as they may deem necessary to pay the debts and expenses of the Trust and to meet other obligations of the Trust, and the Trustees shall also have the power to establish such reasonable reserves from earnings as they believe may be required to protect the Trust and the Participants against contingent liabilities.

## **ARTICLE XI**

### **Custodian**

### **11.1 Duties.**

The Trustees shall employ any bank or trust company organized under the Laws of the United States of America as Custodian(s) with authority as its agent, but subject to such restrictions, limitations and other requirements, if any, as may be contained in the By-Laws of the Trust or otherwise determined by resolution of the Board of Trustees, to perform the duties set forth in the Custodian agreement to be entered into between the Trust and such Custodian.



### **11.2 Appointment.**

The Trustees shall have the power to select and appoint the Custodian for the Trust. The Custodian Agreement may be terminated at any time without cause and without the payment of any penalty by the Trust on sixty (60) days' written notice to the Custodian.

### **11.3 Disbursement and Collection Agent.**

The Trustees may also authorize the employment of a disbursement and collection agent from time to time to perform acts and services upon such terms and conditions, as may be agreed upon between the Custodian and said agent and approved by the Trustees; *provided, however*, that, in every case, such disbursement and collection agent shall be a bank or trust company duly organized under the laws of the United States of America or one of the states thereof and shall be a state designed qualified public depository.

### **11.4 Successors.**

In the event that at any time the Custodian shall resign or shall be terminated pursuant to the provisions of the Custodian Agreement or disbursement and Collection Agreement, the Trustees shall appoint a successor thereto.

## **ARTICLE XII Recording of Indenture of Trust**

### **12.1 Recording.**

This Indenture of Trust and any amendment hereto shall be filed, registered, recorded or lodged as a document of public record in such place or places and with such official or officials as may be required by Law or as the Trustees may deem appropriate. Without limiting the generality of the foregoing, this Indenture of Trust will be filed with the applicable circuit court or courts pursuant to Section 163.01, Fla. Stat. and this Indenture of Trust shall be effective upon such filing. Each amendment so filed, recorded or lodged shall be accompanied by a Certificate signed and acknowledged by a Trustee stating that such action was duly taken in the manner provided for herein; and unless such amendment or such certificate sets forth some earlier or later time for the effectiveness of such amendment, such amendment shall be effective upon its filing. An amended Indenture of Trust, containing or restating the original Indenture and all amendments theretofore made, may be executed any time or from time to time by a majority of the Trustees and shall, upon filing, recording or lodging in the manner contemplated hereby, be conclusive evidence of all amendments contained therein and may thereafter be referred to in lieu of the original Indenture of Trust and the various amendments thereto.



**ARTICLES XIII**  
**Amendments to Indenture of Trust and Permitted Investments List;**  
**Termination of Trust; Duration of Trust**

**13.1 Amendment to Indenture of Trust or Permitted Investments List; Termination.**

(a) The provisions of this Indenture of Trust and the Permitted Investments List may be amended or altered, or the Trust may be terminated, by the affirmative vote of a majority of the Participants entitled to vote at any meeting of the Participants or pursuant to any vote of the Participants called for that purpose, except that the affirmative vote of two-thirds of the Participants entitled to vote shall be required to enact any amendment which would change any rights with respect to any allocated Shares of the Trust by reducing the amount payable thereon upon liquidation of the Trust, or which would diminish or eliminate any voting rights of the Participants. Substantive amendments to the limitations upon personal liability of the Participants and Trustees and to the prohibition of assessments upon Participants shall require the unanimous approval of all Participants entitled to vote. Notwithstanding the foregoing, after fifteen (15) days' prior written notice to the Participants, the Board of Trustees may amend or alter the provisions of the Indenture of Trust or the Permitted Investments List, without the vote or assent of the Participants, to the extent deemed in good faith by the Board of Trustees to be necessary to conform this Indenture of Trust to the requirements of applicable laws or regulations or any interpretation thereof by a court or other governmental agency of competent jurisdiction. No liability shall attach to the Trustees, however, for any failure or refusal on their part to act pursuant to the power granted in this subsection (a).

(b) Upon the termination of the Trust pursuant to this Section 13.1, (i) the Trust shall carry on no business except for the purpose of winding up its affairs, (ii) the Trustees shall proceed to wind up the affairs of the Trust and all of the powers of the Trustees under this Indenture of Trust shall continue until the affairs of the Trust shall have been wound up, including, without limitation, the power to fulfill or discharge the contracts of the Trust, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Trust Property to one or more persons at public or private sale for consideration which may consist in whole or in part of cash, securities or other property of any kind, discharge or pay its liabilities, and do all other acts appropriate to liquidate its affairs, *provided, however*, that any sale, conveyance, assignment, exchange, transfer, or other disposition of all or substantially all of the Trust Property shall require approval of the principal terms of the transaction and the nature and amount of the consideration by affirmative vote of not less than a majority of the Trustees entitled to vote thereon, and (iii) after paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining Trust Property, in cash or in kind or partly in each, among the Participants according to their respective proportionate allocation of Shares.

(c) Upon termination of the Trust and distribution to the Participants as herein provided, a majority of the Trustees shall execute and lodge among the records of the Trust an instrument in writing setting forth the fact of such termination, and the Trustees shall thereupon be discharged



from all further liabilities and duties hereunder, and the right, title and interest of all Participants shall cease and be cancelled and discharged.

(d) A certification in recordable form signed by a majority of the Trustees setting forth an amendment and reciting that it was duly adopted by the Participants or by the Trustees as aforesaid or a copy of the Indenture, as amended, in recordable form, and executed by a majority of the Trustees, shall be conclusive evidence of such amendment.

### **13.2 Duration.**

The Trust shall continue in existence in perpetuity, subject in all respects to the provisions of this Article XIII.

## **ARTICLE XIV Miscellaneous**

### **14.1 Governing Law.**

This Indenture of Trust is executed by the Initial Participants and delivered in the State of Florida and with reference to the Laws thereof, and the rights of all parties and the validity, construction and effect of every provision hereof shall be subject to and construed according to the Laws of said State of Florida (without regard to its conflicts of law rules).

### **14.2 Counterparts.**

This Indenture of Trust may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

### **14.3 Reliance by Third Parties.**

Any certificate executed by an individual who according to the then current records of the Trust appears to be a Trustee, the Secretary or the Treasurer of the Trust, certifying to (a) the number or identity of Trustees or Participants, (b) the due authorization of the execution of any instrument or writing, (c) the results of any vote of Trustees or Participants, (d) the fact that the number of Trustees or Participants present at any meeting or executing any written instrument satisfies the requirements of this Indenture of Trust, or (e) the form of any By-Laws adopted by, or the identity of any officers or any facts which in any manner relate to the affairs of the Trust, shall be conclusive evidence as to the matters so certified in favor of any Person dealing with the Trustees or any of them or the Trust and the successors of such Person.

### **14.4 Provisions in Conflict with Law.**

The provisions of this Indenture are severable, and if the Trustees shall determine with the advice of counsel that any one or more of such provisions are in conflict with applicable federal or Florida Laws, those conflicting provisions shall be deemed never to have constituted a part of



this Indenture of Trust, *provided, however*, that such determination by the Trustees shall not affect or impair any of the remaining provisions of this Indenture of Trust or render invalid or improper any action taken or omitted (including, but not limited to, the election of Trustees) prior to such determination.

#### **14.5 Gender and Section Headings.**

(a) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and *vice versa*.

(b) Any headings preceding the texts of the several Articles and Sections of the Indenture of Trust and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Indenture of Trust nor affect its meaning, construction or effect.

#### **14.6 Adoption by Local Government Entities; Written Investment Policies of Participants; Resignation and Withdrawal of Participants.**

(a) Any Local Government Entity meeting the requirements of Section 1.2 hereof may become a Participant of this Trust by (i) taking all required official action to adopt and authorize the execution of this Indenture of Trust including, without limitation, adopting a written investment policy consistent with this Indenture of Trust and the Permitted Investments List or amending or modifying any existing written investment policy not consistent with this Indenture of Trust or the Permitted Investments List, and (ii) furnishing the Trustees with satisfactory evidence that such official action has been taken. A copy of this Indenture of Trust may be adopted by executing a written instrument of adoption in such form as may be prescribed by the Trustees. Delivering an acknowledged copy of such instrument shall constitute satisfactory evidence of the adoption contemplated by this Section.

(b) By joining in or adopting this Indenture of Trust, each Participant agrees that it will maintain a written investment policy consistent with the provisions of this Indenture of Trust and the Permitted Investments List, as each of the same is amended from time to time.

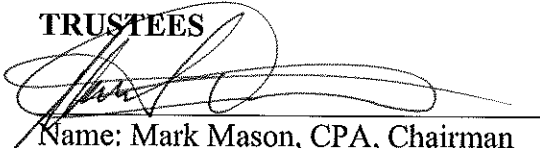
(c) Any Participant may resign and withdraw from the Trust by sending a written notice to such effect to the Chairman of the Trust and the Administrator and by requesting the redemption of all Shares then held by it or in accordance with any other procedure authorized by the Trustees or the Participants. Such resignation and withdrawal shall become effective upon the receipt thereof by the Chairman of the Trust and the Administrator. No resignation and withdrawal by a Participant shall operate to annul this Indenture of Trust or terminate the existence of the Trust.


IN WITNESS WHEREOF, the undersigned Local Government Entities of the State of Florida acting in the capacity of Initial Participants of the Trust have executed this Indenture of Trust together with the Trustees as of the day first above written.

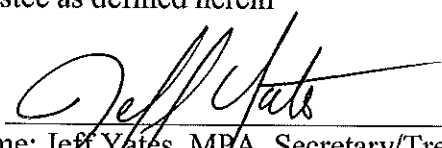



Signature page to  
Amended and Restated Indenture of Trust  
for Florida Surplus Asset Fund Trust  
Dated as of July 13, 2012

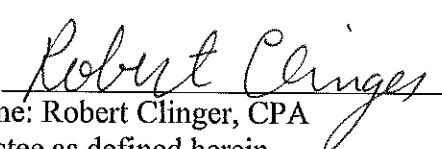
**TRUSTEES**

  
Name: Mark Mason, CPA, Chairman  
Trustee as defined herein

By:   
Name: Linda Senne, CPA, Vice Chairman  
Trustee as defined herein

By:   
Name: Jeff Yates, MPA, Secretary/Treasurer  
Trustee as defined herein

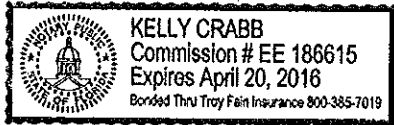
By:   
Name: Jerry Boop, CPA  
Trustee as defined herein

By:   
Name: Robert Clinger, CPA  
Trustee as defined herein



STATE OF FLORIDA )  
 ) ss:  
COUNTY OF ORANGE )

The foregoing instrument was sworn to and subscribed before me this 13th day of July, 2012, by MARK MASON, as Trustee for Florida Surplus Asset Fund Trust. He is ☒ personally known to me or ☐ produced a driver's license issued by the \_\_\_\_\_ Department of Highway Safety and Motor Vehicles as identification; or ☐ produced the following identification: \_\_\_\_\_



*Kelly Crabb*  
NOTARY PUBLIC, STATE OF FLORIDA

(Print, Type or Stamp Commissioned Name of Notary Public)

STATE OF FLORIDA )  
 ) ss:  
COUNTY OF ORANGE )

The foregoing instrument was sworn to and subscribed before me this 13th day of July, 2012, by LINDA SENNE, as Trustee for Florida Surplus Asset Fund Trust. She is ☒ personally known to me or ☐ produced a driver's license issued by the \_\_\_\_\_ Department of Highway Safety and Motor Vehicles as identification; or ☐ produced the following identification: \_\_\_\_\_



*Kelly Crabb*  
NOTARY PUBLIC, STATE OF FLORIDA

(Print, Type or Stamp Commissioned Name of Notary Public)

STATE OF FLORIDA )  
 ) ss:  
COUNTY OF ORANGE )

The foregoing instrument was sworn to and subscribed before me this 13th day of July, 2012, by JEFF YATES, as Trustee for Florida Surplus Asset Fund Trust. He is ☒ personally known to me or ☐ produced a driver's license issued by the \_\_\_\_\_ Department of Highway Safety and Motor Vehicles as identification; or ☐ produced the following identification: \_\_\_\_\_



*Kelly Crabb*  
NOTARY PUBLIC, STATE OF FLORIDA

(Print, Type or Stamp Commissioned Name of Notary Public)

STATE OF FLORIDA )  
 ) ss:  
COUNTY OF ORANGE )

The foregoing instrument was sworn to and subscribed before me this 13th day of July, 2012, by JERRY BOOP, as Trustee for Florida Surplus Asset Fund Trust. He is ☒ personally known to me or ☐ produced a driver's license issued by the \_\_\_\_\_ Department of Highway Safety and Motor Vehicles as identification; or ☐ produced the following identification: \_\_\_\_\_



*Kelly Crabb*  
NOTARY PUBLIC, STATE OF FLORIDA

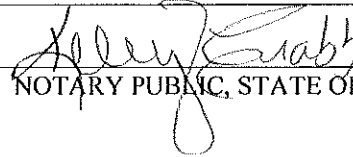
(Print, Type or Stamp Commissioned Name of Notary Public)



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Department of Highway Safety and Motor Vehicles as



(Print, Type or Stamp Commissioned Name of Notary Public)



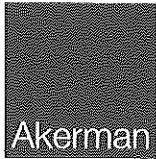
## Florida Surplus Asset Fund Trust PERMITTED INVESTMENTS

The Trust may invest in the following types and categories of investments:

1. Direct obligations of the United States Treasury;
2. Obligations backed by the full faith and credit of the United States government;
3. Obligations of agencies and instrumentalities of the United States government rated in the highest rating category by a nationally recognized rating agency;
4. Certificates of deposit and other evidences of deposit with approved financial institutions;
5. Bankers' acceptances rated in the highest rating tier by a nationally recognized rating agency;
6. Commercial paper rated in the highest rating tier by a nationally recognized rating agency;
7. Obligations of state and local governments and public authorities rated in the two highest rating tiers by a nationally recognized rating agency;
8. Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities;
9. Repurchase agreements whose underlying purchased securities consist only of the instruments listed in categories 1 through 8 above; and
10. Without limiting the foregoing, any investments authorized under Section 218.415(16), Fla. Stat.

The Trust may participate in a securities lending program approved by the Board of Trustees.





Scott M. Price

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420 South Orange Avenue  
Suite 1200  
Orlando, Florida 32801  
Tel: 407.423.4000  
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Dir: 407.419.8428  
scott.price@akerman.com

August 13, 2012

Orange County Comptroller  
109 East Church Street, Suite 300  
Orlando, Florida 32801

**Re: Amended and Restated Indenture of Trust**

Enclosed please find the following documents to be recorded IN THE ORDER GIVEN, along with our firm's checks in the amount of \$350.00 and \$17.00 totaling \$367.00.

	<u>Document</u>	<u>Pages</u>	<u>Amount</u>
1.	AMENDED AND RESTATED INDENTURE OF TRUST	43	\$367.00
	<b>TOTAL ENCLOSED</b>		<b>\$367.00</b>

If you have any questions regarding the enclosed, please do not hesitate to give me a call.

AKERMAN SENTERFIT

Kelly Crabb  
407-237-8791

DOC # 20120431789

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Martha O. Haynie, Comptroller  
Orange County, FL



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NEW YORK ORLANDO PALM BEACH SALT LAKE CITY TALLAHASSEE TAMPA TYSONS CORNER WASHINGTON, D.C.  
WEST PALM BEACH

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