

**North Carolina Investment Authority
Deposit Agreement for Investment in Ancillary Governmental Participant Investment Program
("AGPIP")**

**Equity Index Fund Pursuant to N.C.G.S. § 147-69.2(b)(8)
Bond Index Fund Pursuant to N.C.G.S. §§ 147-69.2(b)(1)-(6)
and/or**

Short-Term Investment Fund Pursuant to N.C.G.S. §§ 147-69.1(c) and 147-69.2(b)(1)

WHEREAS, pursuant to the North Carolina General Statutes, certain public entities that are not part of the North Carolina Retirement System, each an Ancillary Governmental Participant ("Participant"), may deposit monies ("Monies") with the North Carolina Investment Authority ("NCIA"), either directly or through the Treasurer of the State of North Carolina ("Treasurer"), and the NCIA in turn will invest the Monies;

WHEREAS, pursuant to N.C.G.S. §§ 147-69.2(b), 147-69.2(b2)-(b8), 147-69.2(d), 147-69.3(b), 147-69.5, or 147-69.6 or other such enabling legislation authorizing Participant to invest in AGPIP, certain Participants are authorized to direct the NCIA as to the allocation of their investments;

WHEREAS, each Participant is exempt from federal income tax under Section 115 of the Internal Revenue Code of 1986 ("Code"), as amended, and the Constitution of the United States as an organization performing an essential government function or as an organization owned by an instrumentality of the State of North Carolina;

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained, the parties hereto agree as follows:

Section 1. General. The undersigned Participant understands, agrees, and acknowledges that it may deposit Monies from time to time with the NCIA. Subject to the restrictions of the Participant's enabling legislation limiting the Participant's investment options, these Monies may be held and invested in one or more of the following: (i) a portfolio of primarily equity securities ("Equity Index Fund" or "EIF") as permitted by N.C.G.S. § 147-69.2(b)(8); (ii) a portfolio of fixed income instruments ("Bond Index Fund" or "BIF") as permitted by N.C.G.S. §§ 147-69.2(b)(1) through (6) and/or (iii) certain other fixed income instruments as permitted by N.C.G.S. § 147-69.2(b)(1) ("Short-Term Investment Fund" or "STIF").

The undersigned Participant understands and acknowledges that investments in the EIF are to be effected through investments made by the NCIA in individual, common, or collective trust funds of banks, trust companies, and group trust funds of investment advisory companies as long as the investment manager has assets under management of at least \$100 million. The trustee of each such third-party trust ("Third-party Trustee") shall be appointed by the NCIA. The undersigned Participant further understands and acknowledges that investments in the BIF are effected through third-party investment management, custodial, and brokerage arrangements. The STIF is to be managed internally by the NCIA and utilizes third-party custodial and brokerage arrangements.

The undersigned Participant understands, agrees, and acknowledges that if the Participant is a Local

Government Other Post-Employment Benefits Trust (“OPEB Trust”) established pursuant to N.C.G.S. § 150-30.1 or Local Government Law Enforcement Officer Special Separation Allowance Trust (“LEOSSA Trust”) established pursuant to N.C.G.S. §§ 147-69.5 and 159-30.2, the Participant has established an irrevocable trust by resolution or ordinance of the entity’s governing board. The resolution or ordinance states the purpose for which the OPEB Trust or LEOSSA Trust is created and the method for determining and selecting the trustees.

Section 2. Representations and Warranties. As a condition of its investment, the Participant acknowledges, represents, warrants and agrees that:

- a) The Participant recognizes that it is indirectly investing in equity securities (if the Participant is eligible for the EIF), debt instruments (if the Participant is eligible for the BIF) and/or short-term fixed income investments. BIF, EIF, and/or STIF may lose money over short or long periods of time as they are not bank deposits, are not guaranteed by the State of North Carolina, the Treasurer, the NCIA, or any private sector entity, and may lag the rate of inflation. Neither BIF, EIF, nor STIF is necessarily a complete investment program and returns may lag the returns of a balanced portfolio with comparable risk. BIF and EIF provide only limited liquidity and, Monies invested in the BIF and EIF should not be needed for immediate disbursement. The Participant recognizes that investments in EIF, BIF, and/or STIF are subject to, among other things: general equity and bond market investment risks (including, but not limited to, the risk of the loss of capital); investment manager risk (including, but not limited to, the risk that poor security selection by the manager will cause the investment to underperform relevant to benchmarks or other investments with similar objectives); interest rate risks; credit risks (including, where applicable, custodial credit risks, which is the risk that in the event of the failure of the counterparty, the NCIA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party); pre-payment risk; foreign equity risk; emerging market risk; and derivatives risk.
- b) The Participant is aware of, understands, and accepts all of the risk factors, including transition risk, related to investments in EIF, BIF, and/or STIF, as applicable.
- c) The Participant is able to bear the economic risk of investments in EIF, BIF and/or STIF, as applicable.
- d) The Participant has such knowledge and experience in financial and business matters that the Participant is capable of evaluating the merits and risks of an investment in the EIF, BIF and/or STIF.
- e) The Participant is solely responsible for determining the suitability of and the statutory authorization for its investment in the EIF, BIF, and/or STIF, as applicable. The Participant is solely responsible for determining the allocation of its investment between any of the EIF, BIF, and/or STIF, as applicable. Allocations shall be set forth on the deposit/withdrawal form and signed by a duly authorized representative of the Participant. The Participant acknowledges that the NCIA shall not rebalance the Participant’s allocation on an ongoing basis in order to maintain the initial percentage allocation made by the Participant. The Participant shall be responsible for reviewing its monthly statements to determine if a rebalance is necessary and shall direct the NCIA

if such rebalancing is to be effected. The Participant is responsible for directing the NCIA as to the source and manner of any rebalancing.

- f) Its investment in the EIF, BIF, and/or STIF, as the case may be, is permissible under the Participant's North Carolina statutory authority, is suitable for the Participant based upon its other securities holdings, financial situation, liquidity requirements and that the Participant has adequate means of providing for possible contingencies.
- g) The Participant understands that it is not permitted to sell, transfer, or assign any of its investment. In order to liquidate its investment, the Participant will be required to follow the procedures described in Section 4 of this Deposit Agreement. The Participant understands and acknowledges that the NCIA will use reasonable efforts when transferring money from one investment to another and that the risk of any decline in the value of an investment in EIF, BIF, and/or STIF during the interval between any permitted withdrawal date, as further described in Section 4 of this Deposit Agreement, is borne by the Participant.
- h) The NCIA may at any time in its sole discretion change requirements for deposits, withdrawals, and transfers applicable to Participant accounts should the NCIA in good faith determine that such changes would be in the collective interest of the EIF, BIF, and/or STIF.
- i) Further, the Participant acknowledges, represents, warrants and agrees that (i) it is exempt from federal income tax under Section 115 of the Code and the Constitution of the United States as an organization performing an essential government function or as an organization owned by an instrumentality of the State of North Carolina; (ii) the investment by the Participant described herein has been duly authorized by all necessary corporate action of the Participant; (iii) the Participant has the requisite corporate power and authority to execute and deliver this document and to deposit the Monies for investment as described herein; (iv) for any Participant authorized to invest with the NCIA in the EIF, the NCIA has the power and authority under N.C.G.S. §§ 147-69.2(b)(8) and 147-69.2(e) and applicable law to appoint a Third-party Trustee or Third-party Trustees to hold the monies and assets of the Participant; and (v) the Monies are public funds authorized by North Carolina and Federal law for deposit and investment with the Treasurer.
- j) This Deposit Agreement and the Enrollment Packet for the BIF, STIF, and EIF are not intended to constitute investment advice or the offering of an investment product. The NCIA is undertaking statutory responsibility set out in N.C.G.S. §§ 147-69.3 and 147-69.3 and other applicable law. There is no agreement or understanding between the NCIA and any Participant under which the latter receives advice from the NCIA concerning investments which are to be used as a primary basis for the Participant's investment decisions relating to the BIF, EIF, or STIF.
- k) (1) The BIF, EIF, and STIF can have liquidity limitations, volatility of returns, and risk of loss, including the potential for loss of the principal invested; (2) the NCIA is not providing investment advice to the Participant; (3) investing in the BIF, EIF, or STIF is only suitable for participants who are willing to bear the economic risks of the investment; (4) the participant will carefully review and consider all potential risks and costs before enrolling and investing.

- l) The NCIA has the discretion, without prior notice, to make changes to the EIF and BIF, including but not limited to external manager, fees, investment guidelines, or strategy.
- m) The Participant (i) is not subject to any sanctions administered or enforced by the United States Office of Foreign Assets Control, the United Nations Security Council, the European Union, or other relevant sanctions authority; and (ii) has not and will not transfer funds into an account which have been derived from activities subject to sanctions administered or enforced by the United States Office of Foreign Assets Control, the United Nations Security Council, the European Union, or other relevant sanctions authority.
- n) The Participant signing below represents, warrants, and covenants the following:
 - i) The Participant is a “Municipal Entity” as that term is defined under the Municipal Advisor Rules (Section 15B of the Securities Exchange Act of 1934, as amended, and the applicable rules thereunder (Rule 15Ba1 et. seq.));
 - ii) The Participant has information concerning the source of the funds that are in, or that will be contributed to, its AGPIP account (“AGPIP Funds”) and confirms that none of its AGPIP Funds constitutes “Proceeds of Municipal Securities” or “Municipal Escrow Investments” as those terms are defined under the Municipal Advisor Rules
- o) The Participant will notify the NCIA immediately if it has reason to believe that any of the foregoing acknowledgements, representations, warranties, and agreements are or may cease to be true. The Participant acknowledges, represents, warrants, and agrees that the NCIA may at any time in its sole discretion make a mandatory payout of Participant accounts should the NCIA in good faith determine that such a payout would be in the collective interest of the EIF, BIF, and/or STIF, or if a Participant has breached the requirements of this Deposit Agreement, AGPIP, or applicable law.

Section 3. Fees. The Participant acknowledges, represents, warrants, and agrees that fees, expenses, and charges will be deducted from its accounts by the NCIA. As permitted by N.C.G.S. § 147-69.3(f), the NCIA may apportion the reasonable costs of administration, management, and operation directly among each of the EIF, BIF, and STIF, and such costs will not be itemized at the Participant level. Such costs may include without limitation internal and external investment management and administrative fees and expenses.

Section 4. Deposits and Withdrawals. In order for entities to participate in AGPIP, they must open a STIF account with the NCIA (if they do not already have one) and fund the account. The STIF account is used to move Monies into and out of the investments in BIF and/or EIF (if eligible). STIF deposits must be made by 10:00 a.m. to receive same day credit, otherwise, credit will be made the following business day. Additional information regarding the establishment of a STIF account can be found in the Department of State Treasurer’s Banking Services Handbook, available at www.nctreasurer.gov.

- a) *Minimum Account Balance.* The minimum balance to open a new account in either BIF or EIF will generally be \$100,000 in each account. The NCIA reserves the right to establish a de minimis account value, close Participant accounts below such de minimis value, and transfer the

proceeds of applicable Participant account balances to their STIF account.

- b) *Procedures for Deposits and Withdrawals.* Once all the required enrollment documents have been completed, received, and eligibility for BIF/EIF has been confirmed and the elected accounts opened, the Participant should email a deposit and withdrawal form to AGPIP@ncinvest.gov for all accounts. BIF/EIF transactions can only be made once a month and must be submitted no later than 5 business days prior to the end of the calendar month. Transactions received 5 business days prior to the end of the calendar month will be processed on the last business day of the month and monies will be available the second business day of the next month. Should the BIF/EIF deposit and withdrawal form be received in less than five (5) business days prior to the month end, the participant must submit a new deposit/withdrawal form for the next month five (5) business days prior to the end of the calendar month.
- c) *Transfers or reallocations between STIF, BIF, and/or EIF.* Transfers/reallocations between investments in STIF, BIF, and/or EIF are permitted, subject to all of the limitations on deposits, withdrawals, and other procedural requirements provided in this Section 4.
- d) A deposit and withdrawal form is not effective until it is confirmed in an email from the NCIA to the Participant. The Participant is responsible for contacting the NCIA if it does not receive a confirmation email.

Section 5. RELIANCE BY THIRD-PARTY TRUSTEES. THE PARTICIPANT EXPRESSLY AGREES THAT ALL OF THE ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS MADE HEREIN MAY BE RELIED UPON BY ANY THIRD-PARTY TRUSTEE APPOINTED BY THE NCIA.

SIGNATURE PAGE FOLLOWS

The undersigned represents that he or she is a duly Authorized Representative of the participant named below and has caused this Deposit Agreement to be executed by its Authorized Representative as of the date below.

Participant (Entity): _____

By: _____
Name (Type or Print) Signature

Title Date

Authorized Representative of Participant

Primary Contact (for statements and communications, if different from the Authorized Representative)

Name: _____

Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Acknowledged and agreed:

North Carolina Investment Authority

By: _____
Name: _____
Title: _____

Date: _____

*****EXAMPLE*****DO NOT SUBMIT*****EXAMPLE*****

The undersigned represents that he or she is a duly Authorized Representative of the participant named below and has caused this Deposit Agreement to be executed by its Authorized Representative as of the date below.

Participant (Entity): Town of OPEB Trust

By: Mr. Town Manager

Name (Type or Print)

Signature

Town Manager
Title

August 1, 2026
Date

Authorized Representative of Participant

Primary Contact (for statements and communications, if different from the Authorized Representative)

Name: Ms. Finance Director

Name: Ms. Finance Manager

Title: Finance Director

Title: Finance Manager

Address: 123 Any Street

Address: 123 Any Street

Any Town, NC 27000

Any Town, NC 27000

Telephone: (919) 000-0000

Telephone: (919) 000-0001

Fax: _____

Fax: _____

Email: Fin.Dir@anytown.gov

Email: Fin.Mgr@anytown.gov

Acknowledged and agreed:

North Carolina Investment Authority

By: _____

Date: _____

Name: _____

Title: _____