

**ADOPTION AGREEMENT
for the
PARS PARTICIPANT-DIRECTED 401(A) TRUST**

A.1.1. Trust agreement with U.S. Bank National Association (the “Bank”) (the “Trust Agreement”):

PARS Participant-Directed 401(a) Trust. Public Agency Retirement System (PARS) Trust Agreement for Participant Directed Investment Program, effective July 1, 2008

A.1.2. Plan: _____

A.1.3. Plan’s effective date: _____

A.2.1. Employer or Member Agency, as the case may be (the “Employer”):

Name: _____

U.S. mail address: _____

Phone number: _____

EIN: _____

Fiscal year end: _____

A.2.2. Plan Administrator

Position at Employer: _____

Incumbent: _____

U.S. mail address: _____

Phone number: _____

Email address: _____

A.3.1 **Adoption.** The Employer hereby:

A.3.1.1. Adopts the Trust Agreement as part of the Plan and agrees to be bound by the Trust Agreement’s terms, effective as of the Employer’s signature date below and subject to the investment approach selected below.

A.3.1.2. Ratifies, affirms, and approves Employer’s appointment of Phase II Systems as Trust Administrator and represents and warrants that attached hereto is a fully-executed original of Employer’s Agreement for Administrative Services with Phase II Systems, d/b/a Public Agency Retirement Services (PARS).

A.3.1.3. Agrees that capitalized terms used herein but not defined herein shall have the same meaning attributed to them as in the Trust Agreement, as the case may be.

A.4.1. The Employer hereby represents and warrants that:

A.4.1.1. **Authorizing Law.** Employer has reviewed with its legal counsel and has determined that Employer is authorized to establish the Plan and to establish a financial-institution trust (separate and apart from the state) for the Plan, including the authority to adopt the Trust Agreement.

A.4.1.2. **Authorizing Resolution.** Attached hereto is a certified copy of a resolution of the Employer's governing body authorizing the adoption of the Trust Agreement as part of the Plan and authorizing the appointment of the Plan Administrator designated by position of employment at the Employer to act on the Employer's behalf in all matters relating to the trust;

A.4.1.3. **Tax Status.** The Plan is a "governmental plan" as defined in Section 414(d) of the Internal Revenue Code of 1986, as amended; is a "Section 401(a)(24) governmental plan" as defined in Revenue Ruling 2011-1; and is not subject to Federal income taxation. The Plan's governing document expressly provides that it is irrevocably impossible for any part of the corpus or income of the Plan to be used for, or diverted to, purposes other than for the exclusive benefit of the Plan participants and their beneficiaries. (In addition, the Employer hereby acknowledges that the Plan is prohibited from assigning any part of its equity or interest in the trust.)

A.4.2. **Investment Approach.** Trust assets are invested in the discretion of:

Discretionary investment approach: (For non-participant directed accounts, the Plan Administrator appoints U.S. Bank, N.A., acting through its subadvisor, Highmark Capital Management).

- The Bank, subject to **Exhibit A (Investment Strategy Selection and Disclosure Form)**, attached hereto.

Directed investment approach: (Upon attainment of an account balance of \$10,000, participants can opt into the Participant Directed Investment Program through Hancock.)

- The Plan Administrator.
- The following registered investment adviser, bank (other than the Bank), or insurance company (a "Third-Party Manager"): _____.

The Employer hereby represents and warrants that (i) attached hereto is written documentation of the Employer's appointment of the Third-Party Manager in a form and manner acceptable to the Trustee and (ii) the Third Party Manager has accepted the appointment.

- Plan participants

The Plan Administrator hereby (i) acknowledges that the trustee has signed the attached Accumulated Retirement Account Group Annuity Contract ("GAC") Application, Recordkeeping Agreement, and Addendum to the Recordkeeping Agreement: Plan Expense Reduction Account with John Hancock Life Insurance Company ("Hancock"); the Plan trustee has no responsibility for any such agreements; and Hancock is the custodian of assets invested in the GAC and (ii) represents and warrants that all representations and warranties made by the Plan trustee in such agreements are true.

AGENCY

By: _____
Plan Administrator

Its: Plan Administrator Title

Date: _____

Accepted by:

**PHASE II SYSTEMS, DBA PUBLIC AGENCY
RETIREMENT SERVICES (PARS)**

By: _____
Daniel Johnson

Its: President

Date: _____

U.S. BANK NATIONAL ASSOCIATION

By: _____
Susan M. Hughes

Its: Vice President and Relationship Manager

Date: _____