

## **ESCROW AGREEMENT**

**THIS ESCROW AGREEMENT** (the "Agreement"), made by and between WILLIAMSON COUNTY, TEXAS, a political subdivision of the State of Texas, Texas, (the "County"), acting by and through its Commissioners Court, and WELLS FARGO BANK, N.A., as Escrow Agent together with any successor in such capacity;

### **WITNESSETH:**

**WHEREAS**, pursuant to an Order adopted by the Commissioners Court on \_\_\_, 2021, the County is authorized to enter into a Grant Agreement (the "Grant Agreement") with the Texas Water Development Board (the "TWDB") to obtain financial assistance from the TWDB for the purpose of funding a project identified as Project No. 40046 (Williamson County Atlas 14 Floodplain Mapping); and

**WHEREAS**, the Escrow Agent is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code, Chapter 404, Subchapter D and is otherwise qualified and empowered to enter into this Agreement, and hereby acknowledges its acceptance of the terms and provisions hereof; and

**WHEREAS**, a condition of the Grant Agreement is to deposit the proceeds of the grant (the "Proceeds") in escrow subject to being withdrawn only with the approval of the Executive Administrator or another designated representative of the TWDB; provided, however, the Proceeds can be transferred to different investments so long as all parties hereto consent to such transfer;

**NOW, THEREFORE**, in consideration of the mutual agreements herein contained and in consideration of the amount of fees to be paid by the County to the Escrow Agent, as set forth on **EXHIBIT A**, the receipt of which is hereby acknowledged, and in order to secure the Proceeds of the grant, the parties hereto mutually undertake, promise, and agree for themselves, their respective representatives and successors, as follows:

**SECTION 1: ESCROW ACCOUNT.** Upon the effective date of the Grant Agreement described above, the Proceeds identified under TWDB Commitment Number \_\_\_ shall be deposited to the credit of a special escrow account (the "Escrow Account") maintained at the Escrow Agent on behalf of the County and the TWDB and shall not be commingled with any other accounts or with any other proceeds or funds. The Proceeds received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the County, and the Escrow Agent shall have no right to title with respect thereto except as Escrow Agent under the terms of this Agreement.



The Escrow Account shall be entitled “Williamson County, Texas, 2021 Grant Agreement, Texas Water Development Board Commitment Number \_\_\_\_ Escrow Account” and shall not be subject to warrants, drafts or checks drawn by the County but shall be disbursed or withdrawn to pay the costs of the Project for which the Grant Agreement was executed or other purposes in accordance with the Order and solely upon written authorization from the Executive Administrator or his/her designated representative. The Escrow Agent shall provide to the County and to the TWDB the Escrow Account bank statements upon request.

**SECTION 2: COLLATERAL.** All cash deposited to the credit of such Escrow Account and any accrued interest in excess of the amounts insured by the FDIC and remaining uninvested under the terms of this Agreement shall be continuously secured by a valid pledge of direct obligations of the United States of America or other collateral meeting the requirements of the Public Funds Collateral Act, Texas Government Code, Chapter 2257.

**SECTION 3: INVESTMENTS.** While the Proceeds are held in escrow, the Escrow Agent shall only invest escrowed Proceeds in investments that are authorized by the Public Funds Investment Act, Texas Government Code, Chapter 2256 (PFIA). It is the County’s responsibility to direct the Escrow Agent to invest all public funds in a manner that is consistent not only with the PFIA but also with its own written investment policy.

**SECTION 4: DISBURSEMENTS.** The Escrow Agent shall not honor any disbursement from the Escrow Account, or any portion thereof, unless and until it has been supplied with written approval and consent by the Executive Administrator or his/her designated representative. However, no written approval and consent by the Executive Administrator shall be required if the disbursement involves transferring Proceeds from one investment to another within the Escrow Account provided that all such investments are consistent with the PFIA requirements.

**SECTION 5: UNEXPENDED FUNDS.** Any Proceeds remaining unexpended in the Escrow Account after completion of the Project and after the final accounting has been submitted to and approved by the TWDB shall be disposed of pursuant to the provisions of the Grant Agreement. The County shall deliver a copy of such TWDB approval of the final accounting to the Escrow Agent together with instructions concerning the disbursement of unexpended Proceeds hereunder. The Escrow Agent shall have no obligation to ensure that such unexpended Proceeds are used as required by the provisions of the Grant Agreement, that being the sole obligation of the County.

**SECTION 6: CERTIFICATIONS.** The Escrow Agent shall be authorized to accept and rely upon the certifications and documents furnished to the Escrow Agent by the County and shall not be liable for the payment of any funds made in reliance in good faith upon such certifications or other documents or approvals, as herein recited.

**SECTION 7: LIABILITY OF ESCROW AGENT.** To the extent permitted by law, the Escrow Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law,



except for its negligence or default or failure in the performance of any obligation imposed upon it hereunder.

**SECTION 8: RECORDS.** The Escrow Agent will keep complete and correct books of record and account relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Account, and investments of the Escrow Account and all proceeds thereof. The records shall be available for inspection and copying at reasonable hours and under reasonable conditions by the County and the TWDB.

**SECTION 9: MERGER/CONSOLIDATION.** In the event that the Escrow Agent merges or consolidates with another bank or sells or transfers substantially all of its assets or corporate trust business, then the successor bank shall be the successor Escrow Agent without the necessity of further action as long as the successor bank is a state or national bank or trust company designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code Chapter 404, Subchapter D. The Escrow Agent must provide the TWDB with written notification within 30 days of acceptance of the merger, consolidation, or transfer. If the merger, consolidation or other transfer has occurred between state banks, the newly-created entity shall forward the certificate of merger or exchange issued by the Texas Department of Banking as well as the statement filed with the pertinent chartering authority, if applicable, to the TWDB within five business days following such merger, consolidation or exchange.

**SECTION 10: AMENDMENTS.** This Agreement may be amended from time to time as necessary with the written consent of the County and the TWDB, but no such amendments shall increase the liabilities or responsibilities or diminish the rights of the Escrow Agent without its consent.

**SECTION 11: TERMINATION.** In the event that this Agreement is terminated by either the County or by the Escrow Agent, the Escrow Agent must report said termination in writing to the TWDB within five business days of such termination. The County is responsible for ensuring that the following criteria are satisfied in selecting the successor escrow agent and notifying the TWDB of the change in escrow agents: (a) the successor escrow agent must be an FDIC-insured state or national bank designated by the Texas Comptroller as a state depository; (b) the successor escrow agent must be retained prior to or at the time of the termination; (c) an escrow agreement must be executed by and between the County and the successor escrow agent and must contain the same or substantially similar terms and conditions as are present in this Agreement; and (d) the County must forward a copy of the executed escrow agreement with the successor escrow agent within five business days of said termination. No funds shall be released by the TWDB until it has received, reviewed and approved the escrow agreement with the successor escrow agent. If the County has not appointed a successor escrow agent within thirty (30) days of the notice of termination, the Escrow Agent may petition any court of competent jurisdiction in Texas for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the County.



Whether appointed by the County or a court, the successor escrow agent and escrow agreement must be approved by the TWDB for the appointment to be effective. The Escrow Agent is responsible for performance under this Agreement until a successor has been approved by the TWDB and has signed an acceptable escrow agreement.

**SECTION 12: EXPIRATION.** This Agreement shall expire upon final transfer of the funds in the Escrow Account to the County.

**SECTION 13: POINT OF CONTACT.** The points of contact for the Escrow Agent and the TWDB are as follows:

Wells Fargo Bank, National Association Executive Administrator

600 South 4<sup>th</sup> Street, 6<sup>th</sup> Floor

Minneapolis, MN 55415

MAC N9300-060

612-667-1256

855-579-4534

james.j.hood@wellsfargo.com

Texas Water Development Board

1700 North Congress Avenue

Austin, Texas 78701

**SECTION 14: CHOICE OF LAW.** This Agreement shall be governed exclusively by the applicable laws of the State of Texas. Venue for disputes shall be in the District Court of Travis County, Texas.

**SECTION 15: ASSIGNABILITY.** This Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect.

**SECTION 16: ENTIRE AGREEMENT.** This Agreement evidences the entire Escrow Agreement between the Escrow Agent and the County and supersedes any other agreements, whether oral or written, between the parties regarding the Proceeds or the Escrow Account. No modification or amendment of this Agreement shall be valid unless the same is in writing and is signed by the County and consented to by the Escrow Agent and the TWDB.

**SECTION 17: VALIDITY OF PROVISIONS.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

**SECTION 18: COMPENSATION FOR ESCROW SERVICES.** The Escrow Agent shall be entitled to compensation for its services as stated in **Exhibit A**, which compensation shall be paid by the County but may not be paid directly from the Escrow Account.



**SECTION 19: ANTI-BOYCOTT VERIFICATION.** The Escrow Agent represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law, the Escrow Agent or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent either (i) meets one of the exemption criteria under Section 2270.002 of the Texas Government Code or (ii) does not boycott Israel and will not boycott Israel through the term of this Agreement. The term "boycott Israel" as used in this paragraph has the meaning assigned in Section 808.001 of the Texas Government Code, as amended.

**SECTION 20: IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS.** The Escrow Agent represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Escrow Agent nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective upon signature of both parties.

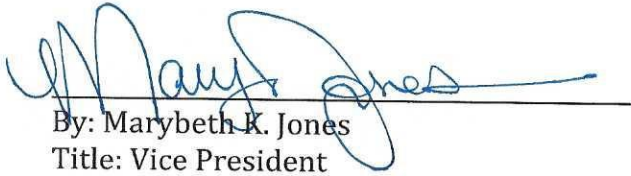
WILLIAMSON COUNTY, TEXAS

By: Bill Gravell Jr.  
Bill Gravell Jr.  
Date: April 20, 2021

Address:  
710 Main Street  
Georgetown, TX 78626



WELLS FARGO BANK, National Association,  
as Escrow Agent



By: Marybeth K. Jones

Title: Vice President

Date: 4/15/2021

Address:

Wells Fargo Bank, National Association  
CTSO Mail Operations  
600 S 4th Street, 7th floor  
Minneapolis MN 55415  
MAC N9300-070



**EXHIBIT A**  
Fee Schedule



## Schedule of Fees

To provide escrow agent services

Williamson County, Texas

2021 Grant Agreement, Texas Water Development Board Escrow Account

### Account Acceptance Fee (per agreement)

\$1,000.00

A one-time fee payable at closing for our initial review of governing documents, account set-up and customary duties and responsibilities related to the closing (includes subscription to SLGs as directed).

### Annual Escrow Administration Fee (per account)

\$1,000.00

Annual fee for ordinary administration services by the escrow agent include daily routine account management, initial investment transactions, cash transaction processing in accordance with the agreement, and providing trust account statements as applicable. The administration fees are payable annually in advance, with the first installment due at the time of escrow agreement execution.

### Out-of-Pocket Expenses

At cost

Out-of-pocket expenses will be billed at cost at the sole discretion of Wells Fargo.

### Extraordinary Services

Standard rate

The charges for performing services not contemplated at the time of execution of the governing documents or not specifically covered elsewhere in this schedule will be at Wells Fargo's rates for such services in effect at the time expense is incurred. The review of complex tax forms, including by way of example but not limited to IRS Form W-8IMY, shall be considered extraordinary services.

These services may include, but are not limited to, tax reporting, establishment and administration of trust accounts, express mail and messenger charges, travel expenses to attend closings or other meetings, tender agent services, changes to documents, interim bond calls, rate mode changes, conversions or de-conversions of the account records, default administration and the publication of redemption notices. This proposal is based on the assumption of a book entry only issuance closing at DTC. If the bonds are to be settled in an alternate form of issuance, we will provide an adjusted fee schedule.

## Assumptions

This proposal is based upon the below assumptions with respect to the role(s) of escrow agent.

- Number of funds or accounts: One (1)
- Investment of Escrow Funds: U.S. Treasury Securities, State and Local Government Securities (SLGS), Other. Fees are subject to change if the investment option changes.
- Wells Fargo reserves the right in its sole discretion to impose a deposit sweep fee on the average balance in the account(s) over the preceding month. This balance will be calculated on interest bearing deposits and non-interest bearing deposits held with Wells Fargo Bank, N.A. subject to contractual arrangements.



## Terms and Conditions

- The recipient acknowledges and agrees that this proposal does not commit or bind Wells Fargo to enter into a contract or any other business arrangement, and that acceptance of the appointment described in this proposal is expressly conditioned on all the following:
  - Compliance with the requirements of the USA Patriot Act of 2001, described below
  - Satisfactory completion of Wells Fargo's internal account acceptance procedures
  - Wells Fargo's review of all applicable governing documents and its confirmation that all terms and conditions pertaining to its role are satisfactory to it
  - Execution of the governing documents by all applicable parties
- Should this transaction fail to close or if Wells Fargo determines not to participate in the transaction, any acceptance fee and any legal fees and expenses shall be due and payable.
- Legal counsel fees and expenses, any acceptance fee and any first year annual administrative fee are payable at closing.
- Any annual fee covers a full year or any part thereof and will not be prorated or refunded in a year of early termination.
- Should any of the assumptions, duties or responsibilities of Wells Fargo change, Wells Fargo reserves the right to affirm, modify or rescind this proposal.
- The fees described in this proposal are subject to periodic review and adjustment by Wells Fargo.
- Invoices outstanding for over 30 days are subject to a 1.5% per month late payment penalty.
- This fee proposal is good for 90 days.
- Wells Fargo is acting as an indenture trustee or in a similar capacity, and as such, Wells Fargo shall not provide advice with respect to the investment of the proceeds from municipal securities or municipal escrow transactions. Furthermore, in its capacity as indenture trustee, in the event Wells Fargo does provide any service that may be deemed as advice, it is doing so pursuant to and in reliance on the bank exemption under the municipal advisor rules of the Securities and Exchange Commission.

## Important Information about Identifying Our Customers

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person (individual, corporation, partnership, trust, estate, or other entity recognized as a legal person) for whom we open an account.

What this means for you: Before we open an account, Wells Fargo asks for your name, address, date of birth (for individuals), TIN or EIN or other information that allows for identification of you or your company. For individuals, this could mean providing a Social Security number. For a corporation, partnership, trust, estate, or other entity recognized as a legal person, this could mean identifying documents such as a Certificate of Formation from the issuing state agency.

## Statement of Confidentiality

All of the information contained in or related to this fee proposal is confidential and proprietary to Wells Fargo (the "Confidential Information"). The recipient(s) of any Confidential Information acknowledges and agrees that such information shall be held in strict confidence and shall not be disclosed, duplicated, or used, in whole or in part, for any purpose other than the evaluation of Wells Fargo's qualifications for the applicable role(s) described without the prior written consent of Wells Fargo.

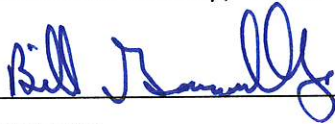


## Contact Information

Marybeth Jones  
Wells Fargo Bank, N.A.  
1700 Lincoln Street, 12<sup>th</sup> Floor  
Denver, CO 80203  
Phone: (303) 863-6450  
Email: [marybeth.jones2@wellsfargo.com](mailto:marybeth.jones2@wellsfargo.com)

Acknowledged by:


Williamson County, Texas



Signature



Printed name



Title



Date