

**AGREEMENT
FOR
INVESTMENT ADVISORY SERVICES
BY AND BETWEEN
WILLIAMSON COUNTY, TEXAS
AND
HILLTOP SECURITIES ASSET MANAGEMENT, LLC**

This Investment Advisory Agreement (the "**Agreement**") is made by and between Williamson County, Texas (the "**Investor**") and Hilltop Securities Asset Management, LLC ("**HSAM**"). This agreement shall be effective as of the date of its acceptance by the Investor as indicated on the signature page hereof.

I. Terms and Conditions

This Agreement sets forth the terms and conditions governing the relationship of the Investor to HSAM with respect to securities and money which the Investor holds, from time to time, and which are available for investment or reinvestment (the "**Portfolio**"). This Agreement shall apply to any and all investable funds and securities in the Investor's Portfolio during the period in which this Agreement shall be in effect.

II. Investment Advisory Services

- A. **Services.** With respect to the Portfolio, HSAM will endeavor to provide investment advisory services and cause to be executed such trades as determined in accordance with Section II. B below. HSAM agrees to provide professional services and its facilities and to direct and coordinate all programs of investing as may be considered and authorized by the Investor and to assume and pay those expenses incurred by HSAM in connection with the execution of investment decisions. Specifically, HSAM agrees to perform the following duties:
1. Review Investor's investment policy for compliance with state statutes, and provide formal review letter with any recommended changes;
 2. Review the Investor's cash flow projections;
 3. Recommend appropriate strategies based upon cash flow requirements;
 4. Advise the Investor on current market conditions and other general information;
 5. Analyze risk/return relationships between various investment alternatives;
 6. Attend meetings of the governing body of the Investor, its staff, representatives, or committees as requested by the Investor, when the subject of investments is to be discussed;
 7. Assist in the selection of investment securities and, as directed by the Investor, cause the transactions to be executed;
 8. Advise on the investment of the Portfolio in a manner consistent with the Investment Policy, the proceedings of the Investor authorizing the investment of the bond funds and applicable state and federal rules and regulations;
 9. Promptly send (or cause to be sent) trade confirmations to the Investor; and
 10. Assist the Investor in creating monthly, quarterly and annual investment reports as required by written investment policy, stated procedures and / or state law as well as additional reports as requested by the Investor.

- B. **Scope of Investment Decisions.** In performing the services listed in Section II. A above, HSAM shall not have discretionary authority and, accordingly, shall obtain approval from the Investor for the purchase or sale of securities prior to execution. The Investor hereby represents and acknowledges that its written investment policy and investment strategy includes its investment objectives and all portfolio limitations and restrictions, including, without limitation, acceptable levels of investment risk. The Investor also agrees to notify HSAM in writing ten business days in advance of the implementation of any changes in the Investor's investment objectives, investment limitations, and/or financial condition.
- C. **Standard of Care.** In the administration of its duties, HSAM shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, not for speculation, but for investment, considering, with regard to the entire Portfolio rather than any particular investment or security, the probable safety of capital and the probable income to be derived.
- D. **Settlement of Securities.** The purchase of individual securities shall be executed "delivery versus payment" (DVP) through the Investor's safekeeping agent. By so doing, Investor's funds will be released when and if the Investor has received, through the safekeeping agent, the designated securities purchased.
- E. **Hold Harmless.** To the extent authorized under Texas law, the Investor hereby agrees to indemnify and hold harmless HSAM, as well as any of its officers, directors, shareholders, affiliates, general partners, employees, agents and trustees, from (i) charges incurred by HSAM on the Investor's behalf and (ii) for any and all market losses arising with respect to the Portfolio.
- F. **Return on the Portfolio.** The Investor expressly affirms and acknowledges that HSAM has not promised or guaranteed any stated or specified return on, or performance of, the Investor's investment portfolio.

III. Representations

- A. HSAM represents that it is registered as an investment advisor under the Investment Advisers Act of 1940 (the "Advisers Act") and is authorized and empowered to enter into this Agreement.
- B. The Investor represents and confirms that (1) the Investor has full power and authority to enter into this agreement; (2) the terms hereof do not violate any obligation by which the Investor is bound, whether arising by contract, operation of law, or otherwise; and (3) this Agreement has been duly authorized and will be binding on Investor according to its terms.
- C. The Investor agrees to:
 - 1. Provide HSAM with the schedule of estimated cash flow requirements related to the Portfolio, and promptly notify HSAM as to any changes in such estimated cash flow schedule;
 - 2. Provide HSAM, not less than monthly, with all relevant custodian, safekeeping and bank statements relating to all of the Portfolio; and
 - 3. Allow HSAM to rely upon all information regarding schedules or other information pertaining to the Portfolio as provided to it by the Investor as being true and accurate. HSAM shall have no responsibility to verify, through audit or investigation, the accuracy or completeness of such information and HSAM will not undertake to authenticate any such information.
- D. The Investor recognizes that there may be loss or depreciation of the current liquidation, immediate and ongoing value of any investment due to the fluctuation of market values. The Investor represents that no party to this Agreement has made any guarantee, either oral or written, that the Investor's investment objectives will be achieved. HSAM shall not be liable for any error in judgment and/or for

any investment losses in the Portfolio in the absence of willful malfeasance, gross negligence, or violation of applicable law. Nothing in this Agreement shall constitute a waiver or limitation of any rights that the Investor may have under applicable state or federal law including without limitation, the state and federal securities laws.

- E. Investor represents and acknowledges that Investor has reviewed and understands the risk factors and fees associated with the Portfolio.

IV. Fees and Costs of HSAM

As consideration for the services provided by HSAM under this Agreement, HSAM will be entitled to a fee (the “**Advisor Fee**”) determined in accordance with the schedule set forth in the fee schedule (“**Schedule A**”), a copy of which is attached hereto, is incorporated herein for all purposes and is being delivered to the Investor simultaneously with the execution, and as an integral part, of this Agreement. The obligation of HSAM to pay or incur expenses shall not include any costs incident to litigation, mandamus action, regulatory investigation, test case or other similar legal actions.

V. Reporting and Account Statements

HSAM will deliver or cause to be delivered to the Investor confirmation of transactions and/or periodic statements for the Portfolio as set forth in this Agreement. HSAM will also provide the Investor with an annual valuation of the Investor’s Portfolio and any additional statements that may be required by applicable law, including the reporting provisions of the Public Funds Investment Act, or other applicable state law, with respect to transactions effected under this Agreement.

VI. Other Services

The investment advisory services provided hereunder by HSAM to the Investor are exclusive of any other services that HSAM may provide to the Investor.

VII. Execution of Investment Transactions

- A. **Affiliated Broker.** HSAM is affiliated through common ownership and control with Hilltop Securities (“**Hilltop**”), a registered broker/dealer with the Financial Industry Regulatory Authority. (“**FINRA**”), the U.S. Securities and Exchange Commission (“**SEC**”), and various state and territorial regulatory authorities. Investor hereby authorizes HSAM to effect transactions for the Portfolio by execution through Hilltop. Where transactions are effected through Hilltop, Hilltop may act on an agency or principal basis to the extent permitted by law. Pursuant to Rule 206(3) of the Advisers Act, HSAM will obtain the Investor’s consent on each investment transaction to allow Hilltop to act as a principal in acquiring a security to facilitate a trade. Fees for advisory services will be billed separately in accordance with the terms of this Agreement.
- B. **Bundling of Investment Transactions.** Transactions for each Investor account generally will be effected independently unless HSAM decides to purchase or sell the same securities for several Investors at approximately the same time. HSAM may (but is not obligated to) combine or “batch” such orders to obtain best execution. Under this procedure, transactions will be averaged as to price and will be allocated among HSAM investors included in the “batch” group in proportion to the purchase and sale orders placed for each Investor in batch transactions.

VIII. Selection of Brokers

The Investor agrees that when HSAM effects or places orders for the execution of transactions for the Portfolio (other than situations where the Investor specifically instructs otherwise in writing), HSAM may allocate such transactions to such brokers and dealers for execution on such markets, at such prices as in the judgment of HSAM will be in the best interests of the Investor, taking into consideration, in the selection of such brokers and dealers, the available prices and rates of brokerage commissions and other relevant factors, without having

to demonstrate that such factors are of a direct benefit to the Investor. Subject to the foregoing, HSAM will arrange for the execution of securities transactions for the Portfolio through brokers or dealers that HSAM reasonably believes will provide best execution.

IX. Non-Exclusive Relationship

The Investor hereby acknowledges that HSAM's services under this Agreement are nonexclusive, and that HSAM shall be free to render the same or similar services to other Investors. The Investor further acknowledges that HSAM's advice is specific to each individual Investor's investment objectives, limitations and financial condition. Therefore HSAM, in the performance of its investment advisory duties, may give advice to, and take action on behalf of, other Investors that may differ from the advice given, or the timing and nature of the action taken, with respect to the Investor's Portfolio. Nothing in this Agreement shall be deemed to impose upon HSAM any obligation to purchase or sell, or to recommend for purchase or sale for the Investor's Portfolio, any security that HSAM or its affiliates may purchase or sell, for their own account or for the accounts of any other Investor if, at the sole discretion of HSAM, it is for any reason undesirable or impractical to take such action or make such recommendation for the Investor's Portfolio. The Investor also acknowledges that HSAM has varying fee structures and arrangements with other investors and may charge their investors different fees, which may be higher or lower than the fees charged with respect to the Investor's Portfolio for similar services.

X. Instructions from the Investor

HSAM may rely on all instructions (whether oral or written) given by the Investor or its agents that HSAM believes to be genuine. HSAM's records of such a transaction will be conclusive as to the content of any instruction. Instructions may be given to HSAM by any officer or agent authorized by (1) the investment policy; (2) a duly executed "Authorization to Trade Public Funds" form provided by HSAM; or (3) a resolution of the governing body of Investor. HSAM may rely on such authorization until written notice to the contrary is delivered to HSAM by the Investor; and if the Investor does not deliver appropriate authorizing documentation, HSAM may accept instructions from any person reasonably believed by HSAM to be an officer of the Investor. To the extent authorized under Texas law, the Investor agrees to hold harmless, and to indemnify and defend, HSAM, as well as any of its officers, directors, shareholders, affiliates, general partners, employees, agents, and trustees, against any and all losses sustained by HSAM resulting from or by reason of any and all claims, liabilities, losses, damages, charges, costs, fees, and expenses (including, without limitation, attorney fees and costs, including fees of attorneys who may be HSAM employees or employees of HSAM's affiliates) arising out of or in connection with any action taken in reliance upon any instruction or inquiry believed genuine.

XI. Transactions Subject to Industry Regulations and Standards

All transactions shall be subject to the regulations of all applicable government authorities and self-regulatory agencies including, but not limited to, the constitutions and rules of the clearing agent, exchange, or market where executed. The Investor understands that HSAM is registered as an investment advisor under the Advisers Act, and as such is obligated to comply with all applicable laws and regulations, including those of the SEC and other regulatory and self-regulatory agencies, and agrees that HSAM shall not be liable to the Investor as a result of any action taken by HSAM to comply with any ruling, interpretation, or directive of such organizations. Further, Investor understands and agrees that HSAM will not accept any instructions from Investor which would require a violation of any such rules or regulations.

XII. Assignment

Neither HSAM nor the Investor may assign any of its rights, authorizations, or obligations under this Agreement without the prior written consent of the other party.

XIII. Term and Investor's Right of Cancellation

This Agreement shall become effective as of the date hereof and continue for a four-year (4) period after which time this contract may be renewed for one additional two-year (2) period upon approval by both parties. Either party may terminate this Agreement upon delivering to the other party 30 calendar days' prior written notice. In the event of termination, it is understood and agreed that only the amounts due to HSAM for services provided and expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In addition, the parties hereto agree that upon termination of this Agreement HSAM shall have no continuing obligation to the Investor regarding the investment of funds or performing any other services contemplated herein.

XIV. Custodial Arrangements

Custody of Portfolio assets will be maintained with a custodian selected by Investor and identified to HSAM (the "Custodian"). HSAM will not have custody of any assets in the Portfolio. Investor will be solely responsible for paying all fees or charges of the Custodian. Investor authorizes HSAM to give Custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the Portfolio.

XV. Miscellaneous

A. **Notices to the Investor.** All written communication to the Investor shall be sent to the Investor's address set forth on the signature page hereof or as directed in writing to HSAM by the Investor. Any notice, statement, or other communication mailed to the Investor by HSAM in accordance with this section will be deemed to be given to the Investor personally on the date it is so mailed, whether or not it is actually received by the Investor.

B. **Notices to HSAM.** Any notice, statement, or other communication from the Investor to HSAM under this Agreement must be in written form and will be deemed to be given to HSAM upon actual receipt thereof by HSAM, whether such notice was mailed, personally delivered, or telecopied to:

Hilltop Securities Asset Management, LLC
2700 Via Fortuna, Suite 410
Austin, TX 78746
Attention: Scott McIntyre
Fax Number: (512) 481-2020

C. **Confidential Relationship.** All of the information and advice furnished by either party to the other under this Agreement, including their respective agents and employees, will be treated as strictly confidential by each party and will not be disclosed to third parties under any circumstances except as required by law.

D. **Limitations of Liability.** Federal and state securities laws impose liabilities under certain circumstances on persons who do not act in good faith and, therefore, nothing in this Agreement shall in any way constitute a waiver or limitation of any rights that the Investor may have under federal and state securities laws.

E. **Indemnity.** To the extent authorized under Texas law, the Investor will indemnify HSAM for any loss, liability, or expense (including attorney's fees) which HSAM may incur as a result of, or arising from, any claims asserted by any third party with respect to the Portfolio or the services rendered by HSAM under this Agreement, except in cases of gross negligence or willful misconduct by HSAM in managing the Investor's Portfolio.

F. **Inconsistent Provisions; Agreements.** Any conflicting terms in the contract documents will be resolved at the sole discretion of the Williamson County Commissioners Court.

G. **Invalid Provisions.** If any provision or condition of this Agreement shall be held to be invalid or unenforceable by any Court, or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions

and conditions shall not be affected, and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein.

- H. **Waiver of Terms.** HSAM's failure to insist at any time upon strict compliance with any terms of this Agreement shall not constitute a waiver of any of HSAM's rights as described herein.
- I. **Venue and Governing Law.** Venue of this Agreement shall be Williamson County, Texas, and the law of the State of Texas shall govern.
- J. **Mediation.** The parties agree to use mediation for dispute resolution prior to and formal legal action being taken on this Agreement.
- K. **Extraordinary Events.** Neither HSAM nor any of its officers, directors, shareholders, affiliates, general partners, employees, agents, or trustees shall be liable for losses caused directly or indirectly by government restrictions, exchange or market actions, suspensions of trading, wars, strikes, delays in the transmission of orders due to breakdown or failure of transmission or communication facilities, or any other causes beyond HSAM's reasonable control or anticipation.
- L. **Written Disclosure Statement.** Simultaneously with the execution of this Agreement, HSAM has delivered to the Investor Part II of its Form ADV as filed with the SEC, or a similar disclosure document, as its brochure pursuant to Rule 204.3 of the Advisers Act. The Investor's execution of this Agreement shall be deemed acknowledgment of receipt thereof.
- M. **Verification of Information.** The Investor represents and warrants to HSAM that all information furnished to HSAM in connection with the opening of the Portfolio (and all documents supplied by the Investor in this regard, including financial statements) are true, complete, and correct. HSAM is entitled to rely on this information until HSAM receives written notice of any change, which the Investor agrees to furnish promptly should any material changes occur.
- N. **No Waiver of Sovereign Immunity or Powers.** Nothing in this agreement will be deemed to constitute a waiver of sovereign immunity or powers of the Investor, the Williamson County Commissioners Court, or the Williamson County Judge.
- O. **Texas Prompt Payment Act Compliance.** Payment for goods and services shall be governed by Chapter 2251 of the Texas Government Code. An invoice shall be deemed overdue the 31st day after the later of (1) the date Investor receives the goods under the contract; (2) the date the performance of the service under the contract is completed; or (3) the date the Williamson County Auditor receives an invoice for the goods or services. Interest charges for any overdue payments shall be paid by Investor in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of Investor's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday.
- P. **Right to Audit.** HSAM agrees that Investor or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of HSAM which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. HSAM agrees that Investor shall have access during normal working hours to all necessary HSAM facilities and shall be provided adequate and appropriate workspace in order to conduct audits in compliance with the provisions of this section. Investor shall give HSAM reasonable advance notice of intended audits.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK. THE NEXT PAGE IS A SIGNATURE PAGE.]

By signing this Agreement, the undersigned Investor acknowledges receipt of a copy of this Agreement, including Schedule A.

WILLIAMSON COUNTY, TEXAS


Bill Gravell (Sep 15, 2021 07:35 CDT)

Signature of Investor

Bill Gravell

Print Name

County Judge

Capacity of Signatory


WILLIAMSON COUNTY, TEXAS

Address

Sep 15, 2021

Date

HILLTOP SECURITIES ASSET MANAGEMENT, LLC


Signature of Officer

SCOTT MCINTYRE

Print Name

MANAGING DIRECTOR

Capacity of Signatory

8/26/21

Date

SCHEDULE A

FEE SCHEDULE AND EXPENSE ITEMS

As compensation for HSAM's professional services, the Investor agrees to an asset-based annual fee of two (2) basis points (approx. 1/50th of 1%) on the first \$250 million, and one (1) basis point on any balances above \$250 million, billed in quarterly increments, calculated on the average asset balance during the period.

"Assets" as used in calculating fees, shall mean the book value of all funds held by Investor in "Authorized Investments" as set forth in the Williamson County Investment Policy (Defined in Section VIII.1 of the Williamson County Investment Policy dated January 2021, as that policy may be amended during the term of this agreement), provided, however, that "assets" shall not include: (1) any amounts held in depository accounts at Investor's depository bank (currently Wells Fargo), (2) repurchase agreements, and (3) any CARES or ARPA funds held by Investor, regardless of where those funds are held.

Fees will be charged quarterly and shall be calculated using the formula set forth above, based on the average of month-ending asset balances during the quarter, and divided by four. The following chart reflects how such fee would have been calculated using actual balances for the Investor's second fiscal quarter of 2021.

WILLIAMSON COUNTY INVESTMENT ADVISORY CHARGES CALCULATION - FY 2020-21; QUARTER 2

	Jan-21	Feb-21	Mar-21
Ending Book Value	\$ 962,434,873.30	\$ 896,603,666.67	\$ 864,110,403.02
LESS BOOK VALUE OF WELLS FARGO BALANCES			
Gen Fund Liquid Cash	\$ 5,488,310.00	\$ 5,026,598.00	\$ 5,339,501.00
Gen Fund Liquid Sweep	\$ 32,232,820.60	\$ 14,718,768.66	\$ 5,057,424.71
LESS BOOK VALUE OF CARES AND ARPA BALANCES			
CARES	\$ 34,375,393.64	\$ 32,901,736.28	\$ 30,881,862.93
ARPA	\$ -	\$ -	\$ -
Net Book Value	\$ 890,338,349.06	\$ 843,956,563.73	\$ 822,831,614.38

Average Net Book Value for Quarter \$ 852,375,509.06

Amounts Up to \$ 250,000,000.00
Quarterly Rate = 0.02%/4
Charge = \$ 12,500.00

Amount over \$250,000,000 = \$ 602,375,509.06
Quarterly Rate = 0.01%/4
Charge = \$ 15,059.39

TOTAL CHARGE = \$ 27,559.39

The above fee includes all costs associated with investment management. Safekeeping and banking fees will remain the responsibility of the Investor.

There are no initial setup fees, withdrawal or termination fees.

In the event that the Investor instructs Hilltop Securities or HSAM to invest bond proceeds into a flexible repurchase agreement, the winner bidder, not the Investor, will pay Hilltop Securities a fully disclosed bidding agent fee. *Repo balances will then be excluded from the quarterly fee calculations.*