



# TexPool Operating Procedures

January 2019

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## I. TexPool Systems

**Systems Overview.** TexPool provides Participants with several methods of initiating transactions and obtaining account information. The systems available to Participants are described in this section.

**A. TexPool Web Site.** The TexPool website provides access to general TexPool and Participant information, as well as links to the following transaction and inquiry tools:

1. The TexPool Web Site can be accessed at [TexPool.com](http://TexPool.com). The following information may be obtained:

- Pool Performance Information
- Market Commentaries
- Information about TexPool
- Enrollment Documents
- Link to the Account Access Systems
- Account documents
- Link to TexPool Academy
- Newsletters
- Holiday Schedule
- Upcoming Events
- Public Funds Investment Act
- Contact Information

**TexConnect** - TexConnect is a customized suite of products created exclusively for TexPool Participants. The product line includes TexConnect Online and the TexConnect Voice Response Unit. Each product is secured by the usage of role-based, user level Personal Identification Numbers (PINs). **User level PINs are multifunctional. They can be used with any of the TexConnect products, in addition to performing transactions over the phone with a Participant Services Representative.**

**B. TexConnect Online** - The Online system provides access to pool information, account level information, transactions, reports and electronic statements. Connecting to the Online product can be performed by clicking on the “Account Access” link on the TexPool website and selecting the TexConnect Online Option and clicking TexConnect Online Website.

1. The system is available at no cost.
2. The system, in most cases, will accept transactions twenty-four hours a day, seven days a week via the Single Transaction or Multi Transaction options. However, portfolio cut-off times do apply (see section IV. A for transaction cut-off times).

3. The system offers user-level, role-based security, whereby authorized representatives will log on using their Location number, PIN and a password created by the user. Representatives may have the ability to perform transactions or to perform inquiries only, depending upon the authority granted to them by their governing body.  
**NOTE: All TexConnect products are supported by the same PIN.**
4. System requirements are as follows:
  - Internet connectivity via Internet Explorer, Chrome, Firefox, Safari or other available internet browsers.
5. Pool level information includes both daily and monthly average rates, allocation factors, pool balances and weighted average maturities.
6. The TexConnect Online system supports the following transactions via either the Single Transaction method or the Multi Transaction option:
  - Wire Deposit – same day or future day settlement (Up to 90 business days).
  - Wire Withdrawal – same day or future day settlement (Up to 90 business days).  
**NOTE: Full wire withdrawals cannot be performed as a future dated transaction. Contact TexPool Participant Services for assistance.**
  - ACH Deposit - next day or future day settlement (Up to 90 business days)
  - ACH Withdrawal – next day or future day settlement (Up to 90 business days)  
**NOTE: Full withdrawals cannot be performed via ACH. Contact TexPool Participant Services for assistance.**
  - Transfers – same day or future day settlement (Up to 90 business days).  
Transfers can be performed between accounts and pools that are assigned to the same Location ID number. In most instances, Participants will be assigned one Location ID number. (Refer to Section II.E.3 for an explanation of “Location ID Numbers”)
    - **NOTE: Full transfers cannot be performed as a future dated transaction. Contact TexPool Participant Services for assistance.**
    - Also, transfers between accounts in different pools can only be initiated by Participant’s who have completed the necessary documentation to use more than one pool. (See Section II for Enrollment Procedures)
    - Transfers between accounts *with different location numbers* can only be initiated by Participants who have completed the necessary documentation. (Refer to Section IV B 4 for Location to Location Transfers)
  - Vendor Payments – same day or future day settlement (Up to 90 business days).
    - **NOTE: Full liquidation Vendor Payments cannot be performed as a future dated transaction.**

- Full liquidations may include any accumulated interest with the vendor payment. Contact TexPool Participant Services for assistance.
7. TexConnect Online allows access to account level information and reporting as outlined below:
- Account Information
  - Current Balance
  - Most recent monthly interest posting
  - Most recent financial transactions
  - Balance for all accounts under selected location, sub-totaled by pool.
  - Online Monthly and Summary Statements can be viewed electronically and printed.
  - TexConnect Reporting – Participants have the ability to access daily and intra-day reports from the TexConnect Online product.
    - Settlement Report – This report shows all current and future-dated activity pending against an account. Assists with daily cash management by displaying transactions that will settle to an account on the day the report is pulled (includes deposits, withdrawals, transfers, vendor payments and direct deposits).
    - Account Information Report – This report captures detailed information for each location in one convenient report. Includes authorized representatives, account numbers, account names and banking instructions.
    - Interest Distribution Report – This report provides the previous month’s interest and balances for all accounts under a selected location number.
    - Account History Report – This report captures all available activity posted to a selected account.
    - Confirmation Report – This report provides transaction details associated with a specific confirmation number. It includes the transaction type, pool and account number, amount, and wiring or ACH instructions if applicable.
    - Dividend Factor Report – This report provides the previous day’s dividend factor for both pools.
    - Interest History Report – This report provides the dividend factors and rates for the selected pool(s), available for the last 90 days.
    - Vendor Information Report – This report details all vendor information for each location. It includes authorized representatives, account numbers, account names, vendors and vendor banking instructions.
    - Vendor Payment History Report – This report provides the history of vendor payments previously processed at the Vendor level. It includes settlement date, dollar amount and account balance after the transaction.

- Vendor Confirmation Report – Allows you to view a confirmation of a Vendor Payment entered.
- Report Scheduler – TexConnect reports can be scheduled to be automatically generated and delivered to the Report Access area of TexConnect. Once the report is available, an email notification is sent to the Authorized Representative(s) who have requested the information.

Note: The Vendor Confirmation Report and the Confirmation Report are not available to be scheduled.

- Report Access – Scheduled reports via TexConnect can be accessed and printed.

### **C. TexConnect Voice Response Unit (VRU) Telephone Access 1-866-890-7665.**

The VRU provides access to pool information, account information, and transactions twenty-four hours a day, seven days a week using a touch-tone phone. Information regarding the VRU system is provided below.

1. The TexConnect VRU offers user- level, role based security, whereby authorized representatives will log on using their Location number and their PIN. Representatives may have the ability to perform transactions or to perform inquiries only, depending upon the authority granted to them by their governing body.  
**NOTE: All TexConnect products are supported by the same PIN.**
2. Detailed instructions are provided on the VRU instruction card included in the TexPool Participant's Manual. An electronic version can also be found on [TexPool.com](http://TexPool.com) under Account Access.
3. Pool level information includes both daily and monthly average rates, dividend factors, pool balances and weighted average maturities.
4. The VRU allows access to account level information and financial transactions as outlined below:
  - Account Information
  - Current principal balance
  - Most recent month end interest posting
  - Last ten financial transactions
  - Balance for all accounts under selected location, sub-totaled by pool
  - Order Prior Month Statement
  - TexPool's wiring instructions, mailing address and internet address.
5. The TexConnect VRU system supports the following transactions:

**NOTE: When processing transactions through the VRU, all transactions will settle to the primary instructions established.**

- Wire Deposit – same day or future day settlement (Up to 90 business days).
- Wire Withdrawal – same day or future day settlement (Up to 90 business days).

**NOTE: Full wire withdrawals cannot be accepted as a future dated transaction. Contact TexPool Participant Services for assistance.**

- ACH Deposit - next day or future day settlement (Up to 90 business days)
- ACH Withdrawal – next day or future day settlement (Up to 90 business days)

**NOTE: Full withdrawals cannot be performed via ACH. Contact TexPool Participant Services for assistance.**

- Transfers – same day or future day settlement (Up to 90 business days). Transfers can be performed between accounts and pools that are assigned to the same Location ID number. In most instances Participants will be assigned one Location ID number. (Refer Section II.E.3 for an explanation of “Location ID Numbers”)
  - **NOTE: Full transfers cannot be performed as a future dated transaction. Contact TexPool Participant Services for assistance.**
  - Also, transfers between accounts in different pools can only be initiated by Participants who have completed the necessary documentation to use more than one pool. (See section II for Enrollment Procedures)
  - Transfers between accounts with different location numbers can only be initiated by Participants who have completed the necessary documentation. (Refer to Section IV B 4 for Location to Location Transfers)
- If assistance is needed while using the VRU system, Press “8#” to hear the Help and System Tutorial, or Press “0#” to reach a Participant Services Representative Monday through Friday from 7:30 a.m. to 5:30 p.m. (Central Time).

- D. **EDGEnet** This system is Federated's internet-based transaction and reporting system. It allows Participants access to TexPool using a computer and Internet Service Provider (ISP). Connecting to the online product can be performed by clicking on the “Account Access” link on the TexPool website and selecting the EDGEnet Online option. EDGEnet enables Participants to transact on-line, view account activity and access performance information. For additional information, contact a Participant Services Representative.
- NOTE: EDGEnet is a legacy system and TexPool is no longer accepting new logon applications. Please contact TexPool Participant Services for more information.**

1. EDGEnet is available at no cost to TexPool Participants.
2. EDGEnet will accept transactions until the portfolio cutoff time.

(NOTE: transaction deadlines are outlined in section IV. A)

EDGEnet offers user level, role based security, whereby authorized representatives are provided individual logons and PINs, which allow either full transaction capabilities or inquiry only access. Additional security features include 2048 bit encryption and a strong password feature.

NOTE: The PIN created in EDGEnet has no impact upon the PIN assigned for telephone usage with TexPool Participant Services or when using one of the TexConnect products.

3. Browser Technology

Like any software product, Internet browsers are continually enhanced, tested and proven with each new release. Older versions of browsers may not support all of the features incorporated into newer versions. On the other hand, the very latest versions may still contain "bugs" that require patches or fixes. Federated recommends that you regularly upgrade your Internet browser software to the most recent and most widely used production-quality (not "beta" or pre-production) version of your browser

Your browser's encryption/decryption capabilities depend upon a "key" of some specified length. The longer the key, the more difficult it is for intruders to break the code used to encrypt and decrypt messages. Although Federated's EDGEnet server supports keys 2048 bits in length, not all browsers are capable of supporting 2048-bit key encryption. EDGEnet will dynamically support the largest encryption key your browser can handle.

4. EDGEnet online transaction services include:

- Wire Deposit – same day settlement.
- Wire Withdrawal – same day settlement.
- ACH Deposit - next day settlement.
- ACH Withdrawal – next day settlement.
- Transfers – same day settlement. Transfers can be performed between accounts and pools that are assigned to the same Location ID number. In most instances Participants will be assigned one Location ID number. (Refer Section II.E.3 for an explanation of “Location ID Numbers”)
  - **NOTE: Full transfers cannot be performed as a future dated transaction. Contact TexPool Participant Services for assistance.**



- Transfers between accounts in different pools can only be initiated by Participants who have completed the necessary documentation to use more than one pool. (See section II for Enrollment Procedures)
- Transfers between accounts under the same location number in different pools can be performed by selecting the “Exchange” option in EDGENet.

#### 5. EDGENet Reporting Capabilities

- Participants have the ability to access daily and intra-day reports. Also, the EDGENet reporting system allows for the automatic scheduling of a variety of electronic reports, some of which include:
  - Account History
  - Anticipated Trial Balance
  - Daily Factor
  - Daily Fund Performance
  - Income History
  - Total Activity
  - Total Fund Balance
  - PM Trade Settlement
- Reports can be customized and can be viewed on-line, printed to hard copy or saved in a variety of file formats (MS Word, MS Excel text and rich text). Contact TexPool Participant Services for more information.
- Account transaction confirmations and reports can be printed.

**E. Online Account Inquiry** Online Account Inquiry is an internet based real time application that allows Participants to view account level balance and transaction history information. Connecting to Online Account Inquiry can be performed by accessing the TexPool website and clicking on the “Account Access” link. NOTE: The PIN for Online Account Inquiry is the same six digit PIN used to access the TexConnect products and for telephone usage when transacting with a Participant Services Representative.

**F. TexPool Participant Services** Participants can initiate transactions or obtain account information by contacting the TexPool Participant Services at 1-866-839-7665, option 1 during the hours of 7:30 a.m. – 5:30 p.m. CT, Monday through Friday.

## II. TexPool Enrollment Procedures

In order for a governmental entity to enroll in TexPool and/or TexPool *Prime*, the following documents should be completed.

**NOTE: All forms can be accessed through the TexPool website at [TexPool.com](http://TexPool.com).**

**A.** *The Resolution Authorizing Participation* in the TexPool Investment Pools and Designating Authorized Representatives must be submitted to the Governing Body for approval.

**B.** *The Participation Agreement* must be completed.

NOTE: The section entitled “Certificate of Incumbency” on page 4 of the Agreement must be signed by someone other than the person signing the Participation Agreement. The Participation Agreement should be signed by Board President, County Judge, or City Mayor. The Certificate of Incumbency should be signed by Board Secretary, County Clerk, or City Secretary.

**C.** *A Bank Information Sheet* must be completed for each account opened.

NOTE: Ensure the pool or pools you wish to use are designated on this form by checking the appropriate box; 449 for TexPool, 590 for TexPool Prime or check both boxes if joining both pools.

**D.** Send all completed documentation with original signatures, *an approved Investment Policy of the enrolling entity* and a signed copy of the board minutes or resolution passed by the governing body that documents approval of the Investment Policy for the current 12 month period to: TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston, Texas 77002.

**NOTE: Enrollment documents will not be accepted via fax. All paperwork must be received in original form.**

Once the completed documents are received, they will be reviewed by TexPool Participant Services and the Comptroller’s Office Legal counsel. The approved documents will be signed by the Comptroller of Public Accounts, Deputy Comptroller, or the CEO of the Texas Treasury Safekeeping Trust Company.

Enrollment documentation will ordinarily be processed within ten (10) business days of receipt. A Participant Manual will be mailed to each new Participant which includes copies of the original documentation, wiring instructions, TexConnect system instructions, Online Account Inquiry information, VRU system instructions, and a contact listing.

New Participants will be assigned an identifying “Location ID Number” and the requisite quantity of account numbers. The account number is a 10 digit identifier. The Location ID Number is a unique 5 digit numeric identifier that enables all Participant accounts to be linked to a single Participant entity. This number, in addition to the account number and PIN, should always be provided to Participant Services when requesting information over the phone.

Unique six digit PINs are assigned to the Authorized Representatives. PINs will be mailed individually to each Authorized Representative in an envelope marked “Confidential

Information.” For security reasons, PINs should not be disclosed by the Authorized Representative. It should also be noted that the PIN assigned by the Participant Services staff is ONLY for delivering instructions over the phone, for accessing the TexConnect systems, and Online Account Inquiry. The Participant must notify Participant Services, in writing, to delete a PIN within the TexConnect system and indicate if the Representative being removed is an EDGEnet user. (Refer to Section III F 2 for Deletion Procedures)

### III. Account Maintenance

- A. Authorized Signature Requirements.** TexPool requires the signatures of two Authorized Representatives to process certain requests. If the governing body designated only one Authorized Representative in the *Resolution Designating Authorized Representatives*, then only one signature is required to process requests that would otherwise require two signatures. However, if the governing body initially designated more than one Authorized Representative and there is currently only one remaining, TexPool can only process the request with approval of the TexPool Participant Services Director.
- B. Opening a New Account.** TexPool Participants may open as many accounts as desired at no charge. The following procedures should be followed to establish a new account:
1. Using the TexPool *Bank Information Sheet*, check the box entitled “Add new account” in Section 2. Instructions. Please check the appropriate pool for the account.
  2. Check the appropriate box to indicate if the banking instructions are for “wire and ACH”, “wire only”, or “ACH only”. Contact your bank representative to verify if wire and ACH instructions are the same. If they are not, a separate form for wire and ACH instructions must be completed for each account to be opened.
  3. The Participant recordkeeping system allows multiple wire and/or ACH instructions. Complete a *Bank Information Sheet* for each set of instructions.
    - NOTE: Only one set of ACH and one set of Wire instructions can be designated as the primary (default) instructions.
    - **NOTE: When processing transactions through the VRU, all transactions will settle to the primary instructions established.**
    - Contact TexPool Participant Services or use the TexConnect online system to access additional instructions.
  4. Complete the form and have it signed by two authorized representatives.

5. Make a copy of the form and insert it in the Account Information Report section of the TexPool Participant's Manual provided by TexPool Participant Services. Return the *Bank Information Sheet(s)* with original signatures to TexPool Participant Services. If there is a need to establish the new account quickly, fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must be mailed to TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston Texas 77002.

**C. Changing Account Banking Instructions.** Whenever any bank information changes, such as when depository banks change, it is necessary to submit a new *Bank Information Sheet* to notify TexPool of the new information. The following procedures should be followed in order to change banking instructions on an account.

**NOTE: Failure to follow these procedures may result in the delay of the settlement of your transactions or result in a wire being sent to incorrect banking instructions.**

1. Using the TexPool *Bank Information Sheet*, check the box entitled "Change Banking Instructions" in Section 2. Instructions.
2. Check the appropriate box to indicate the type of instructions that are being changed; "Wire and ACH", "Wire Only", or "ACH Only". Contact your bank representative to verify if the wire and ACH instructions are the same. If they are not, a separate form for wire and ACH instructions must be completed for each account to be changed.
3. Designate if the instructions that are being changed are the default set of instructions, by checking the "Primary" box located under the type of instructions. The Participant recordkeeping system allows multiple wire or ACH instructions to be established on individual accounts. Leaving the "Primary" box unchecked indicates the instructions are a secondary set. When placing transactions through a Participant Service Representative or over the TexConnect Online system, you may select any of the pre-established banking instructions.

**NOTE: When processing transactions through the VRU, all transactions will settle to the primary instructions established.**

4. In the space provided, specify the Location ID number, check the name of the pool(s) you wish to update instructions for and list the account number to which the associated banking instructions should be changed. A separate *Bank Information Sheet* must be provided for each new set of banking instructions.
5. Complete the form with the new banking instruction information and have it signed by two Authorized Representatives.

6. Make a copy of the form and insert it in the Account Information Report section of the TexPool Participant's Manual provided by TexPool Participant Services. Return the Bank Information Sheet(s) with original signatures to TexPool Participant Services. If there is a need to change banking instructions quickly, fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must be mailed to TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston Texas 77002.

**D. Adding Vendor Payment Instructions:** Participants have the ability to make payments to their Vendor directly from their TexPool accounts without submitting a Special Wire Instructions form. The following procedures should be followed in order to add a Vendor for payment.

**Note: Failure to follow these procedures may result in the delay in adding the Vendor to your account.**

1. Using the *TexPool Vendor Payment Instructions Form*, enter the location name, location number, date and click the Add box.
2. In the space provided, specify the Vendor name, pool and account number, bank name, bank routing number and bank account number. Multiple sets of Vendor payment instructions can be added to each account, up to a total of 99 sets of instructions.
3. Choose the applicable settlement methods – wire, ACH, or both.
4. Fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must be mailed to TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston Texas 77002.

**E. Changing Vendor Payment Instructions:** If a Vendor's payment bank instructions have changed or are being deleted, the following procedures should be followed.

1. Using the *TexPool Vendor Payment Instructions Form*, enter the location name, location number, date and click either the Change or Delete box.
2. If deleting instructions, in the space provided, specify the Vendor name, pool and account number, bank name, bank routing number and bank account number.
3. If changing instructions, specify which Vendor and check the appropriate boxes to indicate the information that is being changed.
4. Fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must be mailed to

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TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue,  
Suite 1400, Houston Texas 77002.

- F. Changing Account Name:** If the name on a TexPool account needs modification, the following procedures should be followed. NOTE: To provide an adequate audit trail, Participant account numbers should not be recycled. Accounts representing new monies require a new account number to be established.
1. Using the *TexPool Account Change Form*, check the box entitled “Account Description Line”.
  2. In the space provided, specify the Location number, pool and account number to be changed along with the effective date. A separate Account Change Form must be provided for each account to be updated.
  3. Indicate the revised name on the “Account Description Line” and have the form signed by two Authorized Representatives. The account name is limited to 35 characters in length. The maximum number of lines permitted in the account registration is 6. The first line of the address will include the name of the Primary Authorized Representative who will be responsible for receiving the statements. This person will appear in the account registration as an “Attention to” line.
  4. Make a copy of the form and insert it in the Account Information Report section of the TexPool Participant’s Manual provided by TexPool Participant Services. Fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must be mailed to TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston Texas 77002.
- G. Account Information Changes:** Maintaining current address, phone, fax and email information is critical. The following information should be provided in **one** of the following two ways whenever a change in contact information occurs.
1. **Account Contact Information Changes via the Account Change Form**
    - a. The *Account Change Form* provided in the TexPool Participant’s Manual should be used to notify TexPool of any address, email phone or fax number changes. **All correspondence from TexPool will be mailed to the address provided.**
    - b. Provide direct phone numbers and email addresses for each Authorized Representative. Please note any area code changes.
    - c. This must be signed by two Authorized Representatives.
    - d. Fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must

be mailed to TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston Texas 77002.

- e. Information sent via fax or email requires the originals to be mailed.

**Note: Changes made to the Participant Name or the Account Name should be submitted using the Account Change Form. This requires copies of the legal document(s) approving the name change to be sent along with the Account Change Form.**

**2. Account Contact Information Changes via TexConnect Online.**

- a. Using the Maintenance function on TexConnect Online, note the required and updated information in the space provided for any address, email, phone or fax number changes. All correspondence from TexPool will be mailed to the address provided.

**Note: Only representatives with transaction capabilities may update contact information.**

- b. Provide direct phone numbers and email addresses for each Authorized Representative. Please note any area code changes.
- c. Once all updated contact information has been entered, click Submit and TexPool Participant Services will be notified of the changes.
- d. Print a copy of confirmation screen for your records.

**H. Amending Authorized Representatives.** It is essential that Participants maintain a current listing of individuals authorized to access account information and perform transactions. Whenever a change occurs in personnel assigned such responsibilities, the Amending Resolution Changing Authorized Representative Form must be completed immediately.

**Failure to update Authorized Representatives could result in unauthorized transactions.**

The following procedures should be followed to amend Authorized Representatives.

- 1. **Initial Designation of Authorized Representatives.** The initial designation of Authorized Representatives is accomplished during the completion of enrollment documents as described below.
  - a. *The Resolution Authorizing Participation in the TexPool Investment Pools and Designating Authorized Representatives* must be adopted by the governing body of the Participant. This will authorize the use of TexPool to invest funds on behalf of the Participant.

- b. The Resolution also designates the officers, employees or other agents of the Participant who have been approved as “Authorized Participant Representatives”. Designated Authorized Participant Representatives are authorized to perform transactions in the TexPool Investment Pools, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
  - c. In addition, and at the option of the Participant, additional Authorized Representatives can be designated to perform only inquiry of selected information. This “Inquiry Only” limited representative cannot perform transactions.
  - d. A Resolution is enclosed with the enrollment packet.
2. **Deletions of Authorized Representatives.** In the event an Authorized Representative is no longer employed by the Participant or no longer has job responsibilities that involve investment in the TexPool Investment Pools, those individuals should be deleted as quickly as possible using the following procedures.
- a. Use the *Deletion Form for Authorized Representatives* to delete an authorized representative. Under Part 2, list the authorized representative to be deleted. The individual will be removed from the account and their PIN deleted from the TexConnect systems and Online Account Inquiry.
  - b. If the Representative being deleted was the Primary Contact receiving correspondence from TexPool, please designate a new Primary Contact from the remaining Authorized Representatives in Part 3.
  - c. Two Authorized Representatives must sign Part 5 of the form to authorize the deletion of the individual. This can be done immediately, without approving the *Resolution Amending Authorized Representatives*.
  - d. Mail the completed original form to TexPool Participant Services.
  - e. In the event an Authorized Representative must immediately be removed from a location, the *Deletion Form for Authorized Representatives* may be faxed to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). However, the original document must be mailed.
3. **Additions of Authorized Representatives.** Individuals may be added as Authorized Representatives using the following procedures.
- a. Authorized Representatives may only be added by completing the *Resolution Amending Authorized Representatives* and having it approved by the governing body.



- b. The *Resolution Amending Authorized Representatives* must list and be signed by all remaining Authorized Representatives and any new Authorized Representatives.

**NOTE: This Resolution will supersede all prior resolutions. Any person not listed on the new resolution will no longer be authorized to act on the location.**

- c. The *Resolution Amending Authorized Representatives* form with original signatures, or a certified copy of this document, must be mailed to TexPool Participant Services. **Faxed copies of these documents cannot be accepted.**
- d. TexPool will issue PINs for any new representatives.

Reminder: This PIN is valid for telephone transactions placed with a Participant Services Representative, through the TexConnect systems, and to access the Online Account Inquiry system.

4. **Primary Contact Representative Designations.** To facilitate the dissemination of important account information, it is important that each Participant designate one individual as the primary contact for TexPool, using the following procedures. The primary contact will receive all correspondence on the underlying accounts.
- a. On the *Account Information Report*, each Authorized Representative has a code next to their name designating their level of account access, as follows:
- P - Primary Contact Authorized Representative,
  - R - Authorized Representative, or
  - V- Inquiry Only Representative.
- b. Using the *Account Change Form*, a Participant can change the Primary Contact on the account from a currently Authorized Representative to another currently Authorized Representative listed on the Account Information Report, with the exception of an Inquiry Only Representative. Any change to the Primary Authorized Representative between the currently Authorized Representatives must be signed by two Authorized Representatives.
- c. To change the Primary Representative to an individual not listed on the *Account Information Report*, please refer to the procedures to add an Authorized Representative.
- d. Fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must be mailed to TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston Texas 77002.

- e. Information sent via fax or email requires originals to be mailed.
5. **Inquiry Only Representative.** A Participant may limit an individual’s access to account information. This access level will permit the individual to view account balance and transaction history, but prohibit the individual from initiating transactions. The procedures for designating an individual as an “Inquiry Only Representative” are as follows:
- a. An individual may be added as a new Inquiry Only Representative by completing the *Designating Authorized Representatives Form* provided in the TexPool Binder.
  - b. An Inquiry Only Representative may be deleted using the *Deletion Form of Authorized Representatives* provided in the TexPool Participant’s Manual.
  - c. In addition, the *Deletion Form for Authorized Representatives* can be used to designate an Inquiry Only Representative for the first time. This individual will be issued a PIN that will allow him/her to obtain information on account balances and transaction history through the TexConnect systems, by speaking with a Participant Service Representative or utilizing the Online Account Inquiry system.
  - d. Two remaining Authorized Representatives must sign the *Deletion Form for Authorized Representatives* to approve the deletion or addition of the individual. This can be done immediately, without approving the *Resolution Amending Authorized Representatives*.
  - e. Fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must be mailed to TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston Texas 77002.

#### IV. Performing TexPool Transactions

**A. Deadlines.** The following deadlines represent the latest time that a transaction can be entered. Transaction deadlines are applicable to transactions entered in the TexConnect systems, EDGEnet or with a Participant Services Representative.

All times are in Central Time and are for current day processing.

Trading Deadlines	TexPool – #449	TexPool Prime – #590
Deposits/Withdrawals by Wire	4:00 p.m.	2:00 p.m.
Deposits/Withdrawals by ACH	3:30 p.m.	2:00 p.m.
Transfers*	4:00 p.m.	2:00 p.m.
Settlement of Wires	5:00 p.m.	5:00 p.m.

**\*NOTE: Transfer of monies between accounts across pools have a 2:00 p.m. deadline. For example, if a Participant moves money from a TexPool account to a TexPool *Prime* account, the 2:00 cutoff time applies.**

After these deadlines, the EDGEnet system will not accept transactions. The Participant would need to place the transaction during the next business day. However, the TexConnect systems will accept the transaction, but will give a transaction date of the next business day.

**B. Settlement of Transactions.** Participants can settle transactions in the following manner, as described below.

1. **Wire Transactions** – Funds for wire transactions entered as a current day transaction are received on the same day the request is initiated if the transaction request is received by the deadline. If a wire transaction is entered as a future dated transaction, funds will be received on the settlement date requested by the Participant.

a. **Wire Deposits.** To initiate a wire deposit, the following procedures must be followed:

i. Inform TexPool by entering the transaction on TexConnect Online via either the Single Transaction or Multi Transaction options, the TexConnect VRU, EDGEnet or by calling a Participant Services Representative who will initiate a deposit for you.

NOTE: A confirmation number is provided through the TexConnect systems and with a Participant Services Representative.

ii. When contacting Participant Services to place your wire deposit, requests will only be accepted from an Authorized Representative with a valid PIN number.

iii. The Participant must contact their bank to request a wire be sent to TexPool at the following instructions:

**For TexPool Deposits:**

State Street Bank & Trust Company

Boston, MA

Amount (2000): \$ \_\_\_\_\_

BNF (4200) = ATTN: TexPool #67573774

RFB (4320) = Location ID # \_\_\_\_\_

OBI (6000) = Pool#449/, TexPool Account Number

Participant Name: \_\_\_\_\_

ABA (3400) = 011000028

**For TexPool Prime Deposits:**

State Street Bank & Trust Company  
 Boston, MA

Amount (2000): \$ \_\_\_\_\_

BNF (4200) = ATTN: TexPool #67573774

RFB (4320) = Location ID # \_\_\_\_\_

OBI (6000) = Pool#590, TexPool Prime Account Number

Participant Name: \_\_\_\_\_

ABA (3400) = 011000028

- iv. A TexPool Participant Services Representative will attempt to contact an Authorized Representative if a wire has not been received by 3:30, for a deposit that has been entered. A confirmation for each wire transfer is generated daily and mailed to the Participant the following business day unless the participant has elected to not receive them.
- v. Wire transfer deposits must be entered by the transaction deadlines. Transactions may be placed through the TexConnect systems, EDGEnet or by contacting a Participant Services Representative.

**NOTE: Funds received for wire transfer deposits without a corresponding deposit transaction will be subject to next day settlement and interest accrual.**

- vi. If you fail to remit payment by the deadlines specified in Section A above, you could be liable for actual losses or fees incurred by the pool.
- b. **Wire Withdrawals.** Procedures for initiating, settling, closing, preloading, canceling or modifying instructions are as follows:
- i. Inform TexPool by entering the transaction on TexConnect Online via either the Single Transaction or Multi Transaction options, TexConnect VRU, EDGEnet or by calling a Participant Services Representative to initiate a withdrawal. A confirmation number is provided through the TexConnect systems or from a TexPool Participant Services Representative.
  - ii. When contacting Participant Services to place your wire withdrawal, requests will only be accepted from an Authorized Representative with a valid PIN number.
  - iii. Wire withdrawals are sent according to the prearranged information provided on the Bank Information Sheet

corresponding to that specific account. Outgoing wires will be sent through the Federal Reserve System by the close of business (5:00 p.m. CT)

**NOTE: Wire withdrawals entered on the TexConnect VRU will automatically settle to the primary instructions.**

- iv. If an outgoing wire is rejected back to TexPool due to incorrect wiring instructions, the Participant will be contacted for proper instructions. If new wiring instructions cannot be provided, the withdrawal will be canceled. A new or revised Bank Information Sheet will be required to correct future wiring instructions.
- v. Wire withdrawals will **settle** on the same day as initiated (unless a preloaded transaction is requested) if TexPool is notified of the transaction by the appropriate deadline. TexPool aggregates wires so that Participants will receive a single wire containing multiple withdrawals across accounts transacted on within the same Location ID number for the same settlement date.  
**NOTE: Only transactions entered at the same time with the same banking instructions will aggregate.**
- vi. Confirmation for each wire withdrawal is generated daily, and mailed to the Participant the following business day unless the participant elects not to receive them.
- vii. **Closing out an account.** The TexConnect systems and EDGEnet will allow withdrawals of the entire balance in the account. The only exception occurs on split month ends as outlined in “viii” below.
- viii. **Closing out an account at month end that occurs over a non-business day.** Special procedures must be followed during month ends in which the first business day of the new month falls on a non-business day. To close out the balance in these instances, special procedures are as follows.
  - A “split month end” occurs whenever the first calendar day of the new month occurs on a non-business day.
  - Systems **will** normally allow a Participant to withdraw the existing balance in the account, however, in “split month end” instances, this balance will not include the interest due to the account that accrued over the weekend or holiday. In order to receive the entire balance, inclusive of all interest accrued, the transaction must be processed manually through a Participant Services Representative.
  - A TexPool Participant Services Representative will accept the transaction over the phone, provide principal and interest

amounts, and ask the Participant how they wish to receive any accrued interest.

- Accounts that have a zero balance are reflected as closed accounts on the Participant recordkeeping system. These accounts can be re-opened by executing a subsequent deposit. No other action is necessary to re-open a closed account.
- c. **Pre-loading wire deposits and withdrawals.** Participants can pre-load or future date transactions up to ninety (90) business days in advance of the transaction settlement date by placing the transaction request with a Participant Services Representative or through the TexConnect systems. **NOTE: It is not possible to enter future dated account liquidations on the TexConnect systems.**
  - d. **Cancellation of a wire deposit or withdrawal request.** If a Participant enters a transaction incorrectly, they should contact TexPool Participant Services immediately.
    - i. TexPool Participant Services can cancel a wire deposit up until the time TexPool takes receipt of the funds.
    - ii. TexPool Participant Services will attempt to cancel a wire withdrawal on a best efforts basis. This request can be canceled up until the time the wire request is transmitted to the custodian. After that time it is not possible to cancel the wire withdrawal. The Participant must initiate a deposit back to TexPool, upon receipt of the funds by the Participant's bank, if they do not wish to retain the withdrawal proceeds.
  - e. **Changing wire deposit or withdrawal requests.** If a Participant enters the amount of a transaction incorrectly, they should contact TexPool Participant Services immediately.
    - i. If TexPool receives the deposit wire for a different amount than entered in the system by the Participant, TexPool Participant Services will contact the Participant to determine the correct amount. If the Participant determines after entering the deposit that the amount will change, please call TexPool Participant Services so that the transaction amount can be corrected.
    - ii. If there is a change in the amount of a wire withdrawal, TexPool Participant Services will use best efforts to make the change before the wire is released.
2. **ACH Transactions.** ACH deposits and withdrawals are received on the next business day following the date the transaction was initiated (unless a preloaded transaction is requested) if the transaction request is received by the ACH deadline.
    - a. **ACH Deposits.** To initiate an ACH deposit, the following procedures must be followed.

- i. Inform TexPool by entering the transaction on TexConnect Online via either the Single Transaction or Multi Transaction options, the TexConnect VRU, EDGEnet or by calling a Participant Services Representative to initiate a deposit. A confirmation number is provided through the TexConnect systems or from a TexPool Participant Services representative.
- ii. TexPool will debit the prearranged account as provided on the Bank Information Sheet corresponding to that specific TexPool account and will deposit the funds in the designated TexPool account.

**NOTE: All ACH transactions done through the VRU will settle to the primary banking instructions.**

- iii. ACH deposit requests will only be accepted over the phone from an Authorized Representative with a valid PIN number.
  - iv. It is not necessary to instruct the local depository of ACH activity.
  - v. If the Participant has elected not to establish ACH instructions on the account, as noted on the Bank Information Sheet, the ACH request cannot be accepted.
  - vi. In the event of an ACH rejection, TexPool will contact the Participant to obtain valid information. TexPool will debit the Participant's account accordingly as of the settlement date of the transaction.
  - vii. A confirmation for each ACH deposit is generated daily, and mailed to the Participant the following business day unless the participant elects to not receive them.
  - viii. ACH deposits transactions can also be pre-loaded for settlement on future dates through the TexConnect systems as well as by contacting the Participant Services Team.
- b. **ACH Withdrawals.** Procedures for initiating ACH transactions, including closeouts, preloads, cancellations, modifications and late notifications are as follows:
- i. The Participant must initiate the transaction. TexPool will credit the prearranged account as provided on the Bank Information Sheet corresponding to that specific TexPool account and deposit the funds in your local bank account. A confirmation number is provided through the TexConnect systems or from a TexPool Participant Services Representative.
  - ii. Inform TexPool by entering the transaction on TexConnect Online via either the Single Transaction or Multi Transaction options, the TexConnect VRU, EDGEnet or by calling a Participant Services Representative to initiate the withdrawal.

- iii. ACH withdrawal requests over the phone will only be accepted from an Authorized Representative with a valid PIN number.
  - iv. ACH withdrawals are sent according to the prearranged information provided on the Bank Information Sheet corresponding to that specific TexPool account. ACH withdrawal requests through the TexConnect VRU will be sent pursuant to the primary instructions as designated on the Bank Information Sheet.
  - v. It is not necessary to instruct your local depository of ACH activity.
  - vi. If the Participant has elected not to establish the ACH instructions on the account, the ACH request cannot be accepted.
  - vii. In the event of an ACH withdrawal rejection, TexPool will contact the Participant to obtain valid information. TexPool will credit the Participant's account accordingly as of the settlement day of the transaction.
  - viii. A confirmation for each ACH withdrawal is generated daily, and mailed to the Participant the following business day unless the participant elects to not receive them.
  - ix. ACH withdrawals will settle on the next business day after they are initiated, if TexPool is notified of the transaction by the appropriate deadline. ACH withdrawal transactions can also be pre-loaded for settlement on future dates through the TexConnect Online and VRU systems as well as by contacting the Participant Services Team.
  - x. **Closing an Account by ACH Withdrawal.** An account **cannot** be closed by an ACH withdrawal. Closing an account must be accomplished by wire withdrawal or transfer.
- c. **Pre-loading ACH deposits and withdrawals.** Participants may pre-load ACH deposit and withdrawal transactions up to ninety (90) business days in advance of the transaction settlement date.
  - d. **Cancellation of ACH deposit and withdrawal requests.** If a Participant enters an ACH transaction incorrectly, they should contact TexPool Participant Services immediately. TexPool Participant Services can cancel an ACH deposit or withdrawal up until 2:00 p.m. the day prior to the settlement date for TexPool *Prime* transactions and 3:00 p.m. the day prior to settlement date for TexPool transactions. TexPool sends the ACH file to TexPool's ACH originating bank for processing at 3:30 p.m. and no adjustments can be made to the information. The Participant would be required to process a reverse transaction to correct the error.
  - e. **Changing ACH deposit or withdrawal requests.** If a Participant enters the amount or account number of an ACH transaction incorrectly, they should contact TexPool Participant Services immediately. TexPool Participant Services can change the amount of an ACH deposit or withdrawal, or the account



information, up until 2:00 p.m. the day prior to the settlement date for TexPool *Prime* transactions and up until 3:00 p.m. the day prior to settlement date for TexPool transactions. TexPool sends the ACH file to TexPool's ACH originating bank for processing shortly after the 3:30 p.m. transaction deadline. Time must be allowed for the manual processing required to make the requested adjustment. After that time, the Participant would be required to process a reverse transaction to correct the error.

- f. **Late ACH Deposit and Withdrawal requests.** Because the TexPool ACH file is sent immediately after the 3:30 p.m. deadline for processing, TexPool is not able to initiate ACH transactions after the stated transaction deadline. Transaction requests received after the deadline will be processed for the next business day.
3. **Transfers.** Transfers between accounts under the same Location number can be executed through TexConnect via either the Single Transaction or Multi Transaction options, TexConnect VRU, EDGEnet or by calling a Participant Services Representative. These systems are able to accommodate a transfer between accounts in the same pool and a transfer between accounts in TexPool and TexPool *Prime*. Transfers received by the transaction deadline are initiated on the same day without transferring the money to the Participant's local bank. A confirmation number is provided through the TexConnect systems or from a TexPool Participant Services Representative. A confirmation for each Transfer is generated daily, and mailed to the Participant the following business day unless the participant elects to not receive them.

**NOTE: When completing a full transfer between accounts in different pools, the accrued interest will settle the next business day to the account the principle amount was transferred to. The principle amount will settle the same day.**

4. **Location to Location Transfers.** In some instances, it may be desirable for one governmental entity to transfer funds from their TexPool account to another governmental entity's TexPool account. A Participant may transfer funds between their TexPool account and the account of a separate Participant without transferring the money to their local bank. A "separate Participant" is defined as a Participant with a different Location ID number. In order for a location to location transfer to be completed, both the initiating and the receiving location must complete a *Location to Location Transfer Form* and submit it to TexPool Participant Services. The *Location to Location Transfer Form* can be found on [TexPool.com](http://TexPool.com) or by calling TexPool Participant Services. A confirmation for each location to location transfer is generated daily, and mailed to the Participants the following business day unless the Participants elects to not receive them.
  - a. The Participant initiating the transfer from their account must send a *Location to Location Transfer Form* to TexPool Participant Services. This form requests funds to be transferred to another Participant's account. The Participant withdrawing funds from their account must complete the top portion of the *Location to Location Transfer Form*. The information in this section includes the date of the transfer, the amount of the transfer, the location number, the pool

number, and account number from which the funds are to be transferred. It also includes the location number, pool number, and account number of the Participant receiving the transferred funds. The form must be signed by two Authorized Representatives of the releasing Participant. Mail, fax or email the completed *Location to Location Transfer Form* to TexPool Participant Services. Information sent via fax or email requires originals to be mailed.

- b. The Participant receiving the transfer must also submit a *Location to Location Transfer Form* to TexPool Participant Services accepting the transfer of funds. The Participant accepting funds into their account must complete the lower portion of the *Location to Location Transfer Form*. The information in this section includes the date of the transfer, the amount of the transfer, the location number, the pool number, and account number from which the funds are to be transferred. It must also include the location number, pool number, and account number of the Participant receiving the transfer of funds. The form must be signed by two Authorized Representatives of the accepting Participant. Mail, fax or email the completed *Location to Location Transfer Form* to TexPool Participant Services. Information sent via fax or email requires originals to be mailed.

**C. Methods of Initiating a Transaction.** Transactions may be initiated by using one of the following methods.

1. TexConnect Online
2. TexConnect Mobile
3. TexConnect Voice Response Unit (VRU)--1-866-890-7665
4. EDGEnet
5. Verbal notification by an Authorized Participant Representative to a TexPool Participant Services Representative at: 1-866-839-7665.
  - a. All calls are recorded for the security of the Participants. Participant Services is available Monday through Friday from 7:30 a.m. to 5:30 p.m. (Central Time).
  - b. Participants should call Participant Services any time they are aware of large transactions they may place in the near future. "Warning Calls" allow for more efficient portfolio management.

**D. Information Required to Initiate a Transaction.** Certain information, as described below, is necessary to process a transaction (all necessary information, excluding the users PIN and online password, can be found on the Account Information Report available on TexConnect Online).

1. Location Number
2. Pool Number. TexPool is # 449 and TexPool *Prime* is #590 on the Participant recordkeeping system.
3. Participant Name
4. Account number
5. PIN Number (6 digits) – When placing transactions over the TexConnect systems or with a Participant Services Representative, each Authorized Representative is assigned their own individual PIN number. In addition to the assigned PIN number, participants also create a password when utilizing TexConnect Online. EDGEnet allows for the authorized Representative to designate their password through the application process.
6. Vendor invoice information, if applicable.

**E. Holidays and Early Closings.** TexPool will announce any holiday or early closings in the TexPool monthly newsletter, on the TexConnect systems and on the TexPool.com website at least one week prior to the upcoming holiday.

**F. Debt Service Payments.** TexPool procedures require the submission of a *Vendor Payment Instructions Form* for payments made to pre-established vendors or a *Special Wire Form* for withdrawals to instructions not previously established. The Participant recordkeeping system allows for multiple instructions on individual accounts.

1. **Vendor Payments by Wire or ACH.** Payments can be made to pre-established vendors by either Wire or ACH.
  - a. To establish a vendor for payment, obtain a *Vendor Payment Instructions Form* from either TexPool Participant Services or [TexPool.com](http://TexPool.com).
  - b. Complete the following information on the form:
    - i. Check if the payment instructions are being added, changed or deleted.
    - ii. Participant name, location number, vendor name, pool and account number, bank name, ABA, and account number.
    - iii. Check if the instructions should be established for payment by wire, ACH or both.
  - c. The completed form must be signed by two Authorized Representatives.
  - d. Fax the completed form to 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com) at least one (1) day prior to the day when the payment will be initiated.
  - e. Original forms must be returned by mail to TexPool Participant Services.

2. **Procedures for Special Wires.** In order to have funds for a debt service payment wired to instructions that have not been established on an account, the following procedures must be followed.
  - a. Obtain a *Special Wire Instruction* Form from TexPool Participant Services or from the TexPool.com website.
  - b. Complete the following information on the form:
    - i. Settlement date, Location number, account number and pool name from which the funds will be withdrawn.
    - ii. Amount of debt service payment.
    - iii. Special wiring instructions provided by the paying agent including the bank name, ABA, bank account number, and further credit information.
    - iv. Check either the 'One Time Use Only' box or the 'Permanent Wiring Instructions' box.
  - c. The completed form must be signed by two Authorized Representatives.
  - d. Fax the completed form to 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com) at least one (1) day prior to the settlement date.
  - e. Fax the completed form to TexPool Participant Services at 1-866-839-3291 or email to [texpoolhouston@federatedinv.com](mailto:texpoolhouston@federatedinv.com). The originals must be mailed to TexPool Participant Services, Federated Investors Inc, 1001 Texas Avenue, Suite 1400, Houston Texas 77002.
3. **Debt Service Payments by ACH.** Debt service payments are typically made by wire transfer. To make an ACH debt service payment, the Participant initiates a withdrawal from the fund one day prior to the debt service payment due date. TexPool only provides the routing number and account number on ACH transfers, so if the bank requires additional information to accompany the debt service payment, it would be necessary to use a wire transfer as there is a larger field for additional payment information.

**G. Escrow Accounts.** From time to time, it may be necessary for two entities to require that funds be held in escrow until certain events occur that result in the release of funds. TexPool will establish escrow accounts, which restrict the ability of funds to be withdrawn prior to established release procedures.

1. **General Use of Escrow Accounts.** TexPool escrow accounts are available to Participants in certain circumstances and are structured as follows:

- a. TexPool will hold escrowed funds for arrangements with the Texas Water Development Board (“TWDB”) or the Texas Commission on Environmental Qualities (“TCEQ”) program transactions. The TexPool Escrow Account Service is provided at no additional charge or management fee to TexPool Participants.
- b. Escrowed funds are deposited in a separate restricted TexPool account designated as an escrow account. Escrowed funds can only be released by written authorization from the TWDB or the TCEQ.

2. **Procedures for Escrow Accounts.** Please contact TexPool Participant Services for specific procedures for establishing and maintaining an escrow account.

**H. Direct Deposits.** Direct deposit of Participant funds from outside sources to TexPool is available. The Texas Comptroller’s Office or other outside sources can automatically transfer payments to designated TexPool accounts if a Participant arranges for such direct deposits in advance. This service allows the receipt of payments directly to TexPool and alleviates the concern of having collateral available when these payments are issued. A Participant may arrange for the Texas Comptroller’s Office or another outside source to send funds directly to TexPool by completing a *Direct Deposit Authorization Form*. Mail, fax or email the completed Direct Deposit Authorization Form to TexPool Participant Services. Information sent via fax or email requires originals to be mailed. If the direct deposit money is received after the pool cut off and notification of the direct deposit is not received by TexPool Participant Services before the pool cut off, the direct deposit will be made for the next business day. Please contact TexPool Participant Services at 1-866-839-7665 for specific procedures for establishing direct deposit services.

**I. Automated Monthly Interest Transfers.** Accounts can be set up to have the monthly interest earned on a particular account automatically transferred either (1) internally to another TexPool account or (2) transferred by wire or ACH to the Participant’s local bank as designated by the *Automated Monthly Interest Transfer Form* for that particular account. This transfer will occur automatically on the first business day of the month. A Participant may arrange to have monthly interest for any account transferred by completing an Interest Transfer form and submitting it to TexPool Participant Services. The procedures for establishing interest transfer services is as follows:

1. Obtain a copy of the *Automated Monthly Interest Transfer Form* from the TexPool.com website or by calling Participant Services.
2. Complete the general Participant information at the top of the page.
3. Check which transfer method will be used (internal transfer, wire withdrawal or ACH withdrawal).
  - i. Indicate from which pool and account the interest will be transferred.
  - ii. Have the form signed by two Authorized Representatives.

- iii. Return the form by email, fax or mail to TexPool Participant Services.
- iv. Thereafter, interest will be transferred out of the account by TexPool Participant Services on the first business day of the month following the interest posting.

## V. Other items

**A. TexPool Fees.** TexPool charges a management fee for the services provided to Participants. A description of the fees charged are as follows:

1. The fee is calculated on “basis points”. One percent (1%) is equal to 100 basis points and one basis point is equal to 1/100 of a percent.
2. The TexPool service fee is 4.73 basis points annually, or 0.0473%, calculated daily on the TexPool pool balance. The TexPool *Prime* service fee is 6.38 basis points annually, or 0.0638%, calculated daily on the TexPool *Prime* pool balance.
3. The TexPool and TexPool *Prime* fee are deducted from the gross interest earnings, prior to the allocation of interest to Participants’ accounts. There is no direct reduction to a Participant’s account.
4. All TexPool and TexPool *Prime* rates are quoted net of fees. There are no hidden costs or additional reductions to Participants’ accounts.
5. Any increase in the TexPool or TexPool *Prime* fees are subject to review and approval by the TexPool Advisory Board. The fee may only be increased with TexPool Advisory Board approval and will be effective after thirty (30) days notification to Participants. However, the basic service fees of 4.73 and 6.38 basis points cannot be increased while the current contract is in effect.

**B. Transaction Reporting/Monthly Statements.**

1. Monthly statements detailing the previous month’s activity will be mailed on or before the fifth business day of the following month.
2. Monthly statements are available electronically on the TexConnect Online system by the 3<sup>rd</sup> business day of the month.
3. Transaction confirmations are generated daily and mailed to Participants the following business day unless TexPool is notified otherwise.
4. The Quarterly Investment Report, provided to the TexPool Advisory Board, will be provided to Participants upon request.

**C. Interest Income.** is declared daily and paid monthly. Interest can be reinvested to purchase additional shares of the pool, or sent to your bank via wire or ACH each month.

- D. Account Adjustments.** Corrections to account history due to an error made by TexPool Participant Services will be processed as soon as possible through an account adjustment. If an account history correction is needed due to an error made by the Participant, TexPool Participant Services will have to approve the adjustment prior to the correction being processed. If TexPool Participant Services approves the adjustment request, the Participant must then submit a letter of instruction requesting the correction to their account history. The letter of instruction must be signed by two Authorized Representatives and the original mailed to TexPool Participant Services.  
**NOTE: Dependent upon the dilution amount to the Pool's income, the Participant's request for the adjustment may not be honored.**

- E. Contact Information.** The following is the mailing address and contact numbers for TexPool.

TexPool Participant Services  
C/O Federated Investors Inc  
1001 Texas Avenue, Suite 1400  
Houston, Texas 77002

TexPool Participant Services Phone: 1-866-839-7665 (Press "1" for transaction requests)  
TexPool Participant Services Fax: 1-866-839-3291  
Voice Response Unit: 1-866-890-7665