

**INVESTMENT AGREEMENT**  
**AMONG THE SRBT FUND BOARD AND**  
**THE OPEB FUND TRUSTEE AND THE GOVERNMENTAL UNIT**

This Investment Agreement (this "Agreement") is made this 20<sup>th</sup> day of August, 2018, by and among the State Retiree Benefits Trust Fund board of trustees established pursuant to Massachusetts General Laws ("M.G.L.") Chapter 32A, Section 24A, ("SRBT Fund Board"), acting as the trustee of the State Retiree Benefits Trust Fund ("SRBT Fund") established under the provisions of M.G.L. Chapter 32A, Section 24, having an address of One Ashburton Place, Room 901, Boston, Massachusetts 02108, and the Board of Trustees of the Other Post-Employment Benefits Liability Trust Fund of Nashoba Regional School District under a Declaration of Trust, dated April 30, 2018, formed pursuant to the provisions of M.G.L. Chapter 32B, Section 20, as amended by Chapter 218, Section 15 of the Acts of 2016 (the "OPEB Fund Trustee"), having an address of 50 Mechanic St. Bolton, MA 01740, and Nashoba Regional School District, a body politic and corporate of the Commonwealth of Massachusetts (the "Governmental Unit") having an address of 50 Mechanic St. Bolton, MA 01740.

**Preliminary Statement**

M.G.L. Chapter 32B, Section 20, as amended by Chapter 218, Section 15 of the Acts of 2016 ("Section 20"), authorizes governmental units that accept such Section to establish an Other Post-Employment Benefits Liability Trust Fund ("OPEB Trust Fund") and to appropriate amounts to be credited to such OPEB Trust Fund. M.G.L. Chapter 32A, Section 24 provides that, upon authorization of the SRBT Fund Board, any political subdivision, municipality, county or agency or authority of the Commonwealth may participate in the SRBT Fund using procedures and criteria to be adopted by the SRBT Fund Board. The SRBT Fund Board requires that, as of the effective date of Chapter 218, Section 15 of the Acts of 2016, all governmental units which elect to participate in the SRBT Fund shall comply with Section 20. Pursuant to Section 20, the Governmental Unit, by vote of its School Committee (the "Vote"), a certified copy of which is attached hereto as **Exhibit A-1**, has accepted Section 20, established an OPEB Trust Fund, initially appropriated the amount of \$251,159.08 to be credited to the OPEB Trust

Fund, authorized the treasurer of the Governmental Unit to enter into this Agreement on behalf of the Governmental Unit, and designated the OPEB Fund Trustee to have general supervision of the management, investment and reinvestment of the OPEB Trust Fund. The OPEB Fund Trustee has voted to invest the OPEB Trust Fund in the SRBT Fund and to enter into this Agreement and have directed the treasurer of the Governmental Unit, as Custodian of the OPEB Trust Fund, to execute and deliver this Agreement to the SRBTF Fund Board on their behalf. The vote is attached hereto as **Exhibit A-2**.

Accordingly, the parties agree as follows:

1. The Governmental Unit hereby represents and warrants that, by virtue of the Vote, it has accepted Section 20, has established the OPEB Trust Fund with the Governmental Unit Treasurer as Custodian, has appropriated \$251,159.08 for initial credit to the OPEB Trust Fund, and has designated the OPEB Fund Trustee to supervise the management, investment and reinvestment of the OPEB Trust Fund.
2. The OPEB Fund Trustee hereby represents and warrants that they have elected to invest the OPEB Trust Fund in the SRBT Fund.
3. The Governmental Unit and the OPEB Fund Trustee hereby represent and warrant that they have complied and will comply with all applicable state and federal laws concerning the establishment and operation of OPEB Trust Funds.
4. The SRBT Fund Board hereby accepts the investment of the Governmental Unit's OPEB Trust Fund.
5. The SRBT Fund Board, the OPEB Fund Trustee and the Governmental Unit acknowledge that, pursuant to M.G.L. Chapter 32A, Section 24A and M.G.L. c.32A, Section 24(a), the SRBT Fund Board is required to invest the SRBT Fund with the Pension Reserves Investment Trust Fund (the "PRIT Fund"), which is

administered by the Pension Reserves Investment Management Board (“PRIM Board”), established pursuant to M.G.L. Chapter 32, Section 23(2A).

6. The OPEB Fund Trustee hereby directs the SRBT Fund Board to invest the OPEB Trust Fund in the SRBT Fund as a “Purchasing System” in the PRIT Fund (as set forth below), and the SRBT Fund Board hereby authorizes participation by the OPEB Trust Fund in the SRBT Fund and approves such investment. The OPEB Fund Trustee acknowledges that the OPEB Trust Fund will be commingled with assets of other participants in the SRBT Fund. The OPEB Fund Trustee will provide the SRBT Fund Board and/or the PRIM Board with such information as the SRBT Fund Board or PRIM Board may request from time to time to enable them to perform their responsibilities under this Agreement.
  
7. The SRBT Fund Board and the PRIM Board, acting on behalf of the PRIT Fund, have entered into an Amended and Restated Investment Services Agreement, dated as of October 1, 2011, attached as **Exhibit B** hereto (the “Investment Services Agreement”), pursuant to which the SRBT Fund is invested in the PRIT Fund General Allocation Account (“GAA”) as a “Purchasing System” under the terms of the Pension Reserves Investment Management Board Operating Trust, a copy of which is attached as **Exhibit C** (the “PRIM Board Operating Trust”). The OPEB Fund Trustee hereby acknowledges that they have reviewed such materials as they deem necessary and appropriate to understand the GAA and the PRIT Fund. In the event the Investment Services Agreement is amended, the SRBT Fund shall provide the OPEB Fund Trustee with the Amended Investment Services Agreement.
  
8. The OPEB Fund Trustee acknowledges that, pursuant to M.G.L. Chapter 32A, Section 24A, the SRBT Fund Board, acting on behalf of the SRBT Fund, and the PRIM Board have entered into an Administrative Services Agreement, dated as of October 1, 2011, attached hereto as **Exhibit D** (the “PRIM Administration Agreement”), pursuant to which the SRBT Fund Board is utilizing the existing resources and staff of the PRIM Board to provide the administrative services

described therein to the SRBT Fund and those municipalities and other political subdivisions, agencies and authorities of the Commonwealth which may participate in the SRBT Fund. The PRIM Board shall have responsibility for the valuation of assets in accordance with the provisions of Article 6 of the PRIM Board Operating Trust and for reporting to the OPEB Fund Trustee regarding the OPEB Trust Fund. In the event the PRIM Administration Agreement is amended, the SRBT Fund Board shall provide the OPEB Fund Trustee with the Amended PRIM Administration Agreement.

9. The PRIM Board is paid a Service Fee and Out-of-Pocket Expenses for the services provided in accordance with the PRIM Administration Agreement including but not limited to custodian bank fees, which fees are transferred directly to the PRIM Board from the SRBT Fund's cash account. The SRBT Fund Board's administrative expenses shall be paid out of the SRBT Fund's cash account. The OPEB Trust Fund will be responsible for its pro rata share of all such fees. The OPEB Fund Trustee understands the respective rights and obligations of the PRIM Board, the SRBT Fund Board and the OPEB Fund Trustee with respect to the OPEB Trust Fund deposited as part of the SRBT Fund in the GAA of the PRIT Fund.
10. The cash and assets of the OPEB Trust Fund will be held as part of the SRBT Fund by a custodian designated from time to time by the PRIM Board. The current custodian is The Bank of New York Mellon Trust Company, N.A.. The PRIM Board will direct the OPEB Fund Trustee with respect to investing and withdrawing assets in the PRIT Fund GAA.
11. The OPEB Fund Trustee acknowledges that they are obligated, as the fiduciary for the OPEB Trust Fund, to review and evaluate the suitability of the investment of the OPEB Trust Fund in the PRIT Fund GAA. The SRBT Fund Board is required to employ the PRIM Board to invest the SRBT Fund in the PRIT Fund.

12. The OPEB Fund Trustee acknowledges that the participation of the OPEB Trust Fund in the SRBT Fund will be in accordance with the SRBT Fund Board Operating Trust Agreement attached as **Exhibit E** and the procedures and criteria adopted by the SRBT Fund Board and attached hereto as **Exhibit F**, as they may be amended from time to time, and in accordance with the PRIM Board Operating Trust, the Investment Services Agreement and the PRIM Administration Agreement.
13. The Governmental Unit, through its OPEB Funding Policy, intends to appropriate funds each year, a specific amount to be determined by the Government Unit. The goal is to fully fund its OPEB liabilities by the year 2048.
14. The Governmental Unit shall provide the SRBT Fund Board with a copy of the report that it is required to provide to the public employee retirement administration commission pursuant to M.G.L. Chapter 32B, Section 20A concerning its other post-employment benefits cost and obligations and related information, as required by the Government Accounting Standards Board.
15. The OPEB Fund Trustee hereby represents that the person listed below is the Custodian of the OPEB Trust Fund (the "Custodian") and is duly authorized to act with respect to the OPEB Trust Fund and to execute, deliver, and perform this Agreement on behalf of the OPEB Fund Trustee, that this Agreement is a valid and binding obligation, enforceable against the OPEB Fund Trustee in accordance with its terms, and that the terms of this Agreement do not violate any obligation by which the OPEB Fund Trustee or the Governmental Unit is bound by contract, operation of law or otherwise:

Victoria C. Chartier, Treasurer

16. The OPEB Fund Trustee shall immediately notify the SRBT Fund Board in writing of any change in the Custodian, such notice to be accompanied by a certificate of

the Clerk of the Governmental Unit, certifying that the persons named are so authorized.

17. Neither the SRBT Fund Board nor any of its members, officers, employees or agents, make any representations or warranties, express or implied, that any level of performance or investment results will be achieved by the OPEB Trust Fund, the SRBT Fund or the PRIT Fund GAA, or that the OPEB Trust Fund, the SRBT Fund or the PRIT Fund GAA will perform comparably with any standard or index.
18. The SRBT Fund Board shall not be liable with respect to its services hereunder except for any loss attributable to the SRBT Fund Board's gross negligence or willful misfeasance. The SRBT Fund Board shall not be liable for any act or omission of the PRIM Board, any custodian or any broker or dealer. Without limiting the foregoing, the SRBT Fund Board does not assume responsibility for the accuracy of information furnished to it by the OPEB Fund Trustee, the Governmental Unit, the Custodian, the PRIM Board, any PRIM custodian, any broker or dealer, or by any person on whom it reasonably relies. Neither does the SRBT Fund Board assume any responsibility for compliance by the OPEB Fund Trustee, the Governmental Unit or the Custodian with any applicable state and federal laws or accounting rules concerning the establishment and operation of the OPEB Trust Fund. The Governmental Unit, to the extent allowed by law, shall indemnify and hold harmless the SRBT Fund Board, its officers, members, employees and agents for any loss, liability, cost, damage or expense, including attorneys' reasonable fees and costs, that does not directly result from the SRBT Fund Board's gross negligence or willful misfeasance. Nothing contained in this Agreement shall, however, constitute a waiver or limitation of any rights which the Governmental Unit or the OPEB Fund Trustee may have under any applicable law.
19. This Agreement may be terminated by the OPEB Fund Trustee or the SRBT Fund Board at the end of any month following 30 days' prior written notice from the terminating party to the other party. Upon termination, the OPEB Fund Trustee is

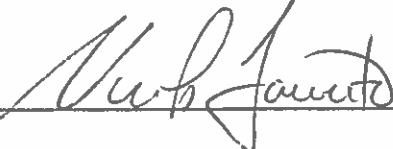
responsible for issuing written instructions regarding assets in the OPEB Trust Fund. Fees will be prorated to the date of termination.

20. Any notices hereunder shall be in writing, duly signed by the party giving such notice, and shall be effective when received by the party to whom addressed at the address set forth above, or to such other address as a party may designate in writing to the other party.
21. This Agreement shall be governed by the laws of Massachusetts. If any provision of this Agreement is deemed invalid or unenforceable by appropriate authority, this Agreement shall continue as if such provision were omitted, unless such omission would substantially impair the rights or benefits of either party.
22. This Agreement, including the exhibits attached hereto, constitutes the entire agreement between the OPEB Fund Trustee and the SRBT Fund Board with respect to the subject matter hereof and supersedes all prior agreements, negotiation, representations and proposals, whether written or oral, and may be amended only in writing signed by both parties. This Agreement is binding upon the OPEB Fund Trustee and the SRBT Fund Board and their respective successors.


*[Remainder of page intentionally left blank. Signatures follow.]*

IN WITNESS WHEREOF, the SRBT Fund Board, the OPEB Fund Trustee and the Governmental Unit have caused this Agreement to be executed as of the date first above written.


STATE RETIREE BENEFITS TRUST FUND  
BOARD OF TRUSTEES

By: , Chair

BOARD OF TRUSTEES OF THE OTHER POST-EMPLOYMENT BENEFITS LIABILITY TRUST FUND OF Nashoba Regional School District

By:   
Name: Victoria C. Charrier  
Title: Treasurer/Custodian of OPEB Trust Fund

Nashoba Regional School District

By:   
Name: Victoria C. Charrier  
Title: Treasurer/Custodian of OPEB Trust Fund



ATTACHMENT—Opinion of Counsel for Governmental Unit

EXHIBITS

EXHIBIT A-1: Vote of Governmental Unit

EXHIBIT A-2: Vote of OPEB Fund Trustees

EXHIBIT B: Investment Services Agreement

EXHIBIT C: PRIM Board Operating Trust

EXHIBIT D: PRIM Administration Agreement

EXHIBIT E: SRBT Fund Board Operating Trust Agreement

EXHIBIT F: SRBT Fund Board Policies and Procedures

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