

RESOLUTION AUTHORIZING PARTICIPATION IN THE MONTANA BOARD OF INVESTMENTS
SHORT-TERM INVESTMENT POOL (STIP)

CERTIFICATE AS TO
RESOLUTION NO. _____ AND ADOPTING VOTE

Political Subdivision: _____
Governing Body: _____

Type, date, time, and place of meeting: A _____ meeting held on _____
at _____ o'clock __.m. in _____, Montana.

Members present:

Members absent:

I, the undersigned, being the qualified and acting recording officer for the political subdivision identified above (“Participant”), certify that the attached RESOLUTION AUTHORIZING PARTICIPATION IN THE BOARD OF INVESTMENTS SHORT-TERM INVESTMENT POOL AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATED THERETO and Exhibits A and B (“Resolution”):

- (1) is a true and correct copies of the original Resolution on file in the Participant’s original records.
- (2) was approved and adopted by the Participant’s Governing Body as required by law; and
- (3) has not been amended or repealed.

DATED this ___ day of _____, 20__.

By _____
Its _____

RESOLUTION NO. _____

RESOLUTION AUTHORIZING PARTICIPATION IN THE MONTANA BOARD OF INVESTMENTS OF SHORT-TERM INVESTMENT POOL AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATED THERETO

BE IT RESOLVED BY THE _____ (the "Governing Body")
of _____ (the "Participant") AS FOLLOWS:

ARTICLE I

DEFINITIONS

The following terms will have the meanings indicated below for all purposes of this Resolution unless the context clearly requires otherwise:

"Account" means a specific Participant Bank account to be used in conducting STIP Program transactions.

"Agreement" means the agreements of the Participant contained within this Resolution.

"Authorized Representative" means the officer or official of the Participant designated and authorized by the Governing Body to act on behalf of Participant in the STIP Program.

"Authorized Delegate" means any officer, official, or employee of the Participant delegated authority by the Authorized Representative to initiate transactions using the STIP Program.

"Bank" means a financial institution designated and authorized to send and receive money on behalf of the Participant for purposes of participation in the STIP Program.

"Board" means the Board of Investments, a state agency organized and existing under the laws of the State.

"Exhibit A" means the STIP Participation Information Sheet attached to and incorporated into this Resolution as provided in Article IV, Section 3.01.

"Exhibit B" means the Electronic Funds Transfer Authorization Form attached to and incorporated into this Resolution as provided in Article IV, Section 3.01.

"Governing Body" means the governing body of political subdivision (Participant) authorized by Montana state law to participate in the STIP Program.

"Participant" means the political subdivision requesting participation in the Board's STIP Program.

"Short-Term Investment Pool" means the Board's investment program administered under the direction of the Board of Investments as authorized by the Unified Investment Program and as more fully defined and described by the Montana Code Annotated and in the Board's Governing Policies. "Short-Term Investment Pool" is synonymous with "STIP" and "Program" as used in this Resolution and Exhibits A and B.

ARTICLE I

SHORT-TERM INVESTMENT POOL PARTICIPATION AGREEMENT

Section 1.01 Participation Agreement. The Governing Body requests participation in the STIP Program and agrees that Participant will comply with and be bound by all laws, policies, procedures, and participation requirements applicable to the Program, as may be amended from time to time.

Section 1.02 STIP Program. STIP is available to state and local governments to serve their short-term cash flow and deposit needs. The Program’s objectives are to preserve capital and maintain high liquidity. The Program has the following attributes:

- 1) STIP transactions are fixed at \$1 per share;
- 2) STIP interest on pool assets accrues daily;
- 3) STIP earnings distribution methods are:
 - (a) Interest is distributed at the beginning of the month and can be distributed as cash to the designated Bank; or (b) earnings can be reinvested into STIP;
- 4) Buying or selling shares in STIP requires one (1) business day’s notice (transactions for which notice is received after 2:00 p.m. will be processed two (2) business days after receipt of the original notice);
- 5) Access to STIP is only through the Board’s electronic web-based portal (no cash, checks or notifications by fax, phone or email will be accepted);
- 6) The Board’s STIP web portal provides real-time information on each account including investment balances, buys, sells, pending transactions, and transaction notes, as determined by the authorized user; and
- 7) The Board reports the Short-Term Investment Pool on a Net Asset Value (NAV) basis on its financial statements. A NAV per share of STIP will be reflected on the Board’s website for each month-end period.

Section 1.03 Review of Policies, Procedures, and Participation Requirements. Participant represents that it has reviewed to its satisfaction all Board policies, procedures, and participation requirements applicable to the STIP Program. See, Board Governance Policies 40.600, 40.601, and 40.602.

Section 1.04 Authorized Representative: The Governing Body designates _____, who holds the position of _____ as the Participant’s Authorized Representative to execute transactions between STIP and the Bank.

The Governing Body (check one) DOES DOES NOT allow the Authorized Representative to appoint and remove additional Authorized Delegate(s) on behalf of the Participant. If “DOES” is checked, any addition or removal of an Authorized Delegate requires notice via the submission of a completed Exhibit A (STIP Participation Information Sheet) to the Board by the Authorized Representative before transactions will be accepted and processed.

The Governing Body designates and authorizes the Participant’s Bank, (the “Bank”), identified in Exhibit B, with the Account Number and American Bankers Association (ABA) Number, for settlement of STIP participant transactions. The account is a (check one): Checking account Savings account .

The Governing Body (check one): DOES DOES NOT allow the Authorized Representative to change either the Bank or the Account. If ‘DOES’ is checked, the Board will notify both the office of the Authorized Representative AND the office of the Governing Body within three (3) business days that such a change has been made.

The Governing Body (check one): DOES DOES NOT allow the Authorized Representative to change the earnings distribution method. If DOES NOT is checked, the Governing Body chooses the following earnings distribution method (check one): Reinvest cash earnings into STIP Distribute cash earnings to the Bank .

Section 1.05 Change of Authorized Representative. Any change to the Authorized Representative requires a new Resolution adopted by the Governing Body. However, the absence of an Authorized Representative does not nullify the current authority of the Authorized Delegate(s) to make STIP transactions.

Section 1.06 Annual Confirmation. The Board will annually confirm with the Governing Body and the Authorized Representative the:

1. Name of the Authorized Representative;
2. Name(s) of any Authorized Delegate(s); and
3. Name of the Bank and the associated Account Numbers (truncated).

Section 1.07 Effective Date. Participant's Agreement will take effect when the Resolution Certificate, this Resolution, and completed and executed Exhibits A and B are received by the Board. The Participant's Agreement will stay in effect until terminated in writing by the Governing Body.

ARTICLE II

MISCELLANEOUS

Section 2.01 No Guaranteed Return. The Governing Body understands and agrees that there is no minimum or maximum interest rate or any guaranteed rate of return on STIP shares or funds invested in STIP shares.

Section 2.02 Voluntary Participation. By adopting this Resolution, the Governing Body acknowledges that it is not compelled to participate in STIP, that its participation in STIP is voluntary, and agrees to the Board's administration and governance of the Program according to the Board's policies, procedures, and participation requirements.

Section 2.03 Responsibility for Participant Mistakes. The Governing Body and Participant agree to hold harmless the state of Montana, the Board, and the Board's members, officials, and employees for the acts, omissions, mistakes, and negligence of the Participant, Governing Body, and their members, officials, and employees, including but not limited to an Authorized Representative or Authorized Delegate who, for any reason, is not qualified or mistakenly listed with the Board as a permissible representative to authorize transactions using the STIP Program, incorrect instructions as to amounts or timing of sales or purchases, or missed deadlines.

Section 2.04 No Warranty. The Governing Body and Participant agree that the Board makes no warranty that funds will be immediately available in the event of any failure of a third party or that Governing Body will not suffer losses due to acts of God, natural disasters, terrorism or threats of terrorism, civil disorder, medical epidemics or other calamities, or other market dislocations or interruptions.

Section 2.05 Participation Conditions; STIP Administration. The Governing Body and Participant acknowledge and agree that the Board will allow participation in STIP by and conduct STIP business with only those parties it determines are qualified and authorized to participate in the Program who abide by the Board's policies, procedures, and participation requirements. The Governing Body and Participant understand that the Board administers the STIP Program subject to Montana law and prudent fiduciary practices as required by Montana law and Board policy and that the Board is legally charged to manage the Unified Investment Program, which includes STIP, in accordance with the prudent expert rule as set forth in Montana law.

Section 2.06 STIP Not Insured Against Loss. The Governing Body and Participant understand and acknowledge that the Board's STIP Program is NOT FDIC insured or otherwise insured or guaranteed by the federal government, the state of Montana, the Board, or any other entity against investment losses.

ARTICLE III

EXHIBITS A AND B

Section 3.01 Approval and Adoption of Exhibits A and B. Attached to this Resolution are Exhibit A, the STIP Participation Information Sheet, and Exhibit B, the Electronic Funds Transfer Authorization Form, which together provide the instructions required by the Board to enable Participant's participation in the STIP Program. The Governing Body and Participant represent that Exhibits A and B have been completed and executed by the Participant's Authorized Representative and that Exhibits A and B must be complete and accepted by the Board before participation is allowed in the STIP Program. Exhibits A and B are hereby incorporated into and made a part of this Resolution and are approved and adopted by the Governing Body as if set forth fully herein.

APPROVED AND ADOPTED by the _____ this ____ day
of _____, 20__.

By _____
Its _____

Attest:

By _____
Its _____