



STATE OF CONNECTICUT  
OFFICE OF THE STATE TREASURER

**Community Bank and Credit Union Initiative**

**Bank Investment Agreement**

This Agreement (this "Agreement") is effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Commencement Date") between \_\_\_\_\_ (the "Bank") and the State of Connecticut, acting through the Treasurer of the State of Connecticut (the "Depositor").

WHEREAS, the Depositor may purchase, from time to time, Certificates of Deposit (the "Investments") from the Bank pursuant to terms specified in trade confirmation documents; and whereas, this Agreement sets forth certain terms and conditions that shall exist between the Bank and the Depositor in connection with the Investments; and whereas, the terms and conditions of this Agreement shall remain in effect during the terms of the Investments;

NOW THEREFORE, in consideration for the purchase of the Investments, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Bank and the Depositor agree as follows:

1. In addition to the terms and conditions set forth in that certain Security Agreement between the Bank and the Depositor dated \_\_\_\_\_, 20\_\_ (the "Security Agreement") as may be amended, replaced or superseded from time to time and the Confirmation of Trade delivered by the Bank in connection with the Investment, the Bank hereby agrees that if the Bank shall fail to satisfy any of the criteria for classification as a "well capitalized" bank set forth in Section 324.403(b)(1) of the FDIC Rules and Regulations, at any time during the term of the Investment, then the Bank shall, at its option, either (a) segregate sufficient Eligible Collateral (as hereinafter defined) to cover one hundred percent (100%) of the principal amount of the Investment plus interest in an account for the benefit of the Depositor until such time as the Investment has matured or otherwise been redeemed by the Bank or (b) redeem the principal amount of the Investment plus all interest accrued thereon. The Eligible Collateral shall be pledged by the Bank to the Depositor pursuant to a security agreement and other collateral documents in form and substance satisfactory to the Depositor and shall be in addition to any and all collateral delivered pursuant to the Security Agreement. For purposes of this Agreement, the term "Eligible Collateral" shall have the same meaning ascribed to such term under the Protection of Public Deposits Act, Conn. Gen. Stat. 36a-330, et seq. (the "Act").

2. All Eligible Collateral required under Section 1 of this Agreement shall be transferred to and maintained with the Federal Reserve Bank, the federal home loan bank or the trust department of any financial institution permitted by and in accordance with C.G.S. Section 36a-333(b).

3. The Bank hereby agrees to execute any and all documents reasonably required by the Depositor to effectuate and/or further the purposes of this Agreement, including, without limitation, the execution of any security agreement that may be required by the Depositor under Section 1 hereof.
4. The Bank represents and warrants that the Bank has full power and authority to enter into and perform fully the terms of this Agreement and that the execution of this Agreement by the Signatory of the Bank on behalf of the Bank is duly authorized and, upon execution and delivery, this Agreement shall be binding upon the Bank in accordance with its terms.
5. In lieu of furnishing Eligible Collateral required by Section 1 of this Agreement, all or any portion of the principal amount of the Investment plus accrued interest may be secured by a private insurance policy issued by a AAA-rated insurance company.
6. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut and the laws of the United States of America.
7. The obligations of the Bank under this Agreement, including its obligation to furnish Eligible Collateral hereunder, shall be in addition to its obligations under the Security Agreement.
8. The Depositor certifies that its correct taxpayer identification number is 06-6000798, and that the State of Connecticut is not subject to backup withholding.
9. Exhibit A specifies the representatives of the Depositor who are authorized to approve transactions and provide directions to the Bank with respect to the investment, purchase, sale, maturity, redemption or other disposition of the Investments. All proceeds must be wired to the State of Connecticut. Wire instructions listed in Exhibit A.
10. This Agreement may be executed in any number of counterparts, each of which shall be an original, but which, shall constitute one and the same instrument.

[ Signature Page Follows ]

IN WITNESS WHEREOF, the parties have hereunto executed this Agreement, which shall become effective as of the Commencement Date shown above.

BANK: \_\_\_\_\_

By Bank's Signatory: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_

DEPOSITOR: State of Connecticut, Acting Through Its

Treasurer

By: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_