

## **FIRST AMENDMENT TO THE ADMINISTRATIVE SERVICES AGREEMENT FOR THE 457(b) DEFERRED COMPENSATION PLAN OF GRAYSON COUNTY, TEXAS**

This First Amendment to the Administrative Services Agreement ("Amendment") is effective on the date written below by and between Nationwide Retirement Solutions, Inc., a Delaware corporation (hereinafter "Nationwide"), and the Grayson County, Texas, the Plan Sponsor (hereinafter "Plan Sponsor").

**WHEREAS**, Plan Sponsor and Nationwide executed the Administrative Services Agreement for the Grayson County 457(b) Deferred Compensation Plan ("Agreement") between Nationwide and Plan Sponsor on the 25<sup>th</sup> day of March 2020, under which Nationwide agreed to provide administrative services to the Plan Sponsor's Deferred Compensation Plan (hereinafter "Plan"); and

**WHEREAS**, Plan Sponsor desires to continue to contract with Nationwide in connection with the administration of the Plan; and

**WHEREAS**, Nationwide desires to continue to provide such administrative services to the Plan subject to the terms and conditions set forth in the Agreement.

**NOW, THEREFORE**, Plan Sponsor and Nationwide hereby mutually agree to amend the Agreement by agreeing to the following:

Section 14.a ("COMPENSATION") of the Agreement is hereby deleted and replaced in its entirety with the following:

### **14. COMPENSATION**

- a. As compensation for the Administrative Services provided by Nationwide pursuant to this Agreement, Plan Sponsor and Nationwide agree that Nationwide shall be entitled to an annualized compensation requirement of 0.15% (15 basis points) of the Plan's account value held by Nationwide ("Compensation Requirement") per year to be calculated and collected as an explicit asset fee according to Nationwide's standard business practices. In calculating the 15 basis points, the total Plan assets will include Plan balances held in the Self-Directed Brokerage Account ("SDBA") and as outstanding participant loan balances. The explicit asset management charge of 15 basis points will be taken against participant loans by applying an additional finance charge to the loan interest rate.

Section 14.b ("COMPENSATION") of the Agreement is hereby deleted and replaced in its entirety with the following:

### **14. COMPENSATION**

- b. The Plan Sponsor acknowledges that Nationwide and its affiliates receive payments in connection with the sale and servicing of investments allocated to participant Plan accounts ("Investment Option Payments"). In addition to the foregoing, the parties acknowledge and agree that Nationwide may receive revenue associated with annuity contracts, revenue from mutual fund providers, as well as fees associated with specific services or products. In

addition to the explicit asset fee of 15 basis points described in 14.a. above, Nationwide shall also be entitled to receive 0.10% (10 basis points) from the revenue Nationwide receives from the Investment Option Payments. The Investment Option Payments include mutual fund service fee payments, which are described in detail at [www.nrsforu.com](http://www.nrsforu.com), and other payments received from investment option providers.

Section 14.d ("COMPENSATION") of the Agreement is hereby deleted and replaced in its entirety with the following:

**14. COMPENSATION**

- d. The Plan Sponsor has directed Nationwide to establish and maintain a separate account (the "Plan Expense Account") representing that portion of the Investment Option Payments that exceed the 10 basis points described in 14.b. above. The Plan Expense Account will be funded on a quarterly basis. The Plan Sponsor will select a single investment vehicle to be used for the Plan Expense Account, which cannot be an investment vehicle included in the participant investment lineup. The Plan Sponsor will direct Nationwide, in writing, to pay reasonable and necessary Plan expenses directly to the Plan or a Plan service provider.
  - i. When each invoice is submitted to Nationwide for payment, the Plan Sponsor shall certify in writing that the expenses represented by the invoice are reasonable and necessary Plan expenses. As the fiduciary of the Plan, the Plan Sponsor is solely responsible for making determinations with respect to the appropriateness of all expenses of the Plan and how the Plan Expense Account is managed. Nationwide does not accept this responsibility.
  - ii. The account balance, account transactions and investment experience of the Plan Expense Account will be reported to the Plan Sponsor no later than thirty (30) Business Days after the end of each calendar quarter.
  - iii. The Plan Sponsor will maintain the cumulative balance held in the Plan Expense Account at a reasonable level given the size of the Plan and the Plan's total annual expenses. Should the cumulative balance of the Plan Expense Account exceed a reasonable level, Plan Sponsor will direct Nationwide to allocate any excess accumulation to participant accounts on a pro-rata basis based on their total account balance.
  - iv. Notwithstanding Section 14.d.iii. above, at the direction of the Plan Sponsor, any balance in the Plan Expense Account that has not been applied to pay for reasonable and necessary Plan expenses can be allocated to participant accounts on a pro-rata basis based on their total account balance on an annual basis to be mutually determined and agreed to by the parties.

**Section addition – Purpose to add Section 33 – Boycotting**

By accepting a contract, Nationwide Retirement Solutions, Inc. verifies that it does not Boycott Israel, and agrees that during the term of this Agreement (Contract as applicable) will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.

To sell Grayson County goods, services or supplies, Nationwide Retirement Solutions, Inc. affirms that it is not: Engaged in business with Iran, Sudan, or foreign terrorist organizations or is listed on the Comptroller's list of companies known to have contracts with or provide supplies or services to a foreign terrorist organization under Government Code Section 2252, Subchapter F.

**Section addition – Purpose to add Section 34 – Certificate of Interested Parties**

Section 2252.908 of the Texas Government Code requires a business entity entering into certain contracts with a governmental entity to file with the governmental entity a disclosure of interested parties at the time the business entity submits the signed contract to the governmental entity. Section 2252.908 requires the disclosure form (Form 1295) to be signed by the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury. Section 2252.908 applies only to a contract that requires an action or vote by the governing body of the governmental entity before the contract may be signed or has a value of at least \$1 million. Section 2252.908 provides definitions of certain terms occurring in the section.

Texas Ethic Commission <https://www.ethics.state.tx.us/filinginfo/1295/>

Except as otherwise amended herein, all other terms and conditions of the Agreement not in conflict shall remain in full force and effect. If there is a conflict or ambiguity among the Amendment and the Agreement, the documents in the following order shall prevail and control: (1) this First Amendment and (2) the original Agreement.

**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment effective on the date first written below.

APPROVED BY

Nationwide Retirement Solutions, Inc.:

DocuSigned by:  
By: Catherine Moore

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Printed Name: Catherine Moore

Title: AVP Operations

Date: 10/15/2020

APPROVED BY

Grayson County, Texas

By: [Signature]

Printed Name: William Magers

Title: County Judge

Date: 10-13-2020