

**SECOND EXTENSION
OF
SECURITIES LENDING AGREEMENT
BETWEEN
CITY OF SAN ANTONIO, TEXAS
AND
FROST BANK**

THE STATE OF TEXAS §
 §
THE COUNTY OF BEXAR §

This *Second Extension of Agreement Authorizing Frost Bank to act as Lender's Agent in Lending Securities* ("Second Extension") is made and entered into by and between the **CITY OF SAN ANTONIO** (hereinafter referred to as "City"), a Texas Municipal Corporation, acting by and through its City Manager, her designee, or its Director of Finance pursuant to Ordinance No. 201_--_ (the "Ordinance"), passed and approved _____, 2014, and **FROST BANK**, a Texas state bank, acting by and through its duly authorized representative (hereinafter referred to as "Frost").

WHEREAS, pursuant to Ordinance No. 2010-03-18-0217 passed and approved March 18, 2010, City and Frost entered into that one certain *Agreement Authorizing Frost Bank to act as Lender's Agent in Lending Securities* ("Agreement"), providing terms and conditions under which Frost shall provide securities lending services to the City for a three (3) year term commencing April 1, 2010, and ending March 31, 2013, with the option to extend the Agreement for two (2) successive one (1) year terms under the same terms and conditions; and

WHEREAS, pursuant to Ordinance No. 2013-03-07-0160, the Agreement was extended for the first one (1) year term ending March 31, 2014, under the same terms and conditions as the Agreement; and

WHEREAS, City desires to renew and extend the Agreement for the second and final one (1) year renewal term, upon the same terms and conditions as the Agreement, and Frost desires to do the same; **NOW, THEREFORE:**

FOR VALUABLE CONSIDERATION, the parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described.

I. RENEWAL AND EXTENSION OF CONTRACT

1.1 The Agreement is hereby renewed and extended for the period commencing April 1, 2014 and ending March 31, 2015, under the same terms and conditions as set forth in the Agreement.

II. INCORPORATION OF TERMS AND CONDITIONS OF CONTRACT BY REFERENCE

2.1 Except as provided for in this Second Extension, all other terms and conditions of the Agreement are hereby renewed and extended pursuant to the terms of this Second Extension, and incorporated into this Second Extension, and are made a part hereof for all purposes.

III. CONFLICT PROVISIONS

3.1 Any discrepancy between the provisions of this Second Extension and the provisions of the Agreement shall be resolved in favor of this Second Extension.

EXECUTED and AGREED TO this the _____ day of _____, 2014, to be effective on April 1, 2014.

CITY:
CITY OF SAN ANTONIO

FROST:
FROST BANK

Troy Elliott, CPA
Director of Finance

BY: _____
Paul F. Grimm
Senior Vice President
Securities Lending

Approved as to form:

Robert Nordhaus
Assistant City Attorney