

RETIREMENT PLAN CONSULTING SERVICES AGREEMENT

SHUSTER ADVISORY GROUP, LLC

457 (b) and 401(a) Deferred Compensation Plans

THIS RETIREMENT PLAN CONSULTING SERVICE AGREEMENTS AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2025 ("Effective Date"), by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and SHUSTER ADVISORY GROUP, LLC, a California limited liability company ("Consultant").

1. **Scope of Services.** City agrees to retain and does hereby retain Consultant and Consultant agrees to provide the services more particularly described in Exhibit "A," "Scope of Services" ("Services"), attached hereto and incorporated herein by reference, in conjunction with 457(b) and 401(a) Deferred Compensation Plans ("Project").

2. **Term.** This Agreement shall be effective on the date first written above and shall remain in effect for three (3) years from the Effective Date of this Agreement, with one two-year option to extend upon written agreement of both parties, unless otherwise terminated pursuant to the provisions herein.

3. **Compensation/Payment.** Consultant shall perform the Services under this Agreement for the total sum not to exceed Forty-Eight Thousand Dollars (\$48,000) annually, payable in accordance with the terms set forth in Exhibit "B." Said payment shall be made in accordance with City's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 4 hereof.

4. **Notices.** Any notices required to be given, hereunder shall be in writing and shall be personally served or given by mail. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the party to be served as follows:

To City

Finance Department
City of Riverside
Attn: CFO/Edward Enriquez
3900 Main Street
Riverside, CA 92501

To Consultant

Shuster Advisory Group, LLC
Attn: Mark Shuster
225 South Lake Avenue, Suite 600
Pasadena, CA 91101

5. **Prevailing Wage.** If applicable, Consultant and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination is available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and is referred to and made a part hereof; the wage rates therein ascertained, determined, and specified are referred to and made a part hereof as though fully set forth herein.

6. **Contract Administration.** A designee of the City will be appointed in writing by the City Manager or Department Director to administer this Agreement on behalf of City and shall be referred to herein as Contract Administrator.

7. **Standard of Performance.** While performing the Services, Consultant shall exercise the reasonable professional care and skill customarily exercised by reputable members of Consultant's profession practicing in the Metropolitan Southern California Area and shall use reasonable diligence and best judgment while exercising its professional skill and expertise.

8. **Personnel.** Consultant shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. Consultant recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services. The key personnel listed in Exhibit "C" attached hereto and incorporated herein by this reference and assigned to perform portions of the Services shall remain assigned through completion of the Services, unless otherwise mutually agreed by the parties in writing, or caused by hardship or resignation in which case substitutes shall be subject to City approval.

9. **Assignment and Subcontracting.** Neither party shall assign any right, interest, or obligation in or under this Agreement to any other entity without prior written consent of the other party. In any event, no assignment shall be made unless the assignee expressly assumes the obligations of assignor under this Agreement, in a writing satisfactory to the parties. Consultant acknowledges that any assignment may, at the City's sole discretion, require City Manager and/or City Council approval. Consultant shall not subcontract any portion of the work required by this Agreement without prior written approval by the responsible City Contract Administrator. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 12. The Consultant acknowledges and agrees that the City is an intended beneficiary of any work performed by any subcontractor for purposes of establishing a duty of care between any subcontractor and the City.

10. **Independent Contractor.** In the performance of this Agreement, Consultant, and Consultant's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City of Riverside. Consultant acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Consultant, or to Consultant's employees, subcontractors and agents. Consultant, as an independent contractor, shall be responsible for any and all taxes that apply to Consultant as an employer.

11. Indemnification.

11.1 Design Professional Defined. For purposes of this Agreement, "Design Professional" includes the following:

- A. An individual licensed as an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the Business and Professions Code, and a business entity offering architectural services in accordance with that chapter.
- B. An individual licensed as a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the Business and Professions Code, and a business entity offering landscape architectural services in accordance with that chapter.
- C. An individual registered as a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code, and a business entity offering professional engineering services in accordance with that chapter.
- D. An individual licensed as a professional land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code, and a business entity offering professional land surveying services in accordance with that chapter.

11.2 Defense Obligation For Design Professional Liability. Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. Consultant will reimburse City for reasonable defense costs for claims arising out of Consultant's professional negligence based on the percentage of Consultant's liability. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

11.3 Indemnity For Design Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, protect and hold harmless the City and the City's employees, officers, managers, agents, and Council Members ("Indemnified Parties") from and against any and all claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fines and

penalties, liabilities or losses of any kind or nature whatsoever to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party.

11.4 Defense Obligation For Other Than Design Professional Liability.

Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings which arise out of, or relate to, or are in any way connected with: 1) the Services, work, activities, operations, or duties of the Consultant, or of anyone employed by or working under the Consultant, or 2) any breach of the Agreement by the Consultant. This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any or all of the Parties to be Defended were actively, passively, or concurrently negligent, or which otherwise assert that the Parties to be Defended are responsible, in whole or in part, for any loss, damage or injury. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

11.5 Indemnity For Other Than Design Professional Liability. Except as to the sole negligence or willful misconduct of the City, Consultant agrees to indemnify, protect and hold harmless the Indemnified Parties from and against any claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fine and penalties, liabilities or losses of any kind or nature whatsoever whether actual, threatened or alleged, which arise out of, pertain to, or relate to, or are a consequence of, or are attributable to, or are in any manner connected with the performance of the Services, work, activities, operations or duties of the Consultant, or anyone employed by or working under the Consultant or for services rendered to Consultant in the performance of this Agreement, notwithstanding that the City may have benefited from its work or services. This indemnification provision shall apply to any acts, omissions, negligence, recklessness, or willful misconduct, whether active or passive, on the part of the Consultant or anyone employed or working under the Consultant.

12. Insurance.

12.1 General Provisions. Prior to the City's execution of this Agreement, Consultant shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

12.1.1 Limitations. These minimum amounts of coverage shall not constitute any limitation or cap on Consultant's indemnification obligations under Section 11 hereof.

12.1.2 Ratings. Any insurance policy or coverage provided by Consultant or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

12.1.3 Cancellation. The policies shall not be canceled unless thirty (30) days' prior written notification of intended cancellation has been given to City by certified or registered mail, postage prepaid.

12.1.4 Adequacy. The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage as Consultant deems adequate, at Consultant's sole expense.

12.2 Workers' Compensation Insurance. By executing this Agreement, Consultant certifies that Consultant is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Consultant shall carry the insurance or provide for self-insurance required by California law to protect said Consultant from claims under the Workers' Compensation Act. Prior to City's execution of this Agreement, Consultant shall file with City either 1) a certificate of insurance showing that such insurance is in effect, or that Consultant is self-insured for such coverage, or 2) a certified statement that Consultant has no employees, and acknowledging that if Consultant does employ any person, the necessary certificate of insurance will immediately be filed with City. Any certificate filed with City shall provide that City will be given ten (10) days' prior written notice before modification or cancellation thereof.

12.3 Commercial General Liability and Automobile Insurance. Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure Consultant against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Consultant. The City, and its officers, employees and agents, shall be named as additional insureds under the Consultant's insurance policies.

12.3.1 Consultant's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

12.3.2 Consultant's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Consultant's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Consultant's performance of this Agreement, which vehicles shall include, but are not limited to, Consultant owned vehicles, Consultant leased vehicles, Consultant's employee vehicles, non-Consultant owned vehicles and hired vehicles.

12.3.3 Prior to City's execution of this Agreement, copies of insurance policies or original certificates along with additional insured endorsements acceptable to the City evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

12.3.4 The insurance policy or policies shall also comply with the following provisions:

- a. The policy shall be endorsed to waive any right of subrogation against the City and its sub-consultants, employees, officers and agents for services performed under this Agreement.
- b. If the policy is written on a claims-made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.
- c. The policy shall specify that the insurance provided by Consultant will be considered primary and not contributory to any other insurance available to the City and Endorsement No. CG 20010413 shall be provided to the City.

12.4 Errors and Omissions Insurance. Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, errors and omissions professional liability insurance in the minimum amount of \$1,000,000 to protect the City from claims resulting from the Consultant's activities.

12.5 Subcontractors' Insurance. Consultant shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss that may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers Compensation, Commercial General Liability, Errors and Omissions, and Automobile liability.

Upon City's request, Consultant shall provide City with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

13. **Business Tax.** Consultant understands that the Services performed under this Agreement constitutes doing business in the City of Riverside, and Consultant agrees that Consultant will register for and pay a business tax pursuant to Chapter 5.04 of the Riverside Municipal Code and keep such tax certificate current during the term of this Agreement.

14. **Time of Essence.** Time is of the essence for each and every provision of this Agreement.

15. **City's Right to Employ Other Consultants.** City reserves the right to employ other Consultants in connection with the Project. If the City is required to employ another consultant to complete Consultant's work, due to the failure of the Consultant to perform, or due to the breach of any of the provisions of this Agreement, the City reserves the right to seek reimbursement from Consultant.

16. **Accounting Records.** Consultant shall maintain complete and accurate records with respect to costs incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

17. **Confidentiality.** All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant, except as otherwise directed by City's Contract Administrator. Nothing furnished to Consultant which is otherwise known to the Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production, website, or other similar medium without the prior written consent of the City. This provision shall survive the expiration or termination of this Agreement.

18. **Ownership of Documents.** All reports, maps, drawings and other contract deliverables prepared under this Agreement by Consultant shall be and remain the property of City. Consultant shall not release to others information furnished by City without prior express written approval of City. This provision shall survive the expiration or termination of this Agreement.

19. **Copyrights.** Consultant agrees that any work prepared for City which is eligible for copyright protection in the United States or elsewhere shall be a work made for hire. If any such work is deemed for any reason not to be a work made for hire, Consultant assigns all right, title and interest in the copyright in such work, and all extensions and renewals thereof, to City, and agrees to provide all assistance reasonably requested by City in the establishment, preservation

and enforcement of its copyright in such work, such assistance to be provided at City's expense but without any additional compensation to Consultant. Consultant agrees to waive all moral rights relating to the work developed or produced, including without limitation any and all rights of identification of authorship and any and all rights of approval, restriction or limitation on use or subsequent modifications. This provision shall survive the expiration or termination of this Agreement.

20. **Conflict of Interest.** Consultant, for itself and on behalf of the individuals listed in Exhibit "C," represents and warrants that by the execution of this Agreement, they have no interest, present or contemplated, in the Project affected by the above-described Services. Consultant further warrants that neither Consultant, nor the individuals listed in Exhibit "C" have any real property, business interests or income interests that will be affected by this project or, alternatively, that Consultant will file with the City an affidavit disclosing any such interest.

21. **Solicitation.** Consultant warrants that Consultant has not employed or retained any person or agency to solicit or secure this Agreement, nor has it entered into any agreement or understanding for a commission, percentage, brokerage, or contingent fee to be paid to secure this Agreement. For breach of this warranty, City shall have the right to terminate this Agreement without liability and pay Consultant only for the value of work Consultant has actually performed, or, in its sole discretion, to deduct from the Agreement price or otherwise recover from Consultant the full amount of such commission, percentage, brokerage or commission fee. The remedies specified in this section shall be in addition to and not in lieu of those remedies otherwise specified in this Agreement.

22. **General Compliance With Laws.** Consultant shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of services by Consultant pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained all necessary licenses to perform the Scope of Services and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City of Riverside.

23. **Waiver.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically, provided in this Agreement or as may be otherwise agreed in writing.

24. **Amendments.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Consultant and City.

25. **Termination.** City, by notifying Consultant in writing, shall have the right to terminate any or all of Consultant's services and work covered by this Agreement at any time. In the event of such termination, Consultant may submit Consultant's final written statement of the amount of Consultant's services as of the date of such termination based upon the ratio that the work completed bears to the total work required to make the report complete, subject to the City's

rights under Sections 15 and 26 hereof. In ascertaining the work actually rendered through the termination date, City shall consider completed work, work in progress and complete and incomplete reports and other documents only after delivered to City.

25.1 Other than as stated below, City shall give Consultant thirty (30) days' prior written notice prior to termination.

25.2 City may terminate this Agreement upon fifteen (15) days' written notice to Consultant, in the event:

25.2.1 Consultant substantially fails to perform or materially breaches the Agreement; or

25.2.2 City decides to abandon or postpone the Project.

26. **Offsets.** Consultant acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which Consultant owes or may owe to the City, City reserves the right to withhold and offset said amounts from payments or refunds or reimbursements owed by City to Consultant. Notice of such withholding and offset, shall promptly be given to Consultant by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to the City, City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

27. **Successors and Assigns.** This Agreement shall be binding upon City and its successors and assigns, and upon Consultant and its permitted successors and assigns, and shall not be assigned by Consultant, either in whole or in part, except as otherwise provided in paragraph 9 of this Agreement.

28. **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court, County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that each party will bear their own attorney's fees and costs. This provision shall survive the expiration or termination of this Agreement.

29. **Nondiscrimination.** During Consultant's performance of this Agreement, Consultant shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Consultant agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

30. **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement, and the remainder of the Agreement shall continue in full force and effect.

31. **Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions hereof and thereof.

32. **Entire Agreement.** This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

33. **Digital and Counterpart Signatures.** Each party to this Agreement intends and agrees to the use of digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (Civil Code §§ 1633.1, et seq.), California Government Code § 16.5, and California Code of Regulations Title 2 Division 7 Chapter 10, to execute this Agreement. The parties further agree that the digital signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures for purposes of validity, enforceability, and admissibility. For purposes of this section, a "digital signature" is defined in subdivision (d) of Section 16.5 of the Government Code and is a type of "electronic signature" as defined in subdivision (h) of Section 1633.2 of the Civil Code. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each certified or authenticated electronic copy of an encrypted digital signature shall be deemed a duplicate original, constituting one and the same instrument and shall be binding on the parties hereto.

34. **Interpretation.** City and Consultant acknowledge and agree that this Agreement is the product of mutual arms-length negotiations and accordingly, the rule of construction, which provides that the ambiguities in a document shall be construed against the drafter of that document, shall have no application to the interpretation and enforcement of this Agreement.

34.1 Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the Agreement or any of its terms. Reference to section numbers, are to sections in the Agreement unless expressly stated otherwise.

34.2 This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

34.3 In the event of a conflict between the body of this Agreement and Exhibit "A" - Scope of Services hereto, the terms contained in Exhibit "A" shall be controlling.

35. **Exhibits.** The following exhibits attached hereto are incorporated herein to this Agreement by this reference:

Exhibit "A" - Scope of Services

Exhibit "B" - Compensation

Exhibit "C" - Key Personnel

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, City and Consultant have caused this Agreement to be duly executed the day and year first above written.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

Shuster Advisory Group, LLC, a California
limited liability company

By: _____
City Manager

By: _____
Print Name: MARK SHUSTER
Title: MANAGING MEMBER

Attest: _____
City Clerk

and
By: JOHN PARIBINO
Print Name: JOHN PARIBINO
Title: MEMBER

Certified as to Availability of Funds:

By: Kioch
Chief Financial Officer

Approved as to Form:

By: _____
Sr. Deputy City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

1. GENERAL STATEMENT OF WORK.

Consultant agrees to provide the following services to City for the plans listed in Appendix A:

- A. Fiduciary Services: Consultant will perform the Fiduciary Services described in Appendix B.
- B. Non-Fiduciary Services: Consultant will perform the Non-Fiduciary Services described in Appendix C.
- C. City acknowledges that Consultant has no responsibility to provide any services related to the following types of assets: employer securities; real estate (except for real estate funds and publicly traded REITs); stock brokerage accounts or mutual fund windows; in-plan retirement income annuity products; participant loans; non-publicly traded partnership interests; other non-publicly traded securities (other than collective trusts and similar vehicles); or other hard-to-value securities or assets. Such assets (except for real estate funds, publicly traded REITs, and collective trusts and similar vehicles) shall be referred to collectively as "Excluded Assets." The Excluded Assets shall be disregarded in determining the Fees payable to Consultant pursuant to this Agreement, and the Fees shall be calculated only on the remaining assets (the "Included Assets").

2. VENDOR SEARCH AND SELECTION

- A. Conduct a review of the universe of vendors in the marketplace to determine if current vendor is still the best option for the City's Plan.
- B. Prepare a customized Request for Proposal (RFP) based on City's Plan specifics, demographics, and needs. RFP to be sent to a minimum of 6 – 10 providers.
- C. Compile the responses and prepare a summarized presentation incorporating a review of the vendors' recordkeeping / administration capabilities; investment offerings; and education / communication abilities. The presentation will be presented to City's retirement plan committee so that the search may be narrowed to one or two finalists.
- D. Coordinate interviews with each of City's chosen finalists. The interviews will take place in City's offices, or if necessary, in virtual/online spaces. Consultant will help prepare interview questions and will develop scorecards to make the decision-making process efficient during the actual interviews (if applicable).
- E. Negotiate final details on behalf of City (if applicable).
- F. Prepare Management Letter to quantify and summarize process findings.
- G. Document entire evaluation process for City's fiduciary file.

3. INVESTMENT SERVICES

- A. Over the course of Consultant's consulting history, Consultant has determined that providers of investment analysis and fund research have their core areas of strength; Consultant seeks to harness the strengths from each of these providers. Currently, Consultant utilizes RPAG, fi360 and Morningstar research to analyze, review, and dissect the qualitative and quantitative strengths and weaknesses of each fund option in our clients' lineups. Moreover, Consultant uses each provider when filtering down the universe of open

architecture fund options to create our best in breed fund lineup. We combine the ratings from these three different services, as well as our own research in creating our recommendation for an investment. Consultant pays for all of these services directly and does not use any relationship with an investment manager, record keeper, custodian or other relationship in accessing these tools. Consultant is 100% independent purposely so it can provide true independent advice to our retirement plan clients.

- B. On an on-going basis, no less than quarterly, Consultant's clients' fund lineups are put through a rigorous screening process and scored based on qualitative and quantitative performance data. Funds that do not meet Consultant's scoring standard are put on watch list for potential removal. If, over four quarters, a fund does not improve, the fund will be considered for removal from the watch list and replaced by a higher scoring fund. There are instances where a fund is a high-performer with consistent performance history but does not score well based on the managers investment process and styles. Consultant does not only rely on the scoring systems to build and maintain line-ups and does conduct further analysis to ensure a fund warrants removal or not.
- C. Consultant manages the investment change process on behalf of its clients. Consultant will communicate the investment changes to the record-keeper, review the record-keeper fund change paperwork and participant notices to ensure they are correct, and craft custom participant communications and/or conduct participant meetings to provide a well-rounded participant experience.
- D. Consultant will provide co-fiduciary investment services; however, Consultant prefers to provide full fiduciary investment services to its clients.

4. PARTICIPANT SERVICES

- A. Act as a liaison between participant and service provider
- B. Conduct group and individual education meetings
- C. Provide group and individual instruction on navigating their record-keeper's website
- D. Review participant accounts
- E. Compare account fees and investments of participant accounts with prior employers
- F. Assist participants with paperwork
- G. Draft subject specific custom communications and presentations (conversion, fund changes,
- H. investments, plan design, legislative such as the CARES Act, etc.)
- I. Attend benefit fairs

5. RFP SERVICES

Consultant provides record-keeper RFP services at no additional cost to its clients. Consultant prepares the RFP, sends the RFP to potential bidders based on their capabilities, negotiates fees and interest rate of leading bidders and presents results to our clients.

Consultant believes low plan fees, high-quality cost-efficient funds and above average interest rates for cash assets are core factors to a successful retirement plan. Consultant knows how record-keepers generate their revenue other than plan fees and leverages that knowledge during the RFP process by negotiating bid responses. The goal of a retirement plan is to have participants maintain as high an account balance as possible at retirement. This goal is not met

with plans that have high and nondisclosed fees and investment options that are not managed appropriately.

6. CONVERSION/TRANSITION SERVICES

Consultant plays a large role in the plan conversion process and provides the following services.

- A. Attend all conversion calls with record-keeper
- B. Prepare and submit investment mapping
- C. Review plan design and provide observations and recommendations
- D. Review plan documents and record-keeper agreements for accuracy
- E. Craft custom participant communications
- F. Review and make recommended changes to record-keeper participant communications
- G. Build custom PowerPoint presentations for participants
- H. Conduct participant meetings (group and individual)
- I. Individual support for participants with questions or concerns, including retirees

7. FEE BENCHMARKING

Consultant benchmarks plan and investment fees during each investment/plan review.

8. FIDUCIARY AUTHORITY

City, as the responsible plan fiduciary, has the authority to designate investment alternatives under the Plan and the related trust, and to enter into an Agreement with third parties to assist in these and related duties.

9. FIDUCIARY STATUS: LIMITATIONS ON FUNCTIONS

City acknowledges that:

- A. In performing the Fiduciary Services, Consultant is acting as a fiduciary of the Plan and as a registered investment advisor under the Investment Advisers Act of 1940.
- B. In performing the Non-Fiduciary Services, Consultant is not acting as a fiduciary of the Plan.
- C. In performing both Non-Fiduciary Services and Fiduciary Services, Consultant does not act as, nor has Consultant agreed to assume the duties of, a trustee or the Plan Administrator, and Consultant has no discretion or responsibility to interpret the Plan documents, to determine eligibility or participation under the Plan, or to take any other action with respect to the management, administration, or any other aspect of the Plan.
- D. Consultant does not provide legal or tax advice.
- E. Investments are subject to various market, political, currency, economic, and business risks, and may not always be profitable. As a result, Consultant does not and cannot guarantee financial results.
- F. Consultant may, by reason of performing services for other clients, from time to time acquire confidential information. City acknowledges and agrees that Consultant is unable to divulge to the City or any other party, or to act upon, any such confidential information with respect to its performance of this Agreement.
- G. Consultant is entitled to rely upon all information provided to Consultant (whether financial or otherwise) from reputable third parties or by City, City's representatives or third-party service providers to City, the Plan or Consultant, without independent verification. City agrees to promptly notify Consultant in writing of any material change

in the financial and other information provided to Consultant and to promptly provide any such additional information as may be reasonably requested by Consultant.

- H. Consultant will not be responsible for voting (or recommending how to vote) proxies of any publicly traded securities (including mutual fund shares) held by the Plan (or its trust). Responsibility for voting proxies of investments held by the Plan or its trust remain with City (or, if applicable, the Plan participants).
- I. City understands that Consultant: (i) may perform other services for other clients, (ii) may charge a different fee for other clients, and (iii) may give advice and take action that is different for each client even when retirement plans are similar.

10. REPRESENTATIONS OF CITY

City represents and warrants as follows:

- A. It is the responsible plan fiduciary for the control and/or management of the assets of the Plan, and for the selection and monitoring of service providers for the Plan. Consultant is entitled to rely upon this statement until notified in writing to the contrary.
- B. The person signing the Agreement on behalf of City has all necessary authority to do so.
- C. The execution of this Agreement and the performance thereof is within the scope of the investment authority authorized by the governing instrument and/or applicable laws. The signatory on behalf of City represents that the execution of the Agreement has been duly authorized by appropriate action and agrees to provide such supporting documentation as may be reasonably required by Consultant.
- D. The Plan and related Trust permit payment of fees out of Plan assets. City has determined that the fees charged by Consultant are reasonable and are the obligation of the Plan; however, if City desires, it may pay the fees directly, rather than with Plan assets.
- E. In connection with assistance Consultant provides to City in selecting a plan provider (recordkeeper) or any other service providers that may have access to plan data and/or personal participant information ("PPI"), City acknowledges as follows:
 - i. The assistance is a Non-Fiduciary Service under this Agreement;
 - ii. Consultant agrees to take reasonable steps to protect Private Participant Information and Plan Investment Data in its possession;
 - iii. If Consultant assists in the preparation of requests for proposal (RFPs), it will include questions asking for details regarding the protections that service provider candidates offer for Plan and City data (including Plan Investment Data) and for PPI (collectively, "Data"). All RFPs will be subject to final approval by City, and City must determine whether the questions included in RFPs are sufficient to obtain the information necessary for it to make an informed decision. Specifically, City (and not Consultant) shall be responsible for the assessment of systems and procedures of third parties for the protection of Data;
 - iv. The ultimate decision on the engagement or termination and replacement of all service providers remains that of City;
 - v. Consultant is not responsible for the actions by or the failure to act by City, by other service providers, or by Plan participants to protect Data;
 - vi. Consultant shall have no liability in the event of a Data breach or a violation of participant privacy rights (under the California Consumer Privacy Act or otherwise) arising from any cause whatsoever.

11. REPRESENTATION OF CONSULTANT

Consultant represents as follows:

- A. Consultant is registered as an investment adviser ("RIA") under the Investment Advisers Act of 1940.
- B. The person signing this agreement on behalf Consultant has the power and authority to enter into and perform this Agreement.

12. STANDARD OF CARE

- A. Consultant will perform the Fiduciary Services described in Appendix B to the Plan in accordance with the standard of care of the prudent man rule set forth in the Investment Adviser Act of 1940.
- B. Consultant will perform the Non-Fiduciary Services described in Appendix C using reasonable business judgment and shall not be liable for any liabilities and claims arising thereunder, unless directly arising from Consultant's intentional misconduct or gross negligence.

13. TERMINATION

Either party may terminate this Agreement upon 30 days prior written notice to the other party. Such termination will not, however, affect the liabilities or obligations of the parties arising from transactions initiated prior to such termination, and such liabilities and obligations (together with the provisions pertaining to Standard of Care, Choice of Law) shall survive any expiration or termination of this Agreement. Upon termination, Consultant will have no further obligation under this Agreement to act or advise City with respect to services under this Agreement.

14. RECEIPT OF DISCLOSURE AND CONSENT TO ELECTRONIC DELIVERY

City acknowledges receipt and undertakes to review and consider the disclosures made by Consultant (including in this Agreement, the Form ADV Part 2 and Consultant's Privacy Policy), in particular the portions related to services, compensation, and potential conflicts of interest, as well as the remainder of the disclosures concerning, among other matters, background information such as educational and business history, business practices such as the types of advisory services provided, the methods of securities analysis used, and the like.

Further, City consents to electronic delivery (via email or other generally accepted method) of current and future distributions of Consultant's Form ADV Part 2 and Privacy Policy. Consent to electronic delivery may be canceled at any time by sending a written request to Consultant.

15. NON-DESIGN PROFESSIONAL

Parties acknowledge that Consultant is not a design professional as defined in Section 11.1 of the Agreement, and therefore, Sections 11.2 and 11.3 of the Agreement shall not apply.

16. INSURANCE COVERAGE AS TO AUTOMOBILES

Notwithstanding Section 12.3.2 of the Agreement, Consultant acknowledges that it does not have any company owned vehicles, and therefore no automobile liability insurance. All partners and staff of Consultant utilize their own personal vehicles. As such, Consultant's Commercial General Liability includes \$1,000,000 in automobile coverage, proof of which shall be submitted to the CITY.

EXHIBIT A

APPENDIX A – CLIENT/PLAN SPONSOR - PLAN INFORMATION

CITY/Plan Sponsor City of Riverside, CA			
Plan Name 1 City of Riverside 457(b) Deferred Compensation Plan	Type of Plan <input type="checkbox"/> 401(k) <input checked="" type="checkbox"/> 457(b) <input type="checkbox"/> 401(a) <input type="checkbox"/> 403(b) <input type="checkbox"/> Part-time Seasonal (OBRA) <input type="checkbox"/> Retiree Health Savings <input type="checkbox"/> Defined Benefit Plan <input type="checkbox"/> Other: _____		
Plan Name 2 City of Riverside 401(a) Money Purchase Plan	Type of Plan <input type="checkbox"/> 401(k) <input type="checkbox"/> 457(b) <input checked="" type="checkbox"/> 401(a) <input type="checkbox"/> 403(b) <input type="checkbox"/> Part-time Seasonal (OBRA) <input type="checkbox"/> Retiree Health Savings <input type="checkbox"/> Defined Benefit Plan <input type="checkbox"/> Other: _____		
Plan Name 3	Type of Plan <input type="checkbox"/> 401(k) <input type="checkbox"/> 457(b) <input type="checkbox"/> 401(a) <input type="checkbox"/> 403(b) <input type="checkbox"/> Part-time Seasonal (OBRA) <input type="checkbox"/> Retiree Health Savings <input type="checkbox"/> Defined Benefit Plan <input type="checkbox"/> Other: _____		
Plan Name 4	Type of Plan <input type="checkbox"/> 401(k) <input type="checkbox"/> 457(b) <input type="checkbox"/> 401(a) <input type="checkbox"/> 403(b) <input type="checkbox"/> Part-time Seasonal (OBRA) <input type="checkbox"/> Retiree Health Savings <input type="checkbox"/> Defined Benefit Plan <input type="checkbox"/> Other: _____		
Plan Name 5	Type of Plan <input type="checkbox"/> 401(k) <input type="checkbox"/> 457(b) <input type="checkbox"/> 401(a) <input type="checkbox"/> 403(b) <input type="checkbox"/> Part-time Seasonal (OBRA) <input type="checkbox"/> Retiree Health Savings <input type="checkbox"/> Defined Benefit Plan <input type="checkbox"/> Other: _____		
Mailing Address 3900 Main Street	City Riverside	State CA	Zip Code 92522
Legal Address (<input checked="" type="checkbox"/> Same as Mailing Address)	City	State	Zip Code

EXHIBIT A

APPENDIX B – FIDUCIARY SERVICES

Consultant will perform the following fiduciary services:

1. Development of an Investment Policy Statement (IPS). The IPS establishes the investment policies and objectives for the Plan(s), and shall set forth the asset classes and investment categories to be offered under the Plan(s), as well as the criteria and standards for selecting and monitoring the investments. The City shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt the investment policy statement.
2. Consistent with the Investment Policy Statement, Consultant will select the initial investment options within the Plan(s).
3. Consultant will periodically review the investments within the Plan(s) and shall be responsible for making additions/deletions thereto.
4. Consultant will provide periodic investment advisory reports that document consistency of fund management and performance to the guidelines set forth in the IPS, and to make recommendations to maintain, or remove and replace investment options. Reports to include: Market Overview, In-Depth Portfolio Summary, Plan Asset Allocation Analysis and Fund Performance Comparison to the Index.
5. Meet with City on a periodic basis to discuss reports and recommendations.
6. Annually review the IPS with the City to ensure it continues to meet the City's needs.
7. Selection of a default investment for participants who fail to make an investment election.
8. Coordinate the Deferred Compensation Committee meetings, record the meeting minutes and provide minutes to the attending members.

LIMITATIONS ON FIDUCIARY SERVICES

Consultant shall not be responsible or liable for the recommendations of or services rendered by anyone other than Consultant. The ability to perform the above services is contingent upon the rules, policies, processes, and responsiveness to our requests for information of City, Plan Sponsor, Record Keeper(s), and/or Third Party Administrator(s).

EXHIBIT A

APPENDIX C – NON-FIDUCIARY SERVICES

Consultant will perform the following Non-Fiduciary services:

1. Provide Plan design consulting and Plan document review.
2. Provide vendor management/issue resolution.
3. Provide consulting assistance of fiduciary best practices.
4. Assist in the transition of previous record-keeper(s) and/or Plan provider(s).
5. Provide custom communications when needed.
6. Assist in communication with record-keeper(s) and/or Plan provider(s).
7. Distribute Plan level newsletters.
8. Provide RFP services and Plan fee negotiations.
9. Incumbent vendor and fee review.
10. Contract review support.
11. Employee education.
12. Provide assistance with mandatory and optional legislative changes.

LIMITATIONS ON NON-FIDUCIARY SERVICES

Consultant shall not be responsible or liable for the recommendations of or services rendered by anyone other than Consultant. Consultant and City/Plan Sponsor will work together to determine mutually agreed upon for services requiring both parties coordinate and/or attend. The ability to perform the above services is contingent upon the rules, policies, processes, and responsiveness to our requests for information of City, Plan Sponsor, Record Keeper(s), and/or Third Party Administrator(s).

EXHIBIT "B"

COMPENSATION

1. All fees are billed in arrears.
2. The initial fee will be the amount, prorated for the number of days included in the initial billing period from the effective payment start date.
3. If this Agreement is terminated prior to the end of a billing period, Consultant shall be entitled to a fee, prorated for the number of days in the billing period prior to the effective date of termination.
4. All fees will be due and payable within 30 days and are payable to Shuster Advisory Group, LLC.
5. The annual fee for services shall be as follows:
 - A. Beginning with the effective date of this Agreement the fee for service shall be \$4,000 per month.
 - B. Fees will be deducted from Plan assets and will be paid to Consultant by the record-keeper.
6. At Consultant's discretion the billing period described above may be adjusted to quarterly.
7. Consultant does not participate in revenue sharing agreements and does not sell products that pay a commission or a fee. Consultant only earns compensation as stated in the Investment Advisory Agreements agreed upon between Consultant and its clients.
8. Consultant's proposed total annual fee, billed in arrears, is \$48,000 and is inclusive of all the services outlined in the Agreement and in the Scope of Services, and described below.

Service	Amount and Billing Frequency
Investment Services	
Proposed Fee:	Included in \$48,000 annual fee
Billing Frequency:	Monthly
Does your fee include the following services, Yes or No? If no, please state your fee and frequency.	
Investment Policy Statement Creation and Management:	Yes
Investment Selection:	Yes
Investment Monitoring:	Yes
Onsite Investment Review Meetings: (please state frequency):	Yes, quarterly
Coordinate Fund Changes:	Yes
Risk Based Model Portfolio construction and management:	Yes
Target Date Model Portfolio construction and management:	Yes
Please list any investment related services included in your fee that are not listed above: <ul style="list-style-type: none">• Coordination of fund changes with record-keeper• Custom participant fund-change communications<ul style="list-style-type: none">• Participant investment education	

Record-Keeper RFP Services	
Proposed Project Fee:	Included in the \$48,000 annual fee
Does your fee include the following services, Yes or No? If no, please state your fee.	
Submission to Record-Keepers:	Yes
Fee Comparison:	Yes
Services Comparison:	Yes
Finalist Presentation Coordination & Attendance:	Yes
Please list any RFP related services included in your fee that are not listed above: <ul style="list-style-type: none"> • Fee and service negotiations • Fixed account / stable value due diligence 	
Conversion/Transition Services	
Proposed Project Fee:	Included in the \$48,000 annual fee
Does your fee include the following services, Yes or No? If no, please state your fee.	
City Council meeting attendance:	Yes
Council meeting preparation support:	Yes
Periodic conversion call attendance:	Yes
Contract reviews:	Yes
Record-Keeper communication material reviews:	Yes
Custom participant education communications:	Yes
Finalist Presentation Coordination & Attendance:	Yes
Conversion education meetings with participants:	Yes
Please list any conversion/transition related services included in your fee that are not listed above: <ul style="list-style-type: none"> • Custom investment and fee review of participant accounts with past employers 	
Ongoing Participant and Plan Sponsor Services	
Please provide fee structure for the services listed below	
Group educations meetings:	All services are included in \$48,000
Individual participant meetings:	
Participant service support:	
Plan sponsor service support:	
Participant investment advice:	
Plan design consultation:	

EXHIBIT “C”

KEY PERSONNEL

Mark Shuster - Founder and Managing Partner of Shuster Advisory Group, LLC. – Mark has the overall responsibility for the success of our relationships.

JoAnn Parrino – Partner - JoAnn oversees entire firm and client relationships and leads the Shuster service team and provides plan consultation.

Carl Steinhilber – Senior Consultant - Carl spearheads RFIs and RFPs, oversees conversions, plan document and service agreement review and plan consultation.

Michele Martin - Senior Consultant – Michele provides plan document and service agreement analyses and plan consultation.

Sarah Yauchzee – Operations Director - Sarah is responsible for the development and overseeing of operational policies and procedures and project management.

Michael Gonzalez– Associate Portfolio Manager - Michael's responsibilities include portfolio trading, model Management, and investment due diligence.

Johnny Young – Client Services Associate – Johnny's responsibilities include participant education, plan data analysis and administration support.

Consultant will not use sub-contractors to fulfill its responsibilities to City.