

ADMINISTRATION SERVICES AGREEMENT

This Administration Services Agreement (Agreement) is entered into by and between Peery & Associates, Inc., a California Corporation that acts as a third party administrator (TPA) for retirement plans, and the City Of Alameda IAFF Supplemental Retirement Plan (Plan), with respect to the retirement plan administration services to be provided by the TPA.

RECITALS

- A. The City of Alameda (Employer) is the sponsoring employer of the Plan that is intended to be a tax qualified plan of deferred compensation under the provisions of section 401(a) of the Internal Revenue Code (Code).
- B. The Employer has appointed a plan administrator (Plan Administrator) to be responsible for the administration of the Plan.
- C. The Plan Administrator will have such powers and responsibilities similar to a plan administrator under the Employee Retirement Income Security Act of 1974, as amended (ERISA) with respect to the Plan, even though the Plan is not subject to ERISA because it is a "governmental plan" as defined in ERISA.
- D. The TPA is engaged in the business of providing consulting and administration services to sponsoring employers and plan administrators of such plans.
- E. The Plan Administrator desires to enter into an agreement with the TPA under which the TPA will provide retirement plan services with respect to the Plan.

AGREEMENT

In consideration of the mutual covenants contained herein, the parties agree as follows:

1. Engagement Of The TPA.

The Plan Administrator hereby hires the TPA and the TPA hereby accepts such hiring by the Plan Administrator to perform the administrative services specified in this Agreement as necessary or appropriate in connection with the administration of the Plan.

2. Term.

The effective date of this Agreement shall be the date set forth below and the Agreement shall continue in effect until terminated:

- A. By either party, in its sole and absolute discretion, giving at least thirty (30) days prior written notice to the other party; or
- B. Upon the voluntary or involuntary dissolution of either party.

The first plan year for which the TPA shall be responsible for performing annual administration services under this Agreement shall be the plan year ending December 31, 2014.

3. Duties Of The TPA.

The TPA shall provide the following services to the Plan Administrator if and to the extent requested by the Plan Administrator:

A. Annual Administration.

The TPA will perform annual administration services for the Plan based upon the information provided to the TPA by or on behalf of the Plan Administrator. Such services shall include the following:

- (1) Determination of the Employer's employees' eligibility, participation and vesting under the terms of the Plan;
- (2) Determination of the required or permitted contributions to the Plan by the Employer, the participants, or both;
- (3) Determination of each participant's accrued benefit under the Plan through the allocation of contributions, trust earnings and losses, and forfeitures; and
- (4) Preparation of statements showing each participant's accrued benefit.
- (5) Tracking and administration of each participant's Code section 401(h) account in accordance with the provisions of the Plan.

B. Other Services.

The TPA will provide such additional services as may be requested by the Plan Administrator from time to time by mutual agreement of the parties (e.g., distributions to participants and their beneficiaries both for the Code section 401(a) accounts and the Code section 401(h) accounts, qualified domestic relations order review procedures and evaluations, plan terminations, assistance with audits by governmental agencies or by the plan's accountant, and employee meetings).

4. Information From The Plan Administrator.

The Plan Administrator shall provide the following documents and information to the TPA in order to allow the TPA to perform its services under this Agreement:

A. Information In General.

Throughout the term of this Agreement, the Plan Administrator shall provide to the TPA, on a timely basis, all information that is necessary or appropriate for the TPA to perform its services under this Agreement. Although the TPA will make reasonable efforts to validate the accuracy of the information submitted to the TPA by or on behalf of the Plan Administrator, the TPA is not responsible for the accuracy of the information submitted to the TPA by or on behalf of the Plan Administrator. The Plan Administrator is solely responsible for providing thorough and accurate information to the TPA upon which the TPA may rely.

B. Plan Documents.

Within a reasonable period of time after the effective date of this Agreement, the Plan Administrator shall provide the TPA with true and complete copies of all existing plan documents maintained by the Plan Administrator. The Plan Administrator shall also provide to the TPA, on a timely basis, true and complete copies of all future amendments to such plan documents.

C. Employer Information.

The Plan Administrator shall provide to the TPA, on a timely basis, all information about the sponsoring employer of the Plan that the TPA may request or need in order for the TPA to perform its

services under this Agreement including, but not limited to, the tax identification number, fiscal year, and all changes in such information.

D. Employee Information.

The Plan Administrator shall provide to the TPA, on a timely basis, all information about the Employer's employees (including employees leased from a third party) that the TPA may request or need in order for the TPA to perform its services under this Agreement, including, but not limited to, employee census data (e.g., Social Security number, name, date of birth, date of hire, date of termination, hours of service, compensation, and position) and all changes in such information.

E. Trust Information.

The Plan Administrator shall ensure that the trustees of the retirement trust provide to the TPA, on a timely basis, all information about the retirement trust that the TPA may request or need in order for the TPA to perform its services under this Agreement including, but not limited to, the valuation of the trust's assets, the trust's balance sheet, the trust's earnings and losses (both realized and unrealized), contributions to the trust, the trust's insurance contracts, and whether any trust investment results in unrelated business taxable income, and all changes in such information.

5. Responsibility Of The Plan Administrator.

The Plan Administrator understands and agrees to the following:

- A. The TPA's performance under this Agreement shall be in accordance with the requirements of all applicable laws and with the documents governing the Plan to the extent that such documents are not inconsistent with applicable law.
- B. In performing its services under this Agreement, the TPA must necessarily rely upon the Plan Administrator, the trustees, the other plan fiduciaries, and others to provide the TPA with timely, accurate and complete information as requested by the TPA. The TPA shall not be responsible for any damages, claims or liability of any kind, caused directly or indirectly by the failure of the Plan Administrator or others to provide such timely, accurate and complete information

to the TPA, or by any other circumstance not within the TPA's control. The Plan Administrator is responsible for supervising the production and timely delivery of all requested data and information to the TPA.

- C. The Plan Administrator shall also be responsible for the timely execution and delivery of all documents. When reviewing documents prepared by the TPA, the Plan Administrator shall report any inaccuracies or errors to the TPA immediately upon discovery. Although the TPA will assist as requested in the preparation of the documents, the decision to prepare such documents, as well as all other decisions involving the operation or qualification of the Plan shall be the sole responsibility of the Plan Administrator and shall not be the responsibility of the TPA.
- D. The Plan Administrator, not the TPA, is the plan administrator of the Plan covered by this Agreement and is responsible for processing claims for benefits under the Plan. The TPA shall not be responsible for the defense of any claims or legal proceedings of any nature whatsoever involving a request for benefits under the Plan, although the TPA shall provide the Plan Administrator with such information that is within the TPA's possession that the Plan Administrator may reasonably request in the defense of any such action.
- E. The Plan Administrator shall notify the TPA of any changes in information previously given or supplied to the TPA, particularly with respect to any change or anticipated change in the legal structure or organization of the Employer or in the employee census data.
- F. The trustees have a fiduciary duty to value the assets of the Plan at market value each year according to the rules and regulations issued by the Internal Revenue Service. The TPA shall rely exclusively upon the annual valuation of the assets of the Plan provided by the trustees for all purposes.
- G. The failure of the Plan Administrator to obtain a proper annual valuation or otherwise meet all required reporting, disclosure and plan qualification requirements may result in the imposition of severe sanctions under the Code against the Employer, the trustees, one or more of the other plan fiduciaries, and the participants.

- H. The Employer is responsible for making all employer contributions, if any, to the Plan and for remitting any employee contributions to the Plan in a timely manner. The TPA shall not be responsible for any such contributions.
 - I. The Plan Administrator understands and agrees that the Plan is subject to a number of complex laws and regulations such as those found in the Code and the regulations promulgated thereunder. The Plan Administrator also understands and agrees that the consequences of maintaining the Plan in compliance with such laws and regulations, or in accordance with the relevant plan documents, may be perceived as adverse to the Employer's interests or contrary to the Employer's expectations (e.g., the need to provide benefits to employees whom the Employer would otherwise rather not benefit or the need to provide additional benefits to certain employees). The Plan Administrator is responsible for all of the costs of complying with such laws and regulations and of operating the Plan in accordance with the relevant plan documents. The TPA shall not be responsible for any such costs.
6. Record Keeping.
- A. All original plan records and documents shall be maintained by the Plan Administrator. However, the TPA has the right to maintain copies of such documents, which right shall survive the termination of this Agreement. All other plan documents and plan records provided to the TPA by the Plan Administrator or any other third party or prepared by the TPA for the Plan Administrator or for any other third party shall be maintained by the TPA.
 - B. Upon the termination of this Agreement, the TPA shall have the option of retaining its copies of such records and documents for a period of seven (7) years, or delivering them to the Plan Administrator. In no event will the TPA intentionally destroy its copies of any plan records or documents without first notifying the Plan Administrator by regular mail, sent to the Plan Administrator's last known address, and providing the Plan Administrator a reasonable amount of time within which to request that such copies be delivered to the Plan Administrator at the Plan Administrator's cost.
 - C. The TPA will promptly make copies of any plan records and documents in its possession available to the Plan Administrator upon request. Alternatively, the TPA may permit authorized

representatives of the Plan Administrator, at reasonable times, to have access to, examine, and make copies of, such records and documents, at the Plan Administrator's expense.

D. Should copies of plan records or documents be requested by any employee, participant, beneficiary, court or governmental agency, the TPA will promptly notify the Plan Administrator and will make and provide the requested copies only as directed by the Plan Administrator.

E. The TPA reserves the right, in its sole and absolute discretion, to condition the making of any copies on its advance receipt of its customary copying charges, not to exceed twenty-five cents (25¢) per page.

7. Confidential Information.

All records, files, documents and the like relating to the Plan with which the TPA shall come into contact shall be and remain the sole property of the Plan Administrator and shall not be disclosed to third parties except as authorized in this Agreement, as otherwise authorized by the Plan Administrator, or pursuant to the direction or order of a governmental agency or a court of competent jurisdiction. Notwithstanding the preceding provision, the TPA shall be entitled to retain copies of such records, files, documents and the like.

8. No Third Party Beneficiaries.

No third party, including, but not limited to, any plan participant, or any trustee, is a third party beneficiary under this Agreement. This Agreement is not enforceable by any party other than by the TPA or the Plan Administrator. The TPA shall render its services under this Agreement to and for the benefit of the Plan.

9. No Legal Services.

The Plan Administrator recognizes that the TPA is not authorized to engage in the practice of law and that the TPA will not provide legal services to the Plan Administrator or any other person. The Plan Administrator agrees to contact legal counsel (and not to rely upon the TPA in any way) for any legal opinions or legal documents that the Plan Administrator, the trustees, or any other plan fiduciary may require. Whenever a legal issue arises in the course of the work to be performed under this Agreement, the Plan Administrator shall obtain such legal

counsel as may be necessary to resolve the issue. The Plan Administrator shall notify the TPA accordingly and the TPA shall be entitled to rely upon that decision in performing its services for the Plan Administrator. Although the TPA may suggest the use of legal counsel by the Plan Administrator, the TPA shall not be responsible for the quality or cost of any services provided by the Plan's legal counsel.

10. Advice And Recommendations.

The Plan Administrator understands and agrees that although the TPA may from time to time call to the Plan Administrator's attention and make recommendations concerning potential or actual problems that may come to the TPA's attention with respect to the operation and administration of the Plan, such advice and recommendations are a matter of accommodation only and the TPA shall have no duty to give such advice, make such recommendations, or otherwise to question any actions or decisions of the Employer, the Plan Administrator, the trustees, any other plan fiduciary, or any of their respective agents or employees.

11. Not A Fiduciary.

A. The Plan Administrator understands and agrees that the TPA is not the plan administrator of the Plan and that the TPA does not act in any fiduciary capacity with respect to the Plan. The TPA acts in a ministerial capacity only. The Plan Administrator will make certain that the trustees all other plan fiduciaries, the participants and their beneficiaries understand the TPA's nonfiduciary status as well.

B. The Plan Administrator, the trustees, and each other plan fiduciary shall retain his, her, its or their full authority, discretion and responsibility for the operation of the Plan.

12. Independent Contractor Status.

Neither the TPA nor any of its employees, officers, owners, agents or any party contracting with the TPA shall be deemed to be an employee of the Employer. The TPA, its employees, officers, owners, agents and other parties contracting with the TPA shall be in an independent contractor relationship with respect to the Employer.

13. Payment Of Fees.

A. Amount.

In consideration for the services performed by the TPA under this Agreement, the Plan Administrator shall pay to the TPA its fees according to its then existing fee schedule, a current copy of which has been provided to the Plan Administrator. The Plan Administrator shall pay the TPA its fees for any reprocessing of work, or if an unusual amount of time is spent by the TPA in performing its services under this Agreement, as a result of circumstances beyond the TPA's control; provided, however, that there will be no charge for any reprocessing of work that resulted solely because of any error committed by the TPA as a direct result of circumstances within its control. The TPA's fee schedule may be revised from time to time by the TPA upon advance notice of at least thirty (30) days to the Plan Administrator.

B. Other Costs And Expenses.

The TPA may incur various costs and expenses paid to third parties in performing its services for the Plan Administrator (e.g., copying costs paid to a copying service or legal fees paid to an attorney). The Plan Administrator shall pay such costs and expenses in addition to the TPA's other fees for its services. The TPA may, in its discretion, ask the Plan Administrator to advance any of such disbursements and the Plan Administrator shall do so promptly.

C. Due Date.

All fees and charges shall be due when billed and will be considered in default if not paid within thirty (30) days of the statement date.

D. Late Payment.

The TPA's obligations to provide the services described in this Agreement are expressly conditioned upon timely payment of its fees by the Plan Administrator. If any fees remain unpaid for more than thirty (30) days after the statement date, the TPA shall have the right, in its sole and absolute discretion and without liability of any kind under this Agreement or otherwise, to refuse to perform any further services relating to the Plan. Unpaid fees and charges

will bear a service charge at the rate of one and one-half percent (1.5%) per month from the date of default.

E. Responsibility For Fees.

The TPA's fees for its services under this Agreement and any costs or expenses advanced by the TPA in the performance of its services under this Agreement shall be paid from the retirement trust(s) maintained in connection with the Plan unless (i) they are paid to the TPA by the Employer in a timely manner or (ii) such amounts cannot be paid from the retirement trust(s) under the then current applicable law (e.g., fees for services for "settlor" functions that must be paid by the Employer). If the Internal Revenue Service determines that any amount that has been paid to the TPA from a retirement trust maintained in connection with a plan should have been paid by the Employer rather than the retirement trust, the Plan Administrator shall indemnify and hold the TPA harmless from all losses, costs, expenses and expenditures of whatever nature incurred by the TPA as a result of such a determination including, but not limited to, any amounts paid by the TPA back to the retirement trust, the reasonable interest thereon, and any prohibited transaction excise taxes.

14. Indemnity By The Plan Administrator.

The Plan Administrator agrees that, except for the TPA's negligence or willful misconduct in performing its services under this Agreement, the TPA shall not be responsible for any claim, damage, loss, demand, benefit, payment, tax, penalty, cost or fee (including, but not limited to, all costs and fees of litigation and its threat, including attorneys' fees), of any nature whatsoever, arising out of, incident to, or related in any way to the Plan or any of the services provided under this Agreement (or a refusal to provide services under the Due Date paragraph, above, relating to the delinquent payment of fees). The Plan Administrator agrees to fully indemnify, defend and hold the TPA harmless from any such claim, damage, loss, demand, benefit, payment, tax, penalty, cost or fee, regardless of by whom made, incurred or assessed.

15. Indemnity By The TPA.

The TPA agrees to fully indemnify, defend and hold the Plan Administrator harmless from any claim, damage, loss, demand, benefit, payment, tax, penalty, cost or fee, regardless of by whom made, incurred or assessed,

that is the direct result solely of the TPA's negligence or willful misconduct in performing its services under this Agreement.

16. Termination.

In the event of the termination of this Agreement by either party:

- A. The TPA and the Plan Administrator shall agree on the scope of the work to be performed by the TPA through the effective date of the termination of this Agreement, including, but not limited to, the last plan year(s) for which the TPA shall be responsible for performing annual administration services under this Agreement.
- B. The TPA agrees to continue performing all services and duties under this Agreement until the effective date of termination.
- C. The TPA shall have no obligation to provide any further services after the date of termination unless otherwise agreed by the TPA and the Plan Administrator.
- D. The Plan Administrator shall not be relieved of the obligation to pay the TPA for all services rendered by the TPA through the date of termination and for all services required or appropriate in order to facilitate the orderly transition of the provision of administration services for the Plan to the Plan Administrator or to a third party. The TPA reserves the right to perform such additional services only after its fees for such additional services and any other outstanding fees have been paid in full.

17. Enforcement.

In the event a dispute should arise regarding the interpretation or enforcement of any of the terms of this Agreement, the parties shall submit such dispute to binding arbitration in accordance with the rules and regulations of the American Arbitration Association then in effect. The prevailing party in any such dispute shall be entitled to receive from the other party all reasonable attorneys' fees and costs incurred in connection therewith.

18. Waiver.

Failure to insist upon strict compliance with any provision of this Agreement shall not be deemed to be a waiver of such provision or any other provision. Waiver of breach of any provision of this Agreement shall

not be deemed to be a waiver of any other provision or of any subsequent breach of such provision.

19. Force Majeure.

In the event that either party is unable to perform any of its obligations under this Agreement because of fire, earthquake or other natural disaster, any act of God, actions or decrees of governmental bodies, interruption or suspension of any communication or wire facilities or services, war, emergency conditions, or other acts not the fault of the affected party (Force Majeure Event), the affected party shall not be liable for any delay or failure to act as may be required hereunder, provided that the affected party exercises such diligence as the circumstances may reasonably require. The affected party shall immediately give notice to the other party of the Force Majeure Event and shall resume performance within a reasonable period of time after the cause of such delay or failure has been removed and the affected party is reasonably able to resume performance. Upon receipt of such notice, all of the other party's obligations under this Agreement, the performance of which is dependent upon the performance of the obligation that has been delayed by the Force Majeure Event, shall be suspended. If the period of nonperformance by the affected party exceeds thirty (30) days from the receipt of notice of the Force Majeure Event by the other party, the other party may terminate this Agreement immediately upon written notice to the affected party.

20. Partial Invalidity.

The invalidity or unenforceability of any provision of this Agreement shall in no way affect the validity or enforceability of any other provision of this Agreement.

21. Assignment.

The rights and obligations of the parties under this Agreement shall inure to the benefit of, and shall be binding upon, the successors and assigns of the parties.

22. Notice.

Any notice required or permitted to be given under this Agreement shall be in writing and either delivered personally to the other party hereto or sent by certified or registered mail, postage prepaid, and properly addressed to

the addresses hereinafter set forth or to such other place as the other party may hereafter designate in writing.

TPA:

Peery & Associates, Inc.
1956 Pescadero Creek Road
Pescadero, CA 94060

Plan Administrator:

Plan Administrator
City of Alameda IAFF Supplemental Retirement Plan
2263 Santa Clara Avenue
Alameda, CA 94501

23. Applicable Law.

This Agreement shall be governed and construed under the laws of the State of California, except to the extent federal law applies.

24. Entire Agreement.

This Agreement constitutes the entire agreement between the TPA and the Plan Administrator as it relates to the provision of administrative services. This Agreement supersedes all prior and contemporaneous agreements, understandings and representations between the parties, whether written or oral. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the TPA and the Plan Administrator.

The parties have executed this Agreement on the dates set forth below to be effective as of _____, 2014.

Dated: _____, 2014

Peery & Associates, Inc.

By: _____

Title: _____

Dated: _____, 2014

Plan Administrator

By: _____

Title: _____

By: _____

Title: _____