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CITY OF ALAMEDA
~~IAFF~~ SUPPLEMENTAL RETIREMENT PLAN
TRUST AGREEMENT

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TRUST AGREEMENT**

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**CITY OF ALAMEDA
IAFF SUPPLEMENTAL RETIREMENT PLAN
TRUST AGREEMENT**

This Trust Agreement is made and entered into by and between the City of Alameda (Employer) and the trustee(s) shown on the signature page hereto (Trustee(s)). This Trust Agreement shall be effective as of the date shown on the signature page hereto.

RECITALS

Whereas:

- A. The Employer ~~is adopting~~adopted a retirement plan, the City Of Alameda IAFF Supplemental Retirement Plan (Plan), that is intended to qualify under section 401(a) of the Internal Revenue Code of 1986, as amended (Code).
- B. The Employer ~~desires to adopt this Trust Agreement~~also entered into a trust agreement in order to establish the retirement trust that constitutes a part of the Plan and which is intended to qualify as a tax-exempt employees' trust under Code sections 401(a) and 501(a).
- C. Participation in the Plan and the Trust was originally limited to the employees of the Employer whose terms and conditions of employment were the subject of a memorandum of understanding (MOU) between the Employer and the International Association of Firefighters, Local 689 (IAFF).
- D. The Employer is amending and restating the Plan in order to reflect the participation in the Plan by the employees of the Employer whose terms and conditions of employment are the subject of a MOU, which is similar to the IAFF MOU with respect to the Plan, between the Employer and either (i) the Alameda Police Officers Association, (ii) the Alameda Police Managers Association, or (iii) the Alameda Fire Chiefs Association.
- E. The Employer wishes to amend the Trust in order to reflect their participation in the Plan and Trust and to modify the provisions of the Trust with respect to how trustees are appointed and removed.
- F. Each Trustee is willing to accept this Trust Agreement and to act in accordance with the terms and conditions of this Trust Agreement and the Plan.

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~~D. Prior to the adoption of the Plan and this Trust Agreement, individuals who were employed by the Employer, acting in anticipation of signing a trust agreement and being designated as trustees, established an account with Charles Schwab, a provider of investments to plans such as the Plan, which agreement designated the individuals as the trustees of a retirement trust for the plan to be adopted.~~

~~E. The Employer and the Trustees desire to update the records of Charles Schwab to indicate that the Trustees are the current trustees of the retirement trust for the Plan.~~

OPERATIVE PROVISIONS

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Now, therefore, in order to carry out the provisions of the Plan, the Employer and the Trustee(s) do mutually declare and agree as follows, effective as of January 1, 2016:

ARTICLE 1. GENERAL

1.01. Establishment Of Trust.

The Employer and the Trustee(s) do hereby establish as a part of the Plan a retirement trust (Trust) to which all contributions under the Plan shall be paid.

1.02. Irrevocable.

The Trust created hereunder is hereby declared to be irrevocable except as set forth in the Amendment And Termination article, below.

1.03. Exempt Trust.

This Trust is intended to qualify as an exempt trust pursuant to Code sections 401(a) and 501(a), and shall be construed accordingly.

1.04. Exclusive Benefit.

The principal of the Trust, and any earnings thereon, shall be held separate and apart from other funds of the Employer and shall be used exclusively for the Participants and their Beneficiaries. No person shall have any rights or interests in the Trust except as expressly provided herein or in the Plan. Except as specifically provided in this Trust Agreement or in the Plan, or as otherwise specifically permitted by law, it shall be impossible, at any time prior to the satisfaction of all liabilities with respect to the Participants and their Beneficiaries, for any part of the

Trust to be used for, or diverted to, purposes other than for the exclusive benefit of the Participants and their Beneficiaries.

1.05. Amounts Actually Received.

The Trustee shall be responsible only for the amounts actually received by the Trustee as trustee and shall be under no obligation, and shall have no right, to compute any amount to be paid to it pursuant to the Plan or to collect any sums from the Employer, or to determine or inquire whether any contributions to the Trust are in compliance with the Plan.

1.06. Investment With Other Trusts.

The Trustee may combine the assets of this Trust for investment purposes with any other trust established by the Employer pursuant to the provisions of any qualified employee benefit plan. In such event, the Trustee(s) shall keep separate records of the amounts allocable to each such trust.

1.07. Interpretation.

Words, terms or phrases that are defined in either the Plan or this Trust Agreement are similarly defined for purposes of the other document unless the meaning thereof is otherwise qualified by the context of the language in such words, terms or phrases as used. This Trust Agreement shall be construed in accordance with the Code and other pertinent federal laws, and the laws of the State of California. If any provision is susceptible of more than one interpretation, such interpretation shall be given thereto as is consistent with the Trust being a tax-exempt trust under the Code and the Plan being a funded plan that is governed by the provisions of Code section 401(a). If any provision of this Trust Agreement is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions, and this Trust Agreement shall be construed and enforced as if such provisions had not been included.

1.08. Plan Administration.

The Plan shall be administered by the Administrator, and the Trustee shall not be responsible for the administration of the Plan except as provided herein, it being intended to state expressly in this Trust Agreement the powers, rights and duties of the Trustee. No implied covenants shall be read into this Trust Agreement against the Trustee.

ARTICLE 2. POWERS AND DUTIES OF TRUSTEE

2.01. Management And Control.

The Trustee shall hold legal title to, and manage and control the assets of, the Plan and this Trust. All indicia of ownership shall be held within the United States of America subject to the jurisdiction of the federal courts.

2.02. Investment Of Trust.

- A. The Trustee shall have the exclusive authority and responsibility for the management, control and investment of the assets held by the Trustee(s) except to the extent that the authority to manage, control and invest any part of such assets has been delegated by the Employer to the Administrator, or by the Pension Investment Committee to an Investment Manager pursuant to the Investment Managers article or to Participants pursuant to the Participant-Directed Individual Accounts article.
- B. During the term of this Trust, all income received by the Trust, net of expenses and taxes, shall be accumulated and reinvested.
- C. The Trustee shall invest and reinvest the principal and income of the Trust and keep the Trust invested, without distinction between principal and income. The Trustee shall have no liability for following investment directions delegated to another fiduciary.

2.03. Powers Of Trustee.

The Trustee shall have the following powers and authority in the investment and administration of the Trust, and shall have full power and authority to invest and reinvest the Trust in any investment permitted by applicable law, including, without limiting the generality of the terms thereof, the power:

A. Purchase Of Property.

To purchase (or prescribe for an option to purchase) property of any kind, real or personal, tangible or intangible.

B. Sale, Exchange, Conveyance And Transfer Of Property.

To grant options to purchase or sell any property and to sell, exchange, convey, transfer or otherwise dispose of property of any kind held by the Trust, by private contract or at public auction, upon such terms and conditions as the Trustee(s) deems proper. No person dealing with the Trustee(s) shall be bound to see to

the application of the purchase money or to inquire into the validity, expediency or propriety of any such sale or other disposition.

C. Exercise Of Owner's Rights.

To vote any stocks, bonds or other securities; to give personal or special proxies or powers of attorney with or without power of substitution; to exercise any conversion privileges, subscription rights or other options and to make any payments incidental thereto; to oppose or to consent to or otherwise participate in corporation reorganizations or other changes affecting corporate securities and to delegate discretionary powers, and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to any property held as part of the Trust.

D. Custody Of Investments.

To have custody and safekeeping of all investments or evidences thereof, life insurance policies, retirement income policies, endowment policies and annuity policies purchased in accordance with the terms hereof. The Trustee may hold securities and other property in this Trust in its name as Trustee hereunder, or in its own name, or in the name of its nominee, or the Trustee(s) may hold such securities unregistered in such condition that ownership will pass by delivery.

E. Borrowing.

To borrow or raise money for the purpose of the Trust in such amount, and upon such terms and conditions, as the Trustee(s) shall deem advisable and, for any sum so borrowed, to issue its promissory note as Trustee, and to secure the repayment thereof by pledge, deed of trust or otherwise, and to borrow on insurance contracts. No person lending money to the Trustee(s) shall be bound to see to the application of the money lent or to inquire into the validity, expediency or propriety of any such borrowing.

F. Retention Of Cash.

To keep such portions of the Trust in cash or on deposit in a demand account as the Trustee(s), from time to time, may deem to be in the best interests of the Trust, without liability for interest thereon, or to hold money on deposit in interest bearing savings

bank accounts, or in savings and loan associations or money market funds.

G. Retention Of Property Acquired.

To accept and retain for such time as the Trustee(s) may deem advisable any securities or other property received or acquired by the Trustee(s) as trustee hereunder, whether or not such securities or other property would normally be purchased as investments hereunder.

H. Real Property And Buildings.

To lease real property held for the Trust for such term or terms, and upon such conditions, as the Trustee(s) deems appropriate, including, but not by way of limitation, options to the tenant to renew such lease from time to time; to make ordinary repairs and alterations to any building; to insure against loss by fire or other casualties; to employ agents and confer upon them such authority with respect to the management of any such real property as the Trustee(s) deems appropriate; and to make extraordinary repairs and alterations to any building, to raze old buildings and to erect new buildings.

I. Annuity Contracts And Insurance.

To make any agreement with an insurer that the Trustee(s) deems necessary to carry out the purposes of this Trust, and to pay all premiums on annuity contracts held hereunder; to agree with an insurer for the conversion of any part or all of the Trust into annuities for the benefit of Participants or their Beneficiaries upon any distribution of benefits; and to agree with an insurer for the insurer's investment of any part or all of the Trust, beyond its investment in annuity contracts, and to deposit with such insurer all amounts so agreed upon.

J. Stock Options.

To buy, sell and trade in securities of any nature, on a cash or margin basis, including buying and writing covered options, and for such purpose the Trustee(s) may maintain and operate security option accounts with stockbrokers.

K. Execution Of Instruments.

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To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted.

L. Settlement Of Claims And Debts.

To settle, compromise or submit to arbitration any claims, debts or damages due or owing to or from the Trust, to commence or defend suits or legal or administrative proceedings, to foreclose any obligation by legal proceedings or otherwise, and to represent the Trust in all legal and administrative proceedings, arbitrations and negotiations. The Trustee shall not exercise any of the powers conferred upon it by this Settlement Of Claims And Debts subsection without first giving notice of the action proposed to be taken to the Administrator and obtaining prior written approval of such action from the Administrator.

M. Employment Of Accountants And Counsel.

To employ accountants, attorneys, investment counsel, Administrators and actuaries, and to pay their reasonable expenses and compensation. No person so employed shall be disqualified by reason of any interest in the Trust or employment by the Employer unless specifically disqualified by law or regulation.

N. Power To Do Any Necessary Act.

To do all such acts, take all such proceedings and exercise all such rights and privileges, although not specifically mentioned herein, as the Trustee(s) may deem necessary or appropriate to invest, reinvest and administer the Trust and to carry out the purposes of this Trust.

2.04. Standard Of Care.

In carrying out each of the Trustee(s)'s responsibilities under this Trust, the Trustee(s) shall act solely in the interest of the Participants and their Beneficiaries and with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims.

2.05. Diversification.

Except as provided in the Investment Managers article, the Trustee(s) shall diversify the investments of the Trust so as to minimize the risk of large losses unless it is clearly prudent not to do so.

2.06. Loans To Participants.

No loans shall be made to Participants from the Plan or the Trust.

2.07. Multiple Trustees.

- A. When two or more persons serve as Trustees, they are specifically authorized, by a written agreement between themselves, to allocate specific responsibilities, obligations or duties among themselves. An original copy of such written agreement is to be delivered to the Administrator and retained with the other Plan documents.
- B. The decision of a majority of Trustees shall control in discretionary matters, and in exercising any discretionary or absolute authority under the terms of the Trust, the Trustee(s) shall act in a consistent and nondiscriminatory manner as between Participants, treating Participants in similar circumstances in a similar manner, and in no event shall the Trustee(s) take any action under the Trust that would be discriminatory in favor of Participants who are officers, shareholders or highly-compensated Employees.
- C. The Trustees may designate any one or more of them to sign checks on behalf of the Trust.
- D. The signature of only one Trustee shall be required for any action regarding a policy of insurance, deed, contract, check, note or other legal document.

ARTICLE 3. INVESTMENT MANAGERS

3.01. Separate Account.

Notwithstanding any other provision of this Trust Agreement to the contrary, the Administrator may direct the Trustee(s) in writing to segregate all or a portion of the assets held by the Trustee(s) into one or more separate accounts to be known as "Investment Manager Accounts." The unsegregated portion, if any, of the assets may be referred to as the "Trustee Managed Account."

3.02. Appointment.

The Administrator shall appoint an Investment Manager for each Investment Manager Account and shall give written notice of such appointment to the Trustee(s). Each Investment Manager must qualify as an "investment manager" under ERISA section 3(38) as if ERISA applied to the Trust. The selection and retention of each Investment Manager shall be in the sole and absolute discretion of the Administrator.

3.03. Assets In Each Account.

At the time each Investment Manager Account is established, the Administrator shall specify to the Trustee(s) and the Investment Manager, in writing, the assets of the Trust to be held in the Investment Manager Account. The Administrator, by written instructions to the Trustee(s) and the appropriate Investment Manager, may transfer assets from one Investment Manager Account to another, from any Investment Manager Account to the Trustee(s) Managed Account, or from the Trustee(s) Managed Account to any Investment Manager Account.

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3.04. Management Of The Accounts.

Each Investment Manager Account shall be subject to the management of the Investment Manager for such Investment Manager Account. Each Investment Manager shall exercise the powers granted to the Trustee(s) in the appropriate subsections of the Powers And Duties Of Trustee article of this Trust Agreement, with respect to the Investment Manager Account under the Investment Manager's management, in accordance with the standards applicable to any fiduciary under ERISA as if ERISA applied to the Trust.

3.05. Directions To Trustee.

The Trustee shall follow the directions of each Investment Manager with respect to the Investment Manager Account under the Investment Manager's management. All directions given by each Investment Manager to the Trustee(s) shall be in writing, signed by the Investment Manager; provided, however, that the Trustee(s) may, in the Trustee(s)'s sole discretion, accept oral directions from each Investment Manager for the purchase or sale of securities for or from the Investment Manager Account of such Investment Manager, subject to confirmation in writing. Each Investment Manager shall, upon request, be provided with a letter from the Trustee(s) certifying that such Investment Manager is authorized to enter orders on behalf of his Investment Manager Account; provided, however, that the Trustee(s) shall nevertheless retain custody

of the assets comprising such Investment Manager Account. The Trustee shall be under no duty to invest or otherwise to manage any asset of the Trust that is subject to the management of any Investment Manager. The Trustee shall be under no duty to review, question or make inquiries as to any action or direction of any Investment Manager taken as provided herein nor as to any failure to give directions, nor to review the investments held in any Investment Manager Account, nor to make any suggestions to the Investment Manager with respect to the investment or reinvestment of, or disposing of investments in, any Investment Manager Account.

3.06. Information Available.

The Trustee shall make available to each Investment Manager copies of, or extracts from, such portions of the Trustee(s)'s accounts, books and records relating to the Investment Manager Account of such Investment Manager as may be necessary or appropriate in connection with the exercise of such Investment Manager's functions hereunder.

3.07. Termination.

The Administrator, by written notice to the Trustee(s), may at any time terminate the authority of any Investment Manager to manage the Investment Manager Account of such Investment Manager. In such event, or in the event of the resignation of any Investment Manager, the assets of the Trust then held in such Investment Manager Account shall no longer be segregated from the Trustee(s) Managed Account unless the Administrator appoints a successor Investment Manager and gives written notice thereof to the Trustee(s) and such successor Investment Manager within three (3) days after such resignation or termination. Until receipt of written notice of such termination or resignation, the Trustee(s) shall be fully protected in relying upon the latest prior written notice of the appointment of any Investment Manager.

ARTICLE 4. PARTICIPANT-DIRECTED INDIVIDUAL ACCOUNTS

4.01. Directed Individual Accounts Permitted.

If the Plan provides for individual accounts, the Administrator, in its sole discretion, may determine that all Participants be permitted to direct the Trustee(s) as to the investment of all or a portion of the interest in any one or more of their individual accounts. If such authorization is given by the Administrator, the Participants may, subject to a procedure established by the Administrator, in a uniform, nondiscriminatory manner, direct the Trustee(s) in writing to invest the vested portion of

their account(s) in the range of investment alternatives specified by the Administrator.

4.02. Separate Account Established.

A separate Participant Directed Individual Account shall be established for each Participant who has directed an investment. Transfers between the Participant's other accounts and his Participant Directed Individual Account shall be charged and credited as the case may be to each account. The Participant Directed Individual Account shall not share in the Trust investment results, but it shall be charged or credited as appropriate with the net earnings, gains, losses, expenses, taxes and unrealized appreciation or depreciation in market value, during each Plan Year attributable to such account, and it shall be subject to all of the other provisions of the Plan and this Trust. Neither shall the investment results of the Participant Directed Individual Accounts be included in the calculation of the Trust investment results generally.

4.03. Fiduciary Duty.

It is intended that such Participant Directed Individual Account qualify as a participant-directed individual account pursuant to the provisions of California law(s) that were patterned after ERISA section 404(c) and the regulations thereunder. To the extent so directed by the Participants, the Trustee(s) are relieved of their fiduciary responsibilities as provided in such California law(s). Neither the Trustee(s) nor any other person shall be under any duty to question any direction from any Participant or to review any investment or to make any investment suggestion to any Participant, except as otherwise required by the regulations promulgated under such California law(s).

ARTICLE 5. DISBURSEMENTS

5.01. Disbursements.

A. The Administrator shall deliver to the Trustee, from time to time as appropriate, a schedule (Payment Schedule) that indicates the amounts payable to each Participant (and his or her Beneficiaries) and provides a formula or other instructions acceptable to the Trustee for determining the amounts so payable, the form in which such amount is to be paid (as provided for or available under the Plan), and the time of commencement for payment of such amounts. Except as otherwise provided herein, the Trustee shall make payments to the Participants and their Beneficiaries in accordance with such Payment Schedules.

- B. The Trustee may make any payment required to be made by it hereunder by mailing the Trustee's check for the amount thereof to the person to whom such payment is to be made at the address furnished by the Participant, or if no such address has been furnished, to such person in care of the Administrator at its principal office.
- C. The Trustee shall make provision for the reporting and withholding of any federal, State or local taxes that are required to be withheld with respect to the payment of benefits pursuant to the terms of the Plan and shall pay amounts withheld to the appropriate taxing authorities.
- D. The entitlement of a Participant or his or her Beneficiaries to benefits under the Plan shall be determined by the Administrator or such party as it shall designate under the Plan, and any claim for such benefits shall be considered and reviewed under the procedures set out in the Plan.

5.02. Propriety.

The Trustee shall be under no liability for any payment made by it pursuant to the written direction of the Administrator and shall be under no duty to make any investigation as to whether any payment directed by the Administrator is made pursuant to the provisions of the Plan. Notwithstanding any other provision hereof to the contrary, no person dealing with the Trustee(s) shall be required to see to the application of any funds or other property paid or delivered to the Trustee(s) or to inquire into the propriety of any transaction with the Trustee(s).

5.03. Expenses And Compensation.

The Plan shall pay (or reimburse the Trustee(s)) annually the expenses of administering the Trust. If, and only if, a Trustee is an institutional trustee, the Plan shall also pay to the institutional Trustee(s) reasonable compensation for its services as a Trustee hereunder at a rate to be agreed upon in writing from time to time. Each such institutional Trustee shall have a lien on the assets of the Trust for such expenses and compensation, and the same may be withdrawn from the Trust. The Trustee shall reflect the effect of such withdrawal from the Trust by treating it as an expense of the Trust; except that if individual Participants direct investments, their accounts may be charged a reasonable fee considering all transactions and services caused by the Participant to be rendered in the administration of the Trust. If the Trustee(s) or Trust is required to make any determination with regard to a spouse's interest or any third party interest in the account(s) or

benefits of a Participant, the related legal, accounting and administrative expenses shall be paid by the Participant's regular account, if the Plan is an individual account plan, otherwise by the Trust. The Trustee's right to compensation and reimbursement shall constitute a first and prior lien against the Trust.

5.04. Taxes.

The Trustee shall deduct from and charge against the assets of the Trust any taxes paid by it which may be imposed upon the Trust or the income thereof.

ARTICLE 6. RECORDS AND ACCOUNTS

6.01. Duty To Maintain Records.

The Trustee shall keep accurate records and accounts with respect to all assets included in the Trust, and all investments, receipts, disbursements and other transactions involving the Trust, not including, however, accounts for individual Employees participating in the Plan. All such accounts, books and records shall be open for inspection at all reasonable times by the Administrator or by any person or persons duly authorized by the Administrator.

6.02. Annual Accounting.

Within ninety (90) days following the close of each Plan Year, and within sixty (60) days after the removal or resignation of the Trustee(s), the Trustee(s) shall file with the Administrator a written account setting forth all investment transactions, receipts, disbursements and other transactions made and expenses incurred during such Plan Year (or to the date of such removal or resignation) and setting forth a description of the Trust assets valued at their current fair market values on the concurrent or last Valuation Date.

6.03. Valuations.

Within ninety (90) days after the end of each Plan Year (and whenever so requested in writing by the Administrator), the Trustee(s) shall value the assets of the Trust as of the Valuation Date and shall file with the Administrator a written statement reflecting the fair market value of the assets and liabilities of the Trust. If the Trustee(s), in making any such valuation, shall determine that the Trust consists, in whole or in part, of property not traded freely on a recognized market, or that information necessary to ascertain the fair market value thereof is not readily available to the Trustee(s), the Trustee(s) may request the Administrator

to instruct the Trustee(s) as to the fair market value of such property for all purposes under the Plan, and, in such event, the fair market value placed upon such property by the Administrator shall be binding and conclusive. If the Administrator shall fail or refuse to instruct the Trustee(s) as to the fair market value of such property within a reasonable time after receipt of the Trustee(s)'s request, the Trustee(s) shall take such action as it deems necessary or advisable to ascertain the fair market value of such property.

6.04. Binding.

In the absence of any exception thereto filed in writing with the Trustee(s) within sixty (60) days after the date of filing with the Administrator, any report made by the Trustee(s) pursuant to the Annual Accounting or Valuations section, above, shall constitute a final accounting by and discharge of the Trustee(s) from all claims and liabilities with respect to the acts and transactions shown in such report and shall be binding and conclusive upon all persons.

ARTICLE 7. FIDUCIARY RESPONSIBILITY AND LIABILITY

7.01. Trustee Liability.

- A. A Trustee shall not be liable or responsible in any way for any acts or omissions in the administration of the Trust prior to the date on which the Trustee(s) became a Trustee or after the date such Trustee shall cease to be a Trustee. A successor Trustee shall not have any duty to review the actions or accountings of any prior Trustee.
- B. A Trustee shall not be liable for the acts or omissions of another fiduciary unless:
 - 1. The Trustee knowingly participates or knowingly attempts to conceal the act or omission of another fiduciary and the Trustee(s) knows the act or omission is a breach of fiduciary responsibility by the other fiduciary; or
 - 2. The Trustee has knowledge of a breach by the other fiduciary and does not make reasonable efforts to remedy the breach; or
 - 3. The Trustee's breach of the Trustee(s)'s own fiduciary responsibility permits the other fiduciary to commit a breach.

- C. A Trustee shall not be liable for breach of a fiduciary responsibility if the Trustee(s) follows Participant investment instructions pursuant to the Participant Directed Individual Accounts article or for the acts or omissions of an Investment Manager pursuant to the Investment Managers article, unless the Trustee(s) knowingly participates in or knowingly undertakes to conceal any such acts or omissions, knowing such acts or omissions to be a breach of fiduciary responsibility.

7.02. Service In Multiple Capacities.

Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan, specifically including service as a Trustee or Administrator.

7.03. Delegation.

The Trustee may delegate any of the Trustee(s)'s administrative or ministerial functions or duties to the Administrator; provided, however, that the Trustee(s) shall hold title to the assets of the Trust and be responsible as a fiduciary under applicable State law and as provided herein.

7.04. Bonding.

The Trustee shall be bonded to the extent required by the Employer, the Administrator, or the Pension Investment Committee. The bond shall provide protection to the Trust, the Employer, the Administrator, and the Pension Investment Committee against loss by reason of acts of fraud or dishonesty on the part of the Trustee directly or through connivance with others.

7.05. Instructions.

The Trustee may, by written request, seek instructions from the Administrator on any matter and may await the written instructions from the Administrator without incurring any liability whatsoever. If at any time the Administrator should fail to give directions to the Trustee(s), the Trustee(s) may act, and shall be protected in acting without such directions, in such manner as in the Trustee(s)'s discretion seems appropriate and advisable under the circumstances for carrying out the purposes of this Trust. In any matter under this Trust Agreement in which the Trustee(s) is permitted or required to act upon the instructions of the Administrator, the Trustee(s) shall not be liable for any loss or damage resulting from any failure to act pending receipt of such instructions or for any act in compliance with such instructions.

7.06. Counsel.

The Trustee may consult with legal counsel who may also be counsel for the Employer, the Administrator, the Pension Investment Committee, or its own counsel, with respect to the construction of this Trust Agreement or the Trustee(s)'s obligations and duties hereunder, or with respect to any action that may be taken or omitted hereunder, and the Trustee(s) shall be protected with respect to any action taken or omitted by the Trustee(s) in good faith pursuant to the advice of such counsel.

7.07. Disputes.

If a dispute shall arise as to any act to be performed by the Trustee(s), the Trustee(s) may, in the Trustee(s)'s discretion, postpone performance of such act until adjudication of such dispute has been made in a court of competent jurisdiction and the Trustee(s) shall not be required to commence, defend or participate in any litigation until the Trustee(s) has been indemnified against loss or liability to the Trustee(s)'s satisfaction.

7.08. Individual Liability.

The Trustee shall not be individually liable to any person for any obligation incurred on behalf of the Trust, but each such person shall look solely to the assets of the Trust for satisfaction of such obligations. Moreover, the Trustee(s) shall be responsible for only such moneys, securities and other properties as shall be actually received by the Trustee(s) as trustee, and shall not be liable for acts by the Administrator in the administration of the Trust, or in the performing of any of the Trustee(s)'s powers or duties, or for the failure of the Employer to make any contribution under the Plan or for the carrying out of the Plan. No Participant in the Plan, or any other person interested under the provisions of the Plan, shall have any claim against the Trustee(s) by virtue of any of the provisions of the Plan, it being expressly recognized that no privity of contract exists between the Trustee(s) and any such person.

ARTICLE 8. TRUSTEE APPOINTMENT, RESIGNATION AND REMOVAL

8.01. Appointment Of Trustees.

The Employer shall determine, after consultation with the Pension Investment Committee, who shall serve as the initial Trustee(s) under this Trust Agreement. Each of the collective bargaining units whose members participate in the Plan may nominate one (1) individual to

serve as a Trustee. The Employer may appoint no more than two (2) other individuals to serve as Trustees.

8.02. Resignation Or Removal Of Trustee.

A. Any Trustee may resign at any time upon giving at least thirty (30) days written notice to the Employer and the Pension Investment Committee ~~and any one or all Trustees.~~

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B. ~~Any Trustee~~ may be removed ~~by the Pension Investment Committee at any time~~ upon the giving of at least thirty (30) days notice to all Trustees and to the Employer. as follows:

1. Each of the collective bargaining units whose members participate in the Plan may remove the individual who it nominated to serve as a Trustee.

2. The Employer may remove any other individual who it appointed to serve as a Trustee.

C. If, however, an individual who is an Employee is serving as a Trustee in accordance with the designation of the individual's position as an Employee as being a Trustee, then the individual shall cease to be a Trustee when the individual ceases to be an Employee.

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8.03. Successor Trustee.

A. Upon removal or resignation of a Trustee, or upon a Trustee's death, incapacity or dissolution, a new Trustee or Trustees, corporate or individual, with the same powers and duties as those conferred upon the Trustee(s) hereunder, shall be appointed by an instrument in writing executed by the Pension Investment Committee with notice to the Employer. as follows:

1. If the Trustee being replaced was nominated by a collective bargaining unit, the collective bargaining unit that had nominated the Trustee being replaced shall nominate the individual to serve as the successor Trustee.

2. If the Trustee being replaced was appointed by the Employer, the Employer shall nominate the individual to serve as the successor Trustee.

B. If no successor Trustee is appointed within thirty (30) days from the effective date of the Trustee's resignation or from the

Trustee's receipt of notice of removal, as the case may be, the Trustee(s) shall proceed in any court of competent jurisdiction to have the court appoint a successor Trustee and the cost of such proceeding shall be paid from the Trust.

- C. Upon resignation or removal of the Trustee and appointment of a successor Trustee, all assets shall subsequently be transferred to the successor Trustee. The transfer shall be completed within thirty (30) days after receipt of notice of resignation, removal or transfer, unless the Pension Investment Committee extends the time limit.
- D. The former Trustee shall execute any instrument necessary or reasonably requested by the Pension Investment Committee, the Employer, or the successor Trustee to evidence the transfer.

ARTICLE 9. AMENDMENT AND TERMINATION

9.01. Irrevocable.

The Trust created hereunder is hereby declared to be irrevocable. The Employer shall, however, have the right, at any time, by an instrument in writing executed and delivered to the Trustee(s), to amend this Trust Agreement, or to terminate the Trust; provided, however, that the duties, powers and liabilities of the Trustee(s) shall not be increased without its written consent.

9.02. Plan Termination.

The Employer has reserved the right to amend or terminate the Plan. The Administrator shall deliver to the Trustee(s) a copy of any amendment of the Plan and shall notify the Trustee(s) in writing if the Plan has been terminated. Termination of the Plan shall terminate the Trust.

9.03. Trust Termination.

Upon any termination of the Trust, the assets of the Trust then held by the Trustee(s), except such assets as may be needed to pay expenses or liabilities of the Trust, shall be distributed pursuant to the Plan in accordance with the written directions of the Administrator. Unless sooner terminated, the Trust shall terminate when there shall be no assets of the Trust remaining in the hands of the Trustee(s).

ARTICLE 10. MISCELLANEOUS

10.01. Enforcement.

The Administrator shall have the exclusive right to enforce all provisions of this Trust Agreement on behalf of all Participants and their Beneficiaries. Any determination made by the Administrator pursuant to the Plan or this Trust Agreement shall be conclusive and binding on all Participants and their Beneficiaries and upon the Trustee(s). The Trustee shall have no power or duty to determine the rights or benefits of any person having or claiming an interest in the Trust, or under the Plan, or to examine into or control any distribution of the Trust that may be directed by the Administrator.

10.02. No Employment Contract.

Neither the establishment of the Trust nor any modification thereof, nor the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any Employee or other person any legal or equitable right against the Trustee(s), the Employer, the Administrator, the Pension Investment Committee, any committee, officer, employee or member of any thereof, except as herein expressly provided; and in no event shall the terms or conditions of employment of any Employee of the Employer be modified or in any manner affected hereby.

10.03. Duration.

So far as may be lawful, the Trust shall continue until terminated as provided in the Amendment And Termination article without limitation as to time; provided, however, that if the Trust may not lawfully continue for that period of time, then it shall terminate twenty-one (21) years after the death of the last survivor of all the persons who are in being on the date of this Trust Agreement and who shall be entitled to receive benefits hereunder at any time.

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10.04. Alienation.

- A. Except as otherwise specifically permitted by law, no assets or benefits under the Plan and this Trust shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge. Any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void. Nor shall any such benefits in any manner be liable for or subject to the debts, contracts, liabilities or torts of the person entitled to such benefits.
- B. The prohibitions contained in this Alienation section shall not apply to the extent a Participant or Beneficiary is indebted to the Plan, for any reason, under any provision of the Plan or this Trust. At the time a distribution is to be made to or for a Participant's or Beneficiary's benefit, such proportion of the amount distributed as shall equal such indebtedness shall be retained by the Trustee(s) to apply against or discharge such indebtedness. Prior to such application, however, the Participant or Beneficiary must be given written notice that such indebtedness is to be so paid in whole or part from the Participant's Accrued Benefit. If the Participant or Beneficiary does not agree that the indebtedness is a valid claim against the Participant's Accrued Benefit, the Participant or Beneficiary shall be entitled to a review of the validity of the claim in accordance with procedures provided in the Plan.
- C. The prohibitions contained in this Alienation section shall not apply to a "qualified domestic relations order" as defined in Code section 414(p), as modified by Code section 414(p)(11), and those other domestic relations orders permitted to be so treated by the Plan under the provisions of the Retirement Equity Act of 1984.

In witness whereof, the Employer and the Trustee(s) have caused this Trust Agreement to be executed on this _____ day of _____, ~~2014~~2015.

CITY OF ALAMEDA

By: _____

Title: _____

Each of the undersigned hereby accepts the appointment as a Trustee hereof.

The Employer's Finance Director, Fred
Marsh

The Employer's ~~Administrative~~
~~Services~~ Human Resources Director,
Stephanie Garrabrant-Sierra

The President Of The International
Association Of Firefighters, Local 689,
Jeff DelBono
~~Jeff DelBono~~

The _____ Of The
Alameda Police Officers Association,

The _____ Of The
Alameda Police Managers Association,

The _____ Of The
Alameda Fire Chiefs Association,
