

**INVESTMENT ADVISOR AGREEMENT
MULTIPLE EMPLOYER OPEB/PENSION 115 TRUST**

This agreement ("Agreement") is entered into between **Shuster Advisory Group, LLC** ("SHUSTER"), a California limited liability company, and **City of San Pablo** ("EMPLOYER") as further identified on Appendix A., as the responsible plan fiduciary for the Plan(s) as further identified in Appendix A, desires to engage SHUSTER to provide the services described in this Agreement according to the terms of this Agreement.

1. **Fiduciary Authority.** The account for which SHUSTER is providing investment advisory service is part of a multiple employer trust intended to qualify as a tax-exempt trust of a state or political subdivision thereof for an essential governmental function within the meaning of Section 115 of the Internal Revenue Code and any regulations issued thereunder and the EMPLOYER has fiduciary authority with respect to the account for the employer.
2. **Term.** The term of this Agreement will commence **March 1, 2025**.
3. **Services.** SHUSTER agrees to perform the Fiduciary Services described in Appendix B.
4. **Fees.**
 - (A) The compensation, direct and indirect, of SHUSTER for the performance of the Services is described in Appendix C.
5. **Fiduciary Status: Limitations on Functions.** EMPLOYER acknowledges that:
 - (A) In performing the Fiduciary Services, SHUSTER is acting as an investment fiduciary of the Plan and as a registered investment advisor under the Investment Advisers Act of 1940.
 - (B) In performing Fiduciary Services, SHUSTER does not act as, nor has SHUSTER agreed to assume the duties of, a trustee or the Plan Administrator, and SHUSTER 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.
 - (C) SHUSTER does not provide legal or tax advice.
 - (D) Investments are subject to various market, political, currency, economic, and business risks, and may not always be profitable. As a result, SHUSTER does not and cannot guarantee financial results.
 - (E) SHUSTER may, by reason of performing services for other employers, from time to time acquire confidential information. EMPLOYER acknowledges and agrees that SHUSTER is unable to divulge to the EMPLOYER or any other party, or to act upon, any such confidential information with respect to its performance of this Agreement.
 - (F) SHUSTER is entitled to rely upon all information provided to SHUSTER (whether financial or otherwise) from EMPLOYER, EMPLOYER's representatives or third-party service providers to EMPLOYER, or the Plan, without independent verification. EMPLOYER agrees to promptly notify SHUSTER in writing of any material change in the financial and other information provided to SHUSTER and to promptly provide any such additional information as may be reasonably requested by SHUSTER.
 - (G) EMPLOYER understands that SHUSTER: (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.

- (H) SHUSTER has no responsibility to provide any services related to assets not included in the SHUSTER investment portfolio or purchased directly by EMPLOYER. Such assets shall be referred to collectively as "Excluded Assets." The Excluded Assets shall be disregarded in determining the Fees payable to SHUSTER pursuant to this Agreement, and the Fees shall be calculated only on the remaining assets (the "Included Assets").

6. Representations of EMPLOYER. EMPLOYER 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. SHUSTER is entitled to rely upon this statement until notified in writing to the contrary.
- (B) The person signing the Agreement on behalf of EMPLOYER 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 EMPLOYER 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 SHUSTER.
- (D) The Plan and related Trust permit payment of fees out of Plan assets. EMPLOYER has determined that the fees charged by SHUSTER are reasonable and are the obligation of the Plan; however, if EMPLOYER desires, it may pay the fees directly, rather than with Plan assets.

7. Representations of SHUSTER. SHUSTER represents and warrants as follows:

- (A) SHUSTER is registered as an investment adviser ("RIA") under the Investment Advisers Act of 1940.
- (B) The person signing this agreement on behalf SHUSTER has the power and authority to enter into and perform this Agreement.
- (C) SHUSTER agrees to take reasonable steps to protect Private Participant Information and Plan Investment Data in its possession;
- (D) SHUSTER is not responsible for the assessment of systems and procedures of third parties for the protection of plan and participant data;
- (E) SHUSTER is not responsible for the actions by, or the failure to act by EMPLOYER, by other service providers, or by Plan participants to protect Data;
- (F) SHUSTER 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) unless said breach is the direct result of negligence, recklessness, or willful misconduct of an officer, employee, or agent of SHUSTER.

8. Standard of Care. SHUSTER 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 ERISA Section 404(a)(1)(B).

9. 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 of section 8, 17, and 18) shall survive any expiration or termination of this Agreement. Upon termination, SHUSTER will have no further obligation under this Agreement to act or advise EMPLOYER with respect to services under this Agreement.

10. **Receipt of Disclosure and Consent to Electronic Delivery.** EMPLOYER acknowledges receipt and undertakes to review and consider the disclosures made by SHUSTER (including in this Agreement, the Form ADV Part 2 and SHUSTER 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, EMPLOYER consents to electronic delivery (via email or other generally accepted method) of current and future distributions of SHUSTER's Form ADV Part 2 and Privacy Policy. Consent to electronic delivery may be canceled at any time by sending a written request to SHUSTER.

11. **Notices.** Any and all notices required or permitted under this Agreement shall be in writing and shall be sufficient in all respects if (i) delivered personally, (ii) mailed by registered or certified mail, return receipt requested and postage prepaid, or (iii) sent via a nationally recognized overnight courier service to the EMPLOYER's address listed on Appendix A and SHUSTER's address, 155 N. Lake Ave, Ste. 950, Pasadena, CA 91101, or such other address as any party shall have designed by notice in writing to the other party.
12. **Assignability.** This Agreement is not assignable by either Party hereto without the prior written consent of the other Party.
13. **Effect.** This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, successors, survivors, administrators and assigns.
14. **Entire Understanding and Modification.** This Agreement constitutes and contains the entire understanding between the parties and supersedes all prior oral or written statements dealing with the subject matter herein. This Agreement can be amended or modified by the written consent of the Parties.
15. **Severability.** If any one or more of the provisions of this Agreement shall, for any reason, be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be enforced as if such illegal or invalid provision had not been contained herein.
16. **Headings.** All headings used herein are for ease of reference only and in no way shall be construed as interpreting, decreasing or enlarging the provisions of this Agreement.
17. **Applicable Law; Forum.** The laws of the State of California shall govern this Agreement in all respects, including but not limited to the construction and enforcement thereof, unless otherwise preempted or superseded by federal law.
18. **Arbitration Agreement.** To the extent permitted by law, all controversies between EMPLOYER and SHUSTER, which may arise out of or relate to any of the services provided by SHUSTER under this Agreement, or the construction, performance or breach of this or any other Agreement between SHUSTER and EMPLOYER, whether entered into prior to, on or subsequent to the date hereof, shall be settled by binding arbitration in Contra Costa County, California, under the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any award rendered by the arbitrator(s) shall be final, and may be entered into any court having jurisdiction.
19. **Amendment Process.** The Agreement may be modified, by written agreement of both EMPLOYER and SHUSTER.

20. **Waiver of Limitation.** Nothing in this Agreement shall in any way constitute a waiver or limitation of any rights which EMPLOYER or Plan or any other party may have under federal or state securities laws.
21. **Insurance.** Before it may begin performing services under this Agreement, SHUSTER must procure and provide proof of the insurance coverage and endorsements set forth in Appendix D in the form of certificates and endorsements acceptable to EMPLOYER. The required insurance must cover the activities of SHUSTER and its subconsultants or subcontractors relating to or arising from the performance of the services, and must remain in full force and effect at all times during the term of this Agreement. All required insurance must be issued by a company licensed to do business in the State of California, and each such insurer must have an A.M. Best's financial strength rating of "A" or better and a financial size rating of "VII" or better. If SHUSTER fails to provide any of the required coverage in full compliance with the requirements of this Agreement, EMPLOYER may, at its sole discretion and in addition to any other remedies, terminate SHUSTER for default. The procurement of the required insurance will not be construed to limit SHUSTER's liability under this Agreement or to fulfill SHUSTER's indemnification obligations under this Agreement. If coverage limits carried by SHUSTER exceed the minimum limits specified below, the higher limits will be deemed to be required by this Agreement.

This Agreement constitutes both an agreement between the parties and a disclosure statement. The Parties have caused this Agreement to be executed by their duly authorized officers as of the date set forth above. This Agreement shall not be binding on SHUSTER or the EMPLOYER until each has accepted it, in writing, as indicated by their signatures below.

EMPLOYER: City of San Pablo

Shuster Advisory Group, LLC

Signature: [Signature]

Signature: [Signature]

Name: Matt Rodriguez

Name: Mark Shuster

Title: City Manager

Title: Managing Member

Date: 07/15/25

Date: 6/4/25

*The EMPLOYER is signing this Agreement both as the employer that sponsors the Plan and as the fiduciary responsible for selecting the Plan's investments and engaging its service providers.

APPENDIX A – EMPLOYER/PLAN SPONSOR - PLAN INFORMATION

EMPLOYER/Plan Sponsor City of San Pablo	Tax ID#		
Plan Name 1 City of San Pablo OPEB Trust Account	Type of Plan <input checked="" type="checkbox"/> OPEB Plan <input type="checkbox"/> Pension Plan <input type="checkbox"/> Other: _____		
Plan Name 2 City of San Pablo Pension Stabilization Trust Account	Type of Plan <input type="checkbox"/> OPEB Plan <input checked="" type="checkbox"/> Pension Plan <input type="checkbox"/> Other: _____		
Plan Name 3	Type of Plan <input type="checkbox"/> OPEB Plan <input type="checkbox"/> Pension Plan <input type="checkbox"/> Other: _____		
Plan Name 4	Type of Plan <input type="checkbox"/> OPEB Plan <input type="checkbox"/> Pension Plan <input type="checkbox"/> Other: _____		
Plan Name 5	Type of Plan <input type="checkbox"/> OPEB Plan <input type="checkbox"/> Pension Plan <input type="checkbox"/> Other: _____		
Mailing Address 1000 Gateway Avenue	City San Pablo	State CA	Zip Code 94806
Phone 510-215-3016	Email (for purposes of notice/electronic delivery) mattr@sanpabloca.gov		
Legal Address (<input checked="" type="checkbox"/> Same as Mailing Address)	City	State	Zip Code

APPENDIX B – FIDUCIARY SERVICES

SHUSTER 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) as well as the criteria and standards for selecting and monitoring the investments. The EMPLOYER 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, SHUSTER will select the initial investment options within the Plan(s).
3. SHUSTER will periodically review the investments within the Plan(s) and shall be responsible for making additions/deletions thereto.
4. SHUSTER 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 EMPLOYER on a periodic basis to discuss reports and recommendations.
6. Annually review the IPS with the EMPLOYER to ensure it continues to meet the EMPLOYER's needs.

LIMITATIONS ON FIDUCIARY SERVICES

SHUSTER shall not be responsible or liable for the recommendations of, or services rendered by, anyone other than SHUSTER. The ability to perform the above services is contingent upon the rules, policies, processes, and responsiveness to our requests for information of EMPLOYER, Plan Sponsor, Custodian, and Trustee.

APPENDIX C - FEE SCHEDULE

1. SHUSTER will not receive any other compensation, direct or indirect, for its services under this agreement. If SHUSTER receives any other compensation for Services, SHUSTER will disclose the amount of such compensation, the services provided for such compensation, the payer of such compensation, and a description of SHUSTER's arrangement with the payer to the EMPLOYER and will offset that compensation against its stated fees.
2. All fees are billed in arrears.
3. 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.
4. If this Agreement is terminated prior to the end of a billing period, SHUSTER shall be entitled to a fee, prorated for the number of days in the billing period prior to the effective date of termination.
5. All fees will be due and payable within 30 days and are payable to "Shuster Advisory Group, LLC"
6. The annual fee for services shall be as follows:

Beginning with the effective date of this Agreement, the annual fee for service shall be 0.14% (14 basis points) per annum, charged as 0.0117% monthly to all included assets in each Plan as of the date of the calculation. Fees will be deducted from Plan assets and will be paid to SHUSTER by the Trust/Custodian for the Plan(s).

At SHUSTER's discretion the billing period described above may be adjusted to quarterly.

APPENDIX D – INSURANCE REQUIREMENTS

A. **Policies and Limits.** SHUSTER must procure and maintain the following insurance policies and limits at all times during the term of this Agreement:

- a. **Commercial General Liability Insurance (“CGL”):** The CGL policy must be issued on an occurrence basis, written on a comprehensive general liability form (CG 00 01), and must include coverage for liability arising from the operations of SHUSTER or its subconsultants or subcontractors in the performance of the services, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits of at least \$2,000,000.00 per occurrence. General aggregate limit shall be twice the required occurrence limit. The CGL coverage may be arranged under a single policy for the full limits required or by a combination of underlying policies with the balance provided by excess or umbrella policies, provided each such policy complies with the requirements set forth herein.
- b. **Automobile Liability:** The automobile liability policy must provide coverage of at least \$1,000,000.00 combined single-limit per accident for bodily injury, death or property damage.
- c. **Workers’ Compensation Insurance and Employer’s Liability:** If SHUSTER has employees, the policy must comply with the requirements of the California Workers’ Compensation Insurance and Safety Act, providing coverage of at least \$1,000,000.00, or as otherwise required by law.
- d. **Professional Liability:** The professional liability insurance policy must insure against SHUSTER’s errors and omissions in the provision of services under this Agreement, in an amount not less than \$1,000,000.00 combined single limit. Any deductible or self-insured retention may not exceed \$50,000. The professional liability policy must include prior acts coverage sufficient to cover all services provided by SHUSTER for this Agreement, and the coverage must continue in effect for five years following final payment to SHUSTER. The following provisions apply if the professional liability policy is written on a claims-made form:
 - i. The retroactive date of the policy must be shown and must be on or before the Effective Date of the Agreement.
 - ii. The insurance must be maintained and evidence of insurance must be provided for a continuous period of at least five years following expiration of the term or termination of the Agreement, whichever occurs first.
 - iii. If the coverage is canceled or not renewed and is not replaced with another claims-made policy form with a retroactive date that is on or before the Effective Date of this Agreement, SHUSTER must provide extended reporting coverage for a minimum of five years following expiration of the term or termination of the Agreement, whichever occurs first. The City has the right to procure, at SHUSTER’s cost, any extended reporting provisions of the policy if SHUSTER cancels or fails to renew the coverage.
 - iv. A copy of the claim reporting requirements must be submitted to the City before SHUSTER may begin performing services under this Agreement.

B. **Required Endorsements.** The insurance provided by SHUSTER must include the following endorsements as specified below. The endorsements must be executed by a person authorized to bind the issuing insurer. The endorsements are to be provided on forms provided, specified, or approved by the

City. As an alternative to the City's forms, SHUSTER's insurer(s) may provide complete copies of all required insurance policies, including endorsements.

- a. **Additional Insured Endorsements:** The General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

- i. The City, its officers, officials, employees, and volunteers ("**Additional Insureds**") will be covered as additional insureds with respect to all covered liability. This must be provided in the form of an additional insured endorsement to SHUSTER's insurance policy, using form CG 20 10 11 85, forms CG 20 10 10 01 and GC 20 37 10 01, or equivalent approved by the City. For design professionals form CG 20 07 may be used. Alternatively, the additional insured endorsement may be provided as a separate owner's policy that complies with all of the requirements set forth in this Appendix D.
- ii. The inclusion of more than one insured will not operate to impair the rights of one insured against another, and the policies will apply as though separate policies have been issued to each of the Additional Insureds.
- iii. The insurance provided by SHUSTER is primary and no insurance or self-insurance held or owned by any of the Additional Insureds may be called upon to contribute to a loss or defense.
- iv. Any failure by SHUSTER to comply with the reporting requirements for a policy will not affect nor abridge the coverage provided for any Additional Insureds.
- v. The coverage or endorsement will not contain any limitations on the scope of protection available to the Additional Insureds.

- b. **Notice:** Each insurance policy required by this clause must provide or be endorsed to state that coverage will not be reduced, canceled, or allowed to expire without at least thirty (30) days written notice to the City, unless due to non-payment of premiums, in which case ten (10) days written notice is required.

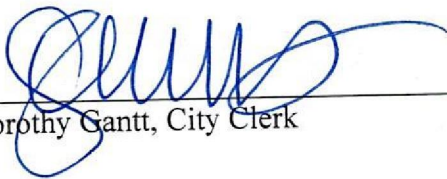
- c. **Waiver of Subrogation:** Each required policy must include an endorsement providing that the insurer will waive any right of subrogation it may have against the City. SHUSTER hereby agrees to waive subrogation which any insurer of SHUSTER may acquire from SHUSTER by virtue of the payment of any loss.

- C. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions for the required insurance policies are subject to prior approval by the City Manager. Before beginning performance of the Services, SHUSTER must disclose the amounts of the deductibles and self-insured retentions that apply to the required policies. If the City Manager determines that the deductible or self-insured retention for any required policy is unacceptably high, at the option of City, (1) the insurer must reduce or eliminate the deductible or self-insured retention with respect to the Additional Insureds, or (2) SHUSTER must provide a bond or financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. During the term of this Agreement, SHUSTER may not increase any deductibles or self-insured retentions with respect to the Additional Insureds, without the prior written consent of the City Manager. The City Manager may condition such consent upon SHUSTER procuring a bond or financial guarantee that is satisfactory in form to the City, guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

- D. **Subconsultants or Subcontractors.** SHUSTER must ensure that each subconsultant or subcontractor is required to maintain the same insurance coverage required for SHUSTER under this Appendix D, with respect to its performance of services, including the required endorsements. SHUSTER must confirm that each subconsultant or subcontractor has complied with these insurance requirements before the subconsultant or subcontractor is permitted to begin services under this Agreement. Upon request by the City, SHUSTER must provide certificates and endorsements submitted by each subconsultant or subcontractor to prove compliance with this requirement. The insurance requirements for subconsultants or subcontractors do not replace or limit SHUSTER's insurance obligations.

Shuster Advisory Group, LLC - Investment Advisor AER
Multiple Employer OPEB Pension
US Trust

ATTEST:

By 
Dorothy Gantt, City Clerk

Date signed: 7.16.25