



## AGENDA REPORT

**Meeting Date:** December 16, 2008  
**Item Number:** F-8  
**To:** Honorable Mayor & City Council  
**From:** Scott G. Miller, Chief Financial Officer and Administrative Services Dir.  
**Subject:**

**RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS APPROVING AN ADMINISTRATIVE SERVICES AGREEMENT BETWEEN ICMA RETIREMENT CORPORATION AND THE CITY OF BEVERLY HILLS**

**Attachments:**

1. Resolution
2. Agreement

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### **RECOMMENDATION**

It is recommended that the City Council adopt the resolution approving the ICMA-RC Administrative Services Agreement extension for an additional two year term with two one year options and authorize the Chief Financial Officer to approve all related documents to develop and implement the 457, 401(k) and future 401(a) and/or a Retirement Health Savings Plan(s) or similar plan.

### **INTRODUCTION**

The City has used ICMA-RC for the administration of the City's Deferred Compensation 401(k) and 457 plans for over 20 years and in 2003 adopted the ICMA-RC Retirement Health Savings (RHS) Plan. The current ICMA-RC Administrative Service Agreement is set to expire on December 3, 2008. After careful consideration and research, and taking into account the current state of the economy and the possible effect changing our current provider would have on already "shell shocked" employees, staff is recommending extending the ICMA-RC Agreement by two years with additional two one year options. In addition, because of changes in tax laws regarding our current RHS plan, staff is recommending that we revise our RHS plan with ICMA-RC and/or add a similar plan (i.e. a 401(a) or Health Savings Account Plan) to give current employees more options for health saving upon retirement.

## DISCUSSION

The City currently provides employees the opportunity to defer income into 457 and/or 401(k) plans that meet IRS statutes. There are very complex requirements in meeting the laws and the City has used ICMA-RC as the plan provider since 1987. They are a non-profit arm of ICMA (the International City/County Management Association). These programs have provided valuable options for employees in their personal retirement planning.

These plans are "defined contribution" plans. They may be used to supplement an employee's retirement and retiree health expenses, but are not connected or linked to the CalPERS "defined benefit" pension system.

These plans allow for employees, at no administrative cost to the City, to contribute pre-tax dollars to fund supplemental retirement and/or to pay for retiree health related costs to the extent allowed under current federal tax codes. Because of the changes in federal tax laws, our current HSA was found to be invalid, and we are asking Council to authorize staff to approve a revised HSA, and/or add similar plans that will allow the employees more diversity. All of these possible future plans are at no administrative cost to the City.

We are asking for an extension of the agreement from January 1, 2009 to December 31, 2011 with two one year extension options. At the same time, ICMA-RC is offering to reduce employee paid fees and enhance a number of benefits for our employees. These are listed in the chart below:

<b>Agreement Benefit</b>	<b>Current Agreement</b>	<b>New Extended Agreement</b>
Plan Administration Fee	.70%	0%
Account Maintenance Fee	0%	0%
Plus Fund Administrative Fee (employee paid)	.46%	.26%
Annual Administrative Allowance to the City	\$0	\$30,000
Financial Needs Assessments	Free for employees with combined balances over \$200K	Free for all employees
Goal Based Financial Planning with Certified Financial Advisor	Not Available to Current Employees	Free for all employees
Development of a fully planned Financial and/or Retirement Plan with a Certified	Free for employees with combined	Free for employees with combined

Financial Advisor including updates and further consultations as needed	balances over \$200K	balances over \$75K
Managed Broker Accounts	None Allowed	First 6 months free with normal fees charged after that
Vantage Broker Accounts	Not Eligible	Eligible- \$50 annual maintenance fee plus per transaction charge
Retirement Plan Specialist Visits	1 Day Per Month	<b>Minimum</b> 24 days a year
Certified Financial Planner	None	<b>Minimum</b> 10 days annually
Performance Guarantees	None	Quarterly Evaluations with CFO
Employee Targeted Educational Mailing Campaign	None	Twice a Year

**FISCAL IMPACT**

The City does not currently pay any direct costs for the ICMA-RC's administration of our deferred compensation plans. Participating employees cover all the costs depending on the various services they choose. According to our benefits administration consultants, ICMA-RC is one of the top organizations in the nation that offers superior benefits for employees at highly competitive rates.

In our current negotiations for this plan extension, the City was able to significantly lower the employees costs of services, as well as gaining new valuable benefits never received by our employees before. The City will also be getting, as an additional benefit, \$30,000 from ICMA-RC to defray any of the fixed internal service costs (staff time, facility charges, etc.) to administer deferred compensation plans for the employees.

**RECOMMENDATION**

It is recommended that the City Council adopt the resolution approving the ICMA-RC Administrative Services Agreement extension for an additional two year term with two one year options and authorize the Chief Financial Officer to approve all related documents to develop and implement the 457, 401(k) and future 401(a) and/or a Retirement Health Savings Plan(s) or similar plan.

  
 Scott Miller  
 \_\_\_\_\_  
 Administrative Services Approval

Rod Wood   
 \_\_\_\_\_  
 City Manager Approval

# **Attachment 1**

## Resolution

RESOLUTION NO. 08-R-

RESOLUTION OF THE COUNCIL OF THE CITY OF  
BEVERLY HILLS APPROVING AN ADMINISTRATIVE  
SERVICES AGREEMENT BETWEEN ICMA RETIREMENT  
CORPORATION AND THE CITY OF BEVERLY HILLS.

The City Council of the City of Beverly Hills does resolve as follows:

Section 1. That certain Agreement, between the City of Beverly Hills and ICMA Retirement Corporation for administrative services (“Agreement”) is hereby approved in substantially the form presented to the City Council and with any amendments, satisfactory to the Chief Financial Officer and City Attorney, that will extend the term of the Agreement at the sole option of the City up to an additional two years.

Section 2. The City Manager or his designee is authorized and directed to execute said Agreement on behalf of the City and the City Clerk is directed to attest thereto.

Section 3. The City Manager or his designee shall administer the terms of the Agreement on behalf of the City.

Section 4. The Chief Financial Officer is authorized to approve all related documents to develop and implement the 457, 401(k) and future 401(a) plans and/or a Retirement Health Savings Plan(s) or similar plan.

Section 5. The City Clerk shall furnish a copy of said Agreement after it has been approved and fully executed by the City, along with a copy of this resolution, to: ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C., 20002-4240.

Section 6. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and her certification to be entered in the Book of Resolutions of the Council of this City.

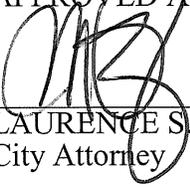
Adopted:

\_\_\_\_\_  
BARRY BRUCKER  
Mayor of the City of  
Beverly Hills, California

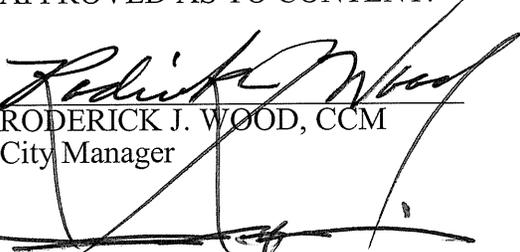
ATTEST:

\_\_\_\_\_  
(SEAL)  
BYRON POPE  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
LAURENCE S. WIENER  
City Attorney

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
RODERICK J. WOOD, CCM  
City Manager

\_\_\_\_\_  
SCOTT G. MILLER  
Director of Administrative Services/Chief  
Financial Officer

  
\_\_\_\_\_  
KARL KIRKMAN  
Risk Manager

# **Attachment 2**

## Agreement

DRAFT

**ADMINISTRATIVE SERVICES AGREEMENT**

Between

**ICMA Retirement Corporation**

and

City of Beverly Hills

Type: 457

Account #: 302249

Type: 401

Account #: 108317, 108316, 108315,  
108314

## ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement ("Agreement"), made as of the      day of      , 2008 (herein referred to as the "Inception Date"), between the International City/County Management Association Retirement Corporation ("ICMA-RC"), a nonprofit corporation organized and existing under the laws of the State of Delaware, and the City of Beverly Hills ("Employer"), a City organized and existing under the laws of the State of California with an office at 455 North Rexford Drive, Beverly Hills, California 90210.

### RECITALS

Employer acts as a public plan sponsor for a retirement plan ("Plan") with responsibility to obtain investment alternatives and services for employees participating in that Plan;

VantageTrust (the "Trust") is a common law trust governed by an elected Board of Trustees for the commingled investment of retirement funds held by various state and local governmental units for their employees;

ICMA-RC acts as investment adviser to the Trust; ICMA-RC has designed, and the Trust offers, a series of separate funds (the "Funds") for the investment of plan assets as referenced in the Trust's principal disclosure document, "Making Sound Investment Decisions: A Retirement Investment Guide." ("Retirement Investment Guide").

The Funds are available only to public employers and only through the Trust and ICMA-RC.

In addition to serving as investment adviser to the Trust, ICMA-RC provides a complete offering of services to public employers for the operation of employee retirement plans including, but not limited to, communications concerning investment alternatives, account maintenance, account record-keeping, investment and tax reporting, transaction processing, benefit disbursement, and asset management.

### AGREEMENTS

#### 1. Appointment of ICMA-RC

Employer hereby reaffirms ICMA-RC as Administrator of the Plan to perform all nondiscretionary functions necessary for the administration of the Plan with respect to assets in the Plan deposited with the Trust. The functions to be performed by ICMA-RC shall be those set forth in Exhibit A to this Agreement.

2. Adoption of Trust

Employer has adopted the Declaration of Trust of VantageTrust and agrees to the commingled investment of assets of the Plan within the Trust. Employer agrees that operation of the Plan and the investment, management, and distribution of amounts deposited in the Trust shall be subject to the Declaration of Trust, as it may be amended from time to time and shall also be subject to terms and conditions set forth in disclosure documents (such as the Retirement Investment Guide or Employer Bulletins) as those terms and conditions may be adjusted from time to time. It is understood that the term "Employer Trust" as it is used in the Declaration of Trust shall mean this Administrative Services Agreement.

3. Exclusivity Agreement

Employer agrees that for the initial or succeeding term of this Agreement specified in Section 10, so long as ICMA-RC continues to perform in all material respects the services to be performed by it under this Agreement, Employer shall not obtain plan administration and investment-related services from anyone other than ICMA-RC. Employer acknowledges that ICMA-RC has agreed to the compensation to be paid to ICMA-RC under this Agreement in the expectation that ICMA-RC will be able to offset costs allocable to performing this Agreement with revenues arising from Employer's exclusive use of ICMA-RC at the rates provided herein throughout the initial or succeeding term.

4. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities as Administrator of the Plan, including information needed to allocate individual participant accounts to Funds in the Trust, and information as to the employment status of participants, and participant ages, addresses, and other identifying information (including tax identification numbers). ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the Employer or any information relating to an individual participant or beneficiary that is furnished by such participant or beneficiary, and ICMA-RC shall not be responsible for any error arising from its reliance on such information. ICMA-RC will provide account information in reports, statements or accountings.

5. Certain Representations and Warranties

ICMA-RC represents and warrants to Employer that:

- (a) ICMA-RC is a non-profit corporation with full power and authority to enter into this Agreement and to perform its obligations under this Agreement. The ability of ICMA-RC to serve as investment adviser to the

Trust is dependent upon the continued willingness of the Trust for ICMA-RC to serve in that capacity.

- (b) ICMA-RC is an investment adviser registered as such with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. ICMA-RC Services, LLC (a wholly owned subsidiary of ICMA-RC) is registered as a broker-dealer with the U.S. Securities and Exchange Commission ("SEC") and is a member in good standing with Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC").
- (c)(i) ICMA-RC shall maintain and administer the Plan in compliance with the requirements for eligible deferred compensation plans under Section 457 of the Internal Revenue Code and other applicable federal law; provided, however, that ICMA-RC shall not be responsible for the eligible status of the Plan in the event that the Employer directs ICMA-RC to administer the Plan or disburse assets in a manner inconsistent with the requirements of Section 457 or otherwise causes the Plan not to be carried out in accordance with its terms. Further, in the event that the Employer uses its own customized plan document, ICMA-RC shall not be responsible for the eligible status of the Plan to the extent affected by terms in the Employer's plan document that differ from those in ICMA-RC's standard plan document. ICMA-RC shall not perform any service that ICMA-RC, in its sole judgment, considers might cause ICMA-RC to be treated as a "fiduciary" of the Plan under applicable law.
- (c)(ii) ICMA-RC shall maintain and administer the Plan in compliance with the requirements for plans which satisfy the qualification requirements of Section 401 of the Internal Revenue Code and other applicable federal law; provided, however, ICMA-RC shall not be responsible for the qualified status of the Plan in the event that the Employer directs ICMA-RC to administer the Plan or disburse assets in a manner inconsistent with the requirements of Section 401 or otherwise causes the Plan not to be carried out in accordance with its terms; provided, further, that if the plan document used by the Employer contains terms that differ from the terms of ICMA-RC's standardized plan document, ICMA-RC shall not be responsible for the qualified status of the Plan to the extent affected by the differing terms in the Employer's plan document.

Employer represents and warrants to ICMA-RC that:

- (d) Employer is organized in the form and manner recited in the opening paragraph of this Agreement with full power and authority to enter into and perform its obligations under this Agreement and to act for the Plan and participants in the manner contemplated in this Agreement. Execution, delivery, and performance of this Agreement will not conflict with any

law, rule, regulation or contract by which the Employer is bound or to which it is a party.

- (e) Employer understands and agrees that ICMA-RC's sole function under this Agreement is to act as recordkeeper and to provide administrative, investment or other services at the direction of Plan participants, the Employer, its agents or designees in accordance with the terms of this Agreement. Under the terms of this Agreement, ICMA-RC does not render investment advice, is not the Plan Administrator or Plan Sponsor as those terms are defined under applicable federal, state, or local law, and does not provide legal, tax or accounting advice with respect to the creation, adoption or operation of the Plan and the Trust.
- (f) Employer acknowledges that certain such services to be performed by ICMA-RC under this Agreement may be performed by an affiliate or agent of ICMA-RC pursuant to one or more other contractual arrangements or relationships, and that ICMA-RC reserves the right to change vendors with which it has contracted to provide services in connection with this Agreement without prior notice to Employer.

6. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings involving the garnishment of benefits or the transfer of benefits pursuant to the divorce or separation of participants in the Employer Plan. Unless Employer notifies ICMA-RC otherwise, Employer consents to the disbursement by ICMA-RC of benefits that have been garnished or transferred to a former spouse, current spouse, or child pursuant to a domestic relations order or child support order.

7. Compensation and Payment

- (a) There shall be no asset-based or per-participant fees charged under this Agreement. ICMA-RC's compensation under this Agreement shall be as set forth in subsection (b) below.
- (b) There shall be a 0.26% PLUS Fund Management and Operating expense fee (0.25% Fund Management Fee and 0.01% Operating Expense) charged to the PLUS Fund assets held in the Plan.
- (c) Compensation for Management Services to the Trust, Compensation for Advisory and other Services to The Vantagepoint Funds and Payments from Third-Party Mutual Funds. Employer acknowledges that in addition to amounts payable under this Agreement, ICMA-RC receives fees from the Trust for investment management services furnished to the Trust. Employer further acknowledges that certain wholly owned subsidiaries of ICMA-RC receive compensation for advisory and other services furnished

to The Vantagepoint Funds, which serve as the underlying portfolios of a number of Funds offered through the Trust. The fees referred to in this subsection are disclosed in the Retirement Investment Guide. These fees are not assessed against assets invested in the Trust's Mutual Fund Series. In addition, to the extent that third party mutual funds are included in the investment line-up for the Plans, ICMA-RC may receive payments from such third party mutual funds or their service providers, which may be in the form of 12b-1 fees, service fees, or compensation for sub-accounting or other services provided by ICMA-RC on behalf of the funds.

- (d) **Administrative Allowance.** ICMA-RC shall pay an annual administrative allowance of \$30,000 which shall be paid quarterly to the Employer or to the Plan. Such payments reflect ICMA-RC's assumptions regarding the aggregate level of revenue received from funds offered by the Plan at the initiation of this Agreement. In the event that the Employer chooses to replace funds during the term of this Agreement, the revenue assumptions with respect to the new funds will be re-evaluated and the administrative allowance will be adjusted commensurately. Employer understands that the Plan administrative allowance is to be used only to pay for reasonable plan administrative expenses of the Plan or allocated to Plan participants at the instruction of the Employer.
- (e) **Redemption Fees.** Redemption fees imposed by outside mutual funds in which Plan assets are invested are collected and paid to the mutual fund by ICMA-RC. ICMA-RC remits 100% of redemption fees back to the specific mutual fund to which redemption fees apply. These redemption fees and the individual mutual fund's policy with respect to redemption fees are specified in the prospectus for the individual mutual fund and referenced in the Retirement Investment Guide.
- (f) **Payment Procedures.** All payments to ICMA-RC pursuant to this Section 7 shall be paid out of the Plan assets held by the Trust and shall be paid by the Trust, to the extent not paid by the Employer. The amount of Plan assets held in the Trust shall be adjusted by the Trust as required to reflect such payments. In the event that the Employer agrees to pay amounts owed pursuant to this section 7 directly, any amounts unpaid and outstanding after 30 days of invoice to the Employer shall be withdrawn from Plan assets held by the Trust.

The compensation and payment set forth in this section 7 is contingent upon the Employer's use of ICMA-RC's EZLink system for contribution processing and submitting contribution funds by ACH or wire transfer on a consistent basis over the term of this Agreement.

Employer further acknowledges and agrees that compensation and payment under this Agreement shall be subject to re-negotiation in the event that the Employer chooses

to implement additional mutual funds outside of the ICMA-RC Mutual Fund Alliance.

8. Custody

Employer understands that amounts invested in the Trust are to be remitted directly to the Trust in accordance with instructions provided to Employer by ICMA-RC and are not to be remitted to ICMA-RC. In the event that any check or wire transfer is incorrectly labeled or transferred to ICMA-RC, ICMA-RC may return it to Employer with proper instructions.

9. Indemnification

ICMA-RC shall not be responsible for any acts or omissions of any person with respect to the Plan or related Trust, other than ICMA-RC in connection with the administration or operation of the Plan. Employer shall indemnify ICMA-RC against, and hold ICMA-RC harmless from, any and all loss, damage, penalty, liability, cost, and expense, including without limitation, reasonable attorney's fees, that may be incurred by, imposed upon, or asserted against ICMA-RC by reason of any claim, regulatory proceeding, or litigation arising from any act done or omitted to be done by any individual or person with respect to the Plan or related Trust, excepting only any and all loss, damage, penalty, liability, cost or expense resulting from ICMA-RC's negligence, bad faith, or willful misconduct.

10. Term

This Agreement shall be in effect and commence on January 1, 2009 ("Inception Date"). The term of this Agreement will commence on the Inception Date and extend two (2) years from that date. This Agreement will be renewed automatically for each succeeding year unless written notice of termination is provided by either party to the other no less than 60 days before the end of such Agreement year.

11. Amendments and Adjustments

- (a) This Agreement may not be amended except by written instrument signed by the parties.
- (b) No failure to exercise and no delay in exercising any right, remedy, power or privilege hereunder shall operate as a waiver of such right, remedy, power or privilege.
- (c) The parties agree that enhancements may be made to administrative and operations services under this Agreement. The Employer will be notified of enhancements through the Employer Bulletin, quarterly statements or special mailings. Likewise, if there are any reductions in fees, these will be announced through the Employer Bulletin, quarterly statement or special mailing.

12. Notices

All notices required to be delivered under Section 11 of this Agreement shall be delivered personally or by registered or certified mail, postage prepaid, return receipt requested, to (i) Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C., 20002-4240; (ii) Employer at the office set forth in the first paragraph hereof, or to any other address designated by the party to receive the same by written notice similarly given.

13. Complete Agreement

This Agreement shall constitute the complete and full understanding and sole agreement between ICMA-RC and Employer relating to the object of this Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. This Agreement supersedes all written and oral agreements, communications or negotiations among the parties. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

14. Titles

The headings of Sections of this Agreement and the headings for each of the attached schedules are for convenience only and do not define or limit the contents thereof.

15. Incorporation of Schedules

All Schedules (and any subsequent amendments thereto), attached hereto, and referenced herein, are hereby incorporated within this Agreement as if set forth fully herein.

16. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California, applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions.

Plan number 302249, 108317, 108316, 108315, 108314

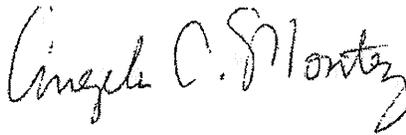
In Witness Whereof, the parties hereto certify that they have read and understand this Agreement and all Schedules attached hereto and have caused this Agreement to be executed by their duly authorized officers as of the Inception Date first above written.

CITY OF BEVERLY HILLS

By \_\_\_\_\_ Date \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title (Please Print)

INTERNATIONAL CITY/COUNTY MANAGEMENT  
ASSOCIATION RETIREMENT CORPORATION



By \_\_\_\_\_  
Angela C. Montez  
Assistant Corporate Secretary

Please return fully executed contract to: New Business Unit  
ICMA-RC  
777 North Capitol Street NE  
Suite 600  
Washington DC 20002-4240

**Exhibit A**

**Administrative Services**

The administrative services to be performed by ICMA-RC under this Agreement shall be as follows:

- (a) Participant enrollment services, including providing a welcome package and enrollment kit containing instructions and notices necessary to implement the Plan's administration.
- (b) Establishment of participant accounts for each employee participating in the Plan for whom ICMA-RC receives appropriate enrollment forms and records. ICMA-RC is not responsible for determining if such Plan participants are eligible under the terms of the Plan.
- (c) Allocation in accordance with participant directions received in good order of individual participant accounts to investment funds offered under the Trust.
- (d) Maintenance of individual accounts for participants reflecting amounts deferred, income, gain or loss credited, and amounts distributed as benefits.
- (e) Maintenance of records for all participants for whom participant accounts have been established in paper or electronic format. These files shall include enrollment instructions, beneficiary designation instructions (to the extent provided to ICMA-RC) and all other written correspondence and documents concerning each participant's account, and if applicable, records of any transaction conducted through the Voice Response Unit ("VRU"), the Internet or other electronic means.
- (f) Provision of periodic reports to the Employer and participants of the status of Plan investments and individual accounts.
- (g) Communication to participants of information regarding their rights and elections under the Plan.
- (h) Making available Investor Services Representatives through a toll-free telephone number from 8:30 a.m. to 9:00 p.m. Eastern Time, Monday through Friday (excluding holidays and days on which the securities markets or ICMA-RC are closed for business (including emergency closings), to assist participants.
- (i) Making available a toll-free number and access to VantageLine, ICMA-RC's interactive VRU, and ICMA-RC's web site, to allow participants to access certain account information and initiate plan transactions at any time.
- (j) Distribution of benefits as agent for the Employer in accordance with terms of the Plan.

Plan number 302249, 108317, 108316, 108315, 108314

- (k) Upon approval by the Employer that a domestic relations order is an acceptable qualified domestic relations order under the terms of the Plan, ICMA-RC will establish a separate account record for the alternate payee and provide for the investment and distribution of assets held thereunder.
- (l) Loans may be made available on the terms specified in the Loan Guidelines, if loans are adopted by the Employer.
- (m) Online Advice may be made available through a third party vendor on the terms specified on ICMA-RC's website.

#### **Additional Administrative Services**

- (n) Financial Needs Assessment at no cost to Participants on an agreed upon schedule.
- (o) Goal Based Planning at no cost to Participants on an agreed upon schedule.
- (p) No-cost Financial plans for Participants with combined account balances of \$75,000 or greater.
- (q) On site Retirement Plan Specialist for a minimum 24 days annually for term of Agreement.
- (r) Certified Financial Planner visits for a minimum 8 days annually for term of Agreement.
- (s) Semi-annual targeted education mailing campaign for term of Agreement.

Employer may be provided with the Managed Account program for a no-cost 6 month preview period.

Employer may elect to have VantageBroker for both mutual funds and individual securities. This program will require the execution of a VantageBroker Agreement. (provided in March 2008.)

Plan number 302249, 108317, 108316, 108315, 108314

**Exhibit B  
Service Guarantees**

<b>ICMA-RC Service Guarantees</b>		
	<b>Standard</b>	<b>Guarantee</b>
<b>Quarterly Participant Statement Delivery</b>	Quarterly statements in aggregate mailed within 12 business days, unless performance returns received late due to factors beyond ICMA-RC's control.	\$5,000 for each quarter in which less than 99% of statements in aggregate meet deadline due to circumstances under ICMA-RC control.
<b>Corporate Call Center Phone Response Time</b>	Calls picked-up within an average of less than 45 seconds annualized and in aggregate for Call Center.  Note: Measurement will not include days in which extraordinary events occur beyond the control of ICMA-RC that increase daily call volumes by 25% above the average daily call volume for the year.	\$1,000 per year in which this does not occur.
<b>Number of On-Site Group Seminars</b>	Mutually agreed-upon number of on-site seminars.	\$1,000 per year in which target number of seminars is not met.
<b>Individual Meetings</b>	Mutually agreed-upon availability for on-site individual consultations.	\$1,000 per year in which target commitment of time for individual consultations is not met.