

**FIRST AMENDMENT to the Administrative Services Agreement
for Plan Numbers 300269, 109729 for the City of Clearwater**

This First Amendment ("First Amendment") to the September 20, 2018 Administrative Services Agreement ("Agreement") for Plan Numbers 300269 and 109729 (each, a "Plan") is entered by and between the City of Clearwater (the "Employer"), and ICMA Retirement Corporation ("ICMA-RC"), effective as of the last date of execution by the Employer below.

WHEREAS, the Employer sponsors the Plan on behalf of its eligible employees and retirees; and

WHEREAS, the Employer entered the Agreement to engage ICMA-RC to provide administrative services and investments for the Plan under the terms specified in the Agreement; and

WHEREAS, the parties wish to amend the Agreement to provide for a revision in the terms of Compensation; and

WHEREAS, Section 11(a) of the Agreement provides that the Agreement may be amended pursuant to a written instrument signed by the parties;

NOW, THEREFORE, the Agreement is hereby amended as follows:

FIRST

Section 7 of the Agreement is restated in full by replacing it with the following:

7. Compensation and Payment

- (a) **Participant Fees.** Plan participant accounts shall be assessed an asset-based fee to cover the costs of record-keeping and other services provided by ICMA-RC, and other costs associated with the Plans as directed by the Employer. The Employer shall work with ICMA-RC to determine the appropriate amount of the gross asset-based fee to be charged to participant accounts, which may be increased or decreased from time to time at the direction of the Employer. At the inception of this contract the participant fee shall be 0.057%.
- (b) **Employer Fee.** Within thirty (30) days of the transition of assets to ICMA-RC from the prior recordkeeper, Employer shall make a one-time payment to ICMA-RC of \$57,900 for recordkeeping and other services.
- (c) **Revenue Requirement.** In addition, ICMA-RC shall receive total annual aggregate revenue of 0.057% of Plan assets under ICMA-RC's administration for providing recordkeeping and other services to the Plans. Such revenue shall be deducted by ICMA-RC from amounts collected through the application of the asset-based fee described in section 7(a) prior to allocation of any participant level asset-based fees to the Administrative Allowance Account described in section 7(c) below.
- (d) **Administrative Allowance Account.** Amounts collected through the application of the asset-based fee described in section 7(a) above in excess of the Revenue Requirement specified in subsection 7(b) above, if any, shall be held in an Administrative Allowance Account (that is, maintained as a Plan asset by ICMA-RC). 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) **Revenue Received From Investment Options.** Neither ICMA-RC nor the Employer shall retain recordkeeping revenue directly from investment options made available under the Plan. ICMA-RC shall be compensated from fees collected from participant accounts through the application of the asset-based fee described in section 7(a) above. In the event that any Plan investment options do generate revenue from plan investments, ICMA-RC shall, as directed by the Employer, credit any and all revenue back to those participant accounts invested in the option in question.
- (f) **Compensation for Management Services to VantageTrust, Compensation for Advisory and other Services to the VT III 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 VantageTrust for investment advisory services and plan and participant services furnished to VantageTrust. Employer further acknowledges that ICMA-RC, including certain of its wholly owned subsidiaries, receives compensation for advisory and other services furnished to the VT III Vantagepoint Funds, which serve as the underlying portfolios of a number of Funds offered through VantageTrust. For a VantageTrust Fund that invests substantially all of its assets in a third-party mutual fund not affiliated with ICMA-RC, ICMA-RC or its wholly owned subsidiary receives payments from the third-party mutual fund families or their service providers in the form of 12b-1 fees, service fees, compensation for sub-accounting and other services provided based on assets in the underlying third-party mutual fund. These fees are described in the VT Disclosures and ICMA-RC's fee disclosure statement. In addition, to the extent that third party mutual funds are included in the investment line-up for the Plan, ICMA-RC receives administrative fees from its third party mutual fund settlement and clearing agent for providing administrative and other services based on assets invested in third party mutual funds; such administrative fees come from payments made by third party mutual funds to the settlement and clearing agent.
- (g) **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 VT Disclosures.
- (h) **Payment Procedures.** All payments to ICMA-RC pursuant to this Section 7 shall be made from Plan assets held by VantageTrust or received from third-party mutual funds or their service providers in connection with Plan assets invested in such third-party mutual funds, to the extent not paid by the Employer. The amount of Plan assets administered by ICMA-RC shall be adjusted as required to reflect any such payments as are made from the Plan. 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.

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. The compensation in this Section 7 is also based on the assets of the Plan being invested in "zero revenue" shares of VantageTrust and is further contingent upon the Vantagepoint PLUS Fund being the only stable value investment for the Plan.

The compensation and payment set forth in this Section 7 is further contingent upon the transfer of all assets of the Plan(s) from the prior recordkeeper for the Plan(s) to ICMA-RC's administration in the approximate amount of \$22 million. Employer further acknowledges and agrees that compensation and payment under this Agreement shall be subject to re-negotiation in the event that there is a material difference between the assets and/or participants transferred to ICMA-RC and the information provided from the Employer in the Request for Proposal.

Following the receipt at a Delivery Address (defined below the signature line) of one fully executed copy of this Agreement, the compensation and payment in this Section 7 will take effect in the month where the assets from the prior recordkeeper transfer to ICMA-RC or where the Plan Sponsor initiates a revised fund line-up, whichever occurs first.

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 funds not available to ICMA-RC's mutual fund platform.

In all other material respects, the Agreement is hereby ratified and affirmed.

IN WITNESS WHEREOF, the City has caused this Amendment to be executed by their duly authorized officers.

CITY OF CLEARWATER

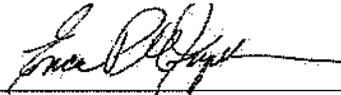
By: _____

Print Name: _____

Title: _____

Date: _____

INTERNATIONAL CITY MANAGEMENT
ASSOCIATION RETIREMENT CORPORATION

By  _____

Erica McFarquhar
Assistant Secretary

Please return an executed copy of the Agreement to a Delivery Address, either:

(a) Electronically to PlanAdoptionServices@icmarc.org, or

(b) In paper form to ICMA-RC
ATTN: PLAN ADOPTION SERVICES
777 North Capitol Street NE
Suite 600
Washington DC 20002-4240

**FIRST AMENDMENT to the Administrative Services Agreement
for Plan Numbers 300269, 109729 for the City of Clearwater**

CITY OF CLEARWATER, FLORIDA

Countersigned:

William B. Horne, II
William B. Horne, II
City Manager

Approved as to form:

Attest:

Owen Kohler
Owen Kohler
Assistant City Attorney

Rosemarie Call
Rosemarie Call
City Clerk

