



**Amendment Number Three**  
**to Contract with International City Management Association Retirement**  
**Corporation dba MissionSquare Retirement for Administration of a Health**  
**Reimbursement Arrangement Program**

THIS AMENDMENT NUMBER THREE to the Contract for Administration of a Health Reimbursement Arrangement Program, is made and entered into, upon execution of all necessary signatures, by and between the County of Orange, a political subdivision of the State of California (hereinafter "County"), and International City Management Association Retirement Corporation dba MissionSquare Retirement, with a place of business at 777 North Capitol Street N.E., Washington, D.C., 20002 (hereinafter "Contractor"), which are sometimes individually referred to as "Party" or collectively referred to as "Parties."

WHEREAS, County and Contractor entered into the Contract for Administration of a Health Reimbursement Arrangement Program for the County of Orange, commencing on April 1, 2019 and expiring on March 31, 2022; and

WHEREAS, pursuant to the County's adoption of the Voluntary Incentive Program on July 14, 2020, and pursuant to the authority delegated by the County's Board of Supervisors to the County's Chief Human Resource Officer or designee on February 26, 2019, to execute any underlying documents necessary for the proper administration of the Plan, the parties entered into Amendment Number One to add a new Plan Number 800161 to the Contract; and

WHEREAS, effective June 17, 2021, Contractor began doing business under the name "MissionSquare Retirement" to better align their brand with the diversity of its clientele and full scope of service offerings but without changing its underlying legal name or legal status; and

WHEREAS, the parties previously entered into Amendment Number Two extending the term of the Contract by one (1) additional one-year period effective April 1, 2022 through March 31, 2023;

WHEREAS, on December 20, 2022, the County's Board of Supervisors approved transitioning new and existing employees to the County's Health Reimbursement Arrangement Plan as of June 16, 2023;

WHEREAS, the parties now desire to amend the Contract to extend the term for an additional two (2) year period effective April 1, 2023, and expiring on March 31, 2025, and to adjust participant fees and support service levels commensurate with the anticipated increase in the number of plan participants; and

NOW THEREFORE, in consideration of the mutual obligations set forth herein, both the County and Contractor agree as follows:



1. The Contract is hereby renewed for two (2) additional years effective April 1, 2023, and expiring on March 31, 2025.

2. An amended and restated Attachment B, Fees and Investment Options, is attached here to and incorporated herein by reference.
3. An amended and restated Attachment C, Staffing Plan, is attached here to and incorporated herein by reference.
4. All other terms and conditions of the Contract, except as previously amended or amended herein, shall remain unchanged and in full force and effect.

\*Signature Page to Follow\*

The Parties hereto have executed this Amendment Number Three on the dates shown opposite their respective signatures below.

**International City Management Association Retirement Corporation  
dba MissionSquare Retirement**

|  |  |  |
|--|--|--|
| By: _____<br>Authorized Signature<br>Thomas McAndrews<br>_____<br>Print Name | DocuSigned by:<br><br><small>80CEAFAD5F8A4B2...</small> | 1/30/2023<br>_____<br>Date<br>_____<br>Authorized Representative<br>_____<br>Title<br>1/30/2023<br>_____<br>Date<br>_____<br>Authorized Representative<br>_____<br>Title |
| By: _____<br>Authorized Signature<br>Erica McFarquhar<br>_____<br>Print Name | DocuSigned by:<br><br><small>9F66520B1B9348E...</small> |  |

**\* If the Contractor is a corporation, signatures of two specific corporate officers are required as further set forth.**

**The first corporate officer signature must be one of the following: 1) the Chairman of the Board; 2) the President; 3) any Vice President.**

**The second corporate officer signature must be one of the following: a) Secretary; b) Assistant Secretary; c) Chief Financial Officer; d) Assistant Treasurer.**

**Alternative signatories are acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signors to bind the company.**

\*\*\*\*\*  
**County of Orange, a political subdivision of the State of California**

|            |       |
|------------|-------|
| Print Name | Title |
| Signature  | Date  |

\*\*\*\*\*

APPROVED AS TO FORM:

DocuSigned by:  
  
A1E6C10B96224FE...

Deputy, Office of County Counsel  
 Orange County, California

## **Attachment B**

### **Fees and Investment Options**

#### **1. Total Pricing Considerations**

All administrative fees relating to these services will be borne by the Participants, except as noted below in Paragraph 2.a.i(1). While it is understood that under the final agreed upon alliance arrangement the Contractor will receive investment management fees and expenses and/or various revenue from outside parties not limited to commissions, reimbursements, sub-transfer agency, 12(b) 1 or broker fees. Any such fees that represent recordkeeping fees shall be credited by Contractor to Participant accounts, and Contractor shall provide the County with full and complete disclosure of all costs, fees, and revenue received and any and all financial relationships with third-parties that will be involved, directly or indirectly, in connection with the Plans or the County's account. Additionally, Contractor will ensure no commissions or any other incentive are provided regarding any service and/or products that are marketed to Participants.

#### **2. Administrative Fees**

a. The Plan Asset Fee will be as follows:

- i. For the period of April 1, 2019 through June 30, 2023, the annual Plan Asset Fee shall be 0.195%.
- ii. For the period of July 1, 2023 to March 31, 2025, the annual Plan Asset Fee shall be as follows if County shall make a one-time transfer of assets into the MissionSquare Plus Fund between July 2023 and December 2023.

(1) If the amount of the one-time transfer is less than \$65,000,000, the effective maximum asset-based fee shall increase up to 0.305% based on the fee schedule agreed upon with County, as set forth in Appendix 1 to this Attachment B; however, participant fees will be capped at 0.195%, and Contractor will invoice the Employer on a quarterly basis for the amount owed to cover the difference.

(2) If the one-time transfer is \$65,000,000 or greater, the asset-based fee will range from a maximum of 0.195% to a minimum of 0.132%, based on the fee schedule agreed upon with County, as set forth in Appendix 1 to this Attachment B.

(3) Once the Plan Asset Fee has been determined, the appropriate participant fee rate will be fixed and remain unchanged until the expiration of the contract term.

- b. Annual Account Fee: No Annual Account Fee will be applied during the Term of the Contract.
- c. In the event assets increase significantly, the County reserves the right to request to discuss fee reductions with the Contractor.
- e. The pricing terms for this service will be at least as favorable as pricing terms provided to other plan sponsors with substantially the same characteristics, including but not limited to, recordkeeping price, plan assets, cash flows, average account balance, service requirements, contract length, exclusivity arrangements, conversion costs, plan design and participation levels.

### **3. Other Compensation**

All fees and compensation are outlined in this Attachment B. In the event the County terminates this Contract pursuant to Article 8 or terminates the Contract without cause pursuant to Article 31, any amount outstanding under section 2 of this Attachment B above shall be payable to Contractor upon such termination and will be borne by the Participants. The Contractor shall receive no other compensation other than the items described in this Attachment B.

### **4. Administrative Funding**

The Contractor will provide funding for the administrative costs that the County incurs in overseeing and maintaining the Plan. The initial administrative budget is eighty thousand dollars (\$80,000) per year. This amount shall be increased annually by the California CPI for the previous calendar year for the second, third and fourth years of the contract. The administrative budget for the fifth and sixth years of the contract shall be \$90,000 per year. This amount shall be held in an Administrative Funding Account maintained by the Contractor in the Plan for the County.

**Appendix 1 to Attachment B**

For the period of July 1, 2023 to March 31, 2025, the Fee Schedule agreed upon between County and Contractor is as follows:

| <b>One-Time Funds Deposited into the MissionSquare Plus Fund</b> | <b>Fee</b> |
|--|------------|
| \$0.00   | 0.305%     |
| \$5,000,000.00   | 0.295%     |
| \$10,000,000.00  | 0.284%     |
| \$15,000,000.00  | 0.274%     |
| \$20,000,000.00  | 0.263%     |
| \$25,000,000.00  | 0.254%     |
| \$30,000,000.00  | 0.245%     |
| \$35,000,000.00  | 0.236%     |
| \$40,000,000.00  | 0.227%     |
| \$45,000,000.00  | 0.219%     |
| \$50,000,000.00  | 0.210%     |
| \$55,000,000.00  | 0.202%     |
| \$60,000,000.00  | 0.193%     |
| \$65,000,000.00  | 0.186%     |
| \$70,000,000.00  | 0.183%     |
| \$75,000,000.00  | 0.178%     |
| \$80,000,000.00  | 0.174%     |
| \$85,000,000.00  | 0.170%     |
| \$90,000,000.00  | 0.166%     |
| \$95,000,000.00  | 0.161%     |
| \$100,000,000.00   | 0.158%     |
| \$105,000,000.00   | 0.153%     |
| \$110,000,000.00   | 0.149%     |
| \$115,000,000.00   | 0.145%     |
| \$120,000,000.00   | 0.141%     |
| \$125,000,000.00   | 0.137%     |
| \$130,000,000.00   | 0.132%     |

**Attachment C****STAFFING PLAN**

|                                    |  |
|------------------------------------|--|
| <b>Client Relationship Manager</b> |  |
| <b>Name</b>                        | Hillis Haygood, Senior Relationship Manager  |
| <b>Responsibilities</b>            | Main contact for plan administration and is responsible for overall satisfaction of the account. Works with plan sponsors, committees, and consultants to drive the strategic direction of the plan. |
| <b>Education</b>                   | B.S., North Carolina State University  |
| <b>Experience</b>                  | 8 years  |
| <b>Years with company</b>          | 1 year   |
| <b>Years in current position</b>   | 1 year   |
| <b>Office location</b>             | San Francisco, California  |
| <b>Number of clients</b>           | 18   |

|                                  |  |
|----------------------------------|--|
| <b>Account Director</b>          |  |
| <b>Name</b>                      | Tom Axline, Regional Director  |
| <b>Responsibilities</b>          | Monitors and facilitates the participant experience. Responsible for providing support, oversight, and resources to Retirement Plan Specialists. Provides participant strategy and updates to committee. |
| <b>Education</b>                 | B.S., University of Arizona  |
| <b>Experience</b>                | 26 years   |
| <b>Years with company</b>        | 21 years   |
| <b>Years in current position</b> | 4 years  |
| <b>Office location</b>           | Temecula, California   |
| <b>Number of clients</b>         | 120  |

|                                  |  |
|----------------------------------|--|
| <b>Account Manager</b>           |  |
| <b>Name</b>                      | TBD, Retirement Plans Account Manager  |
| <b>Responsibilities</b>          | Day-to-day operations manager that is in regular contact with the County regarding tasks such as forms processing, payroll, account access, reporting, and plan maintenance. |
| <b>Education</b>                 | N/A  |
| <b>Experience</b>                | N/A  |
| <b>Years with company</b>        | N/A  |
| <b>Years in current position</b> | N/A  |
| <b>Office location</b>           | N/A  |
| <b>Number of clients</b>         | N/A  |

| <b>Participant Education</b>     |  |
|----------------------------------|--|
| <b>Name</b>                      | Mark Fitzpatrick   |
| <b>Responsibilities</b>          | Responsible for employee outreach and education.                 |
| <b>Education</b>                 | B.A.-Cal State Los Angeles; Series 6, 63,65,CA Life Ins.,<br>CRC |
| <b>Experience</b>                | 12 years   |
| <b>Years with company</b>        | 6.5 years  |
| <b>Years in current position</b> | 6.5 years  |
| <b>Office location</b>           | Murrieta, CA   |
| <b>Number of clients</b>         | 26   |

| <b>Participant Education</b>     |   |
|----------------------------------|---|
| <b>Name</b>                      | Marcus Marshall                                       |
| <b>Responsibilities</b>          | Responsible for employee outreach and education.      |
| <b>Education</b>                 | B.A.-Morehouse College; Series 6,63,65, CA. Life Ins. |
| <b>Experience</b>                | 7 years   |
| <b>Years with company</b>        | 7 years   |
| <b>Years in current position</b> | 3 years   |
| <b>Office location</b>           | Los Angeles, CA                                       |
| <b>Number of clients</b>         | 36  |