

# City of San José Consultant Agreement

(Non-Capital Projects)

This Agreement is between the City of San José, a municipal corporation ("City"), and **Hyas Group, LLC, an Oregon Limited Liability Company, authorized to do business in California** ("Consultant").

This Agreement is made and entered into this \_\_\_ day of \_\_\_\_\_ 20\_\_ ("Contract Date").

## RECITALS

WHEREAS, the City has established and maintains the City of San José Deferred Compensation Plan (the "457 Plan") and the City of San José PTC Deferred Compensation Plan (the "PTC Plan") as eligible deferred compensation plans pursuant to Section 457 of the Internal Revenue Code (collectively, the "Plans"); and

WHEREAS, pursuant to San José Municipal Code Section 3.48.060 and Section 3.50.060, the Deferred Compensation Advisory Committee (the "DCAC") administers the Plans and has the authority to determine all questions arising out of the administration, interpretation, and application of the Plans; and

WHEREAS, the DCAC has the authority to enter into agreements on behalf of the City for the administration of the Plans, for custodial agreements for funds, and for investments under the Plans where the fees to be paid under such an agreement are to be paid by the participants or where there is no amount to be paid by the City under the agreement; and

WHEREAS, the DCAC desires to obtain consultant services to assist the DCAC and Plans' staff related to the administration of the Plans; and

WHEREAS, Hyas Group LLC, has the necessary professional expertise and skill to perform such services.

NOW, THEREFORE, THE CITY AND CONSULTANT AGREE AS FOLLOWS:

## 1. AGREEMENT SCOPE

**1.1 General:** This Agreement sets forth the terms and conditions under which the Consultant will provide professional consulting services to the City.

**1.2 Exhibits:** This Agreement consists of this agreement form and the following exhibits, which are incorporated herein by reference:

**Exhibit A:** Scope of Basic Services

**Exhibit B:** Compensation

- Exhibit C:** Insurance Requirements
- Exhibit D:** Performance Guarantees
- Exhibit E:** Consultant's Firm Brochure and Privacy Notice

- 1.3 **DCAC:** "DCAC" means the Deferred Compensation Advisory Committee or the Deferred Compensation Advisory Committee designee.
- 1.4 **Business Days:** "Business Day" and "Business Days" means the day(s) on which City Hall is open to conduct business.
- 1.5 **Entire Agreement:** This Agreement is the final, complete and exclusive understanding of the parties as to the matters contained herein. It supersedes all prior communications and understandings regarding such matters.
- 1.6 **Amendments:** This Agreement may be modified only by a written amendment executed by the parties.

## 2. AGREEMENT TERM

The Agreement term is from April 1, 2020 to June 30, 2025, inclusive, unless terminated earlier pursuant to Section 19 below.

## 3. SCOPE OF SERVICES

- 3.1 **Basic Services:** "Basic Services" means the services set forth in **Exhibit A**. The Consultant must perform the Basic Services to the DCAC's satisfaction.
- 3.2 **Additional Services:** "Additional Services" means the following: (a) services that are included in the Basic Services but exceed the specified level of the Basic Services, or (b) services that relate but are not included in the Basic Services.
  - 3.2.1 **Authorization:** The City will not compensate Consultant for any Additional Services without the DCAC's prior written authorization.
  - 3.2.2 **Director's Authorization:** The DCAC may authorize the Consultant to perform Additional Services up to the cumulative, maximum amount set forth in **Exhibit B** for such services. The DCAC must authorize the Consultant to perform Additional Services through a written amendment executed by both parties. The written amendment must set forth the scope of the Additional Services, the schedule for completing such services, and the amount and method of compensating the Consultant for such services. The DCAC is authorized to execute the amendment for Additional Services for the City.

## 4. INTENTIONALLY OMITTED

## 5. CITY'S CONTRACT MANAGER

The City's contract manager for this Agreement is:

Name: Amy Morton	Phone No.: 408-205-4941
Department: Human Resources	E-mail: amy.morton@sanjoseca.gov
Address: 200 E. Santa Clara Street, San Jose, CA 95113	

The DCAC can change the above contract manager by giving the Consultant written notice.

## 6. CONSULTANT'S STAFFING

**6.1 Consultant's Contract Manager and Other Staffing:** Identified below are the following: (a) the Consultant's contract manager, and (b) the Consultant(s) and/or employee(s) of the Consultant who will be principally responsible for providing the Basic Services. If any individual identified below is required to file a Statement of Economic Interests, Form 700 ("Form 700"), and the individual does not have a current Form 700 on file with the City Clerk for a separate agreement with the City, the Consultant must comply with the requirements of Subsection 17.2 below.

		<u>Required to File Form 700?</u>		
		<b>Yes Already Filed (Insert Date Filed)</b>	<b>Yes Need to File</b>	<b>No</b>
<b><u>Consultant's Contract Manager</u></b>				
Name: Vincent Galindo	Phone No.: 503.929.9402	<u>X</u>		
Address: 108 NW 9th Avenue, Suite 203, Portland, Oregon 97209	E-mail: VGalindo@hyasgroup.com			
<b><u>Other Staffing</u></b>				
<u>Name:</u>	<u>Assignment:</u>			
1.				
2.				
3.				

**6.2 Contract Manager's Authority:** The Consultant's contract manager is authorized to act on behalf of the Consultant.

**6.3 Staffing Changes:** The DCAC's prior written approval is required for the Consultant to remove, replace or add to any of its staffing identified in this provision.

## 7. USE OF SUBCONSULTANTS

7.1 **Authority to Use:** Whichever of the following is marked applies to this Agreement:

- The Consultant can **not** use any subconsultants without the DCAC's prior written approval.
- The Consultant will use the following subconsultants for the specified areas of work. The Consultant can not remove, replace or add to any of the subconsultants identified in this provision without the DCAC's prior written approval.

Subconsultant's Name	Area of Work
1.	
2.	
3.	

7.2 **Subconsultant Work:** The Consultant warrants all services and deliverables provided by any subconsultants it uses, and represents that each such subconsultant is specially trained, experienced, and competent to perform its portion of the work.

## 8. INDEPENDENT CONTRACTOR

- 8.1 **General:** The Consultant has complete control over its operations and employees, and is an independent contractor. The Consultant is not an agent or employee of the City, and shall not represent or act as the City's agent or employee. The Consultant does not have any rights to retirement benefits or other benefits accruing to City employees, and expressly waives any claim it may have to any such rights.
- 8.2 **Subcontractors:** As an independent contractor, the Consultant has complete control over its subconsultants, subcontractors, suppliers, agents and any other person or entity with whom the Consultant contracts in furtherance of this Agreement (collectively "Subcontractors"). Subject to the requirements of Section 7 of this Agreement, the Consultant is solely responsible for selecting, managing and compensating its Subcontractors, and for ensuring they comply with this Agreement.
- 8.3 **Indemnity:** The Consultant shall place in each Subcontractor agreement indemnity obligations in favor of the City in the exact form and substance of those contained in Section 11 below.

## 9. STANDARD OF PERFORMANCE

- 9.1 **Consultant's Representation:** The Consultant represents that it possesses all necessary training, licenses and permits needed to perform the Basic Services. The Consultant represents that its performance of the Basic Services will conform to the standard of practice of a professional that specializes in performing professional services of a like nature and complexity.
- 9.2 **Fiduciary Responsibility:** The Consultant acknowledges and agrees that in providing services

described in the Basic Services, it is acting as an investment advisor fiduciary as defined in ERISA § 3(21) in rendering investment advice to the DCAC and Human Resources Staff based on the particular needs of the City as stated herein.

- 9.3 Proxy Voting:** The Consultant does not exercise proxy voting authority over the Plans' securities. The obligation to vote proxies at all times rests with the DCAC. However, the DCAC is not precluded from contacting the Consultant for advice or information about a particular proxy vote. However, the Consultant will not be deemed to have proxy voting authority as a result of providing such advice to the DCAC. Should the Consultant inadvertently receive proxy information for a security held in the Plans' accounts, Consultant will immediately forward such information to the DCAC, but will not take any further action with respect to the voting of such proxy. Upon termination of this Agreement, the Consultant will make a good faith and reasonable attempt to forward proxy information inadvertently received by the Consultant on the DCAC's behalf to the forwarding address provided by the City.
- 9.4 Risk:** The DCAC recognizes that there may be loss or depreciation of the value of any investment due to the fluctuation of market values. The DCAC represents that no party to this Agreement has made any guarantee, either oral or written, that the Plans' investment objectives will be achieved. The Consultant will not be liable for any error in judgment and/or for any investment losses in the absence of malfeasance, negligence or violation of applicable law. Nothing in this Agreement will constitute a waiver or limitation of any rights which the City may have under applicable state or federal law, including without limitation state and federal securities laws. This Section 9.4 Risk provision shall not limit the application of Section 11, Indemnification, in this Agreement.

## 10. COMPENSATION

- 10.1 Maximum Total Compensation:** The maximum amount to be paid to the Consultant for all professional fees, costs, charges and expenses related to performing Basic Services and any Additional Services is **\$286, 500** ("Maximum Total Compensation"). All professional fees, costs, charges and expenses related to performing Basic Services and any Additional Services in this Agreement are to be paid by the Plans' participants and no amount is to be paid by the City.
- 10.2 Intentionally Omitted.**
- 10.3 Exhibit B - Compensation:** The Maximum Total Compensation to be paid to Consultant will be in accordance with **Exhibit B**.
- 10.3.1 Compensation Table:** **Exhibit B** sets forth a compensation table establishing the manner in which the Maximum Compensation will be paid to the Consultant ("Compensation Table"). The Compensation Table is subject to the terms and conditions set forth below in Subsections 10.4 through 10.7.
- 10.3.2 Schedule of Rates and Charges:** If the Consultant will receive compensation for any Basic Services on a time-and-materials basis, then **Exhibit B** also sets forth a schedule of the Consultant's rates and charges ("Schedule of Rates and Charges"). The Schedule of Rates and Charges is subject to the following requirements:
- 10.3.2.1 Premium Pay:** "Premium Pay" is a special pay rate for working during times that are less desirable, such as weekends, holidays or late shifts. Consultant Premium Pay will not be paid under this Agreement.

**10.3.2.2** **No Increases:** The DCAC will **not** increase the Schedule of Rates and Charges during the Agreement term.

**10.3.2.3** **Conflict:** In the event of a discrepancy between this Section and the Schedule of Rates and Charges, this Section governs.

**10.4** **Compensation Table – Part 1:** Part 1 of the Compensation Table addresses compensation for the various tasks included in the Basic Services. The following terms and conditions apply to Part 1 of the Compensation Table.

**10.4.1 Invoice:** Consultant will submit invoices quarterly and each invoice must be received by the 10<sup>th</sup> of the month following the calendar year quarter. Each invoice must include sufficient information and supporting documents to establish to the DCAC's satisfaction that the Consultant is entitled to the payment requested. Payment of the undisputed portion of the invoice amount will be made within 20 Business Days of the DCAC's approval of such undisputed amount.

**10.4.2 Invoices Based on Time and Materials:** If time and materials is the basis of compensation, then the Consultant will base its invoice on the hours, professional fees, costs, and charges associated with the work completed during the invoice period. If the Consultant is entitled to reimbursable expenses and/or separate payment for subconsultant costs, the invoice will include such expenses and/or costs associated with the work completed during the invoice period. The City will compensate the Consultant in accordance with the Schedule of Rates and Charges included in **Exhibit B**.

**10.4.3 Monthly Invoices Based on Fixed Fee:** If the Consultant invoices monthly for a "fixed fee," then the Consultant will base its monthly invoice on the percentage of work completed during the previous month. If the Consultant is entitled to reimbursable expenses and/or separate payment for subconsultant costs, the invoice will include such expenses and/or costs incurred during the previous month.

**10.5** **Compensation Table – Part 2:** Part 2 of the Compensation Table indicates whether or not the Consultant will be reimbursed separately for expenses incurred in providing the work. The following terms and conditions apply if the Consultant is reimbursed separately for expenses.

**10.5.1 Subconsultants:** The cost of subconsultants is not treated as a reimbursable expense. Subsection 10.6 of this Agreement addresses payment for the cost of subconsultants.

**10.5.2 Maximum Amount of Reimbursable Expenses:** The Consultant will be reimbursed for expenses up to the maximum amount set forth in the last column of Part 2. Any expenses that the Consultant incurs in excess of the stated maximum are at no cost to the City.

**10.5.3 Expenses That Are Reimbursable:** Any reimbursement to the Consultant is limited to the expenses set forth below in the Reimbursable Expense Schedule. Reimbursement for these expenses will be at actual cost only unless a markup is specified.

Reimbursable Expense Schedule		Mark Up
1.	The cost of mailing, shipping and/or delivery of any documents or materials.	No Markup

2.	The cost of photographing, printing, reproducing and/or copying any documents or materials.	No Markup
3.	Telephone and facsimile transmission charges.	No Markup
4.	The rental of any specialized equipment to the extent the City's contract manager has preapproved, in writing, the cost of such rental.	As specified, not to exceed 10%
5.	With the written pre-authorization of the City's contract manager, mileage and other travel-related expenses to the same extent that the City reimburses its employees pursuant to the Employee Travel Policy (City Policy Manual, Sections 1.8.2 and 1.8.3). The Consultant acknowledges that it has received a copy of Sections 1.8.2 and 1.8.3 and is familiar with these sections of the Employee Travel Policy.	No Markup
6.	Any other expenses expressly identified in <b>Exhibit B</b> as being reimbursable.	As specified, not to exceed 10%

**10.6 Compensation Table – Part 3:** Part 3 indicates whether the Consultant will be compensated separately for subconsultant costs incurred in providing any part of the services. If the DCAC will compensate the Consultant for subconsultant costs, the DCAC will do so in accordance with the following terms and conditions.

**10.6.1 Actual Costs:** The Consultant can invoice the City for no more than the actual cost of each subconsultant plus a specified markup not to exceed 5 percent.

**10.6.2 Schedule of Rates and Charges:** Any subconsultant rates and charges set forth in the Schedule of Rates and Charges, if one is included in **Exhibit B**, must be the subconsultant's actual rates and charges exclusive of any markup. The Consultant will be compensated in accordance with those rates and charges.

**10.6.3 Maximum Amount:** The Consultant will be compensated for all subconsultants in a total amount not to exceed the amount set forth in the last column of Part 3. Any additional subconsultant costs that the Consultant incurs in excess of the specified maximum amount are at no cost to the City.

**10.7 Compensation Table – Part 4:** Part 4 sets forth the maximum compensation that the DCAC can authorize for Additional Services in accordance with Subsection 3.2 above. Any Additional Services performed by the Consultant that would result in compensation exceeding this maximum amount is at no cost to the City.

**10.8 Tax Forms Required:** The following are conditions on the City's obligation to process any payment pursuant to this Agreement:

**10.8.1 U.S. Based Person or Entity:** If the Consultant is a U.S. based person or entity, the Consultant acknowledges and agrees that the Consultant is required to provide the City with a properly completed Internal Revenue Service Form W-9 before the City will process payment. If the Consultant is a U.S. based person or entity, but has neither a permanent place of business in California nor is registered with the California Secretary

of State to do business in California, the Consultant acknowledges and agrees that the Consultant is required to provide the City with a properly completed California Franchise Tax Board form related to nonresident withholding of California source income.

**10.8.2 Non-U.S. Based Person or Entity:** If the Consultant is not a U.S. based person or entity, the Consultant acknowledges and agrees that the Consultant is required to provide the City with the applicable Internal Revenue Service form related to its foreign status and a California Franchise Tax Board form related to nonresident withholding before the City will process payment.

## 11. INDEMNIFICATION

**11.1 Obligation:** The Consultant shall defend, indemnify and hold harmless the City and its officers, employees and agents, including the DCAC, against all claims, losses, damages, injuries, expenses or liabilities that – directly or indirectly, or in whole or in part - arise out of, pertain to, or relate to any of the following:

- The Consultant's negligent performance of all or any part of the Basic Services and any Additional Services; or
- Any negligent act or omission, recklessness or willful misconduct of the Consultant, any of its Subcontractors, anyone directly or indirectly employed by either the Consultant or any of its Subcontractors, or anyone that they control; or
- Any infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark or any other proprietary right of any person(s) caused by the City's use of any services, deliverables or other items provided by the Consultant pursuant to the requirements of this Agreement; or
- Any breach of this Agreement.

**11.2 Limitation on Obligation:** The obligation in Subsection 11.1 above shall not apply to the extent that any claim, loss, damage, injury, expense or liability results from the sole negligence or willful misconduct of the City or its officers, employees or agents.

**11.3 Duty to Defend:** The Consultant's obligation in Subsection 11.1 above applies to the maximum extent allowed by law and includes defending the City, its officers, employees and agents as set forth in Sections 2778 and 2782.8 of the California Civil Code. Upon the City's written request, the Consultant, at its own expense, shall defend any suit or action that is subject to the obligation in Subsection 11.1 above.

**11.4 Insurance:** The City's acceptance of any insurance in accordance with Section 12 does not relieve the Consultant from its obligations under this Section 11. The Consultant's obligations under this Section 11 apply whether or not the insurance required by the Agreement covers any damages or claims for damages.

**11.5 Survival:** The Consultant's obligations under this Section 11 survive the expiration or earlier termination of the Agreement.

## 12. INSURANCE REQUIREMENTS

**12.1 General:** The Consultant shall comply with the insurance requirements set forth in **Exhibit C** for



the Agreement term.

- 12.2 Documentation:** Before performing any services, the Consultant must submit to the City's designated risk manager ("Risk Manager"), for the Risk Manager's written approval, all documents demonstrating compliance with the requirements of **Exhibit C**.
- 12.3 Changes:** The Risk Manager may amend or waive, in writing, any of the requirements contained in **Exhibit C**.

### **13. OWNERSHIP OF WORK PRODUCT**

- 13.1 Ownership:** The City owns all rights in and to any of the following work product (including electronic equivalents) without restriction or limitation upon their use, and immediately when and as created by the Consultant or any other person engaged directly or indirectly by the Consultant to perform the Consultant's services pursuant to this Agreement: reports, drawings, plans, data, software, models, documents or other materials developed or discovered (collectively "Work Product").
- 13.2 Copyright:** To the extent permitted by Title 17 of the United States Code, the Work Product is deemed a work for hire and all copyrights in such Work Product are the property of the City. In the event it is ever determined that any Work Product is not a work for hire under United States law, the Consultant hereby assigns to the City all copyrights to such works when and as created.
- 13.3 Intentionally Omitted.**
- 13.4 Consultant's Reuse:** With the DCAC's prior written consent, the Consultant may retain and use copies of the Work Product for reference and as documentation of experience and capabilities.

### **14. DISCLOSURE OF WORK PRODUCT**

- 14.1 Prohibition:** Except as authorized by the DCAC or as otherwise required by law, the Consultant shall not disclose any of the following to a third party: (a) Work Product, (b) discussions between the City and Consultant, or (c) information prepared, developed or received by the Consultant or any of its Subcontractors in the course of performing services pursuant to this Agreement.
- 14.2 Notification:** The Consultant will immediately notify the DCAC if it is requested by a third party to disclose any Work Product, discussions or information that the Consultant is otherwise prohibited from disclosing.
- 14.3 Limit on Prohibition:** The prohibition in Subsection 14.1 above does not apply to disclosures between the Consultant and its Subcontractors that are needed to perform the Basic Services.
- 14.4 Survival:** This Section 14 survives the expiration or earlier termination of this Agreement.

## 15. AUDIT/INSPECTION OF RECORDS

- 15.1 Retention Period:** The Consultant shall retain the following records (collectively "Records") for a minimum of 3 years from the date of the City's final payment to the Consultant under this Agreement or for any longer period required by law:
- All ledgers, books of accounts, invoices, vouchers, canceled checks, and other records relating to the Consultant's charges for performing services, or to the Consultant's expenditures and disbursements charged to the City; and
  - All Work Product and other records evidencing Consultant's performance.
- 15.2 Producing Records:** At any time during the Agreement term or during the period of time that the Consultant is required to retain the Records, the City Manager, the DCAC, the City Attorney, the City Auditor, or a designated representative of any of these officers may request, in writing, production of all or a portion of the Records. The Consultant shall produce the requested Records at City Hall during normal business hours, or at any other location and time mutually agreed upon by the parties. The Consultant shall produce the requested Records at no cost to the City.
- 15.3 State Auditor:** In accordance with Government Code Section 8546.7, the Consultant may be subject to audit by the California State Auditor with regard to the Consultant's performance of this Agreement if the compensation under this Agreement exceeds \$10,000.

## 16. NON-DISCRIMINATION/NON-PREFERENCE

- 16.1 Prohibition:** The Consultant shall not discriminate against, or grant preferential treatment to, any person on the basis of race, sex, color, age, religion, sexual orientation, actual or perceived gender identity, disability, ethnicity or national origin. This prohibition applies to recruiting, hiring, demotion, layoff, termination, compensation, fringe benefits, advancement, training, apprenticeship and other terms, conditions, or privileges of employment, subcontracting and purchasing.
- 16.2 Intentionally Omitted.**
- 16.3 Subcontracts:** The Consultant shall include Subsection 16.1 of this Agreement in each subcontract that it enters into in furtherance of this Agreement.

## 17. CONFLICT OF INTEREST

- 17.1 General:** The Consultant represents that it is familiar with the local and state conflict of interest laws, and agrees to comply with those laws in performing this Agreement. The Consultant certifies that, as of the Contract Date, it was unaware of any facts constituting a conflict of interest or creating an appearance of a conflict of interest. The Consultant shall avoid all conflicts of interest or appearances of conflicts of interest in performing this Agreement. The Consultant has the obligation of determining if the manner in which it performs any part of this Agreement results in a conflict of interest or an appearance of a conflict of interest, and shall immediately notify the City in writing if it becomes aware of any facts giving rise to a conflict of interest or the appearance of a conflict of interest.

**17.2 Filing Form 700:** In accordance with the California Political Reform Act (Government Code Section 81000 et seq.), the Consultant shall cause each person performing services under this Agreement, and identified as having to file a Form 700 to do each of the following:

- Disclose the categories of economic interests in Form 700 as required by the DCAC;
- Complete and file the Form 700 no later than 30 calendar days after the person begins performing services under this Agreement and all subsequent Form 700s in conformance with the requirements specified in the California Political Reform Act; and
- File the original Form 700 with the City's Clerk with a copy submitted to the DCAC.

**17.3 Future Services:** The Consultant acknowledges each of the following with regard to performing future services for the City:

- The Consultant's performance of the services required by this Agreement may create an actual or appearance of a conflict of interest with regard to the Consultant performing or participating in the performance of some related **future** services, particularly if the services required by this Agreement comprise one element or aspect of a multi-phase process or project;
- Such an actual or appearance of a conflict of interest would be a ground for the City to disqualify the Consultant from performing or participating in the performance of such future services; and
- The Consultant is solely responsible for considering what potential conflicts of interest, if any, performing the services required by this Agreement might have on its ability to obtain contracts to perform future services.

## **18. ENVIRONMENTALLY PREFERABLE PROCUREMENT POLICY**

**18.1 General:** The Consultant shall perform its obligations under the Agreement in conformance with City Council Policy 1-19, entitled "Prohibition of City Funding for Purchase of Single Serving Bottled Water," and City Council Policy 4-6, entitled "Environmentally Preferable Procurement Policy."

**18.2 Prohibition of City Funding for Purchase of Single Serving Bottled Water:** The City's policy is that City funds should not be used for the purchase of single-serving bottled water except for any of the following:

- Public safety emergencies, investigations and extended deployments or activation of the Office of Emergency Services;
- Situations where there is a high risk of cross-contamination with non-potable water; or
- Situations where there are no reasonable alternatives to bottled water, such as large public events and when large quantities of water need to be distributed for health and safety reasons.

An invoice seeking reimbursement for the cost of single-serving bottled water under one of the above exceptions must be accompanied by a waiver form provided by the City and signed by the DCAC.

**18.3 Environmentally Preferable Procurement Policy:** The Environmentally Preferable Procurement Policy, along with a brief policy description, is located on the City's website at the following link: <https://www.sanjoseca.gov/home/showdocument?id=12833> . Environmental procurement policies and activities related to the completion of Consultant's work will include, whenever practicable, but are not limited to:

- The use of recycled and/or recyclable products in daily operations (i.e. 30%, 50%, 100% PCW paper, chlorine process free, triclosan free hand cleaner, etc.);
- The use of Energy-Star Compliant equipment;
- The use of alternative fuel and hybrid vehicles, and implementation of protocols aimed at increasing the efficiency of vehicle operation;
- The implementation of internal waste reduction and reuse protocol(s); and
- Water and resource conservation activities within facilities, including bans on individual serving bottled water and the use of compostable food service products.

## 19. TERMINATION

- 19.1 For Convenience:** The DCAC may terminate this Agreement at any time and for any reason by giving the Consultant written notice of the termination. The written notice must set forth the effective date of the termination, which must be at least seven (7) Business Days' after the date of the written notice.
- 19.2 For Cause:** The DCAC may terminate this Agreement immediately upon written notice for any material breach by the Consultant. If the DCAC terminates the Agreement for cause and obtains the same services from another consultant at a greater cost, the Consultant is responsible for such excess cost in addition to any other remedies available to the City.
- 19.3 Delivery of Work:** If the DCAC terminates the Agreement – whether for convenience or for cause – the DCAC has the option of requiring the Consultant to provide to the City any finished or unfinished Work Product prepared by the Consultant up to the date of Consultant's receipt of the written notice of termination.
- 19.4 Compensation:** The Consultant will be paid the reasonable value of services satisfactorily rendered by the Consultant to the City up to the date of Consultant's receipt of the written notice of termination. For services to be "satisfactorily rendered," the DCAC must determine that the Consultant provided them in accordance with the terms and conditions of this Agreement. The DCAC will determine the reasonable value of satisfactorily rendered services based on the Compensation Table and any Schedule of Rates and Charges attached to this Agreement.
- 19.5 Receipt of Notice:** For purposes of this provision, the Consultant's receipt of the written notice of termination will be determined based on the date of actual receipt or based on Subsection 20.2 below, whichever occurs first.

## 20. NOTICES

- 20.1 Manner of Giving Notice:** All notices and other communications required by this Agreement must be in writing, and must be made via e-mail, personal service or United States mail, postage prepaid.
- 20.2 When Effective:** A notice or other communication that is e-mailed is effective when sent provided the sender receives an acknowledgement from the intended recipient (e.g. return receipt, return e-mail, or other written acknowledgement). A notice or other communication that is personally served is effective when personally delivered. A notice or other communication that is mailed is effective 3 calendar days after deposit in the United States mail.
- 20.3 To Whom Given:** All notices and other communications between the parties regarding the Agreement must be given to the individuals identified below using the appropriate contact information for giving notice:

To the City:                      City of San José  
   **Human Resources**  
   Attn: **DCAC**  
   **200 E. Santa Clara Street**  
   **San José, CA 95113**  
   **408-535-1285**  
   **HRBenefits@sanjose.gov**

To the Consultant:              **Hyas Group, LLC**  
   Attn: **Vincent Galindo**  
   **108 NW 9th Avenue, Suite 203**  
   **Portland, OR 97209**  
   **503-929-9402**  
   **VGalindo@hyasgroup.com**

- 20.4 Changing Contact Information:** Either party may change its contact information for receiving written notices and communications regarding the Agreement by providing notice of such change to the other party pursuant to this Section 20.

## 21. MISCELLANEOUS

- 21.1 Gifts Prohibited:** The Consultant represents that it is familiar with Chapter 12.08 of the San José Municipal Code, which generally prohibits a City officer or designated employee from accepting any gift. The Consultant shall not offer any City officer or designated employee any gift prohibited by Chapter 12.08. The Consultant's violation of this Subsection 21.1 is a material breach.
- 21.2 Disqualification of Former Employees:** The Consultant represents that it is familiar with Chapter 12.10 of the City's Municipal Code, which generally prohibits a former City officer and a former designated employee from providing services to the City connected with his/her former duties or official responsibilities. The Consultant shall not use either directly or indirectly any officer, employee or agent to perform any services if doing so would violate Chapter 12.10. The Consultant's violation of this Subsection 21.2 is a material breach.
- 21.3 Waiver of a Violation:** The City's waiver of any violation of this Agreement by the Consultant is not a waiver of any other violation by the Consultant.

- 21.4 **Acceptance of Services Not a Waiver:** The City's acceptance of any service or deliverable is not a waiver or release of any professional duty of care applicable to such service or deliverable, or of any right of indemnification, any insurance requirements, or any other term or condition of this Agreement.
- 21.5 **Compliance with Laws:** The Consultant shall perform all services consistent with all applicable federal, state and local laws, ordinances, codes and regulations. This obligation is not limited in any way by the Consultant's obligation to comply with any specific law, ordinance, code or regulation set forth elsewhere in this Agreement.
- 21.6 **Business Tax:** The Consultant represents and warrants that it currently has a City business tax certificate or exemption, if qualified, and will maintain such certificate or exemption for the Agreement term.
- 21.7 **Assignability:** Except to the extent this Agreement authorizes the Consultant to use subconsultants, the Consultant shall not assign any part of this Agreement without the DCAC's prior written consent. The DCAC, at the DCAC's discretion, may void this Agreement if a violation of this provision occurs.
- 21.8 **Governing Law:** California law governs the construction and performance of this Agreement.
- 21.9 **Disputes:** Any litigation resulting from this Agreement will be filed and resolved by a federal or state court in California.
- 21.10 **Survival of Provisions:** If a court finds any part of this Agreement unenforceable, all other parts shall remain enforceable.
- 21.11 **Headings:** The section and exhibit headings are for convenience only and are not to be used in its construction.
- 21.12 **Performance Guarantees:** The Consultant agrees to the terms of the Performance Guarantees (PGs) that are set forth in **Exhibit D**.
- 21.13 **Consultant's Firm Brochure and Privacy Notice:** The DCAC acknowledges receipt and has had an opportunity to review the Consultant's Firm Brochure and Privacy Notice that are attached hereto in **Exhibit E**.

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**IN WITNESS WHEREOF**, the City and Consultant have caused this Agreement to be executed by their respective duly authorized representatives as follows.

**NOTE:** The Consultant must make one of the following representations by placing its initials in the space provided. **The City will not process this Agreement unless the Consultant has initialed one of the provisions.**

JD

The Consultant certifies that the Consultant has a permanent place of business in California or is registered with the California Secretary of State to do business in California. The Consultant will file a California tax return and withhold on payments of California source income to nonresidents when required. If the Consultant ceases to have a permanent place of business in California or ceases to do any of the above, the Consultant will promptly notify the City at the address specified in Subsection 20.3 of this Agreement.

Or

— If the Consultant is unable to make the above certification, the Consultant acknowledges and agrees to provide the City with the applicable tax forms issued by the Internal Revenue Service and California Franchise Tax Board, as applicable, as specified in Section 10.8 of this Agreement.

City of San José

By \_\_\_\_\_

Name: **Julia Cooper** Date  
Title: Deferred Compensation Advisory  
Committee

Consultant

By Jayson Davidson

Name: **Jayson Davidson**  
Title: **Managing Partner**

Date 3/5/20

**Approval as to Form (City Attorney):**

**Form Approved by the Office of the City Attorney**

(Maximum Total Compensation is \$100,000 or less, and standard provisions of the form are not altered.)

**Approved as to Form:**

\_\_\_\_\_  
[Sr.] Deputy City Attorney Date

## EXHIBIT A: SCOPE OF BASIC SERVICES

(Non-Capital Projects)

The Consultant shall provide services and deliverables as set forth in this **Exhibit A**. The Consultant shall provide all services and deliverables required by this **Exhibit A** to the satisfaction of the DCAC.

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**General Description of Project:** Provide retirement plan consulting and investment advisory services for the City's Voluntary 457 Deferred Compensation plan ("457 Plan") and Mandatory, Social Security replacement 457 plan for part-time, temporary and contract employees ("PTC Plan"), (together referred to as the "Plans").

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The Consultant will provide the following services to the DCAC:

1. Professional Consulting Services
  - a. Review and make recommendations regarding the Plans' design and operations, fees, strategic goals, communication and detailed investment education programs, industry best practices for both internal and 457 plan service provider(s) procedures; and federal and state laws and regulatory changes.
  - b. Review the Plans and Plan Documents in light of changes in governing law, industry best practices, and other developments affecting 457 plan design and make recommendations for modifications to the Plans and Plan Documents.
  - c. Advise concerning industry and 457 plan sponsor trends (government sector), new investment products and developing industry best practices for both internal and external service provider functions.
  - d. Provide investment strategies for structuring a retirement investment program suitable to the long-term needs and risk tolerances of each of the Plans' participants.
  - e. Evaluate and make recommendations on a stability of principal investment product, including separate account structure, investment strategy, wrap provisions, performance, crediting rate, and fees.
  - f. Make recommendations and assist in evaluating other 457 plan options, such as IRAs or loan programs, as requested.
  - g. Make recommendations and assist in evaluating the self-directed brokerage account option and other investment options or choices. Provide training for the DCAC and staff on fiduciary duties, industry or regulatory developments, or other pertinent topics, as requested by the DCAC.
  - h. Other matters as requested by the DCAC or Human Resources staff.



## 2. Contract Administrative Services

- a. Upon request of the DCAC, act as an intermediary with the record keeper, investment managers, vendors, and Human Resources staff, including participating in problem resolution and strategic planning.
- b. Monitor and evaluate the City's agreements with the Plans' record keeper and investment provider(s) to include reviewing contracts and recommending changes, overseeing day-to-day contract administration, monitoring and evaluating providers in terms of agreed-upon performance measures (i.e., customer service response time, VRU response time, distribution of statements to participants, and distribution of employer reports to participants), and guarantees and resolving discrepancies between provider performance and contract agreement.
- c. Develop, implement, and review the performance measures for the Plans' provider(s). Report on the status of provider performance measures to the City within three (3) months of receipt of the performance measure reports from the providers.

## 3. Investment Policy, Fund Searches, and Committee Oversight and Support

- a. As requested, assist the CITY in the re- structuring and development of any changes to the DCAC roles and responsibilities.
- b. Assist the DCAC in the formulation and on-going review of policies and procedures pertaining to the Plans' investment options and administration.
- c. Evaluate and make recommendations to the DCAC regarding the Plans' investment options and potential modifications to the Plans' investment structures or investment options.
- d. Perform quarterly and annual review and report to the DCAC on the performance of the investment options provided under the Plans against the benchmarks designated in the Investment Policy and Procedures Statement ("Investment Policy") or other designated benchmarks applicable to each Plan.
- e. Develop and periodically review and update the 457 Plan's Investment Policy for selection of appropriate investment fund managers, mutual funds or other suitable investments within the framework determined by the Plan, including the asset classes that may be offered through the Plans, criteria for selection of individual investment options and monitoring their performance; and the procedures and standards for review and replacement of investment options.
- f. Manage a "watch list" of investment options for the 457 Plan pursuant to the Investment Policy, including monitoring which investment options should be added to the list pursuant to the Investment Policy, monitoring their status; as needed, conducting comprehensive reviews of these investment options; and recommending removal of such investment options from the watch list or a search for an alternate investment.
- g. Perform searches and recommend alternative investment options as needed pursuant the Investment Policy or as requested by the DCAC and assist in the coordination of investment fund changes.
- h. Update the DCAC on developments in the financial services industry and financial market and provide analysis and recommendations with respect to such developments.

- i. Provide necessary materials/handouts for meetings to staff prior to the DCAC meetings, as requested, for staff to comply with the Brown Act and the City's Sunshine Reform Act; generally, 15 days in advance of the meeting.
- j. Review and disseminate information on legislation that affects retirement and deferred compensation plans, and provide legislative updates, as well as input to DCAC and staff regarding questions about legislation; make recommendations regarding impact of legislation on plan documents and administrative guidelines.
- k. Provide written legislative updates to the DCAC and at each DCAC meeting, and other written materials or handouts as required to respond to DCAC or Human Resources staff requests for information.
- l. Attend all regularly scheduled quarterly DCAC meetings, subcommittee, and special meetings, and meetings with the staff, as requested.
- m. Provide written reports, memos, and/or meeting handouts as required to facilitate decision making, including outline of possible alternatives, recommendation, and reason(s) for recommendations.
- n. Evaluate investment options and performance of investments; provide written reports to the DCAC semi-annually.

#### 4. Investment Review Services

- a. The Consultant will provide semi-annual written investment performance review reports and review each report with the DCAC. The report will include the following:
  - i. An economic overview and general market conditions for the reporting period.
  - ii. A comparison of each investment option's performance to appropriate market indices and universes of similarly managed vehicles, consistent with the benchmarks for that asset class established in the Investment Policy Statement.
  - iii. Verification of investment style consistency for each investment option, consistent with that asset class.
  - iv. A measurement of the risk characteristics of each investment option.
  - v. Historical performance with a focus on consistency.
  - vi. Morningstar or equivalent ratings.
  - vii. Comments on manager tenure and on the utilization of funds among participants.
  - viii. A review of expenses and returns of each fund option.
  - ix. An analysis of the extent to which investment policies have been carried out and how they have affected actual fund performance.
  - x. Recommendations for alternatives to address any of the above.
  - xi. Glossary of investment-related terms used in report.
  - xii. A summary of findings and recommendations based on the strengths and/or weaknesses of individual funds.

5. Request for Proposal (RFP) Development, Evaluation, and Contract Assistance
  - a. Consult with the DCAC and staff regarding RFP goals and policy issues, including:
    - i. Current market services and trends.
    - ii. Appropriateness of various service delivery and fee structures given the Plan's or Plans' size and characteristics.
  - b. Provide consultation regarding the RFP process, including:
    - i. Develop RFPs for services related to the Plans
    - ii. Prepare specifications, time schedules, criteria, and tools for evaluating proposal responses,
  - c. Assist in advertising and distribution of the RFP, obtaining quotes and proposals.
  - d. Provide a comprehensive, detailed report analyzing and comparing all proposals, including recommendations with supporting detail. The report must include an evaluation of each firm's ability to record keep the Plan's or Plans' fund options on its record keeping platform and an in-depth analysis of any semi-bundled investment options and contract finalization process.
  - e. Attend Evaluation Committee Meetings and finalist interviews.
  - f. Provide support for contract negotiations and finalization process.
  
6. Service Provider Transition Services
  - a. Develop strategies to successfully migrate the current investment options, investment managers and record-keeping services to any selected service provider.
  - b. Review and make recommendations regarding education and participant training materials developed by the selected Plan's or Plans' service provider for completeness and accuracy.
  - c. As required, assist in meeting with or making presentations to various Plan stakeholder groups related to any new service provider and the transition process.
  - d. Assist in the execution of other related transition duties, as requested by the DCAC or Human Resources staff.
  - e. Develop, implement, and review the performance measures for the Plans' service provider. Report on the status of the service provider's performance measures to the DCAC and Human Resources staff within three (3) months of receipt of the performance measure reports from the provider.

7. Additional Services

- a. Occasionally, the Consultant may be expected to provide:
  - i. Additional professional services, assist with other technical issues, or contribute to reports that are not addressed elsewhere in this Scope of Basic Services.
- b. These additional services may be performed on an as-needed basis per a schedule mutually agreed upon by the DCAC and the Consultant.
- c. To the extent that such services exceed the scope of this Agreement, fees will be negotiated with the Consultant on an as-needed basis and the Agreement will be amended.

## EXHIBIT B: COMPENSATION

### Section 1 – Compensation Table

**Part 1 – Compensation for Basic Services**

The maximum amount of compensation to be paid to the Consultant under this Agreement for the period of sixty three (63) months from **April 1, 2020 through June 30, 2025**, shall not exceed **Two Hundred Eighty-Six Thousand Five Hundred Dollars (\$286,500)**.

The chart below summarizes the compensation to be paid to the Consultant each fiscal year during the term of this Agreement:

Fiscal Year	Total
April 1, 2020 - June 30, 2020	\$13,500
July 1, 2020 – June 30, 2021	\$54,000
July 1, 2021 – June 30, 2022	\$54,000
July 1, 2022 – June 30, 2023	\$54,000
July 1, 2023 – June 30, 2024	\$55,500
July 1, 2024 – June 30, 2025	\$55,500
<b>TOTAL</b>	<b>\$286,500</b>

**Part 2 – Reimbursable Expenses**

<input checked="" type="checkbox"/> No expenses are separately reimbursable. The amount(s) in Part 1 include(s) payment for all expenses.	<input type="checkbox"/> Expenses are separately reimbursable in accordance with Subsection 10.5 of this Agreement. The maximum amount of reimbursable expenses is:	<div style="text-align: center; font-size: 24pt;">\$</div>
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**Part 3 – Subconsultant Costs**

<input checked="" type="checkbox"/> Subconsultant costs are <b>not</b> separately compensable. The amount(s) in Part 1 include(s) payment for subconsultants.	<input type="checkbox"/> Subconsultant costs are separately compensable in accordance with Subsection 10.6 of this Agreement. The maximum amount of compensation for subconsultant costs is:	\$
<b>Part 4 – Additional Services</b>		
<input checked="" type="checkbox"/> No money is budgeted for Additional Services, and the DCAC can not authorize any Additional Services for additional cost.	<input type="checkbox"/> The DCAC may authorize the Consultant to perform Additional Services up to the following maximum amount:	\$
<b>Maximum Total Compensation</b> (sum of Parts 1 through 4):		<b>\$286,500</b>

**Section 2 – Schedule of Rates and Charges**

- Omitted.** No Schedule of Rates and Charges is included because the City will not be compensating the Consultant for any Basic Services on a “time & materials” basis.
- The following is the Schedule of Rates and Charges applicable to this Agreement:

**Contract Maximum**

The total amount of compensation to be paid to the Consultant under this Agreement shall not exceed a total cost of Two Hundred Eighty-Six Thousand Five Hundred Dollars (\$286,500).

## EXHIBIT C: INSURANCE REQUIREMENTS

CONSULTANT, at CONSULTANT's sole cost and expense, shall procure and maintain for the duration of the AGREEMENT(s) insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the services hereunder by CONSULTANT, its agents, representatives, employees or subcontractors.

### A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. The coverage provided by Insurance Services Office Commercial General Liability coverage ("occurrence") Form Number CG 0001; and
2. The coverage provided by Insurance Services Office Form Number CA 0001 covering Automobile Liability. Coverage shall be included for all owned, non- owned and hired automobiles; and
3. Workers ' Compensation insurance as required by the California Labor Code and Employers Liability insurance; and
4. Professional Liability Errors & Omissions for all professional services.

There shall be no endorsement reducing the scope of coverage required above unless approved by the CITY's Risk Manager.

### B. Minimum Limits of Insurance

CONSULTANT shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit; and
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage; and
3. Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the California Labor Code and Employers Liability limits of \$1,000,000 per accident; and
4. Professional Liability Errors & Omissions \$1,000,000 per occurrence/aggregate limit.

### **C. Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to, and approved by CITY's Risk Manager. At the option of CITY, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CITY, its officers, employees, agents and contractors; or CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the CITY's Risk Manager.

### **D. Other Insurance Provisions**

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages

a. The CITY of San Jose, its officers, employees, agents, and contractors are to be covered as additional insureds as respects: Liability arising out of activities performed by or on behalf of, CONSULTANT; products and completed operations of CONSULTANT; premises owned, leased, or used by CONSULTANT; and automobiles owned, leased, hired, or borrowed by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents, and contractors.

b. CONSULTANT's insurance coverage shall be primary insurance as respects CITY, its officers, employees, agents, and contractors. Any insurance or self-insurance maintained by CITY, its officers, employees, agents, or contractors shall be excess of CONSULTANT's insurance and shall not contribute with it.

c. Any failure to comply with reporting provisions of the policies by CONSULTANT shall not affect coverage provided CITY, its officers, employees, agents, or contractors.

d. Coverage shall state that CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

e. Coverage shall contain a waiver of subrogation in favor of the CITY, its officers, employees, agents, and contractors.

2. Workers' Compensation and Employers' Liability

Coverage shall contain waiver of subrogation in favor of the CITY of San Jose, its officers, employees, agents and contractors.

3. All Coverages

Each insurance policy required by the AGREEMENT shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or reduced in limits except after thirty



(30) days' prior written notice has been given to CITY, except that ten (10) days' prior written notice shall apply in the event of cancellation for nonpayment of premium.

**E. Acceptability of Insurers**

Insurance is to be placed with insurers acceptable to CITY's Risk Manager.

**F. Verification of Coverage**

CONSULTANT shall furnish CITY with certificates of insurance and with original endorsements affecting coverage required by this AGREEMENT. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Proof of insurance shall be either emailed in pdf format to: [Riskmgmt@sanjoseca.gov](mailto:Riskmgmt@sanjoseca.gov), or mailed to the following postal address or any subsequent address as may be directed in writing by the Risk Manager:

CITY of San Jose-Finance Risk Management  
200 East Santa Clara Street, 14th Floor Tower  
San Jose, CA 95113-1905

**G. Subcontractors**

CONSULTANT shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor.

## EXHIBIT D: PERFORMANCE GUARANTEES

### Performance Guarantee Agreement

The Consultant’s performance will be reviewed quarterly and formally reviewed at the end of each calendar year during the term of the Agreement. Because changes may occur during the calendar year that can impact priorities, the Consultant and the DCAC reserve the right to discuss appropriate corrective action to meet performance expectations. The Consultant agrees to provide a performance guarantee to the City as specified in the following Performance Guarantee table.

The total amount of Fees at Risk for the Consultant under this Agreement is fifty percent (50%) of the annual fees due to the Consultant. The calculation and payment of Fees at Risk are described below.

The Consultant is responsible for requesting a quarterly performance report from the DCAC and will schedule a meeting to review the report within two weeks from receipt.

The measurement methodology will be on a five-point rating as follows:

- 5=Completely Satisfied
- 4=Very Satisfied
- 3=Satisfied
- 2=Somewhat Satisfied
- 1=Dissatisfied

PERFORMANCE GUARANTEES			
Performance Guarantee Category	Performance Guarantee	Measurement Methodology	Score
<b>CUSTOMER SERVICE</b>			<b>Total Fee at Risk 20%</b>
	Maintains calendar of tasks and responsibilities and project plans/timelines	Rating by DCAC on a scale of 1-5	
	Staffs the professional services set forth in the Scope of Services with consultants with appropriate skill set	Rating by DCAC on a scale of 1-5	
	Provides services/deliverables as promised and as expected by the DCAC	Rating by DCAC on a scale of 1-5	
	Advocates for the City with any vendor issues/disputes	Rating by DCAC on a scale of 1-5	
	Attends scheduled meetings on time	Rating by DCAC on a scale of 1 to 5	
	Communicates effectively	Rating by DCAC on a scale of 1 to 5	
	Provides necessary support to Staff	Rating by DCAC on a scale of 1 to 5	
<b>RESPONSIVENESS</b>			<b>Total Fee at Risk 10%</b>
	Calls and e-mails from the City are responded to within 24 hours	Rating by DCAC on a scale of 1-5	
	Resolves issues quickly and completely	Rating by DCAC on a scale of 1-5	

	Anticipates DCAC's and Staff's needs	Rating by DCAC on a scale of 1-5	
	Follows through on all requests from the DCAC and Staff	Rating by DCAC on a scale of 1-5	
<b>REPORTING AND CONTRACTS</b>		<b>Total Fee at Risk</b>	<b>20%</b>
	All agreed upon deliverables are provided on time	Rating by DCAC on a scale of 1-5	
	All RFP Work Plan milestones are completed by target dates	Satisfactory performance is measured by adherence to the implementation timetable mutually agreed upon by the Consultant and DCAC	
	Successfully negotiate DCAC vendor contracts and associated costs	Rating by DCAC on a scale of 1 to 5	
	Reports and all other information provided by the Consultant is thoroughly reviewed and is accurate	Rating by DCAC on a scale of 1 to 5	
	Reports and all other information are professionally prepared and presented	Rating by DCAC on a scale of 1 to 5	
<b>CALCULATION AND PAYMENT OF FEES AT RISK</b>			
<p>Starting July 1, 2020, penalties ("Fees at Risk"), if any, will be calculated quarterly for each calendar year of the Agreement period. To avoid penalties, the average score in each Performance Guarantee category must be a 3 or higher. The total amount of the penalties assessed shall be no more than fifty (50) percent of the annual fees due to the Consultant during each year of the Agreement. The Fees at Risk will be paid in the form of adjustments to the following fiscal year's fees. Any negative invoice amounts will be carried forward.</p>			

## EXHIBIT E: Consultant's Firm Brochure and Privacy Notice



**HYAS GROUP**  
— INVESTMENT ADVISORS —

Form ADV Part 2A, Firm Brochure

### **Hyas Group, LLC**

108 NW 9th Avenue, Suite 203

Portland, OR 97209

971-634-1500

SEC File No. 801-69938

CRD Number 149122

March 29, 2019

**Form Name:** Consultant Agreement (Non-Capital Projects)

Exhibit E: Consultant's Firm Brochure

**Form/File No.:** 1348123/T-32026

**City Attorney Approval Date:** September 2016

This brochure provides information about the qualifications and business practices of Hyas Group LLC (“Hyas” or “Adviser”). If you have any questions about the contents of this brochure, please contact us at 971-634-1500 or [mruppelt@hyasgroup.com](mailto:mruppelt@hyasgroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Hyas Group, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Hyas Group is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2 - Material Changes** Pursuant to SEC Rules, this Brochure is reviewed on an ongoing basis for necessary revisions. The changes made since our last annual version are:

Item 4, on page 2, we have updated the client assets under management.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Michelle Ruppelt, Chief Compliance Officer at 971-634-1508 or [mruppelt@hyasgroup.com](mailto:mruppelt@hyasgroup.com).

Additional information about Hyas is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Hyas who are registered, or are required to be registered, as investment adviser representatives of Hyas.

### Item 3 -Table of Contents

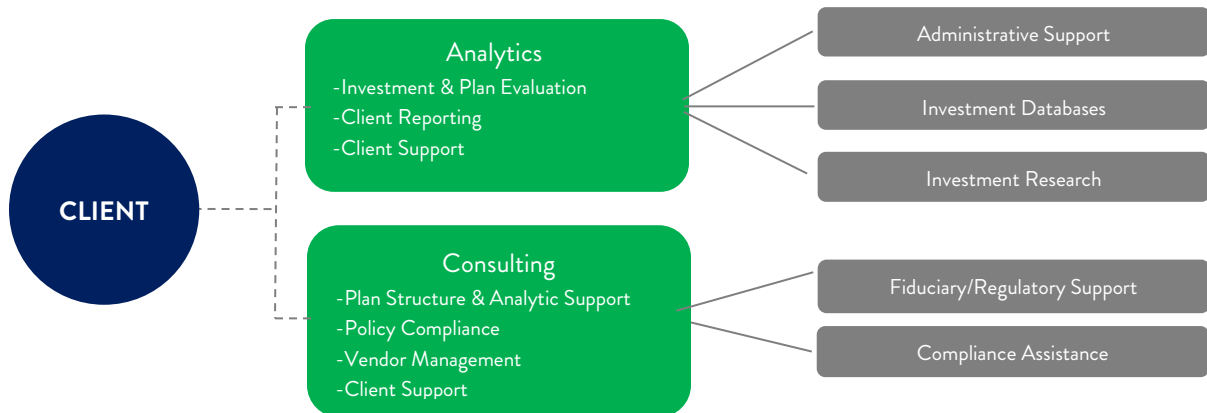
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## Item 4 – Advisory Business

The Hyas Group is an independent investment consulting firm that provides services largely to institutional investors including defined contribution and defined benefit retirement plan clients along with endowments and foundations. Founded in 2008, the firm is structured as a Limited Liability Company (LLC) and is wholly owned by three senior consulting partners. The firm has only one line of business, the investment consulting business. The sole office location is in Portland, Oregon and there are no Hyas Group parents, subsidiaries or affiliates.

The Hyas Group partners have over 60 years of combined experience serving clients in an institutional investment consulting capacity and the firm has been providing investment consulting services since its founding. The Hyas Group offers a wealth of consulting experience to all major plan structures. Corporate, governmental and non-profit plan sponsors have all sought the analytical skills and fiduciary support services offered by the firm.

The overall organizational structure is summarized as follows:



### Advisory Services and Fees

Hyas Group, LLC. (“Hyas Group”) provides two primary types of services, described below, through its Investment Advisor Representatives (IARs). Our clientele includes committee directed plans such as Defined Benefit Pension Plans and OPEB Trusts, and participant direct plans such as 401, 403(b) and 457 Plans.

### Investment Advisory Services

Hyas performs a broad array of investment advisory services for its clients. Not all clients choose to receive all potential services. The potential services include, but are not limited to, review of an existing investment policy statement or assistance in creating an investment policy statement, plan performance reporting, asset allocation modeling, analysis of current investment options and portfolio structure, portfolio rebalancing and investment manager searches.

We also offer discretionary portfolio management services. When utilizing this service, as with all clients, we work with them to create and/or review their investment policy statement, review their current asset allocation,

investment manager allocation and manager performance. The ongoing manager selection and strategic rebalancing within the investment policy ranges are managed in-house by the Hyas Group.

#### Advice and Consulting not Involving Securities

Many of the services that Hyas Group performs for clients are not investment advisory in nature. These services include, but are not limited to, consulting with investment committees, pension plan review and analysis, fiduciary education and training, plan fee and revenue analysis, vendor search projects, and reporting on investments and pension plan results. The specific services that Hyas Group performs for a client are described in a written agreement with each client.

Hyas Group currently advises approximately \$24.3 billion in client assets. Hyas Group has discretion over approximately \$64 million in client assets.

#### **Item 5 – Fees and Compensation**

Hyas Group charges some clients a fee based upon the size or value of assets under the advice relationship which may include portfolios that are a part of overall assets. Assets will be valued on the last day calendar quarter. Quarterly fees are calculated and charged in arrears, after services have been performed. The actual rate would vary depending upon the scope of services the client requests Hyas Group to perform. This fee is described in the written agreement entered into between the client and Hyas Group.

The client acknowledges and agrees that fees payable to Hyas Group may if the client desires to do so, be automatically deducted from the client's account.

In cases when the advisory agreement does not span the full billing period, fees are prorated from the date of inception or through the date of termination. The Advisor or client may terminate the investment advisory agreement at any time with written notice to the advisor at their main office.

#### Fixed Fees

In some cases, Hyas Group will perform services for clients where the cost is set and agreed to with the client in advance of performing the service. The exact cost of the service would depend upon the complexity and scope of the service to be performed. Hyas Group, LLC enters into a written agreement that explains the services to be performed and an estimate of the cost to complete the service. Fees are normally paid upon delivery of the specific work product. If either party terminates the fixed fee engagement, the client is responsible to compensate Hyas Group for work done on a prorata basis, based upon the number of days the services was provided in the quarterly billing period.

#### Other Fees

The above-referenced fees charged by Hyas Group do not include brokerage commissions and other costs related to the execution of transactions on behalf of clients. Such costs will be paid by advisory clients in addition to the fees discussed above. Clients are also responsible for asset management fees and plan or account administration fees paid to custodians and broker-dealers. These fees are disclosed in the disclosure document or agreements in the custodian's account opening documents. Clients are also responsible for margin interest, wire transfer fees,



safe keeping fees and other special services provided by the broker-dealer, transfer agent, or custodian and disclosed by the custodian at the time the client opens their account(s) or when service is requested.

For some clients, we recommend investment vehicles such as Limited Partnerships or Limited Liability Companies (e.g. real estate, hedge funds). These investments have fees such as annual management fees that the client is also responsible for. Each investment manager states their various fees within the subscription documents and/or offering memorandum.

### Investment Company Fees

Investment company funds that are held by clients will bear their own internal transaction and execution costs, as well as directly compensate their investment managers along with internal administrative services. Some funds pay 12b-1 fees, Distribution Fees, and or Shareholder Service Fees to broker-dealers that offer such funds to their clients. These charges affect the Net Asset Value of these fund shares and are thus indirectly borne by fund shareholders such as a Hyas Group client. Some fund companies have imposed a redemption fee. A redemption fee is another type of fee that some funds charge their shareholders when shares are sold or redeemed within a short period of time from the purchase of the fund shares. Although a redemption fee is deducted from redemption proceeds just like a deferred sales load, it is not considered to be a sales load. Unlike a sales load, which is generally used to compensate brokers, a redemption fee is typically used to defray fund costs associated with a shareholder's redemption and is paid directly to the fund, not to a broker. The SEC generally limits redemption fees to 2%. In most cases, the funds will use the "first-in, first-out" (FIFO) method to determine the holding period. Under this method, the date of the redemption will be compared with the earliest purchase date of shares held in the account.

A complete explanation of these charges is contained in the prospectus and "Statement of Additional Information" for each investment company fund. You can get a prospectus from the investment company (through its website or by telephone or mail). Your financial professional or broker can also provide you with a copy.

### **Item 6 - Performance-Based Fees**

It is the Company's policy not to charge clients based upon the performance of their accounts except where the growth in an account will affect an asset based fee (size of the account).

### **Item 7 - Types of Clients**

The Hyas Group provides investment consulting services to municipalities, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, and high net worth individuals.

### **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

The investment review process at the Hyas Group is continuous and ongoing. Our team reviews mutual funds and other investment vehicles on both a predetermined and impromptu basis. We rely on a number of databases to house our investment return data as well as attribution systems. The databases include mutual funds, commingled funds, insurance products, separate accounts as well as alternative products such as hedge funds.

Our reporting capabilities, analytics resources and manager contacts generally include the following resource tools and data bases:

- Morningstar Direct – which provides extensive mutual fund or separate account data including peer group, performance and holdings information
- Institutional data-base subscriptions – Barclays Capital (formerly Lehman Brothers), Standard & Poors, Russell and MSCI/Barra all provide data for the compilation of our reports.
- InvestorForce – which provides manager and total plan universe information, index information and software for report production.

These databases can be used for screening a multitude of investment products. The databases make more than 100 screening factors available. Statistical and regression analysis is also performed using the databases. This allows us to analyze portfolios over multiple time periods versus relative benchmarks as well as compare investments on a side-by-side basis. In this quantitative review, we also compare risk and value-add statistics such as standard deviation, alpha, beta and up/down market capture. All of these tools, when taken in concert with an assessment of underlying securities holdings and sector allocations, allow us to feel confident in the total evaluation of the products in which our clients invest.

Our research process is not limited to databases alone. We also provide qualitative assessments of the investment products we recommend to our clients by meeting with investment managers face-to-face and conducting regular conference calls with the individuals responsible for managing and servicing the specific investment vehicles we are evaluating. We feel strongly that active investment performance is driven by skilled people and, therefore, we analyze the manager's philosophy, process and personnel in order to have a firm grasp on the skill sets offered by different managers.

The conversations will typically involve

- 1) a discussion of the dynamics of the investment team,
- 2) strategy,
- 3) firm structure,
- 4) portfolio construction and
- 5) performance attributions.

Often these meetings help facilitate frank discussions with the portfolio managers which help us provide **the most** accurate and up-to-date information available.

While some risk is inherent in any investment, we believe that it is imperative that risk be managed appropriately. Thorough review of volatility and risk adjusted return can also add value when properly considered. For each of our client's available investment options we'll analyze risk-related measures such as beta, standard deviation, alpha, up-market capture and down-market capture. It is our expectation that all funded products provide a competitive risk adjusted return. Therefore each product is reviewed with that expectation in mind.

### Investment Strategy

At the outset of our working with a Client, we review a Client's risk profile, portfolio goals and/or requirements (such as income), which results in an Investment Policy Statement (either newly crafted or a review and possible

revision of an existing IPS.) As part of that process, we analyze the Asset Allocation of the portfolio, and propose any recommended changes. We then work on implementation of their IPS/Asset Allocation Study, using research methodologies noted previously, identifying and funding managers which we believe to best meet the Client's IPS and risk profile.

### Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. In addition, the investment managers and/or funds that we recommend are also subject to the same domestic and global economic variables, and therefore are subject to the same risk of loss. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way a guarantee of future performance.

### **Item 9 - Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Hyas Group or the integrity of Hyas Group's management. Hyas Group has no information applicable to this Item.

### **Item 10 - Other Financial Industry Activities and Affiliations**

Hyas Group does not receive revenue from any money management firms, recordkeepers or other retirement plan service providers. Our only compensation is that which we receive directly from our clients.

Hyas Group and its representatives may provide services to clients that are not investment advisory in nature. These services may include reporting on investments and account or plan assets, consulting on noninvestment matters, education, vendor search projects, and performance review and evaluation.

### **Item 11 - Code of Ethics**

Hyas Group will provide a copy of its Code of Ethics to clients or prospective clients upon their request.

### **Item 12 - Brokerage Practices**

Hyas Group does not have any business interests with any brokerage firms nor do they receive any soft dollars or other compensation for recommending any brokerage firms, custodians, mutual funds, or investment managers.

For those accounts over which we have discretion, having the client assets held at one custodian, whether bank, trust company, or brokerage firm, enables us to manage the portfolio, including review, place trades, compile performance reports, and answer client questions, in as efficient manner as possible. If the client doesn't currently have a custodian, we may recommend a custodian, one possible option being Charles Schwab. But as stated above, we receive no compensation for recommending Charles Schwab or any other custodian. Schwab has been recommended as they provide an extensive mutual fund platform and nearly all our investment managers have trading agreements with Schwab. In addition, they have a robust internet presence, including trading software, custodial information easily accessed by Hyas Group and the clients, a strong support staff assisting with trading, client and technology servicing questions and issues.

### Directed Brokerage

If a client has an established relationship with a custodian, we will place trades with that custodian, which is considered directed brokerage. This directed brokerage arrangement potentially (1) limits Hyas Group's ability to seek best execution and negotiate commissions; (2) limits the clients' ability to participate in aggregated trades; and, as a result, (3) may cost the client more money.

### Trade Allocation

Hyas Group has a Trade Allocation Policy, which addresses allocating securities, including IPOs and Private Placements, and/or recommendations among clients. The formula must provide a fair and equitable basis for allocations and be consistently applied to all clients. Prior to the allocation of securities by Hyas, we will determine if a client's investment objectives and suitability requirements qualify the client for participation in purchasing a specific security, IPO or Private Placement. If the client qualifies for participation in the purchase of a specific security, IPO or Private Placement, Hyas Group will allocate a certain percentage of the total allocation to each qualified client based upon the following formula:

The formula is based upon dividing the total shares or amount allocated by the total number of qualified clients and their assets under management. For example, if the total allocation to Hyas Group is 1,000,000 shares and Hyas Group has ten (10) clients that qualify for a percentage of the allocation and each client has a total of \$1,000,000 under management with Hyas Group, each client will receive an allocation of 100,000 shares.

Note that Hyas Group may exclude certain clients from the allocation if the trade allocation would be "de minimus" or so small as not to be in the client's best interest.

### **Item 13 - Review of Accounts**

Performance reports are produced for the client either on a quarterly, semi-annual, or annual basis with the nature and format of the review process matched to the type of plan (Defined Contribution, Defined Benefit, Endowment, etc.) and the unique needs of each client. Frequency of reports is addressed in each client's agreement with Hyas Group. Broadly defined, the process covers a review of the plan's asset allocation or plan construction, individual investment manager and total account performance reviews, plan utilization rates and participant account balances, and review of investment costs. Client reports are designed to clearly reflect manager and account performance relative to the client's specific investment policy. Performance reports contain a comprehensive evaluation of the plan's investment options relative to investment policy. Color graphics illustrates manager diversification, historical asset allocation and performance versus the relevant indices over differing lengths of time. A statistical section provides an analysis of manager characteristics including sector/quality exposure and market weights. Interpretive text shows how these characteristics impact risk and return and what that means to the investment program.

Our reports include global market commentaries at the end of each calendar quarter. These commentaries provide a broad economic and market overview as well as specific fixed income, equity and international risk and return insight.

Further, the Hyas Group closely monitors plan utilization rates and average participant account balances to assess each plan's investment and structural effectiveness. We provide comparative statistics for similar sized plans as well

as a calculated, overall plan and asset class returns for each of our client accounts each quarter. This plan return allows for further comparison of the equity and fixed income participant investment weightings and demonstrates the offered investment options compare, on the whole, to those offered by other clients and industry averages.

The client performance reports are compiled by various analytical staff members of the firm with final reviews completed by Jayson Davidson, Managing Director of Consulting Services and Senior Consultant; Dale Parker, Director of Analytical Services; Brian Loescher, Director of Research; Greg Settle, Senior Consultant; Scott Faris, Senior Consultant; and Vincent Galindo, Senior Consultant.

#### **Item 14 - Client Referrals and Other Compensation**

Hyas Group does not compensate any client or person for client referrals.

#### **Item 15 - Custody**

Hyas Group does not maintain custody of client funds or securities. Client assets are held by mutual fund companies, banks, trust companies, brokerage firms, or other custodial institutions.

Client is urged to compare the statements it receives from the custodian with the reports it receives from Hyas.

#### **Item 16 - Investment Discretion**

Hyas Group has received discretionary authority from a few clients at the outset of the advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Hyas Group observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Hyas Group's authority to trade securities may also be limited by certain federal securities and tax laws that require diversifications of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Hyas Group in writing.

#### **Item 17 - Voting Client Securities**

Hyas Group provides investment management services to clients that include, among others, corporate and public pension plans, foundations, and endowments. Unless otherwise stated in the client agreement, Hyas does not vote proxies for clients. For those clients over which Hyas has discretion and therefore has proxy voting authority, Hyas considers proxy voting an important part of those management services. As such, Hyas seeks to vote the proxies of mutual funds and/or securities held by clients in the best interest of those clients.

Hyas believes the best interests of clients are served by voting proxies in a way that maximizes long term shareholder value. Therefore, the investment professionals responsible for voting proxies have the discretion to make the best decision given the individual facts and circumstances of each issue. Proxy issues are evaluated on their merits and considered in the context of the professional's knowledge of a mutual fund or company, its current management, management's past record and Hyas's general position on the issue.

As the management of a portfolio company is responsible for its day-to-day operations, Hyas believes that management, subject to the oversight of the relevant board of directors, is often in the best position to make decisions that serve the interest of shareholders. However, Hyas votes against management on proposals where it perceives a conflict may exist between management and client interests, such as those that may insulate management or diminish shareholder rights. Hyas Group also votes against management in other cases where the facts and circumstances indicate that the proposal is not in its clients' best interests.

Upon client request, Hyas will provide reports of its proxy voting record as it relates to the securities held in the client's account(s) for which Hyas has proxy voting authority.

### **Item 18 - Financial Information**

Hyas Group does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Additionally, we must disclose any financial condition that could impair our ability to fulfill our agreement with our clients. Hyas Group has no such financial condition to disclose. Neither have we even been the subject of any bankruptcy proceeding.

### **Additional Information**

#### Privacy Statement

We, like other professionals who advise on personal financial matters are required by federal law to inform their clients of their policies regarding the privacy of client information.

In the course of providing our clients with certain advice, we may receive nonpublic personal financial information from our clients, their accountants and other representatives, such as financial statements, tax returns and other personal information. All nonpublic personal information that we receive regarding our clients or former clients is held in strict confidence in accordance with our professional obligations, and is not released to people outside the Firm, except with your consent or as required by law or to explain our actions to professional organizations that we are members of. We may share certain information with third parties who assist us in providing our services to you (such as administrative and client service functions) or marketing services, as permitted by law, subject to the obligation of these third parties not to use or disclose such information for any other purpose.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases to comply with professional guidelines. In order to guard your nonpublic personal information from unauthorized disclosure, we maintain physical, electronic and procedural safeguards.

If your financial situation, goals or risk tolerance has changed since you last notified us in writing, please contact us immediately.



**HYAS GROUP**  
— INVESTMENT ADVISORS —

Form ADV Part 2B,  
Brochure Supplement

**Hyas Group, LLC**

108 NW 9th Avenue, Suite 203

Portland, OR 97209

971-634-1500

SEC File No. 801-69938

CRD Number 149122

February 18, 2020

This brochure provides information about the qualifications and business practices of Hyas Group LLC (“Hyas” or “Adviser”). If you have any questions about the contents of this brochure, please contact us at 971-634-1500 or [mruppelt@hyasgroup.com](mailto:mruppelt@hyasgroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Hyas Group, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Hyas Group is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 1

**Jayson Allen Davidson**

This Brochure Supplement provides information about Jayson Davidson that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer, if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Jayson Davidson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1973

Education after High School: Bachelor of Science, University of California at Berkeley, 1996

Business background:

2008 – present, Managing Partner and Director of Consulting Services at Hyas Group, LLC

2002 – 2008, Senior Investment Consultant at Arnerich Massena & Associates

1997 – 2002, Consultant at ICMA-RC

Professional Designations: Mr. Davidson has earned the right to use the Chartered Financial Analyst (CFA) designation. Additionally, he is a member of the Charter Financial Analyst (CFA) Institute and the National Association of Government Defined Contribution Administrators (NAGDCA).

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Davidson's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt.



Item 1

**Brian James Loescher**

This Brochure Supplement provides information about Brian Loescher that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Brian Loescher is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1969

Education after High School: Bachelor of Science, Finance, University of Nebraska, 1993

Business background:

2009 – present, Managing Partner, CIO and Director of Research at Hyas Group, LLC

1999 – 2009, Director of Research at Arnerich Massena & Associates

1997 – 1999, Research Analyst at R.V. Kuhns & Associates

1995 – 1997, Performance Systems specialist, West One Trust Co.

Professional Designations: Mr. Loescher has earned the right to use the Chartered Financial Analyst (CFA) designation and is a member of the Portland Society of Financial Analysts, Portland Alternative Investment Association and the CFA Institute.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Loescher's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

## **Gregory Thomas Settle**

This Brochure Supplement provides information about Greg Settle that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Greg Settle is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1957

Education after High School: Bachelor of Science, Portland State University, 1983

Business background:

2010 – present, Investment Consultant at Hyas Group, LLC

2008 – 2010, Consultant at Aon Investment Consulting

2007 – 2007, Consultant at Northwest Capital Management

1992 – 2007, Consultant (1992-1996) and Vice President (1997-2007) at ICMA RC

1988 – 1992, Director, Deferred Compensation Plan Services, The New England Co

1984 – 1988, Representative, The Holden Group/Security First Group

Professional Designations: Mr. Settle has passed the Chartered Financial Analyst (CFA) Exam 1 (of 3). Additionally he is a member of National Association of Government Defined Contribution Administrators (NAGDCA). He currently holds the Ser. 65 license and has passed the NASD Series 7, 63 and 28 exams, though those designations were allowed to lapse when Mr. Settle entered the consulting industry in 2007.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Settle's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Scott Allen Faris**

This Brochure Supplement provides information about Scott Faris that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Scott Faris is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1953

Education after High School: Bachelor of Science, Montana State University, 1977  
J.D., William Mitchell College of Law, 1988

Business background:

2011 – present, Investment Consultant at Hyas Group, LLC

2008 – 2011, Consultant, Towers Watson Investment Services

2005 – 2008, Consultant, Principal, Northwest Capital Management

1997 – 2005, Consultant, Arnerich Massena & Associates

1990 – 1997, Associate, William M. Mercer

Professional Designations: Mr. Faris has earned the right to use the Chartered Financial Analyst (CFA) designation. Additionally, he is a member of the Charter Financial Analyst (CFA) Institute and the National Association of Government Defined Contribution Administrators (NAGDCA).

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Faris' work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**P. Vincent Galindo**

This Brochure Supplement provides information about Vincent Galindo that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Vincent Galindo is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1970

Education after High School: Bachelor of Arts, University of California at Berkeley, 1995

Business background:

2014 – present, Investment Consultant at Hyas Group, LLC

2005 – 2014, Investment Consultant, Arnerich Massena & Associates

2004 – 2005, Education Consultant, Arnerich Massena & Associates

2003 – 2004, Investor Information Coordinator, Oregon Division of Finance & Corporate Securities

2001 – 2003, Financial Advisor, Waddell & Reed Inc

1999 – 2001, Analyst, Thomas Weisel Partners

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Galindo's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Edward “Ned” Kenneth Taylor**

This Brochure Supplement provides information about Ned Taylor that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group’s Brochure or if you have any questions about the contents of this supplement.

Additional information about Ned Taylor is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1975

Education after High School: Bachelor of Arts, Willamette University, Salem, Oregon, 1997

Business background:

2016 – present, Investment Consultant at Hyas Group, LLC

2010 – 2016, Investment Consultant, Standard Retirement Services

2008 – 2016, Registered Investment Advisor, Stancorp Investment Advisers

2006 – 2016, Registered Representative, Stancorp Equities

2001 – 2005, Financial Advisor, Columbia Financial Center

1998 – 2001, Retirement Plan Consultant, Executive Financial Group

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Taylor’s work, including investment advice and interaction with clients is monitored periodically by review of his client’s performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Rasch Michael Cousineau**

This Brochure Supplement provides information about Rasch Cousineau that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Rasch Cousineau is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1972

Education after High School: Bachelor of Arts, Marist College, Poughkeepsie, NY, 1994

Business background:

2016 – present, Investment Consultant at Hyas Group, LLC

1997 – 2016, V.P., Institutional Sales, ICMA-RC Services

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Cousineau's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Thomas Joseph Breaden**

This Brochure Supplement provides information about Tom Breaden that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Tom Breaden is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1982

Education after High School:

Bachelor of Science in History and Economics, University of Oregon, Eugene, OR 2004

Master of Science in Economics, Portland State University, Portland, OR 2007

Business background:

2018 - present, Director of Analytics at Hyas Group, LLC.

2011 - 2018, Senior Analyst at Hyas Group, LLC

2006 - 2011, Director of Research, Heintzberger Payne

Professional Designations: Mr. Breaden has earned the right to use the Chartered Financial Analyst (CFA) designation and is a member of the Portland Society of Financial Analysts, Portland Alternative Investment Association and the CFA Institute.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Breaden's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Audrey Ellen White**

This Brochure Supplement provides information about Audrey White that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer, if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Audrey White is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1977

Education after High School: Bachelor of Arts, University of Oregon, 1999

Business background:

2019 – present, Investment Consultant at Hyas Group, LLC

2005 – 2019, Senior Relationship Manager, Morley Capital Management

1999 – 2005, Sales and Marketing, AIG Financial Advisors, Inc

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Ms. White's work, including investment advice and interaction with clients is monitored periodically by review of her client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt and Director of Consulting Services, Jayson Davidson.



Item 1

**Theodore “Ted” Patrick Grigsby**

This Brochure Supplement provides information about Ted Grigsby that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer, if you did not receive Hyas Group’s Brochure or if you have any questions about the contents of this supplement.

Additional information about Ted Grigsby is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1978

Education after High School: Bachelor of Science, Business & Finance, University of Oregon, 2001

Business background:

2020 – present, Investment Consultant at Hyas Group, LLC

2007 – 2019, Director and Advisor, Human Investing

2001 – 2005, Business Analyst, Franklin-Templeton Investments

Professional Designations:

CIMA “Certified Investment Management Analyst”, 2018

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Grigsby’s work, including investment advice and interaction with clients is monitored periodically by review of her client’s performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt and Director of Consulting Services, Jayson Davidson.



108 NW 9<sup>th</sup> Ave #203  
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[hyasgroup.com](http://hyasgroup.com)

## Hyas Group, LLC Privacy Notice

We, like other professionals who advise on personal financial matters are required to inform our clients of our policies regarding the privacy of client information.

In the course of providing our clients with certain advice, we may receive nonpublic or personal financial information from our clients, their accountants and other representatives, such as financial statements, tax and income information and other financial information. All nonpublic or personal information that we receive regarding our clients or former clients is held in strict confidence in accordance with our professional obligations, and is not released to people outside the Firm, except with your consent or as required by law or to explain our actions to professional organizations that we are members of. We may share certain information with non-affiliated third parties who assist us in providing our services to you (such as administrative and client service functions) or marketing services, to advise you of our services, subject to the obligation of these third parties not to use or disclose such information for any other purpose.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic or personal information from unauthorized disclosure, we maintain physical, electronic and procedural safeguards.