Employee Pension Board of Trustees
Pension Board Meeting Agenda
October 6, 2020
4:30 PM
Online Meeting

Zoom Web Link: https://us02web.zoom.us/j/83653267384

Zoom by Phone: 1 312 626 6799 Meeting ID: 83653267384

Call to Order

Approve Agenda

New Business

- **Creve Coeur Pension Discretionary Sunpointe Agreement**
- **Resolution for Pension Fund Advisory**

Adjournment

Services Agreement with the City of Creve Coeur Employee Pension Plan

This Agreement is entered into effective October 20, 2020 by and between **City of Creve Coeur Employee Pension Plan** hereinafter **"CCCEPP"** and **Sunpointe, LLC**, an SEC registered investment adviser and Missouri limited liability company ("SUNPOINTE") with its principal place of business at 7751 Carondelet Avenue, Suite 702, St. Louis, Missouri 63105.

WHEREAS, CCCEPP desires to obtain limited discretionary advisory services;

WHEREAS, SUNPOINTE desires to provide limited discretionary advisory services to CCCEPP as more fully set forth herein;

NOW, THEREFORE, in consideration of the foregoing and the covenants and conditions set forth in this agreement, the parties hereto agree as follows:

I. **SUNPOINTE'S Responsibilities to CCCEPP.** SUNPOINTE agrees to undertake the following responsibilities and obligations with respect to CCCEPP:

a) Objectivity. Sunpointe agrees not to accept or receive any commission or other payments from any source relating to the services provided to CCCEPP pursuant to this Agreement. In other words, since SUNPOINTE is to be compensated under this Agreement only as is stated in Exhibit II, the purpose of this limitation is to preclude payment from other sources to SUNPOINTE related to said services to CCCEPP.

b) Confidentiality. SUNPOINTE agrees to maintain to the fullest extent permitted by law the confidentiality of all information provided by or obtained from CCCEPP related to all matters of CCCEPP, except as necessary to provide advisory services under this Agreement. All information from CCCEPP is deemed confidential by SUNPOINTE and its officers, employees, agents and representatives.

c) Limited Discretionary Services. SUNPOINTE shall provide limited discretionary investment advisory services involving the strategic allocation of assets and investment manager recommendations in accordance with CCCEPP's investment policies (collectively, the "Services"). Sunpointe accepts limited discretionary authority with respect to the Client, within written policy guidelines established by Client, to manage the asset allocation and manager roster. By granting Sunpointe discretionary authority with the signing of this Agreement, Sunpointe may execute purchases and sales without client consent prior to each transaction.

In performing its duties hereunder, Sunpointe may from time to time engage on the Client's behalf the services of a particular investment manager by means of investment in shares of a mutual fund, exchange-traded fund (ETF) or other investment vehicle managed by such investment manager.

In connection therewith,

i. Client acknowledges that the purchase and sale of shares or interests in such investment, Sunpointe is acting solely as an investment adviser and not directly or indirectly as an agent or broker on behalf of Client.

ii. All fees paid to Sunpointe for services under this Agreement are separate and distinct from the fees and expenses charged by mutual funds to their shareholders, and from those fees charged by money managers, banks, custodians and all other vendors of investment services. These fees and expenses are described in each fund's prospectus or in such vendor's literature.

iii. Limited Discretionary services to be provided within Client approved guidelines include:

a. Investment policy statement development and review

b. Asset allocation study

c. Portfolio management

d. Manager selection, monitoring and replacement

e. Monthly Portfolio Appraisal Report

f. Meet with Client Board at least quarterly

g. Rebalance portfolio as needed

h. Initiate trades for client

d) <u>Additional SUNPOINTE Services</u>. SUNPOINTE will also provide services beyond limited discretionary investment services including but not limited to fee analysis and other services, all of which shall be considered as part of the Services, as set forth on Exhibit I to this Agreement.

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II. **<u>CCCEPP's Responsibilities</u>.** CCCEPP agrees to undertake the following responsibilities and obligations with respect to SUNPOINTE:

a) <u>CCCEPP's Information</u>

i) In order to provide advisory services, CCCEPP agrees to provide various financial and related information as SUNPOINTE may reasonably request. SUNPOINTE shall not be held responsible for the completeness, timeliness and/or accuracy of the data and information CCCEPP furnishes to SUNPOINTE.

ii) CCCEPP agrees to advise all managers, custodians and other parties to list SUNPOINTE as an "Interested Party" on all confirmations and statements, to enable SUNPOINTE to provide performance reports in an expeditious manner.

iii) CCCEPP agrees that all CCCEPP data on SUNPOINTE's computer system and in SUNPOINTE's files shall remain the property of CCCEPP alone and must be returned if CCCEPP demands that SUNPOINTE do so. At any time, SUNPOINTE's work product can be timely provided to CCCEPP upon reasonable request.

iv) CCCEPP agrees to compensate SUNPOINTE for the services rendered by SUNPOINTE under this Agreement in accordance with the current fee schedule attached hereto as Exhibit II, wherein payments to SUNPOINTE shall be made as quarterly in advance payments, using the most recent statement of assets for CCCEPP with respect to its current providers. All expenses relating to management of the investments of the Client, including asset management fees, brokerage commissions, transfer taxes and any other fees and expenses in the purchase, sale or other disposition of the investments, are the sole responsibility of CCCEPP.

III. **<u>CCCEPP's Transactions</u>**. SUNPOINTE may initiate for Client such transactions as may be necessary or appropriate in order to rebalance the portfolio in light of Client's objectives and policies, performance by the investment managers and other market conditions and factors as are deemed relevant by Sunpointe.

Client understands and agrees that Sunpointe's duties and responsibilities under this agreement do not include advising on or voting proxies on behalf of the client. Client expressly retains the authority and responsibility for voting any such proxies.

Client currently uses the services of Charles Schwab for custody of its assets. While Sunpointe has a reasonable belief that Charles Schwab is able to obtain good execution and has competitive brokerage prices, Sunpointe will not independently seek best execution price capability through other broker dealers. In directing Charles Schwab to make trades, Sunpointe will not have authority to negotiate commissions or obtain volume discounts and best execution may not be

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achieved. In addition, a disparity in commission charges may exist between the commissions charged to Client and to other advisory clients of Sunpointe.

IV. **Representations and Warranties**. CCCEPP hereby represents and warrants to SUNPOINTE as follows: (i) CCCEPP has the requisite legal capacity and authority to execute, deliver and to perform its obligations under this Agreement; (ii) this Agreement has been duly authorized, executed and delivered by CCCEPP and is the legal, valid and binding agreement between CCCEPP and SUNPOINTE, enforceable against CCCEPP in accordance with its terms; (iii) CCCEPP's execution of this Agreement and the performance of its obligations hereunder does not conflict with or violate any provision of the governing documents of CCCEPP or any obligations by which CCCEPP is bound, whether arising by contract, operation of law or otherwise.

SUNPOINTE likewise represents and warrants to CCCEPP as follows: (i) SUNPOINTE has the requisite legal capacity and authority to execute, deliver and to perform its obligations under this Agreement; (ii) this Agreement has been duly authorized, executed and delivered by SUNPOINTE and is the legal, valid and binding agreement between SUNPOINTE and CCCEPP, enforceable against SUNPOINTE in accordance with its terms; and (iii) SUNPOINTE's execution of this Agreement and the performance of its obligations hereunder does not conflict with or violate any provision of the governing documents of SUNPOINTE or any obligations by which SUNPOINTE is bound, whether arising by contract, operation of law or otherwise.

V. **Advice to Other Clients**. CCCEPP understands that SUNPOINTE may perform advisory services for other clients and receive compensation for said services. SUNPOINTE may give advice or take action in performing its duties to other clients or for its own accounts that differs from the advice given or the timing of or nature of any action taken or not taken for the CCCEPP. CCCEPP understands that SUNPOINTE provides investment advice and investment consulting services, research and investment analyses to other clients.

VI. **Risk Acknowledgement; Indemnification; Limitation of Liability**.

a) CCCEPP's Risk Acknowledgement. SUNPOINTE does not guarantee the future performance of any Investment, the success of any investment decision or strategy that SUNPOINTE may use, or the success of SUNPOINTE's overall advice to CCCEPP. CCCEPP understands that investment decisions made for the Client, whether by CCCEPP or by SUNPOINTE at CCCEPP's direction, are subject to market, currency, economic, political and/or other business risks, and that those decisions will not always be profitable.

b) Limitation of Liability. CCCEPP acknowledges that SUNPOINTE will be acting with a limited power of attorney for trading purposes. SUNPOINTE does not expressly or implicitly guarantee investment results or the success of any investment strategy that SUNPOINTE may recommend. CCCEPP acknowledges that there is no guarantee that CCCEPP's

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investment objectives will be achieved, and that there may be loss or depreciation of the value of any investment due to the fluctuation of market values. CCCEPP agrees that, in the absence of SUNPOINTE's negligence, malfeasance, or violation of applicable ERISA law, SUNPOINTE shall not be held liable for underperformance relative to the Client's investment policy; for any loss resulting from any act or omission of any custodian, broker-dealer or any other third party selected by the CCCEPP, or recommended by SUNPOINTE using reasonable due care; or for any other loss incurred in the course of or in connection with providing services under this Agreement. Nothing herein shall constitute a waiver or limitation of any rights that CCCEPP may have under any federal or state securities laws.

VII. **Governing Law**. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Missouri without giving effect to any state's choice-of-law rules that may require the application of the laws of another jurisdiction. Each party, for itself and its successors and assigns, hereby expressly and irrevocably consents to the exclusive jurisdiction of the state and federal courts in St. Louis, Missouri for the confirmation and enforcement of any arbitration award or for any litigation which may arise out of or be related to this Agreement. Both CCCEPP and SUNPOINTE waive personal service of any and all process, and each consents that all service of process may be made by Registered Mail, Return Receipt Requested, directed to a party at its proper address

VIII. **Effectiveness of Agreement and Termination**. This Agreement shall be effective as of the Effective Date and shall remain in effect for a period of three years and shall automatically renew for successive one year periods thereafter until terminated as provided herein upon written notice by either party. Termination of this Agreement shall be without penalty. Upon termination, fees due to SUNPOINTE shall be pro-rated to the date of final distribution.

Either Party may terminate this Agreement at the close of any calendar quarter by written notice to the other party for any reason upon written or electronic notice delivered thirty (30) days.

When a copy of the Brochure Document(s) is not provided to the client at least 48 hours prior to signing the contract(s), client has five business days in which to cancel the contract, without penalty. Any unearned fees paid in advance will be refunded to the Client pro-rated from the effective date of termination.

IX. **Electronic Delivery Consent**.

a) SUNPOINTE Electronic Deliveries. Notwithstanding any other provisions of this Agreement, CCCEPP hereby acknowledges and agrees that SUNPOINTE may deliver communications and documents by electronic means rather than orally or by traditional mailing of paper copies. By consenting to the electronic delivery of all information relating to the

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Client, CCCEPP acknowledges possessing the technical ability and resources to receive electronic delivery of documents through the e-mail address or a website, and authorizes SUNPOINTE to deliver all communications by e-mail to such e-mail address provided by CCCEPP, or by posting the communication to an applicable website. CCCEPP further agrees that SUNPOINTE may provide in any electronic medium (including via e-mail address delivery or posting on an applicable website) any recommendation, disclosure or document that is required by applicable securities laws or this Agreement to be provided by SUNPOINTE, and that use of any one method permitted under this Agreement for communications with CCCEPP shall be sufficient to satisfy any delivery requirement hereunder. The consent granted herein will last until revoked or such information is otherwise amended by CCCEPP. In the event that no e-mail address is provided to SUNPOINTE by CCCEPP, then CCCEPP agrees that SUNPOINTE may deliver communications and documents orally or by traditional mailing of paper copies.

b) CCCEPP Electronic Deliveries. CCCEPP hereby acknowledges and agrees that SUNPOINTE may rely on electronic communications received from CCCEPP to perform the non-discretionary investment activities and all other Services pursuant to this Agreement. The consent granted herein or therein will last until revoked by CCCEPP or such information is otherwise amended by CCCEPP. In the event that no e-mail address is provided to SUNPOINTE by CCCEPP, or CCCEPP does not otherwise want to deliver investment directives via electronic means, then CCCEPP agrees that it must deliver the investment directives via traditional writing. CCCEPP acknowledges that SUNPOINTE will not act at CCCEPP's direction to perform Services based on oral communications.

X. **No Duty to Verify; CCCEPP's Authority**. Where this Agreement is signed by more than one person representing CCCEPP, this includes information and instructions provided by only one such person, and SUNPOINTE shall have no duty or obligation to verify any such information or instructions with any other signatory to this Agreement. The person signing this Agreement for CCCEPP represents that he or she has been authorized to do so by appropriate action of CCCEPP. CCCEPP is required to inform SUNPOINTE of any event that might affect such authority or the propriety of this Agreement.

XI. **Interpretation; Severability**. Each provision of this Agreement is severable from the others. Should any provision of this Agreement be found invalid or unenforceable, such provision shall be ineffective only to the extent required by law, without invalidating the remainder of such provision or the remainder of this Agreement. Further, to the extent permitted by law, any provision found invalid or unenforceable shall be deemed automatically redrawn to the extent necessary to render it valid and enforceable.

XII. **Waiver; Counterparts**. No provision of this Agreement may be waived except by an instrument signed by the party against whom the enforcement of such

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waiver is sought, and then only to the extent set forth in such instrument. This Agreement may be executed in one or more counterparts, and by use of pdf, facsimile or other electronic signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

XIII. **Assignment; Successors and Assigns**. Neither party may assign this Agreement without the prior written consent of the other party.

XIV. **Entire Agreement**. This Agreement, together with the Exhibits referenced herein, sets forth the entire agreement between the parties and supersedes any and all prior agreements between the parties, whether oral or written. This Agreement may not be amended, modified, or altered except by written agreement signed by both CCCEPP and SUNPOINTE.

XV. Receipt of Form ADV Part 2A, 2B, 3 and Privacy Policy.

CCCEPP acknowledges receipt of Parts 2A, 2B and 3 (“Form CRS”) of Form ADV and Privacy Policy.

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IN WITNESS WHEREOF, each of the parties has caused this Agreement to be signed by a duly authorized representative as of the Effective Date.

City of Creve Coeur Employee Pension Plan

By: ________________________

Name:______Michael Karasick___

Title:_______________________

Address:___300 N. New Ballas Rd. ___
____

City, State Zip: ____Creve Coeur, MO 63141

____
CLIENT E-MAIL ADDRESS TO BE USED FOR ELECTRONIC COMMUNICATIONS:

____

SUNPOINTE, LLC

By:_________________________

Name: Jack Dwyer____________

Title: Managing Director________

EXHIBIT I

Service Options

Service Description	Index Only, Limited Consulting	Active Manager Research, Limited Consulting	Index Only, Full Consulting	Active Manager Research, Full Consulting	Services
Annual Fee	$30,000	$40,000	$40,000	$50,000	
Service Options	A	B1	B2	C	
	Yes	Yes	Yes	Yes	Investment policy statement (IPS) development
	Yes	Yes	Yes	Yes	Asset allocation recommendations
	Yes	Yes	Yes	Yes	Portfolio management within Client approved guidelines
	Yes	Yes	Yes	Yes	Index Manager Selection, monitoring and replacement
	No	Yes	No	Yes	Active Manager Selection, monitoring and replacement
	Yes	Yes	Yes	Yes	Initiate Trades
	Yes	Yes	Yes	Yes	Load Historical Data (if desired)
	Yes	Yes	Yes	Yes	Meet at least two times per year
	Yes	Yes	Yes	Yes	Customized Performance Reporting
	Yes	Yes	Yes	Yes	Monthly Portfolio Appraisal Report
	Yes	Yes	Yes	Yes	Prepare rebalancing spreadsheets
	No	Yes	Yes	Yes	Assist with account opening with investment managers
	Yes	Yes	Yes	Yes	Annual Fee Analysis
	No	No	Yes	Yes	Glidepath Consulting

EXHIBIT II

CURRENT FEE SCHEDULE

As of the execution date of this agreement, the CCCEPP service option selected is Option A. In the future, should CCCEPP desire additional services, the fees for such services are according to the schedule in Exhibit I.

Current Fee for CCCEPP: $30,000 per annum

The first, prorated, invoice (for the fourth quarter) of $5,887.10 will be due on 10/20/2020.

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RESOLUTION NO. 2020 - 1

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE DEFINED BENEFIT RETIREMENT PLAN FOR EMPLOYEES OF THE CITY OF CREVE COEUR, MISSOURI AUTHORIZING THE EXECUTION OF AN AGREEMENT FOR PROFESSIONAL SERVICES TO PROVIDE PENSION FUND ADVISORY SERVICES

WHEREAS, THE BOARD OF TRUSTEES ISSUED A REQUEST FOR PROPOSAL (RFP) TO PROVIDE PENSION FUND ADVISORY SERVICES, AND

WHEREAS, SUNPOINTE INVESTMENTS SUBMITTED A PROPOSAL MEETING ALL THE REQUESTED SERVICES, AND

WHEREAS, SUNPOINTE INVESTMENTS HAS EXPERIENCE IN THESE AREAS IN THE PUBLIC SECTOR, AND

WHEREAS, THE BOARD OF TRUSTEES HAS DETERMINED THAT THE FEES PROPOSED BY SUNPOINTE INVESTMENTS APPEAR REASONABLE.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE DEFINED BENEFIT RETIREMENT PLAN FOR EMPLOYEES OF THE CITY OF CREVE COEUR, MISSOURI, THAT:

SECTION 1 – THE BOARD OF TRUSTEES ON BEHALF OF THE DEFINED BENEFIT RETIREMENT PLAN HEREBY APPROVES THE AGREEMENT ATTACHED HERETO AS **EXHIBIT A**, AUTHORIZING SUNPOINTE INVESTMENTS TO PROVIDE SERVICES AS OUTLINED IN THEIR PROPOSAL.

SECTION 2 – THE BOARD OF TRUSTEE AUTHORIZES THE PENSION BOARD CHAIRMAN TO SIGN THE AGREEMENT AS ATTACHED HERETO AS **EXHIBIT A**.

SECTION 3: THAT THE COST OF SUCH SERVICES PER THE AGREEMENT IS $30,000 PER YEAR FOR INDEX ONLY, LIMITED CONSULTING, PASSIVE MANAGEMENT PORTFOLIO, WITH OCTOBER BEING PRORATED ($887.10) AND THE AGREEMENT BEING YEARLY STARTING OCTOBER 20, 2020.

SECTION 3: THIS RESOLUTION SHALL TAKE EFFECT UPON APPROVAL BY THE BOARD OF TRUSTEES.

ADOPTED THIS ___ DAY OF OCTOBER 2020.

____
MICHAEL KARASICK,
CHAIRMAN OF BOARD OF TRUSTEES

____
LORI OBERMOELLER, DIRECTOR OF FINANCE
CITY OF CREVE COEUR
STAFF LIASION