

**City and County of San Francisco
San Francisco City and County Employees' Retirement System
1145 Market Street, 5th Floor
San Francisco, California 94103**

**Agreement between the City and County of San Francisco
and
[Insert name of Actuary]**

This Agreement is made this [insert day] day of [insert month], [insert year], by and between the San Francisco City and County Employees' Retirement System ("SFERS") and [name of Actuary] ("Actuary") (each a "Party" and collectively the "Parties").

Recitals

WHEREAS, SFERS is a duly established and existing public retirement system created under the Charter of the City and County of San Francisco; and

WHEREAS, SFERS wishes to procure consulting actuarial services from Actuary; and

WHEREAS, Actuary represents and warrants that it is qualified to perform the Services required by SFERS as set forth under this Agreement; and

WHEREAS, Actuary was competitively selected pursuant to a Request for Proposals ("RFP") for Actuarial Consulting Services issued in January 2026; and

WHEREAS, this Agreement is for actuarial services and is exempt from Civil Service Commission review pursuant to the 2023 Policy of the Civil Service Commission on Personal Service Contracts; and

Now, THEREFORE, the Parties agree as follows:

Article 1 Definitions

The following definitions apply to this Agreement:

1.1 "Agreement" means this contract document, including all attached appendices, and all applicable City Ordinances and Mandatory SFERS Requirements specifically incorporated into this Agreement by reference as provided herein.

1.2 "City" means the City and County of San Francisco, a municipal corporation.

1.3 "Confidential Information" means confidential SFERS information including, but not limited to, personal identifiable information ("PII"), protected health information ("PHI"), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45

CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (“Chapter 12M”). Confidential Information includes, without limitation, SFERS Data.

1.4 “Deliverables” means Actuary’s or its subcontractors’ work product, including any partially-completed work product and related materials, resulting from the Services provided by Actuary to SFERS during the course of Actuary’s performance of the Agreement, including without limitation, the work product described in the “Scope of Services” attached as Appendix A.

1.5 “Mandatory SFERS Requirements” means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws that impose specific duties and obligations upon Actuary.

1.6 “Party” and “Parties” means SFERS and Actuary either individually or collectively.

1.7 “Services” means the work performed by Actuary under this Agreement as specifically described in the “Scope of Services” attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Actuary under this Agreement.

1.8 “SFERS Data” means that data as described in Article 13 of this Agreement which includes, without limitation, all data collected, used, maintained, processed, stored, or generated by or on behalf of SFERS in connection with this Agreement. SFERS Data includes, without limitation, Confidential Information.

Article 2 Term of the Agreement

2.1 **Term.** The term of this Agreement shall commence on the date first set forth above and expire on the fifth anniversary thereto, unless earlier terminated as otherwise provided herein.

2.2 **Options to Renew.** SFERS has the option to renew the Agreement for a period of up to **five (5)** additional years. SFERS may exercise this option at SFERS’s sole and absolute discretion by modifying this Agreement as provided in Section 11.5, “Modification of this Agreement.” Extensions may be for the whole or partial period provided for above.

Article 3 Financial Matters

3.1 Certification of Funds; Budget and Fiscal Provisions.

3.1.1 **Termination in the Event of Non-Appropriation.** This Agreement is subject to the budget and fiscal provisions of Section 3.105 of the City’s Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of SFERS’s obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to SFERS at the end of any fiscal year if funds are not

appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. SFERS has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Actuary's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

3.1.2 **Maximum Costs.** SFERS's payment obligation to Actuary cannot at any time exceed the amount certified by City's Controller for the purpose and period stated in such certification. Absent an authorized emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is SFERS required to honor, any offered or promised payments to Actuary under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 11.5, "Modification of this Agreement."

3.2 Reserved.

3.3 **Compensation.**

3.3.1 **Calculation of Charges and Contract Not to Exceed Amount.** The amount of this Agreement shall not exceed [insert whole dollar amount in numbers and words], the breakdown of which appears in Appendix B, "Fee Schedule." SFERS shall not be liable for interest or late charges for any late payments.

3.3.2 **Payment Limited to Satisfactory Services.** Actuary is not entitled to any payments until SFERS approves the Services delivered. Payments to Actuary by SFERS shall not excuse Actuary from its obligation to replace the unsatisfactory Services even if the unsatisfactory character was apparent or could have been detected at the time such payment was made. Non-conforming Services may be rejected by SFERS and in such case must be replaced by Actuary without delay at no cost to SFERS.

3.3.3 **Withhold Payments.** If Actuary fails to provide the Services in accordance with Actuary's obligations under this Agreement, SFERS may withhold any and all payments due to Actuary until such failure to perform is cured, and Actuary shall not stop work as a result of SFERS's withholding of payments as provided herein.

3.3.4 **Invoice Format.** Invoices submitted by Actuary under this Agreement must be in a form acceptable to SFERS and include a unique invoice number and a specific invoice date. Payment shall be made by SFERS as specified in Section 3.3.8, or in such alternate manner as the Parties have mutually agreed upon in writing.

3.3.5 Reserved.

3.3.6 Reserved.

3.3.7 Reserved.

3.3.8 **Payment Terms.**

(a) **Payment Due Date.** Unless SFERS notifies the Actuary that a dispute exists, payment shall be made within [30] calendar days, measured from (1) the rendering of the Services or (2) the date of receipt of the invoice, whichever is later. Payment is deemed to be made on the date a check is issued to Actuary or, if Actuary agreed to electronic payment, the date payment is posted electronically to Actuary.

(b) **Reserved.**

3.4 **Audit and Inspection of Records.** Actuary agrees to maintain and make available to SFERS, during regular business hours, accurate books and accounting records relating to its Services. Actuary will permit SFERS to audit, examine and make copies of such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Actuary shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The City, State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights as conferred upon SFERS by this Section. Actuary shall include the same audit and inspection rights and record retention requirements in all subcontracts.

3.5 **Submitting False Claims.** The full text of San Francisco Administrative Code Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Any contractor or subcontractor who submits a false claim shall be liable to City for the statutory penalties set forth in that section.

3.6 **Reserved.**

Article 4 Services and Resources

4.1 **Services Actuary Agrees to Perform.** Actuary agrees to perform the Services stated in Appendix A, "Scope of Services," and SFERS is not required to compensate for Services beyond those stated.

4.2 **Qualified Personnel.** Actuary represents and warrants that it is qualified to perform the Services required by SFERS, and that all Services will be performed by competent personnel with the degree of skill and care required by current and sound professional procedures and practices. Actuary will comply with SFERS's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at SFERS's request, must be supervised as described in Appendix A, "Scope of Services." Actuary shall commit sufficient resources for timely completion within the project schedule.

4.3 **Subcontracting.** Actuary may subcontract portions of the Services only upon prior written approval of SFERS. Actuary is responsible for its subcontractors throughout the course of the work required to perform the Services. All subcontracts must incorporate the terms of Article 10 "Additional Requirements Incorporated by Reference" of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this provision shall be null and void.

4.4 Independent Contractor; Payment of Employment Taxes and Other Expenses.

4.4.1 Independent Contractor. For the purposes of this Section 4.4, “Actuary” shall be deemed to include not only Actuary, but also any agent or employee of Actuary. Actuary acknowledges and agrees that at all times, Actuary is an independent contractor and is wholly responsible for the manner and means by which it performs the Services and work required under this Agreement. Actuary, and its agents and employees will not represent or hold themselves out to be employees of SFERS or City at any time. Actuary shall not have employee status with SFERS or City, nor be entitled to participate in any plans, arrangements, or distributions by SFERS or City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Actuary is liable for its acts and omissions. Actuary shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Actuary’s performing Services and work, or any agent or employee of Actuary providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between SFERS and/or City and Actuary, or any of its agents or employees. Actuary agrees to maintain and make available to SFERS, upon request and during regular business hours, accurate books and accounting records demonstrating Actuary’s compliance with this Section. Should SFERS determine that Actuary is not performing in accordance with the requirements of this Section, SFERS shall provide Actuary with written notice of such failure. Within five (5) business days of Actuary’s receipt of such notice, Actuary shall remedy the deficiency. Notwithstanding, if SFERS believes that an action of Actuary warrants immediate remedial action by Actuary, SFERS shall contact Actuary and provide Actuary in writing with the reason for requesting such immediate action.

4.4.2 Payment of Employment Taxes and Other Expenses. Should City or SFERS, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Actuary is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Actuary which can be applied against this liability). SFERS shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past Services performed by Actuary for SFERS, upon notification of such fact by SFERS, Actuary shall promptly remit such amount due or arrange with SFERS to have the amount due withheld from future payments to Actuary under this Agreement (again, offsetting any amounts already paid by Actuary which can be applied as a credit against such liability). A determination of employment status pursuant to this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Actuary shall not be considered an employee of SFERS or City. Notwithstanding the foregoing, Actuary agrees to indemnify and hold harmless SFERS and City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys’ fees, arising from this Section.

4.5 Assignment. The Services to be performed by Actuary are personal in character. This Agreement may not be directly or indirectly assigned, novated, or otherwise transferred

unless first approved by SFERS by written instrument executed and approved in the same manner as this Agreement. Any purported assignment made in violation of this provision shall be null and void.

4.6 **Actuary's Responsibility.**

4.6.1 **Professional Conduct.** Actuary represents and warrants that it meets the standards of a qualified actuary under the provisions of the Employee Retirement Income Security Act of 1974, and that it has specific experience providing actuarial services to public retirement systems. Actuary agrees that it shall perform its obligations under this Agreement in the highest professional manner, and with the competence, care, skill, prudence and diligence prevailing in the actuarial industry and that a prudent person acting in a like capacity to that of Actuary and familiar with actuarial services would use in the conduct of those services. In performing services under this Agreement, Actuary shall adhere to professional and ethical standards required of actuaries under the Actuarial Standards Board Code of Professional Conduct. Actuary shall be responsible for and cause any and all of its employees, agents and representatives providing services under this Agreement to exercise the same standard of care and comply with the Actuarial Standards Board Code of Professional Conduct.

Actuary shall comply at all times with all federal, State of California, and local laws applicable to Actuary and SFERS, and shall obtain from the appropriate authorities any permits and licenses required for the conduct of Actuary's business and the provision of services under this Agreement.

4.6.2 **Interests of the Retirement Board.** The Actuary acknowledges that it must maintain independence from all interests other than the interests of SFERS and its members and beneficiaries, as those interests are expressed by the Retirement Board. Actuary further acknowledges that SFERS staff act as the agent for the Retirement Board in its relationship with the Actuary, but is subordinate to the Retirement Board and cannot direct the Actuary to consider interests contrary to those expressed by the Retirement Board.

4.6.3 **Intellectual Property.** The services and deliverables that Actuary provides under this Agreement shall not infringe upon any patent rights, copyright, trade secret or any other proprietary right or trademark, or any other intellectual property rights of any other third party.

Article 5 Insurance and Indemnity

5.1 **Insurance.**

5.1.1 **Required Coverages.** Without in any way limiting Actuary's liability pursuant to the "Indemnification" section of this Agreement, Actuary must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(a) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations.

(b) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(c) Workers' Compensation Liability Insurance, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness.

(d) Professional Liability Insurance, applicable to Actuary's profession, with limits not less than \$10,000,000 for each claim with respect to negligent acts, errors or omissions in connection with the Services.

(e) Technology Errors and Omissions Liability Insurance, with limits of \$10,000,000 for each claim and each loss. The policy shall at a minimum cover professional misconduct or lack of the requisite skill required for the performance of Services defined in this Agreement and shall also provide coverage for the following risks:

(i) Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks; and

(ii) Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to SFERS's or third person's computer, computer system, network, or similar computer-related property and the data, software, and programs thereon.

(f) Cyber and Privacy Liability Insurance with limits of not less than \$10,000,000 per claim. Such insurance shall include coverage for liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in electronic form.

(g) **Reserved.**

5.1.2 **Additional Insured.**

(a) The Commercial General Liability Insurance policy must include as Additional Insured SFERS, the Retirement Board, and their respective Officers, Agents, and Employees.

(b) The Commercial Automobile Liability Insurance policy must include as Additional Insured SFERS, the Retirement Board, and their respective Officers, Agents, and Employees.

(c) **Reserved.**

5.1.3 **Waiver of Subrogation.** The Workers' Compensation Liability Insurance policy(ies) shall include a waiver of subrogation in favor of SFERS for all work performed by the Actuary, and its employees, agents and subcontractors.

5.1.4 **Primary Insurance.**

(a) The Commercial General Liability Insurance policy shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

(b) The Commercial Automobile Liability Insurance policy shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

(c) Reserved.

5.1.5 Other Insurance Requirements.

(a) Thirty (30) days' advance written notice shall be provided to SFERS of cancellation, intended non-renewal, or reduction in coverages, except for non-payment for which no less than ten (10) days' notice shall be provided to SFERS. Notices shall be sent to SFERS's address set forth in Section 11.1 entitled, "Notices to the Parties."

(b) Should any of the required insurance be provided under a claims-made form, Actuary shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, be maintained for a period of three (3) years beyond the expiration of this Agreement, to the effect that, should occurrences during the Agreement term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

(c) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

(d) Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until SFERS receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, SFERS may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

(e) Before commencing any Services, Actuary shall furnish to SFERS certificates of insurance including additional insured and waiver of subrogation status, as required, with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to SFERS, in form evidencing all coverages set forth above. Approval of the insurance by SFERS shall not relieve or decrease Actuary's liability hereunder.

(f) If Actuary will use any subcontractor(s) to provide Services, Actuary shall require the subcontractor(s) to provide all necessary insurance and to name SFERS and its officers, agents, and employees, and the Actuary as additional insureds and waive subrogation in favor of SFERS, where required.

5.2 Indemnification.

5.2.1 Actuary shall indemnify and hold harmless SFERS and its officers, agents and employees from, and, if requested, shall defend them from and against any and all liabilities (legal, contractual, or otherwise), losses, damages, costs, expenses, or claims for injury or damages (collectively, "Claims"), arising from or in any way connected with Actuary's performance of the Agreement, including but not limited to, any: (i) injury to or death of a person, including employees of SFERS or Actuary; (ii) loss of or damage to property; (iii)

violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personal identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Actuary's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; except to the extent such indemnity is void or otherwise unenforceable under applicable law, and except where such Claims are the result of the active negligence or willful misconduct of SFERS and are not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on, Actuary, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants, experts, and related costs, and SFERS's costs of investigating any claims against SFERS.

5.2.2 In addition to Actuary's obligation to indemnify SFERS, Actuary specifically acknowledges and agrees that it has an immediate and independent obligation to defend SFERS from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such Claim is tendered to Actuary by SFERS and continues at all times thereafter.

5.2.3 Actuary shall indemnify and hold SFERS harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons arising directly or indirectly from the receipt by SFERS, or any of its officers or agents, of Actuary's Services.

5.2.4 Under no circumstances will SFERS indemnify or hold harmless Actuary.

Article 6 Liability of the Parties

6.1 **Liability of SFERS.** SFERS'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1, "PAYMENT," OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL SFERS BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

6.2 **Liability for Use of Equipment.** SFERS shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Actuary, or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by SFERS.

6.3 **Liability for Incidental and Consequential Damages.** Actuary shall be responsible for incidental and consequential damages resulting in whole or in part from Actuary's acts or omissions.

Article 7 Payment of Taxes

7.1 **Actuary to Pay All Taxes.** Except for any applicable California sales and use taxes charged by Actuary to SFERS, Actuary shall pay all taxes, including possessory interest taxes levied upon or as a result of this Agreement, or the Services delivered pursuant hereto. Actuary shall remit to the State of California any sales or use taxes paid by SFERS to Actuary under this Agreement. Actuary agrees to promptly provide information requested by SFERS to verify Actuary's compliance with any State requirements for reporting sales and use tax paid by SFERS under this Agreement.

7.2 **Possessory Interest Taxes.** Actuary acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Actuary accordingly agrees on behalf of itself and its permitted successors and assigns to timely report on behalf of SFERS to the County Assessor the information required by San Francisco Administrative Code Section 23.39, as amended from time to time, and any successor provision. Actuary further agrees to provide such other information as may be requested by SFERS to enable SFERS to comply with any reporting requirements for possessory interests that are imposed by applicable law.

7.3 **Withholding.** Actuary agrees that it is obligated to pay all amounts due to SFERS under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Actuary further acknowledges and agrees that SFERS may withhold any payments due to Actuary under this Agreement if Actuary is delinquent in the payment of any amount required to be paid to SFERS under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Actuary, without interest, upon Actuary coming back into compliance with its obligations.

Article 8 Termination and Default

8.1 Termination for Convenience.

8.1.1 SFERS shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. SFERS shall exercise this option by giving Actuary written notice of termination ("Notice of Termination"). The Notice of Termination shall specify the date on which termination of the Agreement shall become effective ("Termination Date").

8.1.2 Upon receipt of the Notice of Termination, Actuary shall commence and perform, with diligence, all actions necessary on the part of Actuary to affect the termination of this Agreement on the Termination Date and to minimize the liability of Actuary and SFERS to third parties as a result of the termination. All such actions shall be subject to the prior approval of SFERS. Such actions may include any or all of the following, without limitation:

(a) Completing performance of any Services that SFERS requires Actuary to complete prior to the Termination Date.

(b) Halting the performance of all Services on and after the Termination Date.

(c) Cancelling all existing orders and subcontracts by the Termination Date, and not placing any further orders or subcontracts for materials, Services, equipment or other items.

(d) At SFERS's direction, assigning to SFERS any or all of Actuary's right, title, and interest under the orders and subcontracts cancelled. Upon such assignment, SFERS shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the cancellation of such orders and subcontracts.

(e) Subject to SFERS's approval, settling all outstanding liabilities and all claims arising out of the cancelled orders and subcontracts.

(f) Taking such action as may be necessary, or as SFERS may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Actuary and in which SFERS has or may acquire an interest.

8.1.3 Within 30 days after the Termination Date, Actuary shall submit to SFERS an invoice, which shall set forth each of the following as a separate line item:

(a) The reasonable cost to Actuary, without profit, for all Services provided prior to the Termination Date, for which SFERS has not already made payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Actuary's direct costs for Services. Any overhead allowance shall be separately itemized. Actuary may also recover the reasonable cost of preparing the invoice.

(b) A reasonable allowance for profit on the cost of the Services described in the immediately preceding subsection (a), provided that Actuary can establish, to the satisfaction of SFERS, that Actuary would have made a profit had all Services under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.

(c) The reasonable cost to Actuary of handling and returning material or equipment delivered to SFERS or otherwise disposed of as directed by SFERS.

(d) A deduction for the cost of materials to be retained by Actuary, amounts realized from the sale of such materials and not otherwise recovered by or credited to SFERS, and any other appropriate credits to SFERS against the cost of the Services or other work.

8.1.4 In no event shall SFERS be liable for costs incurred by Actuary or any of its subcontractors after the Termination Date, except for those costs specifically listed in Section 8.1.3. Such non-recoverable costs include, but are not limited to, anticipated profits on the Services under this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under Section 8.1.3.

8.1.5 In arriving at the amount due to Actuary under this Section, SFERS may deduct: (i) all payments previously made by SFERS for Services covered by Actuary's final invoice; (ii) any claim which SFERS may have against Actuary in connection with this Agreement; (iii) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection 8.1.4; and (iv) in instances in which, in the opinion of SFERS, the cost of any Service

performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected Services, the difference between the invoiced amount and SFERS's estimate of the reasonable cost of performing the invoiced Services in compliance with the requirements of this Agreement.

8.1.6 SFERS's payment obligation under this Section shall survive termination of this Agreement.

8.2 Termination for Default; Remedies.

8.2.1 Each of the following shall constitute an immediate event of default ("Event of Default") under this Agreement:

(a) Actuary fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

3.5	Submitting False Claims.	Article 7	Payment of Taxes
4.5	Assignment	10.10	Alcohol and Drug-Free Workplace
4.6	Actuary's Responsibility	11.10	Compliance with Laws
Article 5	Insurance and Indemnity	Article 13	Data and Security

(b) Actuary fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated by reference herein, and such default is not cured within ten days after written notice thereof from SFERS to Actuary. If Actuary defaults a second time in the same manner as a prior default cured by Actuary, SFERS may in its sole discretion immediately terminate the Agreement for default or grant an additional period not to exceed five days for Actuary to cure the default.

(c) Actuary (i) is generally not paying its debts as they become due; (ii) files, or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction; (iii) makes an assignment for the benefit of its creditors; (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Actuary, or of any substantial part of Actuary's property; or (v) takes action for the purpose of any of the foregoing.

(d) A court or government authority enters an order (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Actuary, or with respect to any substantial part of Actuary's property; (ii) constituting an order for relief or approving a petition for relief, reorganization or arrangement, any other petition in bankruptcy or for liquidation, or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction; or (iii) ordering the dissolution, winding-up or liquidation of Actuary.

8.2.2 **Default Remedies.** On and after any Event of Default, SFERS shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, where applicable, SFERS shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Actuary any Event of Default. Actuary shall pay to SFERS on demand all costs and expenses incurred by SFERS in effecting such cure, with interest thereon from the date

of incurrence at the maximum rate then permitted by law. SFERS shall have the right to offset from any amounts due to Actuary under this Agreement or any other agreement between SFERS and Actuary: (i) all damages, losses, costs or expenses incurred by SFERS as a result of an Event of Default; and (ii) any liquidated damages levied upon Actuary pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with SFERS.

8.2.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy. Nothing in this Agreement shall constitute a waiver or limitation of any rights that SFERS may have under applicable law.

8.2.4 Any notice of default must be sent in accordance with Article 11.

8.3 **Non-Waiver of Rights.** The omission by either Party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other Party at the time designated, shall not be a waiver of any such default or right to which the Party is entitled, nor shall it in any way affect the right of the Party to enforce such provisions thereafter.

8.4 **Rights and Duties upon Termination or Expiration.**

8.4.1 This Section and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.2	Payment Limited to Satisfactory Services	9.2	Works for Hire
3.4	Audit and Inspection of Records	11.5	Modification
3.5	Submitting False Claims	11.6	Dispute Resolution Procedure
4.4.1	Independent Contractor	11.7	Agreement Made in California; Venue
Article 5	Insurance and Indemnity	11.8	Construction
6.1	Liability of SFERS	11.9	Entire Agreement
6.3	Liability for Incidental and Consequential Damages	11.10	Compliance with Laws
Article 7	Payment of Taxes	11.11	Severability
8.1.6	Payment Obligation	11.12	Cooperative Drafting
8.2.2	Default Remedies	Article 13	Data and Security
9.1	Ownership of Results		

8.4.2 Subject to the survival of the Sections identified in Section 8.4.1, above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall be of no further force or effect. Actuary shall transfer title to SFERS, and deliver in the manner, at the times, and to the extent, if any, directed by SFERS, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to SFERS.

Article 9 Rights in Deliverables

9.1 **Ownership of Results.** Any interest of Actuary or its subcontractors in the Deliverables, any partially-completed Deliverables, and related materials, shall become the property of and will be transmitted to SFERS. Unless expressly authorized in writing by SFERS, Actuary may not retain and use copies for reference and as documentation of its experience and capabilities.

9.2 **Works for Hire.** All copyrights in Deliverables that are considered works for hire under Title 17 of the United States Code, shall be the property of SFERS. If any such Deliverables are ever determined not to be works for hire under federal law, Actuary hereby assigns all Actuary's copyrights to such Deliverables to SFERS, agrees to provide any material and execute any documents necessary to effectuate such assignment, and agrees to include a clause in every subcontract imposing the same duties upon its subcontractors. With SFERS's prior written approval, Actuary and its subcontractors may retain and use copies of such works for reference and as documentation of their respective experience and capabilities provided that any such use is in conformance with the confidentiality provisions of this Agreement.

Article 10 Additional Requirements Incorporated by Reference

10.1 **Laws Incorporated by Reference.** The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement are available at http://www.amlegal.com/codes/client/san-francisco_ca/.

10.2 **Conflict of Interest.** By executing this Agreement, Actuary certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*); or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify SFERS if it becomes aware of any such fact during the term of this Agreement.

10.3 **Prohibition on Use of Public Funds for Political Activity.** In performing the Services, Actuary shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by SFERS for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Actuary is subject to the enforcement and penalty provisions in Chapter 12G.

10.4 **Consideration of Salary History.** Actuary shall comply with San Francisco Labor and Employment Code Article 141, the Consideration of Salary History Ordinance or "Pay Parity Act." Actuary is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in City or on SFERS property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization

unless the salary history is publicly available. Actuary is subject to the enforcement and penalty provisions in Article 141. Information about and the text of Article 141 is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Actuary is required to comply with all of the applicable provisions of Article 141, irrespective of the listing of obligations in this Section.

10.5 Nondiscrimination Requirements.

10.5.1 Nondiscrimination in Contracts. Actuary shall comply with the provisions of San Francisco Labor and Employment Code Articles 131 and 132. Actuary shall incorporate by reference in all subcontracts the provisions of Sections 131.2(a), 131.2(c)-(k), and 132.3 of the San Francisco Labor and Employment Code and shall require all subcontractors to comply with such provisions. Actuary is subject to the enforcement and penalty provisions in Articles 131 and 132.

10.5.2 Nondiscrimination in the Provision of Employee Benefits. San Francisco Labor and Employment Code Article 131.2 applies to this Agreement. Actuary does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for SFERS elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Labor and Employment Code Article 131.2.

10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Actuary shall comply with all applicable provisions of Chapter 14B (“LBE Ordinance”). Actuary is subject to the enforcement and penalty provisions in Chapter 14B.

10.7 Minimum Compensation Ordinance. Labor and Employment Code Article 111 applies to this Agreement. Actuary shall pay covered employees no less than the minimum compensation required by San Francisco Labor and Employment Code Article 111, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Actuary is subject to the enforcement and penalty provisions in Article 111. Information about and the text of Article 111 is available on the web at <http://sfgov.org/olse/mco>. Actuary is required to comply with all of the applicable provisions of Article 111, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Actuary certifies that it complies with Article 111.

10.8 Health Care Accountability Ordinance. Labor and Employment Code Article 121 applies to this contract. Actuary shall comply with the requirements of Article 121. For each Covered Employee, Actuary shall provide the appropriate health benefit set forth in Article 121.3 of the HCAO. If Actuary chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of Article 121, as well as the Health Commission’s minimum standards, is available on the web at <http://sfgov.org/olse/hcao>. Actuary is subject to the enforcement and penalty provisions in Article 121. Any Subcontract entered into by Actuary shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

10.9 First Source Hiring Program. Actuary must comply with all of the applicable provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative

Code, that apply to this Agreement; and Actuary is subject to the enforcement and penalty provisions in Chapter 83.

10.10 Alcohol and Drug-Free Workplace. SFERS reserves the right to deny access to, or require Actuary to remove from, SFERS facilities personnel of any Actuary or subcontractor who SFERS has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs SFERS's ability to maintain safe work facilities or to protect the health and well-being of SFERS employees and the general public. SFERS shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, SFERS facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

10.11 Limitations on Contributions. By executing this Agreement, Actuary acknowledges its obligations under Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves; (ii) a candidate for that City elective office; or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Actuary's board of directors; Actuary's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than ten percent (10%) in Actuary; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Actuary. Actuary certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to SFERS.

10.12 Food Service Waste Reduction Requirements. Actuary shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the remedies for noncompliance provided therein.

10.13 Tropical Hardwood and Virgin Redwood Ban. Pursuant to San Francisco Environment Code Section 804(b), SFERS urges Actuary not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

Article 11 General Provisions

11.1 Notices to the Parties. Unless otherwise indicated in this Agreement, all written communications sent by the Parties may be by U.S. mail or e-mail, and shall be addressed as follows:

To SFERS:	Janet Brazelton Actuarial Services Coordinator San Francisco City and County Employees' Retirement System 1145 Market Street, 5th Floor San Francisco, CA 94103 Email: janet.brazelton@sfgov.org and [____] Phone: (415) 487-7000
To Actuary:	Name Title Company Address Email Phone

Any notice of default or data breach must be sent by certified mail or other trackable written communication, and also by e-mail, with the sender using the receipt notice feature. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party at least ten (10) days prior to the effective date of such change. If email notification is used, the sender must specify a receipt notice.

11.2 Compliance with Laws Requiring Access for People with Disabilities.

Actuary acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to people with disabilities. Actuary shall provide the services specified in this Agreement in a manner that complies with the ADA and all other applicable federal, state and local disability rights legislation. Actuary agrees not to discriminate against people with disabilities in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Actuary, its employees, agents or assigns will constitute a material breach of this Agreement.

11.3 Incorporation of Recitals. The matters recited above are hereby incorporated into and made part of this Agreement.

11.4 Sunshine Ordinance. Actuary acknowledges that this Agreement and all records related to its formation, Actuary's performance of Services, and SFERS's payment are subject to the California Public Records Act (California Government Code § 7920 et seq.), and the San Francisco Sunshine Ordinance (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state, or local law.

11.5 Modification of this Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement.

11.6 Dispute Resolution Procedure.

11.6.1 Negotiation; Alternative Dispute Resolution. The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of

services under this Agreement. Disputes will not be subject to binding arbitration. The status of any dispute or controversy notwithstanding, Actuary shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of SFERS. Neither Party will be entitled to legal fees or costs for matters resolved under this Section.

11.6.2 Government Code Claim Requirement. No suit for money or damages may be brought against SFERS until a written claim therefor has been presented to and rejected by City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq. Nothing set forth in this Agreement shall operate to toll, waive or excuse Actuary's compliance with the California Government Code Claim requirements set forth in San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq.

11.7 Agreement Made in California; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

11.8 Construction. All paragraph captions are for reference only and shall not be considered in construing this Agreement.

11.9 Entire Agreement. This contract including the appendices, sets forth the entire Agreement between the Parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5, "Modification of this Agreement."

11.10 Compliance with Laws. Actuary shall keep itself fully informed of City's Charter, codes, ordinances and duly adopted rules and regulations of City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

11.11 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (i) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (ii) such provision shall be enforced to the maximum extent possible so as to effect the intent of the Parties and shall be reformed without further action by the Parties to the extent necessary to make such provision valid and enforceable.

11.12 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of SFERS and Actuary, and both Parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No Party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

11.13 Complete Agreement. The Parties agree that this Agreement, including all appendices, sets forth the Parties' complete agreement.

11.14 Notification of Legal Requests. Actuary shall immediately notify SFERS upon receipt of any subpoenas, service of process, litigation holds, discovery requests and other legal requests ("Legal Requests") related to any SFERS Data under this Agreement, and in no event later than twenty-four (24) hours after Actuary receives the request. Actuary shall not respond to

Legal Requests related to SFERS without first notifying SFERS other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Actuary shall retain and preserve SFERS Data in accordance with SFERS's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by SFERS to Actuary, independent of where SFERS Data is stored.

Article 12 Department Specific Terms

12.1 Reserved.

Article 13 Data and Security

13.1 Nondisclosure of Private, Proprietary or Confidential Information.

13.1.1 Protection of Private Information. If this Agreement requires SFERS to disclose "Private Information" to Actuary within the meaning of San Francisco Administrative Code Chapter 12M, Actuary and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Actuary is subject to the enforcement and penalty provisions in Chapter 12M.

13.1.2 SFERS Data; Confidential Information. In the performance of Services, Actuary may have access to, or collect on SFERS's behalf, SFERS Data, which may include proprietary or Confidential Information that if disclosed to third parties may damage SFERS. If SFERS discloses proprietary or Confidential Information to Actuary, or Actuary collects such information on SFERS's behalf, such information must be held by Actuary in confidence and used only in performing the Services. Actuary shall exercise the same standard of care to protect such information as a reasonably prudent actuary would use to protect its own proprietary or Confidential Information.

13.2 Reserved.

13.3 Reserved.

13.4 Management of SFERS Data.

13.4.1 Use of SFERS Data. Actuary agrees to hold SFERS Data received from, or created or collected on behalf of, SFERS, in strictest confidence. Actuary shall not use or disclose SFERS Data except as permitted or required by the Agreement or as otherwise authorized in writing by SFERS. Any work by Actuary or its authorized subcontractors using, or sharing or storage of, SFERS Data outside the United States is prohibited, absent prior written authorization by SFERS. Access to SFERS Data must be strictly controlled and limited to Actuary's staff assigned to this project on a need-to-know basis only. SFERS Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Actuary. Actuary is provided a limited non-exclusive license to use SFERS Data solely for performing its obligations under the Agreement and not for Actuary's own purposes or later use. Nothing herein shall be construed to confer any license or right to SFERS Data, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third party.

Unauthorized use of SFERS Data by Actuary, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase “unauthorized use” means the data mining or processing of data and/or machine learning from the data, stored or transmitted by the service, for unrelated commercial purposes, advertising or advertising-related purposes, or for any purpose that is not explicitly authorized under this Agreement other than security or service delivery analysis.

13.4.2 Disposition of SFERS Data. Upon request of SFERS or termination or expiration of this Agreement, Actuary shall promptly, but in no event later than thirty (30) calendar days, return all SFERS Data given to, or collected or created by Actuary on SFERS’s behalf, which includes all original media. Once Actuary has received written confirmation from SFERS that SFERS Data has been successfully transferred to SFERS, Actuary shall within ten (10) business days clear or purge all SFERS Data from its servers, any hosted environment Actuary has used in performance of this Agreement, including its subcontractor’s environment(s), work stations that were used to process the data or for production of the data, and any other work files stored by Actuary in whatever medium. Actuary shall provide SFERS with written certification that such purge occurred within five (5) business days of the purge. Secure disposal shall be accomplished by “clearing,” “purging” or “physical destruction,” in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88 or most current industry standard.

13.5 Ownership of SFERS Data. The Parties agree that as between them, all rights, including all intellectual property rights, in and to SFERS Data and any derivative works of SFERS Data is the exclusive property of SFERS.

13.6 Loss or Unauthorized Access to SFERS’s Data; Security Breach Notification. Actuary shall comply with all applicable laws that require the notification to individuals in the event of unauthorized release of PII, PHI, or other event requiring notification. Actuary shall notify SFERS of any actual or potential exposure or misappropriation of SFERS Data (any “Leak”) within twenty-four (24) hours of the discovery of such, but within twelve (12) hours if the Data Leak involved PII or PHI. Actuary, at its own expense, will reasonably cooperate with SFERS and law enforcement authorities to investigate any such Leak and to notify injured or potentially injured parties. Actuary shall pay for the provision to the affected individuals of twenty-four (24) months of free credit monitoring services, if the Leak involved information of a nature reasonably necessitating such credit monitoring. The remedies and obligations set forth in this subsection are in addition to any other SFERS may have. SFERS shall conduct all media communications related to such Leak.

Article 14 MacBride And Signature

14.1 MacBride Principles – Northern Ireland. The provisions of San Francisco Administrative Code Chapter 12F are incorporated herein by this reference and made part of this Agreement. By signing this Agreement, Actuary confirms that Actuary has read and understood that SFERS urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day first mentioned above.

CITY

ACTUARY

Recommended by:

[company name]

Alison Romano
Chief Executive Officer & Chief Investment
Officer
San Francisco City and County Employees'
Retirement System

[name of authorized representative]
[title]
[optional: address]
[optional: city, state, ZIP]

City Supplier Number: **[Supplier Number]**

Approved as to Form:

David Chiu
City Attorney

By: _____
[name of Deputy City Attorney]
Deputy City Attorney

Appendices

- A: Scope of Services
- B: Calculation of Charges

Appendix A Scope of Services

Actuary agrees to provide services which include, but shall not be limited to, the following:

A. Consulting and Advisory Services

1. Actuary shall provide actuarial consulting and advisory services. Actuary will provide on-going actuarial consulting and advisory services on any technical, policy or administrative issues related to the benefit program or funding structure which may arise during the course of operation of the San Francisco Employees' Retirement System ("System"). Actuary shall provide these services in meetings or by telephone calls and written correspondence at System's discretion. At System's request, Actuary shall provide public testimony to the Retirement Board or committee of the Retirement Board on any technical, policy, compliance, or administrative issues arising during the course of operation of the System. Actuary shall be readily accessible to the System's Executive Director and Actuarial Services Coordinator by telephone within one working day and available for meetings within five (5) working days of a request. Actuary will respond to all e-mail correspondence from the System within two working days. System expects Actuary to attend in person a minimum of four (4) Retirement Board meetings per contract year (July 1 through June 30), including one meeting to review the annual actuarial valuation and one meeting to present the annual economic experience analysis. System also expects Actuary to be available for in person educational discussions with the Retirement Board, committees of the Retirement Board, and/or System staff, upon request of the System.
2. Actuary shall prepare various actuarial operating tables and factors. Actuary shall prepare operating tables and factors as may be required for operation of the System or upon request of the System. These tables and factors include, but are not limited to, mortality tables, option tables for annuitants, present value factors and survivor benefit factors.
3. Actuary shall assist System staff in analysis, including cost analysis and measuring impacts on assets and liabilities of proposed changes to existing retirement laws which govern the System. Actuary shall assist System, upon request by System, to develop strategies for resolving any policy or administrative issues associated with implementing new legislation.
4. Actuary shall keep System informed of any new developments or changes in federal or state legislation, tax regulations, or accounting requirements regarding financing, benefits, vesting, or disclosure. Actuary shall assist System in implementing new laws, rules/regulations, and requirements appropriately.
5. Actuary shall assist in establishing actuarial specifications for System's data files. Actuary shall provide feedback, at the System's request, on the proposed form and

content of the data files and make suggestions for any modifications to ensure that the full range of data needed for costing proposed benefits amendments, performing actuarial valuations, and reviewing experience studies is maintained.

6. Actuary shall provide advice on special benefit cases. Actuary shall review certain benefit applications and perform complex computations related to special cases when requested by the System.
7. Actuary shall provide systems application for IRS 415 limits calculation and tracking. Actuary shall provide and support a systems application that will enable the System to identify and track the plan's compliance with IRC Section 415, including calculation of excess benefits.
8. Actuary shall provide annual Supplemental COLA analysis and assist System staff in determining the Credited Interest Rate.
9. Actuary shall provide a Web-based Benefits Modeler. Actuary will provide and support a retirement benefits modeler that integrates with the System's online member portal.

B. Valuation Services

1. Actuary shall perform annual actuarial funding valuations for the plan. The resulting valuation reports must contain detailed member data as well as explanations of any significant changes in actuarial losses or gains because of deviations from expected experience.
2. Actuary shall perform annual actuarial valuations to meet GASB disclosure and accounting requirements for the plan.
3. Actuary shall prepare annual 20-year employer contribution rate projections. Actuary will provide these projections in conjunction with the funding valuation results.

C. Economic Experience Analysis and Demographic Studies

1. Actuary shall prepare an annual economic experience analysis and report. Actuary will attend at least one (1) Retirement Board meeting for presentation of the annual economic experience analysis and report.
2. Actuary shall prepare a demographic experience analysis and report for the five-year period ending June 30, 2029.

D. Asset Liability Study

1. Actuary shall assist with the preparation of System's asset liability studies. In conjunction with the System's investment consultant, Actuary shall provide

assistance and information for the System's asset liability study, which will be prepared at least one time during the term of this Agreement.

E. General Duties

1. Actuary shall treat all member and financial information as confidential. Actuary will maintain the confidentiality of all member and financial information, including but not limited to as it applies to all data created, gathered, generated or acquired in performing the services under this Agreement.
2. Actuary shall seek prior written consent of the System for public release of information regarding or resulting from the engagement. With respect to any publicity given to the actuarial services provided under this Agreement, Actuary will identify System as the sponsoring agency and will not release any information without prior approval of the System's Executive Director or appointed designee. This information includes, but is not limited to, press releases, research and reports.
3. Actuary shall communicate directly with the System's Actuarial Services Coordinator, Executive Director, or designee. Actuary shall route all requests, reports, and all other communication in connection with this Agreement through the Actuarial Services Coordinator, Executive Director, or designee.
4. Actuary shall ensure that all services under this Agreement are performed under the direct supervision of [] or [] ("Supervising Actuaries"). Actuary represents and warrants that the Supervising Actuaries are regularly engaged in the business of providing actuarial services and has at least 10 years of experience with major public employee retirement systems or designation as a Fellow in the Society of Actuaries. The Supervising Actuary is a key person under this Agreement. Actuary shall immediately notify the System in writing of any changes in a Supervising Actuary and shall facilitate the replacement of a Supervising Actuary in such a manner as to ensure an orderly succession and uninterrupted performance of services under this Agreement. If Actuary wishes to make a change in a Supervising Actuary, before assigning a replacement Supervising Actuary, Actuary shall: (i) notify the System in writing of the proposed assignment and provide a resume regarding the individual; (ii) specify how long that individual has been with Actuary; (iii) at the System's request, introduce the individual to appropriate representatives of the System; and (iv) consult with the System prior to implementing such assignment. The System reserves the right to reject the firm's choice of a Supervising Actuary and may terminate the Agreement if a Supervising Actuary acceptable to the System cannot be made available by Actuary.
5. Actuary shall complete services and provide reports and other deliverables under this Agreement by the dates specified by the System.

F. Special Projects

1. Actuary shall provide services on special projects as requested by the System.

G. Department Liaison

In performing the Services provided for in this Agreement, Actuary's liaison with SFERS will be Janet Brazelton, Actuarial Services Coordinator.

H. Services Provided by Attorneys

Any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. No invoices for services provided by law firms or attorneys, including, without limitation, as subcontractors of Actuary, will be paid unless the provider receives advance written approval from the City Attorney.

Appendix B
Fee Schedule