



STATE OF TENNESSEE
TREASURY DEPARTMENT

REQUEST FOR PROPOSALS
FOR
GENERAL INVESTMENT CONSULTING SERVICES

RFP # 30901-43520

RFP CONTENTS

SECTIONS:

1. INTRODUCTION
2. RFP SCHEDULE OF EVENTS
3. RESPONSE REQUIREMENTS
4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS
5. EVALUATION & CONTRACT AWARD

ATTACHMENTS:

- 6.1. Response Statement of Certifications & Assurances
- 6.2. Technical Response & Evaluation Guide
- 6.3. Cost Proposal & Scoring Guide
- 6.4. Reference Questionnaire
- 6.5. Score Summary Matrix
- 6.6. *Pro Forma* Contract
- 6.7. TCRS Investment Policy
- 6.8. TN Promise Investment Policy
- 6.9. COE Investment Policy
- 6.10. Current Investment Line-ups for 401(k), 457, ORP and 403(b) Plans
- 6.11. 401(k) and 457(b) Investment Policy
- 6.12. Information on Closed ORP and 403(b) Annuity Platforms
- 6.13. ORP Investment Policy
- 6.14. Current and Former Vendors in UT 403(b) Plan
- 6.15. Current and Former Vendors in TBR 403(b) Plan

- 6.16. BEST Investment Policy**
- 6.17. TNStars Investment Policy**
- 6.18. State Pooled Investment Fund Policy**
- 6.19. OPEB Investment Policy**

1. INTRODUCTION

The State of Tennessee, Treasury Department, hereinafter referred to as “the State,” issues this Request for Proposals (RFP) to define minimum contract requirements; solicit responses; detail response requirements; and, outline the State’s process for evaluating responses and selecting a contractor to provide the needed goods or services.

Through this RFP, the State seeks to procure necessary goods or services at the most favorable, competitive prices and to give ALL qualified respondents, including those that are owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises, an opportunity to do business with the state as contractors, subcontractors or suppliers.

1.1 Statement of Procurement Purpose

The State intends to secure a contract for a general investment consultant for funds over which the State is responsible for investing and reinvesting. The funds involved are set forth below. It is anticipated that 60% of the consultant’s efforts/resources under the contract will be devoted to the Tennessee Consolidated Retirement System and 40% for all other funds. The financial data for determining portfolio performance will be provided by the master custodian bank. The current master custodian bank is State Street Bank and Trust Company.

Defined Benefit Retirement Plan:

Tennessee Consolidated Retirement System (TCRS) (EXCLUDING its real estate asset class, strategic lending and private equity funds)

TCRS is a public employee retirement system providing defined benefit pension plans for four large groups of public employees: kindergarten – 12th grade public school teachers, higher education employees, State employees and local government employees. At June 30, 2019, TCRS had a net position (total assets in excess of total liabilities) of \$52.1 billion. The assets of TCRS consist primarily of investments. TCRS serves over 221,890 active members and 163,000 retirees as of June 30, 2019. TCRS was created and is governed by Tennessee State law; specifically in Tennessee Code Annotated, Title 8, Chapters 34-37. The investment statutes governing TCRS are located in Tennessee Code Annotated, Title 8, Chapter 37, Part 1 and its current investment policy is contained in RFP Attachment 6.7. The Treasury Department’s investment staff internally manage the vast majority of TCRS’ assets. For additional information about TCRS, including its investments and finances, please refer to the 2019 TCRS Comprehensive Annual Financial Report that can be viewed at https://treasury.tn.gov/Portals/0/Documents/Retirement/CAFR%20Reports/2019/2019%20CAFR_Full%20Report.pdf

Endowments:

The Tennessee Promise Endowment Trust (TN Promise)

TN Promise was established in 2014 by Tennessee Code Annotated, Section 49-4-708 for the purpose of funding the Tennessee Promise Scholarship Program, a scholarship program for Tennessee residents seeking an associate’s degree, certificate or diploma from an eligible postsecondary institution. TN Promise consists of the Tennessee Promise Endowment Account and the Tennessee Promise Scholarship Special Reserve Account. The Tennessee Promise Endowment Account is comprised of the initial deposit of \$361,381,325 and is the non-spendable corpus amount of TN Promise. All income and subsequent deposits and transfers to TN Promise are credited to the Tennessee Promise Scholarship Special Reserve Account, to be used only for the payment of scholarships and expenses relative to the administration and investment of assets. Its total assets for the year ended June 30, 2019 was \$644,311,547. The Treasury Department’s investment staff internally manage the vast majority of the assets of TN Promise and generally utilize ETFs to achieve a strategic asset allocation. Additional information on TN Promise can be viewed at <https://treasury.tn.gov/Portals/0/Documents/Annual%20Reports/Financial%20Statements/2019/TNPromis>

[eFinancialStatement2019.pdf](#). A copy of TN Promise's investment policy is attached as RFP Attachment 6.8).

Chairs of Excellence Endowment Trust (COE)

The COE Trust was created in 1984 pursuant to Tennessee Code Annotated, Title 49, Chapter 7, Part 4. The Trust provides funds so that Tennessee public colleges and universities are able to contract with persons of regional or national prominence to teach in specified academic areas. The program is open to all state four-year colleges and universities, and the University of Tennessee Space Institute. The Trust is set up into two general accounts which equally divide any state appropriations: one for the University of Tennessee and one for the Tennessee Board of Regents. The funding of the program is provided through contributions (corpus) made by private donors and a matching amount by the State of Tennessee, thus, creating a chair. As each Chair is designated, a portion of the appropriation is transferred to a sub account for that Chair. The awarding college or university must provide matching contributions, of which at least 50 percent of the funds are from private contributions.

One hundred Chairs have been established as of June 30, 2019. Contributions to the COE Trust totaled \$104,358,388 as of June 30, 2019. The vast majority of COE's assets are managed internally by the Treasury Department's investment staff. Investments in the portfolio are executed in virtually the same manner as TN Promise. Additional information concerning the financial history of the COE program can be found in its financial statements for the fiscal year ended June 30, 2019, which can be viewed at <https://treasury.tn.gov/Portals/0/Documents/Annual%20Reports/Financial%20Statements/2019/COEFinancialStatement2019.pdf>. The investment policy for COE is contained in RFP Attachment 6.9.

Defined Contribution Retirement Plans:

401(k) Deferred Compensation Plan (401(k)) and 457(b) Deferred Compensation Plan (457(b))

The 401(k) and 457(b) are deferred compensation plans with employee and employer contribution requirements that are determined by employer and date of hire. The plans are available to all employees of the state of Tennessee, kindergarten – 12th grade Tennessee public school teachers, and eligible employees of Tennessee local government entities that have adopted the plans. As of June 30, 2019, 311 local government employers participated in the 401(k) and/or 457(b) Plans. The provisions governing the 401(k) and 457(b) plans are codified in Tennessee Code Annotated, Title 8, Chapter 25, Parts 1 and 3.

Internal Revenue Code Sections 401(k) and 457(b) establish participation, contribution and withdrawal provisions for the plans. For the fiscal year ended June 30, 2019, employees of the state that participated in the 401(k) plan were eligible for a state matching contribution of up to \$50 per month. The funding of this match is subject to state appropriations each year. In addition, state employees hired after June 30, 2014 are automatically enrolled to contribute 2 percent of compensation to the state's 401(k) plan with the employer contributing an additional 5 percent to the plan. Employees may opt out of the 2 percent auto enrollment. There are certain automatic cost controls and unfunded liability controls in the defined benefit plan where the employees participate that may impact the non-matching 5 percent employer contribution to the 401(k) plan.

The 401(k) and 457(b) plans share investment options and participants may direct contributions to specific investment products made available by a single TPA. The current investment line-ups for the 401(k) and 457(b) plans are contained in RFP Attachment 6.10 and can also be viewed at <https://treasury.tn.gov/Retirement/Information-and-Resources/401-k-457-Investing>. As of June 30, 2019, the 401(k) plan had total assets of \$3,437,745,333. The 457(b) plan had assets totaling \$531,737,769 as of June 30, 2019. The investment policy for the 401(k) and 457(b) plans is attached as RFP Attachment 6.11. The 401(k) and 457(b) plans are externally managed with the investment lineup selected by Treasury Department staff with the assistance of the consultant. The consultant's primary role will be monitoring the investments.

Optional Retirement Plan (ORP)

The ORP is a defined contribution plan that was established by state statute in Tennessee Code Annotated, Title 8, Chapter 25, Part 2. The ORP was designed to provide benefits at retirement to faculty and staff of the State University and Community College System institutions and the University of Tennessee system who are exempt from the Fair Labor Standards Act and who waive membership in TCRS. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. For employees employed prior to July 1, 2014, plan participants are noncontributory. The State of Tennessee institutions of higher education contribute 10 percent of the employee's base salary up to the social security wage base and 11 percent above the social security wage base. For employees hired after June 30, 2014, plan participants contribute 5 percent to the ORP and the State of Tennessee institutions of higher education contribute 9 percent of the employee's base salary. The required contributions made by the State of Tennessee institutions of higher education to the ORP were \$98.3 million for the year ended June 30, 2019.

The Trustees of the plan have selected three investment vendors who offer a variety of investment products from which the participants may choose. The current investment providers are TIAA, AIG Retirement Services (VALIC), and Voya. ORP participants may select more than one ORP provider. Each participant makes the decision when to reallocate future contributions or when to transfer funds from one investment product to another. Funds are held by the investment vendor in the name of the member, not in the name of the State of Tennessee. Like the 401(k) and 457(b) plans, the ORP is generally externally managed with the investment lineup selected by Treasury Department staff with the assistance of the consultant. The primary role of the Consultant is monitoring the investments. As of June 30, 2019, the total ORP Plan assets were approximately \$3,837,707,434. The current investment line-ups for the ORP are contained in RFP Attachment 6.10. Approximately \$1.2 billion was invested in the current investment options within a mutual fund platform as of June 30, 2019. The remainder of the assets are in a closed annuity platform. Information concerning the closed annuity platform is attached hereto as RFP Attachment 6.12. The Consultant will report on assets and performance of all investments in both platforms, but will only actively monitor investments in the mutual fund platform. The investment policy for the ORP is contained in RFP Attachment 6.13.

403(b) Plans offered to employees of Tennessee public institutions of higher education (403(b) Plans)

Effective October 9, 2019, the State Treasurer assumed the administration and operation of two 403(b) plans that are offered to employees of Tennessee public institutions of higher education. The first plan is the University of Tennessee 403(b) Retirement Plan that is available to employees of the University of Tennessee (UT) and the second plan is the Tennessee Board of Regents 403(b) Retirement Plan that is available to employees of the Tennessee Board of Regents (TBR) and to the employees of the six locally governed public institutions of higher education. The 403(b) plans are supplemental defined contribution plans established pursuant to § 403(b) of the Internal Revenue Code. Employee participation is voluntary and employer contributions are not allowed.

UT employees may direct their contributions to specific investment products made available by five 403(b) investment providers. The UT investment providers authorized to receive ongoing contributions, exchanges and transfers are TIAA, AIG Retirement Services (VALIC), Voya, Ameriprise and Fidelity. The names of the Former Vendors who hold UT 403(b) plan assets are contained in RFP Attachment 6.14. A "Former Vendor" means any investment provider that was approved to offer annuity contracts or custodial accounts under the Plan, but that ceased to be eligible to receive new contributions, exchanges and/or transfers-in under the Plan. TBR employees may direct their contributions to specific investment products made available by three 403(b) investment providers. The TBR investment providers authorized to receive ongoing contributions, exchanges and transfers are TIAA, AIG Retirement Services (VALIC), and Voya. The names of the Former Vendors (as defined above) who hold TBR 403(b) plan assets are contained in RFP Attachment 6.15. 403(b) participants may elect to invest in the products offered by more than one investment provider. All 403(b) participants may redirect past and future contributions between and among the applicable investment providers each payroll cycle. As of December 31, 2018,

the 403(b) plans had collective total assets of approximately \$650,000,000. The current investment line-ups for the 403(b) Plans are contained in RFP Attachment 6.10. Approximately \$150 million of the assets were in the current investment options within a mutual fund platform as of June 30, 2019. The remainder are in a closed annuity platform. The Consultant will report on assets and performance of all investments in both platforms, but will only actively monitor investments in the mutual fund platform. Information concerning the closed annuity platform is attached hereto as RFP Attachment 6.12. No investment policies have been developed yet for the 403(b) plans. It is anticipated the investment policy will resemble the IPS for the ORP. The Treasury Department is in the initial stages of reviewing the current investments and the consultant will be expected to assist the Department in the evaluation of the investment options and the selection of any replacement investment options that are suitable for the 403(b) plans. The consultant will also be expected to collaborate with the Department on the development and implementation of appropriate strategies, policies, and procedures. The 403(b) plans will continue to be externally managed with the investment lineup selected by Treasury Department staff with the assistance of the consultant. The primary role of the consultant will be monitoring the investments.

College Savings Plans:

Baccalaureate Education System Trust (BEST)

BEST was created in 1996 under Tennessee Code Annotated, Title 49, Chapter 7, Part 8 for the purpose of improving higher education in the State of Tennessee by assisting students or their families to pay in advance, a portion of the tuition and other costs of attending colleges and universities. Under the program, a purchaser entered into a contract with the BEST Board of Trustees to purchase tuition units on behalf of a beneficiary. Each tuition unit purchased entitled the beneficiary to an amount no greater than one percent of the weighted average tuition of Tennessee's four-year public universities during the academic term in which it is used; however, the tuition unit or equivalent funds may be used at any accredited public or private, in-state or out-of-state institution. The purchase price of the tuition unit was determined annually by the BEST Board of Trustees with the assistance of an actuary to maintain the plan's financial soundness.

The BEST Board of Trustees voted to discontinue selling new prepaid units of tuition as of November 22, 2010, due to the rising cost of tuition. This action had no effect on units purchased prior to that date. Consequently, it is anticipated that BEST will be phased out over time. Refunds and tuition payments are guaranteed only to the extent that BEST program funds are available and neither the State of Tennessee nor the BEST Board of Trustees is liable for any amount in excess of available program funds. As of June 30, 2019, BEST's assets totaled approximately \$16 million. This amount exceeds what is needed to fund the outstanding tuition units at their weighted average tuition unit prices in effect at that date. Investments are executed in virtually the same manner as TN Promise. The Treasury Department's investment staff internally manage most of BEST's assets. Additional information concerning BEST, including its financial history, is contained in BEST's financial statements for the fiscal year ended June 30, 2019, which can be found at <https://treasury.tn.gov/Portals/0/Documents/Annual%20Reports/Financial%20Statements/2019/BESTFinancialStatement2019.pdf>. A copy of BEST's investment policy is attached as RFP Attachment 6.16.

TNStars College Savings 529 Program (TNStars)

TNStars was created under Tennessee Code Annotated, Title 49, Chapter 7, Part 8 and is designed to help people save for the costs of education after high school. TNStars is administered by the BEST Board of Trustees. TNStars began operations on September 18, 2012.

When opening an account, the owner may select multiple investments from a diversified mutual fund line-up. The line-up includes an Aged-Based Option which includes bands that become more conservatively invested as the beneficiary ages. Owners that do not prefer the Age-Based Option can self select any of the underlying funds. The list of investment options or underlying funds as of June 30, 2019 can be viewed at

<https://treasury.tn.gov/Portals/0/Documents/Annual%20Reports/Financial%20Statements/2019/TNStarsFinancialStatement2019.pdf>.

As of June 30, 2019, the total assets of TNStars was \$160,255,160. TNStars is generally externally managed with the investment lineup selected by Treasury Department staff with the assistance of the consultant. The primary role of the Consultant is monitoring the investments. The investment policy for TNStars is attached as RFP Attachment 6.17.

Tennessee's Achieving a Better Life Experience (ABLE TN) Plan

The ABLE TN program was created under Tennessee Code Annotated, Title 71, Chapter 4, Part 8 and is a savings program designed to help individuals with disabilities put aside money to pay for qualified expenses. These accounts provide the opportunity to save and invest, with tax-free earnings, to help participants maintain independence and quality of life. The ABLE TN program began operations on May 18, 2015.

In accordance with State statute, the State Treasurer maintains the powers and authorities necessary and convenient to carry out the purposes and objectives of ABLE TN including providing investment options or investment products for eligible individuals who have established an ABLE account.

Recognizing that program participants may have an investment horizon ranging from a few months to more than twenty years, the State Treasurer has selected a group of investment products that have an investment risk profile ranging from conservative to aggressive. The ABLE TN program follows the same investment strategy as TNStars, which is described in RFP Attachment 6.17. Consequently, the investment products are substantially the same as the investment lineup for TNStars.

Upon opening an account, eligible participants may choose to invest in any of the Program's available investment options based on their own objectives and strategies. The currently available investment options are listed in ABLE TN's 2019 financial statements, which can be viewed at <https://treasury.tn.gov/Portals/0/Documents/Annual%20Reports/Financial%20Statements/2019/ABLETNFinancialStatement2019.pdf>. ABLE TN is generally externally managed with the investment lineup selected by Treasury Department staff with the assistance of the consultant. The primary role of the Consultant is monitoring the investments. As of June 30, 2019, the ABLE TN's assets totaled \$15,587,878.

Government Savings Plans:

Qualified School Construction Bonds (QSCB)

Pursuant to the American Recovery and Reinvestment Act of 2009 and in accordance with Tennessee Code Annotated, Title 49, Chapter 3, Part 12, the Tennessee State School Bond Authority issued Qualified School Construction Bonds to finance the construction, repair, or rehabilitation of public school facilities. The Qualified School Construction Bond (QSCB) program provides loans to local governments to fund new construction, renovation and rehabilitation of schools, as well as the purchase of land and equipment for use in a qualified project. Funding for the QSCB program is limited to the amount allocated by the federal government. The program only received allocations for 2009 and 2010. Under the QSCB program, loans with local governments are direct general obligations of the local government for payment of principal and interest to which the local government has pledged its full faith and credit.

As of June 30, 2019, the assets in the QSCB program was \$213.6 million. Additional information concerning the bonds is contained in the Tennessee State School Bond Authority's financial statements for the fiscal year ended June 30, 2019, which can be found at <https://comptroller.tn.gov/content/dam/cot/tssba/advanced-search/2019TSSBACAFR.pdf>. The funds may be invested in obligations of the State or the United States government or obligations the principal and interest of which are guaranteed by the State or the United States government, obligations of the United States or its agencies under flexible repurchase agreements that are fully collateralized by obligations of the United States or obligations the timely payment of the principal of and interest on that are guaranteed by the United States, the State Investment Pool as provided

in Tennessee Code Annotated, Section 9-4-603 and any other investment authorized by the state investment policy adopted by the State Funding Board. A copy of the State Pooled Investment Fund's investment policy is attached as RFP Attachment 6.18. The Treasury Department's investment staff internally manage the vast majority of QSCB's assets.

Other Post Employment Benefits Trust (OPEB)

The OPEB Trust was established for the purpose of prefunding other postemployment benefits accrued by employees of the state of Tennessee. "Other post-employment benefits" means non-pension benefits paid on behalf of former state employees or former state employees' beneficiaries after separation from service. The benefits may include, but shall not be limited to, medical, prescription drugs, dental, vision, hearing, Medicare part B or part D premiums, life insurance, long-term care, and long-term disability. The vast majority of OPEB's assets are internally managed by the Treasury Department's investment staff. Investments for this program utilize a similar approach as TN Promise. Total net position of the trust at June 30, 2019 is \$213.7 million. The OPEB follows a similar investment strategy as TN Promise, which is described in RFP Attachment 6.8. Consequently, the investment products are substantially the same as the investment lineup for TN Promise. A copy of the OPEB's investment policy is attached as RFP Attachment 6.19.

1.2. Scope of Service, Contract Period, & Required Terms and Conditions

The RFP Attachment 6.6., *Pro Forma* Contract details the State's requirements:

- Scope of Services and Deliverables (Section A);
- Contract Period (Section B);
- Payment Terms (Section C);
- Standard Terms and Conditions (Section D); and,
- Special Terms and Conditions (Section E).

The *pro forma* contract substantially represents the contract document that the successful Respondent must sign.

1.3. Nondiscrimination

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a Contract pursuant to this RFP or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Contractor pursuant to this RFP shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

1.4. RFP Communications

1.4.1. The State has assigned the following RFP identification number that must be referenced in all communications regarding this RFP:

RFP # 30901-43520

1.4.2. **Unauthorized contact about this RFP with employees or officials of the State of Tennessee except as detailed below may result in disqualification from consideration under this procurement process.**

1.4.2.1. Prospective Respondents must direct communications concerning this RFP to the following person designated as the Solicitation Coordinator:

Dawn Rochelle, Solicitation Coordinator

Tennessee Treasury Department
 Telephone: (615) 253-8770
 Email: dawn.rochelle@tn.gov

1.4.2.2. Notwithstanding the foregoing, Prospective Respondents may alternatively contact:

- a. staff of the Governor's Office of Diversity Business Enterprise for assistance available to minority-owned, woman-owned, service-disabled veteran-owned, businesses owned by persons with disabilities, and small businesses as well as general, public information relating to this RFP (visit <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/governor-s-office-of-diversity-business-enterprise--godbe--/godbe-general-contacts.html> for contact information); and
- b. the following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

MaryJo Price
 Chief Operating Officer and Interim Director of Human Resources
 Telephone: (615) 532-0909
 Email: maryjo.price @tn.gov

- 1.4.3. Only the State's official, written responses and communications with Respondents are binding with regard to this RFP. Oral communications between a State official and one or more Respondents are unofficial and non-binding.
- 1.4.4. Potential Respondents must ensure that the State receives all written questions and comments, including questions and requests for clarification, no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events. Any written questions or comments must be e-mailed to the Solicitation Coordinator at dawn.rochelle@tn.gov.
- 1.4.5. Respondents must assume the risk of dispatching any communication or response to the State. The State assumes no responsibility for delays in the State's receipt of any communication or response from Respondents due to technical or other filing delays.
- 1.4.6. The State will convey all official responses and communications related to this RFP to the prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to RFP Section 1.8).
- 1.4.7. The State will convey official, written responses and communications related to this RFP through electronic mail to the prospective Respondents from whom the State has received a Notice of Intent to Respond. The State may also convey such communications by Internet posting. For internet posting, please refer to the following website:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>
- 1.4.8. The State reserves the right to determine, at its sole discretion, the appropriateness and adequacy of responses to written comments, questions, and requests related to this RFP. The State's official, written responses will constitute an amendment of this RFP.
- 1.4.9. Any data or factual information provided by the State (in this RFP, an RFP amendment or any other communication relating to this RFP) is for informational purposes only. The State will make reasonable efforts to ensure the accuracy of such data or information, however it is the Respondent's obligation to independently verify any data or information provided by the State.

The State expressly disclaims the accuracy or adequacy of any information or data that it provides to prospective Respondents.

1.5. **Assistance to Respondents With a Handicap or Disability**

Prospective Respondents with a handicap or disability may receive accommodation relating to the communication of this RFP and participating in the RFP process. Prospective Respondents may contact the Solicitation Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 2, Schedule of Events.

1.6. **Respondent Required Review & Waiver of Objections**

- 1.6.1. Each prospective Respondent must carefully review this RFP, including but not limited to, attachments, the RFP Attachment 6.6., *Pro Forma* Contract, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").
- 1.6.2. Any prospective Respondent having questions and comments concerning this RFP must provide them in writing to the State no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.6.3. Protests based on any objection to the RFP shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the Written Questions & Comments Deadline.

1.7. **Pre-Response Teleconference**

A Pre-response Teleconference will be held at the time and date detailed in the RFP Section 2, Schedule of Events. Pre-response Teleconference attendance is not mandatory.

To participate in the teleconference, contact the Solicitation Coordinator, Dawn Rochelle, at (615) 253-8770 or via e-mail at Dawn.Rochelle@tn.gov for further instructions. ~~The conference will be held at:~~

The purpose of the conference is to discuss the RFP scope of goods or services. The State will entertain questions, however prospective Respondents must understand that the State's oral response to any question at the Pre-response Teleconference shall be unofficial and non-binding. Prospective Respondents must submit all questions, comments, or other concerns regarding the RFP in writing prior to the Written Questions & Comments Deadline date detailed in the RFP Section 2, Schedule of Events. The State will send the official response to these questions and comments to prospective Respondents from whom the State has received a Notice of Intent to respond as indicated in RFP Section 1.8 and on the date detailed in the RFP Section 2, Schedule of Events.

1.8. **Notice of Intent to Respond**

Before the Notice of Intent to Respond Deadline detailed in the RFP Section 2, Schedule of Events, prospective Respondents should submit to the Solicitation Coordinator a Notice of Intent to Respond (in the form of a simple e-mail). Such notice should include the following information:

- the business or individual's name (as appropriate);
- a contact person's name and title; and
- the contact person's mailing address, telephone number, facsimile number, and e-mail address.

A Notice of Intent to Respond creates no obligation and is not a prerequisite for submitting a response, however, it is necessary to ensure receipt of any RFP amendments or other notices and communications relating to this RFP.

1.9. Response Deadline

A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events. The State will not accept late responses, and a Respondent's failure to submit a response before the deadline will result in disqualification of the response. Respondents should be mindful of any potential delays due to technical or other filing delays whether foreseeable or unforeseeable.

2. RFP SCHEDULE OF EVENTS

2.1. The following RFP Schedule of Events represents the State's best estimate for this RFP.

EVENT	TIME (central time zone)	DATE
1. RFP Issued		August 10, 2020
2. Disability Accommodation Request Deadline	2:00 p.m.	August 13, 2020
3. Pre-response Teleconference	1:00 p.m.	August 14, 2020
4. Notice of Intent to Respond Deadline	2:00 p.m.	August 17, 2020
5. Written "Questions & Comments" Deadline	2:00 p.m.	August 20, 2020
6. State Response to Written "Questions & Comments"		August 25, 2020
7. Response Deadline	2:00 p.m.	September 1, 2020
8. State Completion of Technical Response Evaluations of RFP Attachment 6.2., Sections B and C		September 4, 2020
9. State Schedules Oral Presentations of the Top Three (3) Ranked Respondents		September 8, 2020
10. Respondent Oral Presentations of the Top Three (3) Ranked Respondents	8:00 a.m. - 4:30 p.m.	September 14 – September 16, 2020
11. State Completion of Oral Presentation Evaluations		September 17, 2020
12. State Opening & Scoring of Cost Proposals of the Top Three (3) Ranked Respondents	2:00 p.m.	September 18, 2020
13. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	September 23, 2020
14. End of Open File Period		September 30, 2020
15. State sends contract to Contractor for signature		October 1, 2020
16. Contractor Signature Deadline	2:00 p.m.	October 2, 2020

2.2. **The State reserves the right, at its sole discretion, to adjust the RFP Schedule of Events as it deems necessary.** Any adjustment of the Schedule of Events shall constitute an RFP amendment, and the State will communicate such to prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to Section 1.8).

3. RESPONSE REQUIREMENTS

3.1. Response Form

A response to this RFP must consist of two parts, a Technical Response and a Cost Proposal.

- 3.1.1. **Technical Response.** RFP Attachment 6.2., Technical Response & Evaluation Guide provides the specific requirements for submitting a response. This guide includes mandatory requirement items, general qualifications and experience items, and technical qualifications, experience, and approach items all of which must be addressed with a written response and, in some instances, additional documentation.

NOTICE: A technical response must not include any pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical response, the state may deem the response to be non-responsive and reject it.

- 3.1.1.1. A Respondent must use the RFP Attachment 6.2., Technical Response & Evaluation Guide to organize, reference, and draft the Technical Response by duplicating the attachment, adding appropriate page numbers as required, and using the guide as a table of contents covering the Technical Response.
- 3.1.1.2. A response should be economically prepared, with emphasis on completeness and clarity. A response, as well as any reference material presented, must be written in English and must be written on standard 8 ½" x 11" pages (although oversized exhibits are permissible) and use a 12 point font for text. All response pages must be numbered.
- 3.1.1.3. All information and documentation included in a Technical Response should correspond to or address a specific requirement detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide. All information must be incorporated into a response to a specific requirement and clearly referenced. Any information not meeting these criteria will be deemed extraneous and will not contribute to evaluations.
- 3.1.1.4. The State may determine a response to be non-responsive and reject it if:
- a. the Respondent fails to organize and properly reference the Technical Response as required by this RFP and the RFP Attachment 6.2., Technical Response & Evaluation Guide; or
 - b. the Technical Response document does not appropriately respond to, address, or meet all of the requirements and response items detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide.

- 3.1.2. **Cost Proposal.** A Cost Proposal must be recorded on an exact duplicate of the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

NOTICE: If a Respondent fails to submit a cost proposal exactly as required, the State may deem the response to be non-responsive and reject it.

- 3.1.2.1. A Respondent must only record the proposed cost exactly as required by the RFP Attachment 6.3., Cost Proposal & Scoring Guide and must NOT record any other rates, amounts, or information.

- 3.1.2.2. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period, including any renewals or extensions.
- 3.1.2.3. A Respondent must sign and date the Cost Proposal. An electronic or facsimile signature, as applicable, is acceptable.
- 3.1.2.4. A Respondent must submit the Cost Proposal to the State in a separate e-mail from the Technical Response (as detailed in RFP Sections 3.2.3., *et seq.*).

3.2. Response Delivery

- 3.2.1. A Respondent must ensure that both the original Technical Response and Cost Proposal documents meet all form and content requirements, including all required signatures, as detailed within this RFP, as may be amended.
- 3.2.2. A Respondent must submit its Technical Response and Cost Proposal documents as specified below.
 - 3.2.2.1. Technical Response:
 The Technical Response document should be in the form of one (1) digital document in “PDF” format or other easily accessible digital format attached to an e-mail to the Solicitation Coordinator. Both the subject and file name should both be clearly identified as follows:

“RFP # 30901-43520 TECHNICAL RESPONSE ORIGINAL”

 The customer references should be delivered by each reference in accordance with RFP Attachment 6.2, Section B.17.
 - 3.2.2.2. Cost Proposal:
 The Cost Proposal should be in the form of one (1) digital document in “PDF” or “XLS” format or other easily accessible digital format attached to an e-mail to the Solicitation Coordinator. Both the subject and file name should both be clearly identified as follows:

“RFP # 30901-47120 COST PROPOSAL ORIGINAL”

 An electronic or facsimile signature, as applicable, on the Cost Proposal is acceptable.
- 3.2.3. The Technical Response and Cost Proposal documents must be dispatched to the Solicitation Coordinator in separate e-mail messages.
- 3.2.4. A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events. The Response must be delivered to the Solicitation Coordinator via e-mail at dawn.rochelle@tn.gov. In the event a Respondent's Response with all attachments and supporting documentation will exceed 15 megabytes in total, the Respondent must place the documents in a zip file or make two or more submissions such that the documents per e-mail submission do not exceed 15 megabytes.

3.3. Response & Respondent Prohibitions

- 3.3.1. A response must not include alternate contract terms and conditions. If a response contains such terms and conditions, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.

- 3.3.2. A response must not restrict the rights of the State or otherwise qualify either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal. If a response restricts the rights of the State or otherwise qualifies either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.3. A response must not propose alternative goods or services (*i.e.*, offer services different from those requested and required by this RFP) unless expressly requested in this RFP. The State may consider a response of alternative goods or services to be non-responsive and reject it.
- 3.3.4. A Cost Proposal must be prepared and arrived at independently and must not involve any collusion between Respondents. The State will reject any Cost Proposal that involves collusion, consultation, communication, or agreement between Respondents. Regardless of the time of detection, the State will consider any such actions to be grounds for response rejection or contract termination.
- 3.3.5. A Respondent must not provide, for consideration in this RFP process or subsequent contract negotiations, any information that the Respondent knew or should have known was materially incorrect. If the State determines that a Respondent has provided such incorrect information, the State will deem the Response non-responsive and reject it.
- 3.3.6. A Respondent must not submit more than one Technical Response and one Cost Proposal in response to this RFP, except as expressly requested by the State in this RFP. If a Respondent submits more than one Technical Response or more than one Cost Proposal, the State will deem all of the responses non-responsive and reject them.
- 3.3.7. A Respondent must not submit a response as a prime contractor while also permitting one or more other Respondents to offer the Respondent as a subcontractor in their own responses. Such may result in the disqualification of all Respondents knowingly involved. This restriction does not, however, prohibit different Respondents from offering the same subcontractor as a part of their responses (provided that the subcontractor does not also submit a response as a prime contractor).
- 3.3.8. The State shall not consider a response from an individual who is, or within the past six (6) months has been, a State employee. For purposes of this RFP:
- 3.3.8.1. An individual shall be deemed a State employee until such time as all compensation for salary, termination pay, and annual leave has been paid;
- 3.3.8.2. A contract with or a response from a company, corporation, or any other contracting entity in which a controlling interest is held by any State employee shall be considered to be a contract with or proposal from the employee; and
- 3.3.8.3. A contract with or a response from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six (6) months has been, a State employee shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.
- 3.3.9. This RFP is also subject to Tenn. Code Ann. § 12-4-101—105.

3.4. **Response Errors & Revisions**

A Respondent is responsible for any and all response errors or omissions. A Respondent will not be allowed to alter or revise response documents after the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events unless such is formally requested, in writing, by the State.

3.5. **Response Withdrawal**

A Respondent may withdraw a submitted response at any time before the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events by submitting a written request signed by an authorized Respondent representative to the Solicitation Coordinator via e-mail at dawn.rochelle@tn.gov. After withdrawing a response, a Respondent may submit another response at any time before the Response Deadline. After the Response Deadline, a Respondent may only withdraw all or a portion of a response where the enforcement of the response would impose an unconscionable hardship on the Respondent.

3.6. **Additional Services**

If a response offers goods or services in addition to those required by and described in this RFP, the State, at its sole discretion, may add such services to the contract awarded as a result of this RFP. Notwithstanding the foregoing, a Respondent must not propose any additional cost amounts or rates for additional goods or services. Regardless of any additional services offered in a response, the Respondent's Cost Proposal must only record the proposed cost as required in this RFP and must not record any other rates, amounts, or information.

NOTICE: If a Respondent fails to submit a Cost Proposal exactly as required, the State may deem the response non-responsive and reject it.

3.7. **Response Preparation Costs**

The State will not pay any costs associated with the preparation, submittal, or presentation of any response.

4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS

4.1. RFP Amendment

The State at its sole discretion may amend this RFP, in writing, at any time prior to contract award. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential Respondents to meet the response deadline and revise the RFP Schedule of Events if deemed appropriate. If an RFP amendment is issued, the State will convey it to potential Respondents who submitted a Notice of Intent to Respond (refer to RFP Section 1.8). A response must address the final RFP (including its attachments) as amended.

4.2. RFP Cancellation

The State reserves the right, at its sole discretion, to cancel the RFP or to cancel and reissue this RFP in accordance with applicable laws and regulations.

4.3. State Right of Rejection

4.3.1. Subject to applicable laws and regulations, the State reserves the right to reject, at its sole discretion, any and all responses.

4.3.2. The State may deem as non-responsive and reject any response that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, the State reserves the right to waive, at its sole discretion, minor variances from full compliance with this RFP. If the State waives variances in a response, such waiver shall not modify the RFP requirements or excuse the Respondent from full compliance, and the State may hold any resulting Contractor to strict compliance with this RFP.

4.4. Assignment & Subcontracting

4.4.1. The Contractor may not subcontract, transfer, or assign any portion of the Contract awarded as a result of this RFP without prior approval of the State. The State reserves the right to refuse approval, at its sole discretion, of any subcontract, transfer, or assignment.

4.4.2. If a Respondent intends to use subcontractors, the response to this RFP must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFP Attachment 6.2., Section B, General Qualifications & Experience Item B.14.).

4.4.3. Subcontractors identified within a response to this RFP will be deemed as approved by the State unless the State expressly disapproves one or more of the proposed subcontractors prior to signing the Contract.

4.4.4. After contract award, a Contractor may only substitute an approved subcontractor at the discretion of the State and with the State's prior, written approval.

4.4.5. Notwithstanding any State approval relating to subcontracts, the Respondent who is awarded a contract pursuant to this RFP will be the prime contractor and will be responsible for all work under the Contract.

4.5. Right to Refuse Personnel or Subcontractors

The State reserves the right to refuse, at its sole discretion and notwithstanding any prior approval, any personnel of the prime contractor or a subcontractor providing goods or services in the performance of a contract resulting from this RFP. The State will document in writing the reason(s) for any rejection of personnel.

4.6. Insurance

The State will require the awarded Contractor to provide a Certificate of Insurance issued by an insurance company licensed or authorized to provide insurance in the State of Tennessee. Each Certificate of Insurance shall indicate current insurance coverages meeting minimum requirements as may be specified by this RFP. A failure to provide a current, Certificate of Insurance will be considered a material breach and grounds for contract termination.

4.7. Professional Licensure and Department of Revenue Registration

- 4.7.1. All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Respondent provides for consideration and evaluation by the State as a part of a response to this RFP, shall be properly licensed to render such opinions.
- 4.7.2. Before the Contract resulting from this RFP is signed, the apparent successful Respondent (and Respondent employees and subcontractors, as applicable) must hold all necessary or appropriate business or professional licenses to provide the goods or services as required by the contract. The State may require any Respondent to submit evidence of proper licensure.
- 4.7.3. Before the Contract resulting from this RFP is signed, the apparent successful Respondent must be registered with the Tennessee Department of Revenue for the collection of Tennessee sales and use tax. The State shall not award a contract unless the Respondent provides proof of such registration or provides documentation from the Department of Revenue that the Contractor is exempt from this registration requirement. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. To register, please visit the Department of Revenue's Tennessee Taxpayer Access Point (TNTAP) website for Online Registration and the Vendor Contract Questionnaire. These resources are available at the following:
<https://tntap.tn.gov/eservices/#1>

4.8. Disclosure of Response Contents

- 4.8.1. All materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Selection or rejection of a response does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.
- 4.8.2. The State will hold all response information, including both technical and cost information, in confidence during the evaluation process.
- 4.8.3. Upon completion of response evaluations, indicated by public release of a Notice of Intent to Award, the responses and associated materials will be open for review by the public in accordance with Tenn. Code Ann. § 10-7-504(a)(7).

4.9. Contract Approval and Contract Payments

- 4.9.1. After contract award, the Contractor who is awarded the contract must submit appropriate documentation with the Department of Finance and Administration, Division of Accounts.
- 4.9.2. This RFP and its contractor selection processes do not obligate the State and do not create rights, interests, or claims of entitlement in either the Respondent with the apparent best-evaluated response or any other Respondent. State obligations pursuant to a contract award shall commence only after the Contract is signed by the State agency head and the Contractor and after the Contract is approved by all other state officials as required by applicable laws and regulations.
- 4.9.3. No payment will be obligated or made until the relevant Contract is approved as required by applicable statutes and rules of the State of Tennessee.

- 4.9.3.1. The State shall not be liable for payment of any type associated with the Contract resulting from this RFP (or any amendment thereof) or responsible for any goods delivered or services rendered by the Contractor, even goods delivered or services rendered in good faith and even if the Contractor is orally directed to proceed with the delivery of goods or the rendering of services, if it occurs before the Contract Effective Date or after the Contract Term.
- 4.9.3.2. All payments relating to this procurement will be made in accordance with the Payment Terms and Conditions of the Contract resulting from this RFP (refer to RFP Attachment 6.6., *Pro Forma Contract*, Section C).
- 4.9.3.3. If any provision of the Contract provides direct funding or reimbursement for the competitive purchase of goods or services as a component of contract performance or otherwise provides for the reimbursement of specified, actual costs, the State will employ all reasonable means and will require all such documentation that it deems necessary to ensure that such purchases were competitive and costs were reasonable, necessary, and actual. The Contractor shall provide reasonable assistance and access related to such review. Further, the State shall not remit, as funding or reimbursement pursuant to such provisions, any amounts that it determines do not represent reasonable, necessary, and actual costs.

4.10. **Contractor Performance**

The Contractor who is awarded a contract will be responsible for the delivery of all acceptable goods or the satisfactory completion of all services set out in this RFP (including attachments) as may be amended. All goods or services are subject to inspection and evaluation by the State. The State will employ all reasonable means to ensure that goods delivered or services rendered are in compliance with the Contract, and the Contractor must cooperate with such efforts.

4.11. **Contract Amendment**

After Contract award, the State may request the Contractor to deliver additional goods or perform additional services within the general scope of the Contract and this RFP, but beyond the specified Scope, and for which the Contractor may be compensated. In such instances, the State will provide the Contractor a written description of the additional goods or services. The Contractor must respond to the State with a time schedule for delivering the additional goods or accomplishing the additional services based on the compensable units included in the Contractor's response to this RFP. If the State and the Contractor reach an agreement regarding the goods or services and associated compensation, such agreement must be effected by means of a contract amendment. Further, any such amendment requiring additional goods or services must be signed by both the State agency head and the Contractor and must be approved by other state officials as required by applicable statutes, rules, policies and procedures of the State of Tennessee. The Contractor must not provide additional goods or render additional services until the State has issued a written contract amendment with all required approvals.

4.12. **Severability**

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision will not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the State and Respondents will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

4.13. **Next Ranked Respondent**

The State reserves the right to initiate negotiations with the next ranked Respondent should the State cease doing business with any Respondent selected via this RFP process.

5. EVALUATION & CONTRACT AWARD

5.1. Evaluation Categories & Maximum Points

The State will consider qualifications, experience, technical approach, and cost in the evaluation of responses and award points in each of the categories detailed below (up to the maximum evaluation points indicated) to each response deemed by the State to be responsive.

EVALUATION CATEGORY	MAXIMUM POINTS POSSIBLE
General Qualifications & Experience (refer to RFP Attachment 6.2., Section B)	20
Technical Qualifications, Experience & Approach (refer to RFP Attachment 6.2., Section C)	40
Oral Presentation (refer to RFP Attachment 6.2., Section D)	10
Cost Proposal (refer to RFP Attachment 6.3.)	30

5.2. Evaluation Process

The evaluation process is designed to award the contract resulting from this RFP not necessarily to the Respondent offering the lowest cost, but rather to the Respondent deemed by the State to be responsive and responsible who offers the best combination of attributes based upon the evaluation criteria. ("Responsive Respondent" is defined as a Respondent that has submitted a response that conforms in all material respects to the RFP. "Responsible Respondent" is defined as a Respondent that has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

5.2.1. **Technical Response Evaluation.** The Solicitation Coordinator and the Proposal Evaluation Team (consisting of three (3) or more State employees) will use the RFP Attachment 6.2., Technical Response & Evaluation Guide to manage the Technical Response Evaluation and maintain evaluation records.

- 5.2.1.1. The State reserves the right, at its sole discretion, to request Respondent clarification of a Technical Response or to conduct clarification discussions with any or all Respondents. Any such clarification or discussion will be limited to specific sections of the response identified by the State. The subject Respondent must put any resulting clarification in writing as may be required and in accordance with any deadline imposed by the State.
- 5.2.1.2. The Solicitation Coordinator will review each Technical Response to determine compliance with RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A— Mandatory Requirements. If the Solicitation Coordinator determines that a response failed to meet one or more of the mandatory requirements, the Proposal Evaluation Team will review the response and document the team's determination of whether:
- the response adequately meets RFP requirements for further evaluation;
 - the State will request clarifications or corrections for consideration prior to further evaluation; or,
 - the State will determine the response to be non-responsive to the RFP and reject it.

- 5.2.1.3. Proposal Evaluation Team members will independently evaluate each Technical Response (that is responsive to the RFP) against the evaluation criteria in this RFP, and will score each in accordance with the RFP Attachment 6.2., Technical Response & Evaluation Guide.
- 5.2.1.4. For each response evaluated, the Solicitation Coordinator will calculate the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Response & Evaluation Guide, and record each average as the response score for the respective Technical Response section.
- 5.2.1.5. The Solicitation Coordinator will invite the top three (3) ranked Respondents to make an oral presentation. The ranking will be determined after the Technical Response score is totaled and ranked (e.g., 1 – the best evaluated ranking, etc.). In the event of a tie score in the top three rankings, the Solicitation Coordinator will identify all responsive and responsible Respondents that received those scores. The Solicitation Coordinator will invite each such Respondent to make an oral presentation. The presentation shall be conducted remotely via web conference, hosted by the Respondent. The Respondent must provide a copy of its presentation materials to the Solicitation Coordinator via e-mail the day before the Respondent's presentation.
 - 5.2.1.5.1. The oral presentations are mandatory. The Solicitation Coordinator will schedule Respondent presentations during the period indicated by the RFP Section 2, Schedule of Events. The Solicitation Coordinator will make every effort to accommodate each Respondent's schedules. When the Respondent presentation schedule has been determined, the Solicitation Coordinator will contact Respondents with the relevant information as indicated by RFP Section 2, Schedule of Events.
 - 5.2.1.5.2. Respondent presentations are only open to the invited Respondent, Proposal Evaluation Team members, the Solicitation Coordinator, and any technical consultants who are selected by the State to provide assistance to the Proposal Evaluation Team.
 - 5.2.1.5.3. Oral presentations provide an opportunity for Respondents to explain and clarify their responses. Respondents must not materially alter their responses and presentations will be limited to addressing the items detailed in RFP Attachment 6.2., Technical Response & Evaluation Guide. Respondent pricing shall not be discussed during oral presentations.
 - 5.2.1.5.4. The State will maintain an accurate record of each Respondent's oral presentation session. The record of the Respondent's oral presentation shall be available for review when the State opens the procurement files for public inspection.
 - 5.2.1.5.5. Proposal Evaluation Team members will independently evaluate each oral presentation in accordance with the RFP Attachment 6.2., Technical Response & Evaluation Guide, Section D.
 - 5.2.1.5.6. The Solicitation Coordinator will calculate and document the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Response & Evaluation Guide, Section D, and record that number as the score for Respondent's Technical Response section.
- 5.2.1.6. Before Cost Proposals are opened, the Proposal Evaluation Team will review the Technical Response Evaluation record and any other available information pertinent to

whether or not each Respondent is responsive and responsible. If the Proposal Evaluation Team identifies any Respondent that does not meet the responsive and responsible thresholds such that the team would not recommend the Respondent for Cost Proposal Evaluation and potential contract award, the team members will fully document the determination.

- 5.2.2. **Cost Proposal Evaluation.** The Solicitation Coordinator will open for evaluation the Cost Proposal of each Respondent deemed by the State to be responsive and responsible and calculate and record each Cost Proposal score in accordance with the RFP Attachment 6.3., Cost Proposal & Scoring Guide.
- 5.2.3. **Total Response Score.** The Solicitation Coordinator will calculate the sum of the Technical Response section scores and the Cost Proposal score and record the resulting number as the total score for the subject Response (refer to RFP Attachment 6.5., Score Summary Matrix).

5.3. Contract Award Process

- 5.3.1 The Solicitation Coordinator will submit the Proposal Evaluation Team determinations and scores to the head of the procuring agency for consideration along with any other relevant information that might be available and pertinent to contract award.
- 5.3.2. The procuring agency head will determine the apparent best-evaluated Response. To effect a contract award to a Respondent other than the one receiving the highest evaluation process score, the head of the procuring agency must provide written justification and obtain the written approval of the Chief Procurement Officer and the Comptroller of the Treasury.
- 5.3.3. The State will issue a Notice of Intent to Award identifying the apparent best-evaluated response and make the RFP files available for public inspection at the time and date specified in the RFP Section 2, Schedule of Events.

NOTICE: The Notice of Intent to Award shall not create rights, interests, or claims of entitlement in either the apparent best-evaluated Respondent or any other Respondent.

- 5.3.4. The Respondent identified as offering the apparent best-evaluated response must sign a contract drawn by the State pursuant to this RFP. The Contract shall be substantially the same as the RFP Attachment 6.6., *Pro Forma* Contract. The Respondent must sign the contract by the Contractor Signature Deadline detailed in the RFP Section 2, Schedule of Events. If the Respondent fails to provide the signed Contract by this deadline, the State may determine that the Respondent is non-responsive to this RFP and reject the response.
- 5.3.5. Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited terms and conditions or pricing negotiations prior to Contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, PROVIDED THAT such revision of terms and conditions or performance requirements shall NOT materially affect the basis of response evaluations or negatively impact the competitive nature of the RFP and contractor selection process.
- 5.3.6. If the State determines that a response is non-responsive and rejects it after opening Cost Proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated response.

RFP ATTACHMENT 6.1.**RFP # 30901-43520 STATEMENT OF CERTIFICATIONS AND ASSURANCES**

The Respondent must sign and complete the Statement of Certifications and Assurances below as required, and it must be included in the Technical Response (as required by RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A, Item A.1.). An electronic or facsimile signature, as applicable, is acceptable.

The Respondent does, hereby, expressly affirm, declare, confirm, certify, and assure ALL of the following:

1. The Respondent will comply with all of the provisions and requirements of the RFP.
2. The Respondent will provide all services as defined in the Scope of the RFP Attachment 6.6., *Pro Forma* Contract for the total Contract Term.
3. The Respondent, except as otherwise provided in this RFP, accepts and agrees to all terms and conditions set out in the RFP Attachment 6.6., *Pro Forma* Contract.
4. The Respondent acknowledges and agrees that a contract resulting from the RFP shall incorporate, by reference, all proposal responses as a part of the Contract.
5. The Respondent will comply with:
 - (a) the laws of the State of Tennessee;
 - (b) Title VI of the federal Civil Rights Act of 1964;
 - (c) Title IX of the federal Education Amendments Act of 1972;
 - (d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government; and,
 - (e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government.
6. To the knowledge of the undersigned, the information detailed within the response submitted to this RFP is accurate.
7. The response submitted to this RFP was independently prepared, without collusion, under penalty of perjury.
8. No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Respondent in connection with this RFP or any resulting contract.
9. Both the Technical Response and the Cost Proposal submitted in response to this RFP shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFP.
10. The Respondent affirms the following statement, as required by the Iran Divestment Act Tenn. Code Ann. § 12-12-111: "By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to §12-12-106." For reference purposes, the list is currently available online at: <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-public-information-library.html>.

By signing this Statement of Certifications and Assurances, below, the signatory also certifies legal authority to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If the signatory is not the Respondent (if an individual) or the Respondent's company *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to bind the Respondent.

DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO BIND THE RESPONDENT

SIGNATURE:

PRINTED NAME & TITLE:

DATE:

**RESPONDENT LEGAL ENTITY
NAME:**

RFP ATTACHMENT 6.2. — Section A

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION A: MANDATORY REQUIREMENTS. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review the response to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Proposal Evaluation Team must review the response and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFP requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		The Response must be delivered to the State no later than the Response Deadline specified in the RFP Section 2, Schedule of Events.	
		The Technical Response must NOT contain cost or pricing information of any type.	
		The Technical Response must NOT contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must NOT submit alternate responses (refer to RFP Section 3.3.).	
		A Respondent must NOT submit multiple responses in different forms (as a prime and a subcontractor) (refer to RFP Section 3.3.).	
	A.1.	Provide the Statement of Certifications and Assurances (RFP Attachment 6.1.) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFP and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall cause to deliver goods or perform services under the contract has a possible conflict of interest (<i>e.g.</i> , employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide a current bank reference indicating that the Respondent's business relationship with the financial institution is in positive standing. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months.	
	A.4.	Provide a statement that the Proposer currently serves as the general investment consultant for at least three defined benefit pension plan clients with assets exceeding \$15 billion. Provide the Fund name, contact name, phone number, and asset size to support the above statement.	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
	A.5.	Provide a statement that the Proposer has at least one public pension fund client with assets exceeding \$10 billion. Provide the Fund name, contact name, phone number, and asset size to support the above statement.	
	A.6.	Provide a statement that the Proposer currently serves (or has served within the past three years) as the general investment consultant for at least one defined contribution retirement plan client with assets exceeding \$500 million. Provide the Fund name, contact name, phone number, and asset size to support the above statement.	
	A.7.	Provide a statement that the Proposer agrees to serve as a fiduciary to the State with respect to the services to be provided under any contract awarded pursuant to this RFP.	
	A.8.	Provide a statement that the Proposer is registered with the SEC as an investment advisor pursuant to the investment advisors act of 1940.	
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>			

RFP ATTACHMENT 6.2. — SECTION B

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below. Proposal Evaluation Team members will independently evaluate and assign one score for all responses to Section B— General Qualifications & Experience Items.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number of the person the State should contact regarding the response.
	B.2.	Describe the Respondent's form of business (<i>i.e.</i> , individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Respondent has been in business.
	B.4.	Briefly describe how long the Respondent has been providing the goods or services required by this RFP.
	B.5.	Describe the Respondent's number of employees, number of clients, assets under advisement and location of offices.
	B.6.	Provide a statement of whether there have been any mergers, acquisitions, or change of control of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	B.7.	Provide a statement of whether the Respondent or, to the Respondent's knowledge, any of the Respondent's employees, agents, independent contractors, or subcontractors, involved in the delivery of goods or performance of services on a contract pursuant to this RFP, have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony. If so, include an explanation providing relevant details.
	B.8.	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.9.	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFP or is likely to have a material adverse effect on the Respondent's financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent's performance in a contract pursuant to this RFP. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.10.	Provide a statement of whether there are any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent's performance in a contract pursuant to this RFP.</p> <p>NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.</p>
	B.11.	Provide a brief, descriptive statement detailing evidence of the Respondent's ability to deliver the goods or services sought under this RFP (e.g., prior experience, training, certifications, resources, program and quality management systems, etc.).
	B.12.	Provide a narrative description of the proposed project team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to deliver the goods or services required by this RFP.
	B.13.	Provide a personnel roster listing the names of key people who the Respondent will assign to meet the Respondent's requirements under this RFP along with the estimated number of hours that each individual will devote to that performance. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Respondent, and employment history.
	B.14.	<p>Provide a statement of whether the Respondent intends to use subcontractors to meet the Respondent's requirements of any contract awarded pursuant to this RFP, and if so, detail:</p> <p>(a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each;</p> <p>(b) a description of the scope and portions of the goods each subcontractor involved in the delivery of goods or performance of the services each subcontractor will perform; <u>and</u></p> <p>(c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent's response to this RFP.</p>
	B.15.	<p>Provide documentation of the Respondent's commitment to diversity as represented by the following:</p> <p>(a) <u>Business Strategy</u>. Provide a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please also include a list of the Respondent's certifications as a diversity business, if applicable.</p> <p>(b) <u>Business Relationships</u>. Provide a listing of the Respondent's current contracts with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please include the following information:</p> <p>(i) contract description;</p> <p>(ii) contractor name and ownership characteristics (i.e., ethnicity, gender, service-disabled veteran-owned or persons with disabilities);</p> <p>(iii) contractor contact name and telephone number.</p> <p>(c) <u>Estimated Participation</u>. Provide an estimated level of participation by business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises if a contract is awarded to the Respondent pursuant to this RFP. Please include the following information:</p> <p>(i) a percentage (%) indicating the participation estimate. (Express the estimated participation number as a percentage of the total estimated contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics only and DO NOT INCLUDE DOLLAR AMOUNTS);</p>

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>(ii) anticipated goods or services contract descriptions;</p> <p>(iii) names and ownership characteristics (i.e., ethnicity, gender, service-disabled veterans, or disability) of anticipated subcontractors and supply contractors.</p> <p>NOTE: In order to claim status as a Diversity Business Enterprise under this contract, businesses must be certified by the Governor's Office of Diversity Business Enterprise (Go-DBE). Please visit the Go-DBE website at https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810 for more information.</p> <p>(d) <u>Workforce</u>. Provide the percentage of the Respondent's total current employees by ethnicity and gender.</p> <p>NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will recognize the positive qualifications and experience of a Respondent that does business with enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises and who offer a diverse workforce.</p>
	B.16.	<p>Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous five (5) year period. If so, provide the following information for all of the current and completed contracts:</p> <p>(a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract;</p> <p>(b) the procuring State agency name;</p> <p>(c) a brief description of the contract's scope of services;</p> <p>(d) the contract period; and</p> <p>(e) the contract number.</p>
	B.17.	<p>Provide customer references from individuals who are <u>not</u> current or former State employees for projects similar to the goods or services sought under this RFP and which represent:</p> <ul style="list-style-type: none"> ▪ two (2) accounts Respondent currently services that are similar in size to the State; <u>and</u> ▪ three (3) completed projects. <p>References from at least three (3) different individuals are required to satisfy the requirements above, e.g., an individual may provide a reference about a completed project and another reference about a currently serviced account. The standard reference questionnaire, which <u>must</u> be used and completed, is provided at RFP Attachment 6.4. References that are not completed as required may be deemed non-responsive and may not be considered.</p> <p>The Respondent will be <u>solely</u> responsible for obtaining fully completed reference questionnaires and ensuring they are e-mailed to the Solicitation Coordinator. In order to obtain and submit the completed reference questionnaires follow the process below.</p> <p>(a) Add the Respondent's name to the standard reference questionnaire at RFP Attachment 6.4. and make a copy for each reference.</p> <p>(b) Either (i) send a reference questionnaire to each reference or (ii) e-mail the reference with a copy of the standard reference questionnaire.</p> <p>(c) Instruct the reference to:</p> <ul style="list-style-type: none"> (i) complete the reference questionnaire; (ii) sign and date the completed reference questionnaire;

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>(iii) e-mail the reference directly to the Solicitation Coordinator by no later than the Response Deadline date and time with the subject line of the e-mail as “[Respondent Name]” Referenced for RFP 30901-43520;</p> <p>NOTES:</p> <ul style="list-style-type: none"> ▪ The State will not accept late references or references submitted by any means other than that which is described above, and each reference questionnaire submitted must be completed as required. ▪ The State will not review more than the number of required references indicated above. ▪ While the State will base its reference check on the contents of the e-mails, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references. ▪ The State is under <u>no</u> obligation to clarify any reference information.
	B.18.	<p>Provide a statement and any relevant details addressing whether the Respondent is any of the following:</p> <ul style="list-style-type: none"> (a) is presently debarred, suspended, proposed for debarment, or voluntarily excluded from covered transactions by any federal or state department or agency; (b) has within the past three (3) years, been convicted of, or had a civil judgment rendered against the contracting party from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) is presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above; and (d) has within a three (3) year period preceding the contract had one or more public transactions (federal, state, or local) terminated for cause or default.
		<p>SCORE (for <u>all</u> Section B—Qualifications & Experience Items above): (maximum possible score = 20)</p>
State Use – Evaluator Identification:		

RFP ATTACHMENT 6.2. — SECTION C

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Respondent must address all items (below) and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value 1 = poor 2 = fair 3 = satisfactory 4 = good 5 = excellent

The Solicitation Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's Raw Weighted Score for purposes of calculating the section score as indicated.

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.1.	Provide a narrative that illustrates the Respondent's understanding of the State's requirements and project schedule.		5	
	C.2.	Provide a narrative that illustrates how the Respondent will complete the scope of services, accomplish required objectives, and meet the State's project schedule.		5	
	C.3.	Provide a narrative that illustrates how the Respondent will manage the project, ensure completion of the scope of services, and accomplish required objectives within the State's project schedule.		5	
	C.4.	<p>Performance measurement and portfolio analytics:</p> <p>Describe the content and format of performance reports. Specifically, describe the types of reporting and attribution analysis you can provide on investment performance at the individual security, portfolio, asset class, and total fund levels.</p> <p>Describe how you calculate the performance measurement reports in compliance with the ICFA performance presentation standards. What sources of data do you utilize for analyzing and evaluating your client's performance? What quality and reconciliation checks do you perform?</p> <p>How many business days following the receipt of data from the master custodian bank do you require to complete quarter-end reports? Specify the time frames in which you can provide the monthly and quarterly performance measurement reports described in Section A.4 of the pro forma contract (RFP Attachment 6.6).</p> <p>Describe the flexibility of your reporting and the ability to customize the reports at our request. Are performance reports available online? Can date ranges, benchmarks, and universes be customized online? Are detail attribution reports available on-line?</p> <p>Please attach samples of your performance and portfolio analytics reports.</p>		20	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>Describe your firm's universes for peer-comparison, including size, composition, % of public funds, % of private funds, etc. Is it proprietary or purchased from an independent source? If proprietary, how is the data compiled? How do you present risk adjusted comparisons at the total fund level?</p> <p>This mandate includes a large defined benefit plan, multiple endowment plans, multiple defined contribution plans, and other investment plans. How would you capture historical performance of these plans from prior consultants and other vendors?</p>			
	C.5.	<p>Asset allocation studies:</p> <p>Describe how your firm is prepared to consult and make presentations on asset allocation changes and other asset allocation issues related to the total portfolio.</p> <p>Describe your asset allocation model. How are your assumptions generated? What time frame does the model use? How sensitive is your model to changes in assumptions? Are third party models or assumptions utilized? How are investment objectives and range constraints factored into the optimization process?</p> <p>What is your commitment to internal research into the construction of assumptions used in your asset allocation model(s)? To what extent would you involve Treasury Department staff in discussing the assumptions that form the basis of your asset allocation model?</p> <p>What strategy or evaluation process does your firm employ to measure the risk tolerance of your client fiduciaries?</p> <p>How often do you recommend a formal review of asset allocation policies?</p>		20	
	C.6.	<p>Investment Manager Searches:</p> <p>Describe your firm's methodology for the evaluation and selection of investment managers. Include how your firm evaluates a manager's personnel and organizational structure; investment philosophy (and adherence to); research capabilities; financial condition; and client service.</p> <p>Describe in detail your manager database. Explain how firms enter your search universe. How are firms included or excluded from your universe? Do clients have direct access to the database?</p> <p>How many active and passive managers does your average client retain? To what styles and market cap ranges are they assigned?</p> <p>Are active managers able to consistently outperform broad market indices as well as relevant style benchmarks? Discuss findings that support your views. What roles do you think are appropriate for active managers, passive managers, and enhanced indexers?</p>		15	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>Has your manager evaluation process resulted in the recommendation of the same managers consistently over several searches? Please explain and provide examples of recent studies.</p> <p>Explain how external manager performance reviews are conducted and at what point such reviews would be initiated. Do you initiate or do you wait for instructions from your client to do so?</p> <p>Describe your process for recommending manager termination.</p>			
	C.7.	<p>General Information and Education:</p> <p>List the areas in which you provide research/advice, indicating those in which you feel especially qualified.</p> <p>What role does passive management play in your firm's general view of the asset allocation process for your clients?</p> <p>Have you ever assisted any clients in the development and/or evaluation of their internally managed programs?</p> <p>Provide a brief outline of your experiences, if any, and your general view of the role of internal management versus external management in pension plans like TCRS.</p> <p>How do you consult your clients on manager transition and/or rebalancing strategic asset allocation targets?</p> <p>How many clients do you have who currently invest in real estate? Do they use your firm as their sole consultant for real estate or do they also use a dedicated real estate consultant?</p> <p>Discuss the role of alternative investments within a pension portfolio. Do you have clients using alternative investments? If so, what form of alternatives? How does your firm assist in the design, implementation and monitoring of such an investment program? Do you have staff dedicated to researching this asset class?</p> <p>Have you assisted clients in designing investment line-ups for defined contribution plans?</p> <p>Have you assisted clients in developing investment policies and asset allocations for endowment programs?</p> <p>If requested, could your firm provide on-site sessions for staff? What conferences/seminars do you make available to clients?</p> <p>Describe your database of available research (i.e. white papers) on topics such as asset classes, optimization models, passive versus active management, securities lending, soft dollars, custodians, transaction costs, transition management, proxy voting, securities litigation, ETIs, etc. Who at your firm conducts this research?</p>		10	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>Are research reports, databases, or analytical tools available online?</p> <p>Describe the due diligence review that you will conduct in year 1 of the contract as described in Section A.3 of the <i>Pro Forma</i> contract (RFP Attachment 6.6).</p>			
	C.8.	<p>Firm Overview:</p> <p>Provide assets under management and percentage of total firm revenues by product category. Indicate for each product whether it is a discretionary or non-discretionary account.</p> <p>Provide information regarding the relative percentage of revenues your firm derives from the following (the total of all sources of revenue should add to 100%):</p> <ul style="list-style-type: none"> ▪ Revenues from investment management organizations ▪ Revenues from brokerage activities ▪ Revenues from tax-exempt institutional investors ▪ Revenue from other sources (please specify) <p>Provide information regarding the relative percentage of revenues your firm derives from the following (the total of all sources of revenue should add to 100%):</p> <ul style="list-style-type: none"> ▪ Revenues from non-discretionary investment consulting services ▪ Revenues from discretionary investment consulting services ▪ Revenue from other investment consulting ▪ Revenue from other activities (please specify) <p>Provide a comprehensive list of institutional clients.</p> <p>Provide an ownership table of the Proposer.</p> <p>Provide a copy of Proposer's most recent SEC Form ADV (Part 2)</p> <p>Describe the scope and levels of insurance coverage for both (i) errors and omissions and (ii) blanket fidelity bond or other comparable forms of insurance carried or held by the Proposer to provide loss protection in the event of employee theft, dishonesty or fraud.</p>		10	
	C.9.	<p>Firm Stability:</p> <p>Provide the names (or brief descriptions if confidentiality is required) and assets, both discretionary and non-discretionary, of all clients gained and lost since January 2010. For each client lost, specify the reason and a current contact name at the firm.</p> <p>Provide a list of all employees and their respective titles that have left the Proposer in the past five years. Unless prohibited under a confidentiality agreement, please explain the circumstances surrounding the departures.</p>		10	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
<i>The Solicitation Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.</i>					Total Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>
$\frac{\text{Total Raw Weighted Score}}{\text{Maximum Possible Raw Weighted Score}}$ <i>(i.e., 5 x the sum of item weights above)</i>					$\times 40$ <i>(maximum possible score)</i> = SCORE:
State Use – Evaluator Identification:					
State Use – Solicitation Coordinator Signature, Printed Name & Date:					

RFP ATTACHMENT 6.2. — SECTION C (continued)
RFP ATTACHMENT 6.2.— SECTION D

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION D: ORAL PRESENTATION. The Respondent must address ALL Oral Presentation Items (below).

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the presentation response to each item. Each evaluator will use the following whole-number, raw point scale for scoring each item:

0 = little value 1 = poor 2 = fair 3 = satisfactory 4 = good 5 = excellent

The Solicitation Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's raw, weighted score for purposes of calculating the section score as indicated.

RESPONDENT LEGAL ENTITY NAME:				
Oral Presentation Items		Item Score	Evaluation Factor	Raw Weighted Score
D.1.	Describe your firm's view of current strategic portfolio management topics which may include: endowment model management, risk parity portfolios, portable alpha strategies, etc.		1	
D.2.	Describe your firm's experience in working with and supporting public sector plan managers who combine direct security selection processes with investment manager selection processes and how your firm plans to support the effort at the Tennessee Treasury Department.		1	
D.3.	Describe your firms experience working with and supporting defined contribution plans.		1	
Total Raw Weighted Score (<i>sum of Raw Weighted Scores above</i>):				
The Solicitation Coordinator will use this sum and the formula below to calculate the score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.				
total raw weighted score				
maximum possible raw weighted score <i>(i.e., 5 x the sum of item weights above)</i>		X 10 <i>(maximum section score)</i>	= SCORE:	
<i>State Use – Evaluator Identification:</i>				
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>				

COST PROPOSAL & SCORING GUIDE**NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED**

COST PROPOSAL SCHEDULE— The Cost Proposal, detailed below, shall indicate the proposed price for goods or services defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma* Contract and for the entire contract period. The Cost Proposal shall remain valid for at least one hundred twenty (120) days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFP. All monetary amounts shall be in U.S. currency and limited to two (2) places to the right of the decimal point.

The Evaluation Factor associated with each cost item is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Respondent.

Notwithstanding the cost items herein, pursuant to the second paragraph of the *Pro Forma* Contract section C.1. (refer to RFP Attachment 6.6.), "The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract."

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the Respondent to the provisions of this RFP and any contract awarded pursuant to it. If said individual is not the *President* or *Chief Executive Officer*, this document **must** attach evidence showing the individual's authority to legally bind the Respondent. An electronic or facsimile signature, as applicable, is acceptable.

RESPONDENT SIGNATURE:	
PRINTED NAME & TITLE:	
DATE:	

RESPONDENT LEGAL ENTITY NAME:								
Cost Item Description	Proposed Cost					State Use Only		
	December 1, 2020 – November 30, 2021	December 1, 2021 – November 30, 2022	December 1, 2022 – November 30, 2023	December 1, 2023 – November 30, 2024	December 1, 2024 – November 30, 2025	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Investment Consulting Services for TCRS as detailed in Sections A.3., A.4., A.6.a., A.7., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$_____ per quarter	\$_____ per quarter	\$_____ per quarter	\$_____ per quarter	\$_____ per quarter		4	
Investment Consulting Services for TN Promise as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$_____ per quarter	\$_____ per quarter	\$_____ per quarter	\$_____ per quarter	\$_____ per quarter		4	

RESPONDENT LEGAL ENTITY NAME:								
Cost Item Description	Proposed Cost					State Use Only		
	December 1, 2020 – November 30, 2021	December 1, 2021 – November 30, 2022	December 1, 2022 – November 30, 2023	December 1, 2023 – November 30, 2024	December 1, 2024 – November 30, 2025	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Investment Consulting Services for OPEB as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for COE as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for BEST as detailed in Sections A.3., A.4., A.6.a. A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for QSCB as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for 401(k) and 457(b) Plans as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	

RESPONDENT LEGAL ENTITY NAME:								
Cost Item Description	Proposed Cost					State Use Only		
	December 1, 2020 – November 30, 2021	December 1, 2021 – November 30, 2022	December 1, 2022 – November 30, 2023	December 1, 2023 – November 30, 2024	December 1, 2024 – November 30, 2025	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Investment Consulting Services for the ORP as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) for any calendar quarter in which the number of investment products offered to Plan participants equaled more than 50, but less than 100	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for the ORP as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) for any calendar quarter in which the number of investment products offered to Plan participants equaled 50 or less	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for the University of Tennessee 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) for any calendar quarter in which the number of investment products offered to Plan participants equaled more than 200, but less than 287	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	

RESPONDENT LEGAL ENTITY NAME:								
Cost Item Description	Proposed Cost					State Use Only		
	December 1, 2020 – November 30, 2021	December 1, 2021 – November 30, 2022	December 1, 2022 – November 30, 2023	December 1, 2023 – November 30, 2024	December 1, 2024 – November 30, 2025	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Investment Consulting Services for the University of Tennessee 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) for any calendar quarter in which the number of investment products offered to Plan participants equaled more than 150, but less than 201	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for the University of Tennessee 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) for any calendar quarter in which the number of investment products offered to Plan participants equaled 150 or less	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for the Tennessee Board of Regents 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) for any calendar quarter in which the number of investment products offered to Plan participants equaled more than 50, but less than 100	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	

RESPONDENT LEGAL ENTITY NAME:								
Cost Item Description	Proposed Cost					State Use Only		
	December 1, 2020 – November 30, 2021	December 1, 2021 – November 30, 2022	December 1, 2022 – November 30, 2023	December 1, 2023 – November 30, 2024	December 1, 2024 – November 30, 2025	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Investment Consulting Services for the Tennessee Board of Regents 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) for any calendar quarter in which the number of investment products offered to Plan participants equaled 50 or less	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for TNStars as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Investment Consulting Services for ABLE TN as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter		4	
Comprehensive Consulting, Education and Research Services or Other Significant Projects and Services detailed in Section A.6.b. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour		100	
TCRS Investment Manager Search Services detailed in Section A.8 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per search	\$ _____ per search	\$ _____ per search	\$ _____ per search	\$ _____ per search		1	
Asset Allocation Studies detailed in Section A.9 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	N/A	N/A	N/A	\$ _____ per study	N/A		1	

RESPONDENT LEGAL ENTITY NAME:								
Cost Item Description	Proposed Cost					State Use Only		
	December 1, 2020 – November 30, 2021	December 1, 2021 – November 30, 2022	December 1, 2022 – November 30, 2023	December 1, 2023 – November 30, 2024	December 1, 2024 – November 30, 2025	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
TOTAL EVALUATION COST AMOUNT (sum of evaluation costs above):								
The Solicitation Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.								
$\frac{\text{lowest evaluation cost amount from all proposals}}{\text{evaluation cost amount being evaluated}}$						$\times 30$ (maximum section score)	$= \text{SCORE:}$	
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>								

REFERENCE QUESTIONNAIRE

The standard reference questionnaire provided on the following pages of this attachment MUST be completed by all individuals offering a reference for the Respondent.

The Respondent will be solely responsible for obtaining completed reference questionnaires as required (refer to RFP Attachment 6.2., Technical Response & Evaluation Guide, Section B, Item B.17.).

RFP # 30901-43520 REFERENCE QUESTIONNAIRE

REFERENCE SUBJECT: RESPONDENT NAME (completed by Respondent before reference is requested)

The "reference subject" specified above, intends to submit a response to the State of Tennessee in response to the Request for Proposals (RFP) indicated. As a part of such response, the reference subject must include a number of completed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
- sign and date the completed questionnaire. An electronic signature is acceptable; and;
- email the completed questionnaire to Dawn Rochelle whose e-mail address is dawn.rochelle@tn.gov.

(1) **What is the name of the individual, company, organization, or entity responding to this reference questionnaire?**

(2) **Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.**

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) **What goods or services does/did the reference subject provide to your company or organization?**

(4) **What is the level of your overall satisfaction with the reference subject as a vendor of the goods or services described above?**

Please respond by circling the appropriate number on the scale below.

	1	2	3	4	5	
least satisfied						most satisfied

If you circled 3 or less above, what could the reference subject have done to improve that rating?

- (5) If the goods or services that the reference subject provided to your company or organization are completed, were the goods or services provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.

- (6) If the reference subject is still providing goods or services to your company or organization, are these goods or services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.

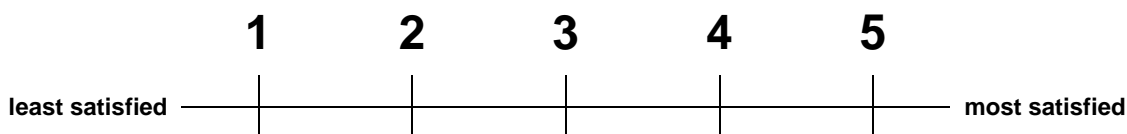
- (7) How satisfied are you with the reference subject's ability to perform based on your expectations and according to the contractual arrangements?

- (8) In what areas of goods or service delivery does/did the reference subject excel?

- (9) In what areas of goods or service delivery does/did the reference subject fall short?

- (10) What is the level of your satisfaction with the reference subject's project management structures, processes, and personnel?

Please respond by circling the appropriate number on the scale below.

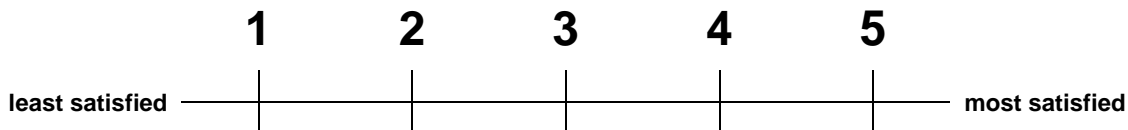


What, if any, comments do you have regarding the score selected above?

RFP # 30901-43520 REFERENCE QUESTIONNAIRE — PAGE 3

- (11) **Considering the staff assigned by the reference subject to deliver the goods or services described in response to question 3 above, how satisfied are you with the technical abilities, professionalism, and interpersonal skills of the individuals assigned?**

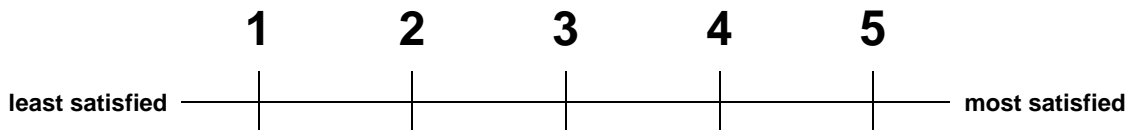
Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

- (12) **Would you contract again with the reference subject for the same or similar goods or services?**

Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

REFERENCE SIGNATURE:

(by the individual completing this request for reference information)

DATE:

RFP ATTACHMENT 6.5.

SCORE SUMMARY MATRIX

	RESPONDENT NAME		RESPONDENT NAME		RESPONDENT NAME	
GENERAL QUALIFICATIONS & EXPERIENCE (maximum: 20)						
EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
	AVERAGE:		AVERAGE:		AVERAGE:	
TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH (maximum: 40)						
EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
	AVERAGE:		AVERAGE:		AVERAGE:	
ORAL PRESENTATION (maximum: 10)						
EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
	AVERAGE:		AVERAGE:		AVERAGE:	
COST PROPOSAL (maximum: 30)	SCORE:		SCORE:		SCORE:	
TOTAL RESPONSE EVALUATION SCORE: (maximum: 100)						
Solicitation Coordinator Signature, Printed Name & Date:						

RFP # 30901-43520 PRO FORMA CONTRACT

The *Pro Forma* Contract detailed in following pages of this exhibit contains some “blanks” (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFP.

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF TREASURY
AND
[CONTRACTOR NAME]**

This Contract, by and between State of Tennessee, Department of Treasury ("State") and [CONTRACTOR LEGAL ENTITY NAME] ("Contractor"), is for the provision of general investment consulting services for the State in connection with funds over which the Tennessee State Treasurer is responsible for managing or investing, as further defined in the "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is [A/AN INDIVIDUAL, FOR-PROFIT CORPORATION, NON-PROFIT CORPORATION, SPECIAL PURPOSE CORPORATION OR ASSOCIATION, PARTNERSHIP, JOINT VENTURE, OR LIMITED LIABILITY COMPANY].

Contractor Place of Incorporation or Organization: [LOCATION]

Contractor Edison Registration ID # [NUMBER]

A. SCOPE:

- A.1. The Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.
- A.2. In General. The Contractor shall perform investment consulting services requested by the State in connection with the following funds, hereafter collectively referred to as "the Funds", and shall be, in general, an advisor to the State in the investment operations of the Funds: (i) Tennessee Consolidated Retirement System ("TCRS"), (ii) the Tennessee Promise Endowment Trust ("TN Promise"); (iii) the Chairs of Excellence Endowment Trust ("COE"); (iv) the 401(k) Deferred Compensation Plan ("401(k) Plan"); (v) the 457(b) Deferred Compensation Plan ("457(b) Plan"); (vi) the Optional Retirement Plan ("ORP"); (vii) the 403(b) Plans offered to employees of Tennessee public institutions of higher education ("403(b) Plans"); (viii) the Baccalaureate Education System Trust ("BEST"); (ix) the TNStars College Savings 529 Program ("TNStars"); (x) Tennessee's Achieving a Better Life Experience ("ABLE TN") Plan; (xi) the Qualified School Construction Bonds Program ("QSCB"); and (xii) the Other Post Employment Benefits Trust ("OPEB").
- A.3. Due Diligence Review. The Contractor shall commence, immediately upon the effective date of this Contract, a due diligence review of the investment operations of the Funds. The review shall include the investment policies, guidelines and procedures of the respective Funds, the organizational structure of the investment Funds' staffing, governance, investment lineup structure, and such other matters as shall be agreed to by the Parties. Upon completion of the evaluation, the Contractor shall provide a written due diligence report to the State, no later than June 30, 2021, containing its conclusions and any recommendations as a result of the review.
- A.4. Performance Measurement and Portfolio Analytics on Certain Funds. The Contractor shall provide monthly summary performance measurement reports and quarterly detailed performance measurement reports on the investment performance of (i) TCRS, (ii) TN Promise, (iii) OPEB, (iv) COE, (v) BEST and (vi) QSCB in the manner and within the time frames described in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.4. OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal. The reports shall identify whether the investment portfolios of those funds are within the authorized asset ranges, whether the investment performance is consistent with the investment objectives and policies of the funds, and whether the investment managers are performing consistently within applicable standards all as set forth in the funds' applicable investment policies. The State may, at its sole discretion, revise the funds' investment policies from time to time by providing the Contractor a written copy of the revisions. At the fund level, the reports shall include the measurement of absolute rates of return as well as returns relative to a benchmark and other similar tax-exempt plans. Within each

plan, the report shall include a measurement of the absolute return and returns relative to a benchmark for each asset class and sub-portfolio or external manager in accordance with the methodology recommended by the Chartered Financial Analysis institute and shall contain such other information as is agreed upon by both Parties in writing from time to time. Each monthly report shall be provided to the State within twenty (20) calendar days after the end of each month during the Term of this Contract or within ten (10) business days of receiving the necessary information from the State to generate the report, whichever is later in time. Each quarterly report shall be provided to the State within forty-five (45) calendar days after the end of the quarter of each year during the Term of this Contract or within ten (10) business days of receiving the necessary information from the State to generate the report, whichever is later. The State shall determine, at its sole discretion, the information that is necessary to generate the reports described in the preceding two sentences.

A.5. Investment Vehicles' Performance Review on 401(k) and 457(b) Plans, ORP, 403(b) Plans, TNStars and ABLE TN.

a. Quarterly Performance Evaluation. On a quarterly basis, commencing with the quarter ended December 2020 and ending upon the expiration of the Term of this Contract, the Contractor shall evaluate for the preceding quarterly period the performance of the investment products offered to participants in the following funds, with an emphasis on the underperforming investment products:

- (i) 401(k) and 457(b) Plans;
- (ii) ORP;
- (iii) 403(b) Plans, excluding the Ameriprise product;
- (iv) TNStars; and
- (v) ABLE TN.

The performance analysis shall include, but not be limited to, statistical measures of performance, risk, style consistency, and other criteria used to evaluate the relative success and stability of each investment option. The Contractor shall reduce its evaluation findings into a written performance evaluation report for each such fund and provide the reports to the State by no later than thirty (30) calendar days after the end of the respective quarter for each year of the Term of this Contract or within ten (10) business days of receiving the necessary information from the State to generate the reports, whichever is later. If an investment option is rated "underperforming" and selected for further review by the State, the Contractor shall gather and provide to the State additional information related to the underperformance and/or event(s) triggering the underperformance. In addition, the Contractor shall assist State staff in the ongoing evaluation of the performance of those funds.

b. Annual Overall Performance Review. On an annual basis or as otherwise requested by the State, the Contractor shall review the respective investment policy and overall investment performance (measured in 1-, 3-, and 5- cycles) of the investment options offered in the funds described in Section A.5.a above and provide any recommendations to the State.

c. Analysis of Additional or Replacement Investment Vehicles. At the State's request, the Contractor shall assist the State with finding a replacement for an underperforming investment option in the funds described in Section A.5.a above and provide a written analysis of any additional or replacement investment vehicles the State is considering for the funds. The analysis shall entail the objective evaluation of the investment vehicles using risk-adjusted returns, total returns, expenses, style consistency, manager tenure and the suitability of the respective investment vehicle for the given fund.

A.6. Consulting, Education and Research Services.

a. General Consulting, Education and Research Services. At the State's request, the Contractor shall conduct in-depth research, and analysis on pension, endowment, defined contribution and investment issues requested by the State as it relates to the Funds. The

research shall include current industry trends and developments, accounting, regulatory and legal changes relative to pensions, endowments, defined contribution plans and investments. The Contractor shall provide technical advice as requested by the State, either orally or in writing, in connection with miscellaneous problems and questions that may arise from time to time relative to pensions, endowments, defined contribution plans and investments. The Contractor shall also provide continuing education on pensions, endowments, defined contribution plans and investments to the State which shall be accomplished through biannual educational conferences, research projects and surveys, access to the Contractor's research and white papers and such other means as is agreed upon by both Parties from time to time. The Contractor shall also assist the State in drafting policies, procedures, and guidelines relative to the Funds at the request of the State.

- b. Comprehensive Consulting, Education and Research Services or Other Significant Projects and Services. For consulting, education and research services described in Section A.6.a above that require more than four (4) hours of the Contractor's time, the Contractor shall provide the State with a written statement of the cost involved in performing the services. The Contractor shall provide the statement within five (5) business days of the State's request specifying the project services requested by the State, the maximum number of hours required and the maximum cost for completing the project. The maximum cost to the State for the project shall be determined by multiplying the maximum number of hours required by the hourly rate detailed Contract Section C.3.b(xvii) below. The Contractor shall also provide in the written statement required by this subsection A.6.b.a flat maximum fee amount for performing the services irrespective of the number of hours actually required to perform the project *provided that* the maximum cost to the State for the services shall be determined by the *lesser of*: (i) multiplying the maximum number of hours required as specified in the Contractor's statement by the hourly rate detailed in Contract Section C.3.b(xvii) below, or (ii) the flat maximum fee amount proposed by the Contractor for performing the services. The State may negotiate the terms of the Contractor's statement by requesting revisions to the proposal.

If approved by the State, the statement provided by the Contractor shall constitute a Memorandum of Understanding (MOU) which shall be signed by the State's Chief Investment Officer. The Contractor shall not perform any service related to a project until the State's Chief Investment Officer has signed and returned the MOU to the Contractor. Each signed MOU shall be incorporated as a part of this Contract.

Subsequent to the State Chief Investment Officer's approval of the MOU and after completion of the services, the Contractor shall provide and invoice the State as provided in this Section A.6.b. For each project, the State shall be liable to the Contractor only for the cost of the actual hours required for the project's completion, not to exceed the maximum cost for the project detailed in the MOU. The maximum cost for the project as detailed in the MOU shall be the lesser of the product of the maximum number of hours required to perform the project, as specified in the MOU, by the hourly rate detailed in Contract Section C.3.b(xvii) below, or (ii) the flat maximum fee amount proposed by the Contractor. In no instance shall the State be liable to the Contractor for the cost of any hours worked in excess of the maximum hours or any amount exceeding the maximum cost for project.

- A.7. Annual TCRS External Management Review Services. Currently, the State engages external investment managers to actively manage the international stock portfolio of the TCRS (the "External Managers"). On an annual basis, the Contractor shall provide written evaluation reports on the investment performance of each External Manager. In addition, the Contractor shall assist the State in the ongoing evaluation of the performance of the External Managers.

A.8. TCRS Investment Manager Search Services.

- a. At the State's request, the Contractor shall provide analysis of and assist the State in acquiring any additional External Managers desired by the State. At the direction of the State, the Contractor shall prepare and/or issue a request for information and/or questionnaires to entities that are in the business of providing international stock portfolio management. If requested by the State, the Contractor shall review the proposals and recommend a certain number of international investment managers for consideration by the State. The State shall make the final decision in the selection of any such investment manager.
- b. In the event the State elects to acquire additional external international investment managers under this Section A.8, the Contractor shall promptly advise the State of any indirect interest it may have in any individual, association, corporation, or product which may be so acquired by the State. The Contractor shall have no direct interest in any individual, association, corporation, or product which may be so acquired by the State. "Direct interest" means any contract with the Contractor itself or with any business in which the Contractor is the sole proprietor, a partner, or the entity having the controlling interest, i.e., largest number of outstanding shares owned by any single individual or corporation. "Indirect interest" means any contract in which the Contractor is interested but not directly so.

A.9. Asset Allocation Study Services of Certain Funds. At the State's request, the Contractor shall perform an asset allocation study on the respective investment operations of (i) TCRS, (ii) TN Promise, (iii) OPEB, (iv) COE, (v) BEST and (vi) QSCB and make written recommendations to the State. The studies shall be conducted in the manner mutually agreed to by the Parties. The Contractor shall provide, at the State's request, the data and assumptions from any asset allocation study performed hereunder to the fund's respective actuary, if any, for the purpose of conducting an asset/liability study of the fund. The data and assumptions shall be provided to the actuary in such format as shall be mutually agreed to by the Parties.

A.10. Future Additional Funds. The State Treasurer may from time to time during the Term be charged with the responsibility for managing or investing of other funds. In such event and at the sole discretion of the State, the State may make a written request to the Contractor to provide general investment consulting services to the State in connection with those funds. The services will be added to this Contract through a Memorandum of Understanding ("MOU") without a formal amendment of this Contract, PROVIDED THAT compensation to the Contractor for such services shall not exceed ten percent (10%) of the total sum of the payment rates detailed in Section C.3.b below (which is the total cost for performing all other services set forth in this Section A.). If at any point during the term of this Contract, the State determines that the cost of the services would exceed said maximum amount, the State may do a formal amendment to this Contract to address the need.

- a. After the Contractor receives a written request to perform the services, the Contractor shall have ten (10) business days to respond with a written proposal. The Contractor's written proposal shall include:
 - (1) the effect, if any, of performing the services on the other services required under the Contract;
 - (2) the specific effort involved in completing the services;
 - (3) the expected schedule for completing the services, if applicable;
 - (4) the maximum cost for the performance of the services; and
 - (5) any additional information requested by the State.
- b. The State may negotiate the terms of the Contractor's proposal by requesting revisions to the proposal.

- c. To indicate acceptance of a proposal, the State will sign it. The signed proposal shall constitute an MOU between the Parties, and the services shall be incorporated into the Contract as if set forth verbatim.
 - d. Only after an MOU has been executed shall the Contractor perform or deliver the services.
- A.11. Origination of Service Requests. The consulting relationship under this Contract is between the State Treasurer and the Contractor. Routine contact will be made through the State's Chief Investment Officer, Deputy Chief Investment Officer and other authorized staff members. In the event of direct contact by a party other than the Chief Investment Officer, Deputy Chief Investment Officer, the State Treasurer's office, or other authorized staff member, the Contractor shall refer such party to the Chief Investment Officer or the Deputy Chief Investment Officer from whom any such inquiries should originate.
- A.12. Meetings. Upon the State's request and upon reasonable notice, the Contractor shall meet with appropriate State personnel, committees, boards and commissions to explain reports, recommendations, and any studies described in this Section A, or to discuss any other matter in connection with the services being performed by the Contractor hereunder. Any such meetings shall be held in person at the State's facilities in Nashville, Tennessee, or with the State's approval, via telephone or web-based conference; provided, however, the Contractor shall not be required to travel to the State's facilities more than four times per year during the term of this Contract.
- A.13. Principal Consultants.
- a. Personnel Assignment. The Contractor shall assign the individuals named in the Contractor's Proposal as the principal consultants to the State under this Contract. Should any of the named principal consultants assigned to this Contract be reassigned, or otherwise removed (whether voluntary or involuntary) as the principal consultants under this Contract, the Contractor shall promptly notify the State and give the State the right to approve the appointment of the person designated to replace the consultant.
 - b. Reassignment or Removal of Personnel. During the term of this Contract, the State reserves the right to require the Contractor to reassign or otherwise remove from performance of this Contract any principal consultant found unacceptable by the State and to substitute another individual in his/her place that is acceptable to the State.
- A.14. Disclosures of Indirect and Direct Interests. The Contractor shall promptly advise the State of any direct or indirect interest it may have in any product the Funds may invest in pursuant to this Contract. "Direct interest" means any contract with the Contractor itself or with any business in which the Contractor is the sole proprietor, a partner, or the entity having the controlling interest, i.e., largest number of outstanding shares owned by any single individual or corporation. "Indirect interest" means any contract in which the Contractor is interested but not directly so.
- A.15. Services to Other Clients. The Contractor may give advice and take action with respect to any of its other clients that may differ from advice given, or differ in the timing or nature of action taken, with respect to the State, so long as it is the Contractor's policy to allocate investment opportunities to the State over the term of this Contract on a prudent, fair and equitable basis. The Contractor shall not have any obligation to recommend the purchase or sale of any security or investment that the Contractor or its affiliates may purchase or sell for the accounts of any other client, if in the opinion of the Contractor, such transaction or investment appears unsuitable, impractical or undesirable for the State.
- A.16. Representations and Warranties. The Contractor represents and warrants that (1) it has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services under this Contract; (2) with respect to the services provided under this Contract, it shall not engage in transactions with either itself, including any affiliates or parent companies, except upon the prior written approval of the State; (3) it is duly

authorized to execute and deliver this Contract, and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance; (4) the person signing this Contract on its behalf is duly authorized to do so on its behalf; (5) it has obtained all authorizations of any governmental body required in connection with this Contract and the transactions hereunder and such authorizations are in full force and effect; and (6) the execution, delivery and performance of this Contract will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected. The Contractor shall promptly notify the State in writing if any of the above representations change or cease to be true and correct in all respects.

The Contractor further represents and warrants the following (to the extent applicable):

- a. With reference to Rule 206(4)-5 promulgated under the Investment Advisers Act, neither the Managing Member nor any Affiliate has within the last five (5) years:
 - (i) Contributed to an official of a Tennessee government entity;
 - (ii) Provided or agreed to provide, directly or indirectly, payment to any person to solicit, on behalf of the Managing Member, a Tennessee government entity for investment advisory services;
 - (iii) Coordinated, or solicited any person or political action committee to make any contribution to an official of a Tennessee government entity to which the Managing Member is providing or seeking to provide investment advisory services; or
 - (iv) Coordinated, or solicited any person or political action committee to make any payment to a political party operating in Tennessee or a Tennessee county or incorporated municipality where the Managing Member is providing or seeking to provide investment advisory services to Tennessee government.
- b. With reference to Municipal Securities Rulemaking Board Rule G-37, neither the Managing Member nor any Affiliate has within the last five (5) years engaged or sought to engage an issuer located in Tennessee in municipal securities business.
- c. With reference to Rule 23.451 of the Commodity Futures Trading Commission, neither the Managing Member nor any Affiliate has within the last five (5) years engaged or sought to engage a Special Entity (as defined in Section 4s(h)(2)(C) of the Commodity Exchange Act) located in Tennessee in a swap or a trading strategy involving a swap.
- d. With reference to Tenn. Code Ann. §3-6-305, neither the Managing Member nor any Affiliate has, in connection with the State of Tennessee, within the last five (5) years, engaged in lobbying for compensation, or otherwise been involved with: (i) any firm, corporation, partnership or other business entity that regularly supplies lobbying services to others for compensation; (ii) any individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons who engages in lobbying for compensation; or (iii) a person or entity that employs, retains or otherwise arranges for a lobbyist to engage in lobbying on behalf of the person or entity for compensation.
- e. The Managing Member has not provided any compensation to any individual or entity for assisting in the solicitation of the State of Tennessee, Department of Treasury or any of its plans or programs.
- f. The Managing Member has such policies and procedures in effect as are reasonably designed to monitor and report the activities described in a. through e. above.

No more than once per fiscal year, the Managing Member shall either (i) affirm that the representations set forth in this Section A.16 are true and correct or (ii) disclose the circumstances preventing such affirmation.

- A.17. Back-up Procedures and Disaster Recovery. The Contractor shall maintain business interruption plans in the event of a loss of the Contractor's principal place of business due to natural or manmade causes, including back-up systems for data and other records, office space and other technology needed to perform the services hereunder. The Contractor shall resume services hereunder within seventy-two (72) hours of the disaster or malfunction. The Contractor shall provide notification of an incident to the State within two (2) hours after the beginning of operation of the Contractor's Emergency Operations Command Post.
- A.18. On-Site Visits. The State or its duly appointed representatives shall be entitled to visit the Contractor's operational headquarters or other offices where the State's account is serviced and to examine all records pertaining to the account, and to make reasonable request for copies of such records.
- A.19. Transfer of Contractor's Obligations.
- a. The Contractor shall immediately notify the State in writing of a proposed merger, acquisition or sale of its business operation, or the part of its business operation that provides services under this Contract, or that this Contract will be sold to or assumed by another entity. The entity that is proposed to assume the Contractor's duties under this Contract, whether through merger, acquisition, sale or other transaction, will be hereinafter described as the "New Entity."
 - b. The Contractor (or, if the Contractor no longer exists as a legal entity, the New Entity) will provide to the State within a reasonable time, information that the State may require about the merger, acquisition or sale, which may include, but not be limited to the following:
 - i. the date and terms of the merger, acquisition or sale, including specifically, but not limited to, adequate documentation of the financial solvency and adequate capitalization of the proposed New Entity;
 - ii. evidence of financial solvency and adequate capitalization of the proposed New Entity which may include, but not be limited to the following:
 - (1) Debt;
 - (2) Assets;
 - (3) Liabilities;
 - (4) Cash flow
 - (5) Percentage of the total revenues of the company that are represented by this Contract;
 - (6) The most recent annual financial reports; or
 - (7) The most recent annual financial reports filed with government agencies, if applicable;
 - iii. a complete description of the relationship of any New Entity to any parent company or subsidiary or division resulting from the merger, acquisition or sale of the original Contractor's business or the part of the original Contractor's business that provides services under this Contract or from assumption by, or sale to, another entity of the contract itself, including, but not limited to:
 - (1) the names and positions of corporate or company officers, project managers, other Contractor management staff with responsibilities under the Contract, and numbers and the type of technical or other personnel who will be responsible for fulfilling the obligations of the Contract, and any subcontracts that will be used to provide any personal or other services under the Contract by the New Entity and,
 - (2) an organizational chart clearly describing the organizational structure of the New Entity, parent company, subsidiary, division or other unit of the

entity or parent company with which it has merged or by which it, or the Contract, has been acquired; and

- iv. such additional evidence of financial solvency, adequate capitalization and information regarding corporate organizational and personnel assigned to the Contract as the State determines is necessary to evaluate the status of the proposed or consummated merger, acquisition or sale.
- c. The original Contractor shall immediately notify the State in writing in the event of a change in its legal name and/or Federal Employer Identification Number (FEIN). The Contractor shall comply with State requests for copies of any documents that have been filed with state corporate records officials or other officials in the state of its incorporation that verify the name change and a narrative description of the reasons for the name change. If a New Entity has succeeded to the interest of the original Contractor, it shall immediately provide the State written notification of its Federal Employer Identification Number (FEIN), its complete corporate name, State of incorporation, and other documentation required to effectuate the transfer.
- d. Notwithstanding any other provisions of this Contract to the contrary, the State may immediately terminate this Contract in whole or in stages in the event that it determines that the New Entity
 - i. has been debarred from State or Federal contracting in the past five years; or
 - ii. has had a contract terminated for cause by the State of Tennessee within the past five years.

The Contractor shall be entitled to compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor or New Entity for compensation for any service which has not been rendered. Upon such termination, the Contractor or New Entity shall have no right to any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

- e. The New Entity shall provide to the State within ten (10) business days of the State's request, a notarized statement signed by an individual authorized to bind the New Entity certifying that all liabilities and obligations incurred by the former Contractor are assumed by the New Entity.
 - f. If the New Entity owes money to the State of Tennessee, it acknowledges that Tenn. Code Ann. § 9-4-604 requires repayment of these funds and will enter into a legally binding agreement for repayment.
 - g. The Contractor shall not be required to disclose to the State any material nonpublic information until such information becomes public unless the information is expressly required under this Section.
- A.20. Ownership of Materials. All records, reports, documents, or other material related to this Contract and/or obtained or prepared by the Contractor in connection with the performance of the services hereunder shall become the property of the State, and shall, upon request, be transmitted by the Contractor to the State, at the Contractor's expense, at termination or expiration of this Contract or at such earlier time as the State may request.
- A.21. Transition of Services Upon Termination. Upon the natural expiration of this Contract or in the event of its termination for any reason, the Contractor shall transfer, in accordance with the State's instructions, all historical performance data on the Funds' investment operations to whomever the State may designate in writing to the Contractor. Such data shall be furnished to the State's written designee in a standard electronic format within thirty (30) calendar days after the State's written request. The Contractor agrees to cooperate with the State, and any

subsequent contractor selected by the State to perform the services hereunder, in the transition and conversion of the services hereunder. The Contractor shall remain liable to the State under this Contract for any acts or omissions occurring on or prior to the date on which all such data and all services hereunder have been successfully transferred or converted in accordance with this Paragraph.

- A.22. Applicable Gifts and Solicitations Policy. The Contractor shall not offer to give, or give, any gift to any employee of the State or to any member of a Board, Commission or Committee administratively attached to the State that would violate the State's Gifts and Solicitations Policy, included as Contract Attachment 1 to this Contract.
- A.23. Non-Solicitation. During the term of this Contract and for a period of twelve (12) months after the date that the Contractor last provides services to the State under this Contract, neither Party shall knowingly and directly solicit for employment or as an independent contractor any person employed by the other, if such person was directly involved in the performance of this Contract, without the express consent of the other Party. This provision shall not apply to any individual whose employment has been terminated for a period of three (3) months or longer before any such solicitation occurs or to any offers of employment initiated by either Party prior to the execution of this Contract.
- A.24. Client Conferences. The Contractor shall invite relevant State employees selected by the State to participate in client conferences hosted by or on behalf of the Contractor and all other similar educational activities provided by the Contractor and normally offered to the Contractor's clients based on geographic location (collectively, "Client Conferences"). Any invitations to State employees to participate in Client Conferences shall be considered part of the services rendered by the Contractor under this Contract, and any costs normally paid or reimbursed by the Contractor, such as registration fees, materials, lodging, conference meals and refreshments, related to such Client Conferences shall be deemed part of this Contract. The State does not consider the opportunities available to relevant State employees pursuant to this provision to be gifts pursuant to the State's Gifts and Solicitations Policy, which is described in Section A.22 above.

B. TERM OF CONTRACT:

This Contract shall be effective on December 1, 2020 ("Effective Date") and extend for a period of sixty (60) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed [WRITTEN DOLLAR AMOUNT (\$NUMBER)] ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.
- C.2. Compensation Firm. The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.
- C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A.
- b. Subject to Section C.3.c. below, the Contractor shall be compensated based upon the following payment methodology:

SERVICE DESCRIPTION	Amount (per compensable increment)				
	December 1, 2020 – November 30, 2021	December 1, 2021 – November 30, 2022	December 1, 2022 – November 30, 2023	December 1, 2023 – November 30, 2024	December 1, 2024 – November 30, 2025
(i) Investment Consulting Services for TCRS as detailed in Sections A.3., A.4., A.6.a., A.7., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(ii) Investment Consulting Services for TN Promise as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(iii) Investment Consulting Services for OPEB as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(iv) Investment Consulting Services for COE as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(v) Investment Consulting Services for BEST as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(vi) Investment Consulting Services for QSCB as detailed in Sections A.3., A.4., A.6.a., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(vii) Investment Consulting Services for 401(k) and 457(b) Plans as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(viii) Investment Consulting Services for the ORP as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above for any calendar quarter in which the number of investment products offered to Plan	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter

participants equaled more than 50, but less than 100.					
(ix) Investment Consulting Services for the ORP as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above for any calendar quarter in which the number of investment products offered to Plan participants equaled 50 or less.	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter
(x) Investment Consulting Services for the University of Tennessee 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above for any calendar quarter in which the number of investment products offered to Plan participants equaled more than 200, but less than 287.	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter
(xi) Investment Consulting Services for the University of Tennessee 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above for any calendar quarter in which the number of investment products offered to Plan participants equaled more than 150, but less than 201.	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter
(xii) Investment Consulting Services for the University of Tennessee 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above for any calendar quarter in which the number of investment products offered to Plan participants equaled 150 or less.	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter	\$ ____ per quarter

(xiii) Investment Consulting Services for the Tennessee Board of Regents 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above for any calendar quarter in which the number of investment products offered to Plan participants equaled more than 50, but less than 100.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(xiv) Investment Consulting Services for the Tennessee Board of Regents 403(b) Plan as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above for any calendar quarter in which the number of investment products offered to Plan participants equaled 50 or less.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(xv) Investment Consulting Services for TNStars as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(xvi) Investment Consulting Services for ABLE TN as detailed in Sections A.3., A.5., A.6.a., A.12. and A.21 above.	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter	\$ _____ per quarter
(xvii) Comprehensive Consulting, Education and Research Services or Other Significant Projects and Services detailed in Section A.6.b. above.	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour
(xviii) TCRS Investment Manager Search Services detailed in Section A.8 above.	\$ _____ per search	\$ _____ per search	\$ _____ per search	\$ _____ per search	\$ _____ per search
(xix) Asset Allocation Studies detailed in Section A.9 above.	N/A	N/A	N/A	\$ _____ per study	N/A

- c. The Contractor agrees that should the 403(b) Plans' investment line-ups become substantially the same as the ORP investment line-up, the Contractor shall not charge the

State for items (x) – (xiv) in Section C.3.b above it being understood the State would otherwise be paying twice for the same services pursuant to items (viii) or (ix) in Section C.3.b above.

- d. The Contractor shall not be compensated for travel time to the primary location of service provision.
 - e. A "month" shall be defined as a calendar month. If the Contractor provides services during a period that is less than a calendar month, the Contractor shall bill *pro rata* for only the number of days during that period. The Contractor shall not bill more than the monthly rate regardless of the difficulty, time, or resources required by included and required services.
- C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.
- C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month, and no later than thirty (30) days after goods or services have been provided to the following address:

Michael Brakebill, Chief Investment Officer
 State of Tennessee, Treasury Department
 Investment Division
 13th Floor, Andrew Jackson State Office Building
 502 Deaderick Street
 Nashville, Tennessee 37243

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
 - (1) Invoice number (assigned by the Contractor);
 - (2) Invoice date;
 - (3) Contract number (assigned by the State);
 - (4) Customer account name: Tennessee Treasury Department, Investment Division;
 - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
 - (6) Contractor name;
 - (7) Contractor Tennessee Edison registration ID number;
 - (8) Contractor contact for invoice questions (name, phone, or email);
 - (9) Contractor remittance address;
 - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
 - (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
 - (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
 - (13) Amount due for each compensable unit of good or service; and
 - (14) Total amount due for the invoice period.
- b. Contractor's invoices shall:
 - (1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
 - (2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;

- (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
 - (4) Include shipping or delivery charges only as authorized in this Contract.
- c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.
- C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee, any amounts that are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.
- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and
 - b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

D. MANDATORY TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Michael Brakebill, Chief Investment Officer
Tennessee Treasury Department, Investment Division
13th Floor, Andrew Jackson State Office Building

502 Deaderick Street
 Nashville, Tennessee 37243
michael.brakebill@tn.gov
 Telephone # (615) 532-1157
 FAX # (615) 253-4969

The Contractor:

[CONTRACTOR CONTACT NAME & TITLE]
 [CONTRACTOR NAME]
 [ADDRESS]
 [EMAIL ADDRESS]
 Telephone # [NUMBER]
 FAX # [NUMBER]

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.
- D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If a Party ("Breaching Party") fails to properly perform its obligations under this Contract, or if a Party materially violates any terms of this Contract ("Breach Condition"), the Party ("Non-breaching Party") may provide written notice to the Breaching Party specifying the Breach Condition. If within thirty (30) days of notice, the Breaching Party has not cured the Breach Condition, the Non-breaching Party may terminate the Contract. In the event the Non-breaching Party is the State, the State may withhold payments in excess of compensation for completed services or provided goods. The Breaching Party shall not be relieved of liability to the Non-breaching Party for damages sustained by virtue of any breach of this Contract, and the Non-breaching Party may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional

terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.

- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Contract Attachment 2, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
- c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
- d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
- e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.

- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless from any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death. For clarity, except as otherwise expressly set forth in this Section, Contractor's indemnification obligations and other remedies available under this Contract are subject to the limitations on liability set forth in this Section.

- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of the negligent acts, omissions, or willful misconduct on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys' fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.

- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
- b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
- d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

- D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System ("TCRS"), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.

- D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.

- D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
 - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
 - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
 - d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees for the affected obligations until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.
- D.25. State and Federal Compliance. The Contractor shall comply with all State and federal laws and regulations applicable to Contractor in the Contractor's performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and

agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 408.

- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
 - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below), which includes Contract Attachments 1 - 2;
 - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
 - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
 - e. any technical specifications provided to proposers during the procurement process to award this Contract; and
 - f. the Contractor's response seeking this Contract.
- D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Contract. The Contractor certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.32. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor's failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) acceptable to the State; (b) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (c) rated A- / VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. All policies must contain an endorsement for a waiver of subrogation in favor of the State. Any deductible or self insured retention ("SIR") over fifty thousand dollars (\$50,000) must be approved by the State. The deductible or SIR and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two

million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area. In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred). The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3rd floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again thirty (30) calendar days before renewal or replacement of coverage. Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy. At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required is a material breach of this Contract. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses. The State reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

The insurance obligations under this Contract shall be: (1)—all the insurance coverage and policy limits carried by the Contractor; or (2)—the minimum insurance coverage requirements and policy limits shown in this Contract; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and minimum required policy limits, which are applicable to a given loss, shall be available to the State. No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.

a. Commercial General Liability ("CGL") Insurance

- 1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this policy or location of

occurrence or the general aggregate limit shall be twice the required occurrence limit.

b. Workers' Compensation and Employer Liability Insurance

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
 - i. Workers' compensation and employer liability insurance in the amounts required by appropriate state statutes.
- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
 - i. The Contractor employs fewer than five (5) employees;
 - ii. The Contractor is a sole proprietor;
 - iii. The Contractor is in the construction business or trades with no employees;
 - iv. The Contractor is in the coal mining industry with no employees;
 - v. The Contractor is a state or local government; or
 - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Professional Liability Insurance

- 1) Professional liability insurance shall be written on an occurrence basis or on a claims-made basis. If this coverage is written on a claims-made basis, then:
 - i. The retroactive date must be shown, and must be on or before the earlier of the Effective Date of the Contract or the beginning of Contract work or provision of goods and services;
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) full years from the date of the final Contract payment; and
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date on or prior to the Contract Effective Date, the Contractor must purchase "extended reporting" or "tail coverage" for a minimum of five (5) full years from the date of the final Contract payment.
- 2) Any professional liability insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) in the aggregate.

D.33. Major Procurement Contract Sales and Use Tax. Pursuant to Tenn. Code Ann. § 4-39-102 and to the extent applicable, the Contractor and the Contractor's subcontractors shall remit sales and use taxes on the sales of goods or services that are made by the Contractor or the Contractor's subcontractors and that are subject to tax.

- D.34. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.
- E.2. Work Papers Subject to Review. The Contractor shall make all audit, accounting, or financial analysis work papers, notes, and other documentation available for review by the Comptroller of the Treasury or his representatives, upon request, during normal working hours either while the analysis is in progress or subsequent to the completion of this Contract.
- E.3. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's Response to RFP # 30901-43520 (Attachment 6.2, Section B.15) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a monthly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, service-disabled veterans, and persons with disabilities. Such reports shall be provided to the State of Tennessee Governor's Office of Diversity Business Enterprise in the TN Diversity Software available online at:
<https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810>.

- A.4. Partial Takeover of Contract. The State may, at its convenience and without cause, exercise a partial takeover of any service that the Contractor is obligated to perform under this Contract, including any service which is the subject of a subcontract between Contractor and a third party (a "Partial Takeover"). A Partial Takeover of this Contract by the State shall not be deemed a breach of contract. The Contractor shall be given at least thirty (30) days prior written notice of a Partial Takeover. The notice shall specify the areas of service the State will assume and the date the State will be assuming. The State's exercise of a Partial Takeover shall not alter the Contractor's other duties and responsibilities under this Contract. The State reserves the right to withhold from the Contractor any amounts the Contractor would have been paid but for the State's exercise of a Partial Takeover. The amounts shall be withheld effective as of the date the State exercises its right to a Partial Takeover. The State's exercise of its right to a Partial Takeover of this Contract shall not entitle the Contractor to any actual, general, special, incidental, consequential, or any other damages irrespective of any description or amount.
- E.5. Unencumbered Personnel. Except as provided in Section A.25, the Contractor shall not restrict its employees, agents, subcontractors or principals who perform services for the State under this Contract from performing the same or similar services for the State after the termination of this Contract, either as a State employee, an independent contractor, or an employee, agent, subcontractor or principal of another contractor with the State.

IN WITNESS WHEREOF,

[CONTRACTOR LEGAL ENTITY NAME]:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

DEPARTMENT OF TREASURY:

DAVID H. LILLARD, JR., STATE TREASURER

DATE

CONTRACT ATTACHMENT 1**TREASURY DEPARTMENT GIFTS AND SOLICITATION POLICY**

No employee or any member of a Board, Commission or Committee administratively attached to the Department shall solicit, accept or agree to accept, directly or indirectly, on behalf themselves or their immediate family, any gift in violation of state law including, but not limited to, any gratuity, service, favor, entertainment, lodging, transportation, loan, loan guarantee rebate, money, any promise, obligation or contract for future awards or compensation or any other thing of monetary value, from any **individual** or **entity** that:

- Has, or is seeking to obtain, contractual or other business or financial relations with the Treasury Department or the Tennessee Consolidated Retirement System;
- Conducts operations or activities that are regulated by the Treasury Department;
- May bid on future procurement from the Department or a Board, Commission, or Committee administratively attached to the Department based on the employee's reasonable belief that the person or entity intends to submit a bid; or
- Has an interest that may be substantially affected by the performance or nonperformance of the employee's official duties.

Generally, gifts from a lobbyist or an employer of a lobbyist are prohibited; however, the following are exceptions to the general gift prohibition:

- A gift given for nonbusiness purpose and motivated by a close personal friendship and not by the position of the employee, and specifically authorized and defined by the Ethics Commission;
- Informational materials in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication;
- Sample merchandise, promotional items, and appreciation tokens if they are routinely given to customers, suppliers or potential customers or suppliers in the ordinary course of business;
- Unsolicited tokens or awards of appreciation, honorary degrees, or bona fide awards in recognition of public service in the form of a plaque, trophy, desk item, wall memento, and similar items, provided that any such item shall not be in a form which can readily be converted to cash;
- Benefits resulting from business, employment, or other outside activities of the employee or the employee's immediate family, if such benefits are customarily provided to others in similar circumstances and are not enhanced due to the status of the employee;
- Opportunities and benefits made available to all members of an appropriate class of the general public, including but not limited to, discounts afforded to the general public or prizes and awards given out in public contests;
- Expenses of out-of-state travel, if such expenses are paid for or reimbursed by a governmental entity or an established and recognized organization of elected or appointed state government officials;
- Food, refreshments, amenities, goody bags, entertainment, or beverages provided as part of a meal, reception or similar event including tradeshows and professional meetings; and
- Food, refreshments, meals, foodstuffs, entertainment, beverages that are provided in connection with the following: an event where the employee is a speaker or part of a panel discussion at a scheduled meeting of an established or recognized membership organization which regularly meets at in-state events in which invitations are extended to legislative or executive branch employees. The value of the items shall not exceed fifty dollars (\$50.00) per person, per day.*

* The amount may be increased to reflect the percentage of change in the average consumer price index. The Ethics Commission publishes the increased amount on its website.

For other gifts offered which are not included in the exceptions above, the employee must obtain the written approval of the Assistant Treasurer for Legal, Compliance, and Audit.

CONTRACT ATTACHMENT 2**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
EDISON VENDOR IDENTIFICATION NUMBER:	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION

RFP ATTACHMENT 6.7 – 6.19.

RFP # 30901-43520 Attachments 6.7 to 6.19 may be viewed at the following website:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>