STATE OF TENNESSEE
TREASURY DEPARTMENT

REQUEST FOR PROPOSALS FOR RECORDKEEPING, ADMINISTRATION, AND INVESTMENT OPTIONS FOR THE STATE OF TENNESSEE'S OPTIONAL RETIREMENT PROGRAM AND PUBLIC HIGHER EDUCATION 403(b) PLANS

RFP # 30901-48021

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. Number of Employees and ORP Eligibility Summaries for UT
6.8. Number of Employees and ORP Eligibility Summaries for TBR and LGI's
6.9. Cash Flow, Activity and Participation Details for each Current ORP Vendor
6.10. Cash Flow, Activity and Participation Details for each Current 403(b) Plan Vendor
6.11. Investment Lineups

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 is seeking competitive proposals from qualified organization(s) to provide recordkeeping/administration; communication/education; in-person field education; investment advisory; broad, open-architecture investment platforms; and custodial trustee services for the State's Optional Retirement Program (ORP), the University of Tennessee 403(b) Plan, and the Tennessee Board of Regents 403(b) Plan.

The State is looking to consolidate to two (2) service providers for both the ORP and 403(b) Plans. These service providers will provide accurate and timely recordkeeping services for both the ORP and 403(b) Plans (collectively, the Plans or Program), administer the Plans within pre-described service standards and assist in the education and retirement security of Program participants beginning no later than September 1, 2022. This will result in the award of two contracts each encompassing the ORP and 403(b) Plans (e.g. Respondent 1 – ORP and 403(b) Plans and Respondent 2 – ORP & 403(b) Plans). Currently, the ORP, Tennessee Board of Regents 403(b) Plan, and University of Tennessee 403(b) Plan maintain separate plan documents. The State may elect to combine the Tennessee Board of Regents 403(b) Plan and University of Tennessee 403(b) Plan into a single plan document in the future.

In addition to vendor and contract consolidation, the State's goals and objectives for this RFP include:

- Reducing the current fee structure, by lowering participant and Plan expenses, through a nationwide competitive bidding process;
- Providing a transparent and equitable fee structure in which third-party administrator/recordkeeping expenses are an explicit charge to participant accounts;
- Enhancing participant support, service, and education;
- Providing participants with the technological and educational tools to set and monitor progress toward holistic retirement readiness goals;
- Streamlining employer reporting, Program and Plan administration, and Program and Plan compliance activities.

In pursuing these goals and objectives, the State places a high value on the following service provider qualifications:

Experience and Presence in the Higher Education Defined Contribution Market

- Has extensive historical experience, demonstrated expertise, and a significant current presence in the higher education defined contribution marketplace.

Focus on Quality and Consistency of Service Delivery

- Has a customer-focused approach;
- Adheres to successful quality assurance procedures;
- Follows a successful problem resolution methodology;
- Has a history of performing services on a timely basis;
- Performs services correctly and accurately every time;
- Able to receive and process payroll files of multiple frequencies from multiple pay centers;

- Performs an active role in all IRS deferral limit monitoring, including for 403(b) plan 15-year catch-up contributions;
- Has the ability to reconcile participant deferral elections (for 403(b) Plans) and statutory contribution requirements (for ORP) with contributions received after each payroll file and produce regular reports indicating instances in which contributions do not match deferrals;
- Able to efficiently make corrections in accordance with the IRS Employee Plans Compliance Resolution System (EPCRS);
- Able to create/disseminate employer education materials, i.e, (i) How to use reporting portal and (ii) Employer "manual" for administrative systems;
- Able to process enrollments and deferral changes submitted by paper form, electronically online, or by telephone;
- Has ample client service staff to support the Plans payroll staff;
- Provides accurate, consistent and timely responses to inquiries;
- Provides reports on quality assurance; and
- Will sign a provider agreement specifying compliance activities to be performed by the vendor.

Proactive Approach to Participant Education and Retirement Readiness

- Provides adequate access to in-state, one on one meetings with credentialed, preferably FINRA-certified, field representatives at all campuses served within a reasonable amount of time;
- Provides field representatives that:
  - Will provide plan information and retirement planning services with the ability to incorporate assets from other plans into retirement planning;
  - Will conduct group meetings on the Plans (i.e. plan orientations) as well as general purpose financial education meetings on a variety of topics (budgeting, market volatility, Social Security, etc.);
- Ability to easily schedule meetings with field representatives and have the meeting occur within a reasonable amount of time;
- Ability to measure participant satisfaction with field representative services;
- Ability to measure outcomes from field representative meetings;
- Ability to measure "retirement readiness" and specifically target those who are lacking in this area with outreach;
- Produces easy to understand, participant-friendly communications that are actionable and informative;
- Provides informed toll-free customer service center and field representatives;
- Provides a user friendly participant Internet site with evidence-based retirement readiness tools and information;
- Provides on-going on-site visits to individual Plan groups for individual and group educational meetings;
- Provides on-going employee training sessions that discuss retirement planning issues, including one-on-one individual financial advising; and
- Focuses on financial wellness as well as retirement readiness.

Commitment to Technology and Resource Development

- Will interface with the payroll systems of UT and TBR as described below;
- Provides up to date, secure platforms that are easy for participants and the Plans to use;
- Has a defined plan for keeping platforms updated and secure;
- Continuously invests in technology and information/cyber-security;
- Has a participant website that:
  - Has ORP and 403(b) account balances visible and manageable in single online account for those impacted;
  - Provides the ability for participants to utilize online retirement planning and investment guidance tools and services;
  - Has holistic retirement income projections/goal tracking in an online account that takes into account not only ORP and 403(b) account and social security information, but the ability to incorporate outside accounts (State's 401(k) and 457(b) at a minimum, and TCRS if applicable) and provides

analysis of ways for the participant to remedy any estimated shortfall between the goal and projection;
  - Is able to perform all account functions – enroll, change deferral, change investment allocation, update beneficiary, contact info, etc.;
  - Allows participants to schedule/request a meeting with field representatives in a timely manner;
  - Provides access to all needed Plan forms;
  - Has the ability to view investment disclosure and performance documents; and
  - Provides access to financial planning tools (budgeting, educational webinars, etc.);
- Will offer a self-directed brokerage window.
- Demonstrates excellence (accuracy, timeliness, etc.) in client service through technology; and
- Demonstrates dedication to continuously incorporating evidence-based improvements and best practices, including behavioral finance, into all service offerings.

Program Background (ORP)

In General. The ORP is a defined contribution 401(a) retirement plan that is available to exempt employees of the University of Tennessee System (UT), the Tennessee Board of Regents (TBR), and six locally governed institutions (LGI's). Exempt employees are those employees who hold positions that are exempt from the Fair Labor Standards Act (FLSA). The State sponsors the ORP as an alternative to the State's defined benefit 401(a) plan, known as the Tennessee Consolidated Retirement System (TCRS). Participation in either TCRS or the ORP is a condition of full-time employment for individuals who are exempt from the FLSA and who are employed in State supported institutions of higher education. The number of employees and ORP eligibility summaries for UT as of October 2021 are contained in RFP Attachment 6.7. RFP Attachment 6.8 contains the number of employees and ORP eligibility summaries for TBR and the LGI's as of October 2021.

Authority and Governance. The provisions governing the ORP are codified in Tennessee Code Annotated, Sections 8-25-201 *et seq*. The ORP is a qualified plan under Section 401(a) of the Internal Revenue Code. The State issues this RFP as the ORP Plan sponsor.

The ORP is governed by four Trustees designated in state law (T.C.A. § 8-25-203). The State Treasurer who is also the Chair of the Board of Trustees of the Tennessee Consolidated Retirement System serves as a Trustee for and Plan Administrator of the ORP, and administration of the ORP is housed in the Treasury Department under the Trustees' purview.

Plan Design. The ORP is a defined contribution plan with required employee and employer contributions depending on the participating employee's date of hire. Employer and employee contribution amounts are set in statute. An ORP participant directs contributions to specific investment products made available by at least one and to as many as three ORP service providers. ORP participants may redirect past and future contributions between and among the service providers each payroll cycle. The vast majority of ORP participants direct contributions to only one service provider. The ORP currently has three active service providers, AIG Retirement Services, TIAA and Voya.

Qualifying faculty and staff who became ORP members at any time prior to July 1, 2014 participate in the non-contributory ORP plan. The employer makes a contribution equal to 10% of the employee's earnable compensation, plus 1% of the part of the employee's earnable compensation in excess of the employee's covered compensation to the member's ORP account. The terms "earnable compensation" and "covered compensation" are defined in Sections 1.6 and 1.4 of the ORP Plan Document, which is attached hereto as Contract Attachment 1 to the *Pro Forma* Contract (RFP Attachment 6.6). The member may direct contributions to one or more of the ORP plan service providers. The non-contributory ORP Plan is closed to new members.

Qualifying faculty and staff who became ORP members on or after July 1, 2014 are eligible to participate in the contributory ORP Plan. The employer contributes 9% of earnable compensation to the member's ORP account. The member contributes 5% of the employee's earnable compensation to the ORP plan. All contributions to the member's ORP account are made on a pre-tax basis and may not be altered. The member may direct all contributions to one or more of the ORP plan service providers.

UT, TBR, and LGI's. The UT System consists of six institutions located throughout the State. The TBR includes thirteen community colleges, and twenty seven colleges of applied technology ("TCATs"). The six locally governed institutions are: Austin Peay State University, East Tennessee State University, Middle Tennessee State University, Tennessee State University, Tennessee Technological University, and the University of Memphis. The UT payroll and benefits system uses SAP whereas TBR and the LGI's use the Banner system. The successful service providers **must** electronically interface their recordkeeping systems with the payroll systems of UT, TBR and the LGIs to accept the institutions' contributions record files and employee participant information. The successful service providers will be responsible for paying the associated interface costs, if any, charged by the vendors of the payroll systems.

UT, TBR, and the LGI's collectively have twenty one entities that will report participant information separately to each vendor. UT reports to each vendor on one payroll file combining reporting information from all six UT system institutions. The TBR central office reports for itself and twenty-six of the TCATs. Each of the six LGI's and each of the thirteen community colleges in the TBR system report separately. Chattanooga State Community College reports for itself and TCAT-Chattanooga.

Participation, Assets, and Contributions.

As of 12/31/2020		
UT	Annual Contributions	$57,441,508
	Assets	$2,439,251,718
	Active Participants	6,056
	Total Participants	19,361
TBR & LGI's	Annual Contributions	$58,338,833
	Assets	$1,937,621,314
	Active Participants	7,101
	Total Participants	17,588
Total	Annual Contributions	$115,780,341
	Assets	$4,376,873,032
	Active Participants	13,157
	Total Participants	36,949

The ORP has approximately 37,000 total participants and 13,000 active participants with assets of about $4.3 billion. Most of the assets are in legacy contracts that are not mappable at the State's direction. About $1.4 billion can be moved at the State's discretion subject to contract terms on the fixed account/stable value assets.

Participants with mappable assets in a plan offered by a closed service provider will have the option of mapping their assets and future contributions to one of the successful respondents. If no choice is made, the default will be to map contributions and assets to the highest scored respondent.

The State's 401(k) and 457(b) deferred compensation plans are also available to all employees of UT, TBR and the LGIs. Eligible UT, TBR, and LGI employees who became TCRS or ORP members on or after July 1, 2014 are automatically enrolled to make elective, pre-tax contributions to the State's 401(k) Plan (not included in scope of this RFP) equal to 2% of compensation.

The cash flow, activity, and participation details for each current vendor of the ORP are contained in RFP Attachment 6.9.

Program Background (403(b))

In General. In 2018, the Tennessee General Assembly granted the State the authority to administer the existing 403(b) plans for UT and TBR, respectively. The State became plan sponsor and administrator for the UT and TBR 403(b) plans on October 9, 2019. While administratively separate from TBR, the six LGI's participate in the TBR 403(b) plan.

Plan Design. The 403(b) plans are supplemental deferred compensation plans established pursuant to § 403(b) of the Internal Revenue Code (26 U.S.C. § 403(b)). Employee participation is voluntary and employer contributions are not allowed.

UT System employees may direct contributions to specific investment products made available by at least one and up to as many as five 403(b) service providers: AIG Retirement Services, Ameriprise, Fidelity, TIAA, and Voya. Employees of TBR or the LGI's may direct contributions to specific investment products made available by at least one and up to as many as three 403(b) service providers: AIG Retirement Services, TIAA, and Voya. All 403(b) participants may redirect past and future contributions between and among the service providers each payroll cycle.

Authority and Governance. The provisions governing the 403(b) plans' transition from UT and TBR to the State are codified in T.C.A. § 8-25-103.

The 403(b) plans are governed by four Trustees designated in state law (T.C.A. § 8-25-103), which are the same Trustees as those for the ORP. The State Treasurer serves as a Trustee for and Plan Administrator (after the transition) of the 403(b) plans, and administration of the 403(b) plans is housed in the Treasury Department under the Trustees' purview. Currently, the UT 403(b) plan and TBR 403(b) plan maintain separate plan documents. The State may elect to combine the two plan documents into a single plan document in the future.

Participation, Assets, and Contributions.

As of 12/31/2020		
UT	Annual Contributions	$22,442,020
	Assets	$553,874,333
	Active Participants	1,350
	Total Participants	3,526
TBR	Annual Contributions	$15,257,436
	Assets	$342,379,994
	Active Participants	1,131
	Total Participants	2,517
Total	Annual Contributions	$37,699,456
	Assets	$896,254,328
	Active Participants	2,481
	Total Participants	6,043

The 403(b) plans have approximately 6,000 total participants and 2,500 active participants with assets of about $900 million. Most of the assets are in legacy contracts that are not mappable at the State's direction.

About $140 million can be moved at the State's discretion subject to contract terms on the fixed account/stable value assets.

Participants with mappable assets in a plan offered by a closed service provider will have the option of mapping their assets and contributions to one of the successful respondents. If no choice is made, the default will be to map contributions and assets to the highest scored respondent.

The cash flow, activity, and participation details for each current vendor of the 403(b) plans are contained in RFP Attachment 6.10.

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 # 30901-48021

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
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 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 9, 2021
2. Disability Accommodation Request Deadline	2:00 p.m.	August 12, 2021
3. Pre-response Teleconference	2:30 p.m.	August 13, 2021
4. Notice of Intent to Respond Deadline	2:00 p.m.	August 16, 2021
5. Written "Questions & Comments" Deadline	2:00 p.m.	August 19, 2021
6. State Response to Written "Questions & Comments"		August 27, 2021
7. Second & Final Written "Questions & Comments" Deadline	2:00 p.m.	September 1, 2021
8. Final State Response to Written "Questions & Comments"		September 8, 2021
9. Technical Response Deadline	2:00 p.m.	September 15, 2021
10. State Completion of Technical Response Evaluations		October 18, 2021
11. State Schedules Respondent Oral Presentations (Respondent Finalists Only)		October 19, 2021
12. Cost Proposal Deadline (Respondent Finalists Only)	2:00 p.m.	October 26, 2021
13. Respondent Oral Presentation (Respondent Finalists Only)	8:00 a.m. - 4:30 p.m	October 25 – 26, 2021
14. State Opening & Scoring of Cost Proposals (Respondent Finalists Only)		October 27, 2021
15. Negotiations (Optional to the State)		October 28 – 29, 2021
16. State Notice of Intent to Award Released and RFP Files Opened for Public Inspection		November 3, 2021
17. End of Open File Period		November 10, 2021
18. State sends contract to Contractor for signature		November 12, 2021
19. Contractor Signature Deadline	2:00 p.m.	November 17, 2021

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 (the Cost Proposal will be submitted by Respondent Finalists Only. Refer to the Schedule of Events above).

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 oversize 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 # 30901-48021 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 # 30901-48021 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 <u>not</u> 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 a 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. A 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, a 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 Contractors 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 a Contract resulting from this RFP is signed, the respective 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 the 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 Contractors who is awarded a 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 Respondents with the apparent best-evaluated responses 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 Contractors who are 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 Contracts, and the Contractors must cooperate with such efforts.

4.11. **Contract Amendment**

After Contract award, the State may request a 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 respective 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. Please note that a Cost Proposal will be submitted by Respondent Finalists Only. Refer to the Schedule of Events above).

EVALUATION CATEGORY	MAXIMUM POINTS POSSIBLE
General Qualifications & Experience (refer to RFP Attachment 6.2., Section B)	**10**
Technical Qualifications, Experience & Approach (refer to RFP Attachment 6.2., Section C)	**50**
Oral Presentations – RESPONDENT FINALISTS ONLY (refer to RFP Attachment 6.2., Section D)	**10**
Cost Proposal – RESPONDENT FINALISTS ONLY (refer to RFP Attachment 6.3.)	**30**

5.2. Evaluation Process

The evaluation process is designed to award the contracts resulting from this RFP not necessarily to the Respondents offering the lowest cost, but rather to the Respondents deemed by the State to be responsive and responsible who offer 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:

a. the response adequately meets RFP requirements for further evaluation;

b. the State will request clarifications or corrections for consideration prior to further evaluation; or,

c. 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 then notify each such Respondent ("Respondents Finalist") that (i) it is to submit a Cost Proposal at the time and date specified in the RFP Schedule of Events and in the manner as provided in RFP Section 3.2 above, and (ii) will invite each Respondent Finalist to make an oral presentation. The presentation shall be conducted remotely via web conference, hosted by the Respondent. The Respondent must provide a hard copy of its presentation materials to the Solicitation Coordinator 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. **Clarifications and Negotiations.** The State reserves the right to award a contract on the basis of initial responses received, therefore, each response shall contain the Respondent's best terms and conditions from a technical and cost standpoint. The State reserves the right to conduct clarifications or negotiations with one or more Respondents. All communications, clarifications, and negotiations shall be conducted in a manner that supports fairness in response improvement.

5.2.3.1. Clarifications: The State may identify areas of a response that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications or requirements. The State may seek to clarify those issues identified during one or multiple clarification rounds. Each clarification sought by the State may be unique to an individual Respondent, provided that the process is conducted in a manner that supports fairness in response improvement.

5.2.3.2. Negotiations: The State may elect to negotiate with one or more Respondents by requesting revised responses, negotiating costs, or finalizing contract terms and conditions. The State reserves the right to conduct multiple negotiation rounds or no negotiations at all.

5.2.3.3. Cost Negotiations: All Respondents, selected for negotiation by the State, will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct target pricing and other goods or services level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that do not reveal individual Respondent pricing. During target price negotiations, Respondents are not obligated to reduce their pricing to target prices, but no Respondent is allowed to increase prices.

5.2.3.4. If the State determines that it is unable to successfully negotiate terms and conditions of a contract with an apparent best evaluated Respondent, the State reserves the right to bypass that apparent best evaluated Respondent and enter into terms and conditions contract negotiations with the next apparent best evaluated Respondent.

5.2.4. **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 the contract awards.

5.3.2. The procuring agency head will determine the apparent best-evaluated Responses. To effect a contract award to a Respondent other than the ones 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 responses 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 Respondents or any other Respondent.

5.3.4. The Respondents identified as offering the apparent best-evaluated responses 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 Respondents must sign the contract by the Contractor Signature Deadline detailed in the RFP Section 2, Schedule of Events. If a 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 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 responses.

RFP ATTACHMENT 6.1.

RFP # 30901-48021 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: _____

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**
		General	
		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 (*e.g.*, 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 credit rating from Moody's, Standard & Poor's, A.M. Best or Fitch Ratings, verified and dated within the last three (3) months and indicating a positive credit rating for the Respondent.	

RFP ATTACHMENT 6.2. — Section A (continued)

	A.4.	Provide a current SSAE18 audit of your recordkeeping system.	
	A.5.	Provide a statement that if awarded a contract under this RFP, the Respondent agrees to immediately provide to the State all information and reports relative to cyber incidents or breaches that could negatively impact Participants or other State data, or that could negatively impact the services provided under the contract. This includes information and reports in the possession of any subcontractor or cyber security firm acting on behalf of the Respondent for the purpose of detecting corruption, fraud, compliance, operational efficiencies, disaster recovery plan, business continuity plan or cyber response plans.	
	A.6.	Provide a statement certifying that the Respondent is a qualified firm to provide administrative services pursuant to Sections 401(a) and 403(b) of the Internal Revenue Code (Code) and all rules and regulations of the State of Tennessee.	
	A.7.	Provide a statement that if awarded a contract under this RFP, the Respondent will provide bundled administrative services (i.e., recordkeeping/administration, communication and education, custodial trustee services, and participant investment advisory services) as well as an open architecture mutual fund platform for the ORP and 403(b) Plans.	
	A.8.	Provide a statement that the Respondent has at least ten (10) years' experience in providing the services and products requested under this RFP to the public sector defined contribution marketplace. Please include an explanation providing relevant details to support this statement.	
	A.9.	Provide a statement that the Respondent administers a minimum of three (3) public sector defined contribution plans with assets of at least $400 million. Provide the plan names, contact names, phone numbers, and asset sizes to support the above statement.	
	A.10.	Provide a statement that the Respondent administers a minimum of three (3) public sector defined contribution plans with at least 5,000 participants. Provide the plan names, contact names, and phone numbers along with the number of participants for each plan to support the above statement.	
	A.11.	Provide a statement that the Respondent has a minimum of $2 billion under administration for public sector defined contribution plans. Provide the plan names, contact names, phone numbers, and asset under management to support the above statement.	
	A.12.	Provide a statement that all of the core relationships (e.g. recordkeeping, onsite participant education) proposed by the Respondent to supply the services requested under this RFP (i) have been in place for at least five (5) years and (ii) provide services to plans similar to the ORP and 403(b) Plans with respect to size and demographics.	
	A.13.	Provide a statement that the Respondent can accommodate (and will accommodate if awarded a contract under this RFP) separate reporting files from multiple employers with multiple pay schedules.	
	A.14.	Provide a statement that the Respondent can handle payroll reconciliations from 20+ separate employers.	
	A.15.	UT uses SAP as its payroll and benefits system, and TBR and the LGI's use the Banner system. Provide a statement that if awarded a contract under this RFP, the Respondent will interface the Respondent's recordkeeping system with those systems to accept the institutions' contributions record files and employee participant information, and will be	

		responsible for paying the associated interface costs, if any, charged by the vendors of those systems.	
	A.16.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent will offer trustee services for outside (non-proprietary) investment funds.	
	A.17.	Provide a statement that, if awarded a contract pursuant to this RFP, any expense reimbursement received by the Respondent from an investment management company or any other source will be a Plan asset available to meet plan or participant expenses as provided in Section C.4 of the *Pro Forma* Contract (RFP Attachment 6.6).	
	A.18.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent's field service representatives will not market any associated banking services, have commission-based compensation or any financial incentives to promote any investment product or services.	
	A.19.	Provide a statement that if awarded a contract pursuant to this RFP, the compensation and incentive awards for the Respondent's field representatives will be structured to maintain an objective and unbiased distribution of investment products and services to the ORP and 403(b) Plans' participants.	
	A.20.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent will provide by no later September 1, 2023 holistic retirement income projections for ORP and 403(b) Plan participants though online accounts that include input from the ORP and the 403(b) Plans and estimated social security information.	
	A.21.	Provide a statement that if awarded a contract pursuant to this RFP, the State will not be responsible for advice offered to ORP and 403(b) plan participants through your investment advisory services.	
	A.22.	Provide a statement that if awarded a contract pursuant to this RFP, you will make the participant or employer whole at your (and not the Plan's) expense in the event the participant or employer is adversely impacted due to any error made by your company.	
	A.23.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent can provide web-based internet access to participant account information with transactional capabilities, including at a minimum the ability to: elect and make deferral changes, reallocate funds among investments, choose investment options for ongoing deferrals, view, elect and change beneficiaries (primary and secondary).	
	A.24.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent has the ability to process enrollments and deferral changes submitted by form, electronically, or by telephone.	
State Use – Solicitation Coordinator Signature, Printed Name & Date:			

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.e*., 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, client base, 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 and on how this impacted the services being requested.
	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 *nolo contendere* 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 or other regulatory agencies involving the Respondent. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
		addressing whether and to what extent it will 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.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.	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: (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (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> (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.
	B.15.	Provide documentation of the Respondent's commitment to diversity as represented by the following: (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. (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: (i) contract description; (ii) contractor name and ownership characteristics (*i.e.*, ethnicity, gender, service-disabled veteran-owned or persons with disabilities); (iii) contractor contact name and telephone number. (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: (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 <u>NOT</u> INCLUDE DOLLAR AMOUNTS**);

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
		(ii) anticipated goods or services contract descriptions; (iii) names and ownership characteristics (i.e., ethnicity, gender, service-disabled veterans, or disability) of anticipated subcontractors and supply contractors. 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. (d) Workforce. Provide the percentage of the Respondent's total current employees by ethnicity and gender. 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.
	B.16.	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: (a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract; (b) the procuring State agency name; (c) a brief description of the contract's scope of services; (d) the contract period; and (e) the contract number.
	B.17.	Provide customer references from individuals who are not current or former State employees for projects similar to the goods or services sought under this RFP and which represent: ▪ two (2) accounts Respondent currently services that are similar in size to the State; and ▪ three (3) completed projects. 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 must 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. The Respondent will be solely 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. (a) Add the Respondent's name to the standard reference questionnaire at RFP Attachment 6.4. and make a copy for each reference. (b) Either (i) send a reference questionnaire to each reference or (ii) e-mail the reference with a copy of the standard reference questionnaire. (c) Instruct the reference to: (i) complete the reference questionnaire; (ii) sign and date the completed reference questionnaire; and

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
		(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 30901-47220. NOTES: ▪ 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 no obligation to clarify any reference information.
	B.18.	Provide a statement and any relevant details addressing whether the Respondent is any of the following: (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.
	B.19.	Is your company a subsidiary or affiliate of another company? Give full disclosure of all direct or indirect ownership.
	B.20.	Indicate how many years your company has been active in the deferred compensation/defined contribution business as it pertains to 401(a) and 403(b) plans. How long for higher education DC plans?
	B.21.	Provide an audited financial statement, if applicable, for the most recently closed fiscal year.
	B.22.	Describe any pending or anticipated plans to re-organize your company within itself or as part of the larger organization of which your company is a part.
	B.23.	The successful Respondent will be required to provide a consolidated statement for participants with accounts in both the ORP and 403(b) Plans, which will not just be a combination of two independent statements. Provide a sample if possible.
SCORE *(for all Section B—Qualifications & Experience Items above)*: *(maximum possible score = 10)*		
State Use – Evaluator Identification:		

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**
		In General		**1**	
	C.1.	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.			
		Deferred Compensation Plan Administration Experience and Client Retention		**9**	
	C.2.	Provide the information about the defined contribution/deferred compensation plans that your company currently administers by completing **Chart 1 in RFP ATTACHMENT 6.2.1 — SECTION C** below.			
	C.3.	List the number and total assets of the public sector 401(a) defined contribution/deferred compensation plans that you currently administer by completing **Chart 2 in RFP ATTACHMENT 6.2.1 — SECTION C** below.			
	C.4.	List the number and total assets of the public sector 403(b) defined contribution/deferred compensation plans that you currently administer by completing **Chart 3 in RFP ATTACHMENT 6.2.1 — SECTION C** below.			
	C.5.	List the number and total assets of the public sector defined contribution/deferred compensation plans (all types) that you currently administer by completing **Chart 4 in RFP ATTACHMENT 6.2.1 —**			

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**
		SECTION C below. In addition, list the number and total assets of higher education 401(a) defined contribution plans that you currently administer by completing **Chart 5 in RFP ATTACHMENT 6.2.1 — SECTION C** below.			
	C.6.	List the number and total assets of the higher education 403(b) defined contribution plans that you currently administer by completing **Chart 6 in RFP ATTACHMENT 6.2.1 — SECTION C** below. In addition, list the number and total assets of the higher education deferred compensation/defined contribution plans (all types) that you currently administer by completing **Chart 7 in RFP ATTACHMENT 6.2.1 — SECTION C** below.			
	C.7.	Of the higher education 401(a) and 403(b) plans you included in **Charts 5 and 6 OF RFP ATTACHMENT 6.2.1 — SECTION C**, how many have multiple service providers.			
	C.8.	What is the total number of higher education 401(a) and 403(b) plans that you administer that have at least ten (10) employers that report separately to you.			
	C.9.	Provide your client retention statistics (number and percentage of clients retained) by completing **Charts 8 and 9 in RFP ATTACHMENT 6.2.1 — SECTION C** below. In addition, please indicate the percentage of clients who left due to issues pertaining to services provided by your organization. Briefly explain those servicing issues.			
	C.10.	What is your average client relationship duration? What is the average relationship duration for your public sector 401(a) and 403(b) plans? What is it for higher education DC plans?			
	C.11.	List all governmental (including counties, municipalities, school boards, local education agencies, utility districts, etc.) plans/clients in the State of Tennessee with whom you currently have a contractual relationship for 401(k), 401(a), 457, and/or 403(b) plans.			

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**
		Client Service/Quality Assurance		**10**	
	C.12.	How many of your employees work on DC plans? Is there staff dedicated specifically to public sector and higher education DC plans? If so, please provide the numbers of public sector and higher education DC plan employees. In addition, provide the number of full-time equivalent employees working on public sector and higher education defined contribution plans in the following positions: a) Management b) Call Center Management/Supervisor c) Call Center Representatives d) Client Service Management Personnel (Employer-focused) e) Field Representatives			
	C.13.	What is the average tenure (in years) of the following positions? a) Client Relationship Manager b) Client Service Manager (Employer-focused) c) Field Service Representatives d) Conversion Project Manager e) Call Center Representatives			
	C.14.	Describe in detail the client service staffing model you propose to use to service the ORP and 403(b) Plans. Your response should include the following information: a) How many team members would your company assign to the State's account? Describe the roles, responsibilities, and current work locations of each, and provide an organizational chart. b) For how many other accounts/clients would the assigned team be responsible? c) Name the person who will have overall, hands on, account management responsibilities for the ORP and 403(b) Plans. Provide the resume for this individual including his or her qualifications, any licenses, experience, number of years with			

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**
		your company, and current primary work location. Describe the duties and responsibilities that this person will have. Please provide a list of the person's current accounts, number of plan participants, and length of relationship and indicate which of these accounts he/she will continue to be responsible for. What percentage of time will this individual dedicate to the State's account both during the first year and later years of the contract? d) Will you need to hire any additional staff to service this account? If so, what personnel type(s)?			
	C.15.	Do you currently have staff located in Tennessee? If yes, where is your office located? If no, where is the closest office? If you are awarded a contract pursuant to this RFP, where would your recordkeeping office be located to service this Contract.			
	C.16.	Describe the quality control and training systems and, if applicable, licensing requirements you have in place for: a) Management b) Client service and recordkeeping staff c) Field representatives d) Call center representatives			
	C.17.	Describe the initial and ongoing educational services, including frequency, that you will provide to staff at each higher education institution related to accurately reporting information and using the employer / plan sponsor portal.			
	C.18.	Though it is not the desire of the State to impose penalties, but rather find a suitable partner, the State is including performance guarantees for the services procured in the RFP to ensure adherence to industry standards and timely processing of all transactions and services. Consequently, the successful respondent will place at risk 10% of its annual fees or such higher amount as may be inserted in			

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**
		Chart 10 in RFP Attachment 6.2.1 – Section C and allocated as indicated in **Chart 10 in RFP ATTACHMENT 6.2.1 – Section C**. Indicate in **Chart 10 in RFP ATTACHMENT 6.2.1 — SECTION C** your service standards for the completion of the services listed in that Chart.			
	C.19.	Do you provide participants protection against unauthorized access to their accounts? Briefly describe the protection and any qualifications for such protection. Include in your response the process for indemnifying the participant and the timeframe involved with each step in the process.			
	C.20.	Describe your company's COVID-19 response and any shift to remote work this has caused. Describe the impact, if any, this has had on your client service, field representative, and participant education activities.			
		Recordkeeping / Administration		**8**	
	C.21.	How many hours was your recordkeeping system down in 2019 and 2020? How much of this time was due to routine maintenance? How much of this time was due to a security breach?			
	C.22.	The successful Respondent will be required to handle payroll reconciliations from 20+ separate employers. Briefly describe your administrative process for correcting payroll data and performing edits on incomplete or missing data for plans with multiple reporting entities/payroll centers.			
	C.23.	Briefly describe the level of customization available to the Program on the electronic and paper administrative forms used by participants. Will the State have input on content and not just look?			
	C.24.	Can your recordkeeping system accept manual edits, adjustments, and indicative data changes to the contribution input file? Briefly describe any limitations or qualifications that apply.			
	C.25.	Can your recordkeeping system handle negative data from the payroll files?			

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**
		Briefly describe any limitations or qualifications that apply.			
	C.26.	Describe your ability to customize your recordkeeping system to respond to identified compliance challenges or employer needs (e.g. automatic notification of reporting errors to employers)? What is your internal process for making changes to your recordkeeping system?			
	C.27.	Describe in detail how your firm handles processing errors. Please indicate as well how you decide on your correction approach and how the error and the correction approach are communicated to your clients. Please describe how gains and losses are handled, any size thresholds that apply in various situations, and which parties retain any net gains.			
	C.28.	Are you able to fully administer hardship distribution requests if allowed by the ORP and 403(b) plans? Are you able to handle first level appeals? Briefly describe any limitations or qualifications that apply.			
	C.29.	What, if any, role would the State be required to play in reviewing and processing Qualified Domestic Relations Orders?			
	C.30.	Are you able to implement and administer automatic enrollment if allowed in the 403(b) Plan?			
	C.31.	Are you able to implement and administer auto-escalation if allowed in the 403(b) Plan?			
	C.32.	Briefly describe your process for searching for missing participants.			
	C.33.	Briefly describe your standard procedures for uncashed checks.			
	C.34.	Describe any limits imposed on any participant initiated transactions (i.e., investment allocation changes, contribution rate changes, etc.).			
	C.35.	The successful Respondent will be required to accept and maintain primary and secondary beneficiary information online. Describe the process you use to			

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**
		track and maintain employee beneficiary data.			
	C.36.	Can you accommodate reporting arrangements in which employees must begin/change deferrals through the employer (as opposed to through the participant website or other means provided by your company)?			
	C.37.	How are participants able to enroll in the ORP and 403(b) plans respectively.			
	C.38.	Do you have the ability to be a "master recordkeeper" for both the ORP and 403(b) plans in a multi-vendor arrangement? If so, please describe your capabilities.			
	C.39.	Does your recordkeeping system have the ability to accept file feeds from TCRS or other outside entities with information that could be added to the participant's account? If not, will you have this ability in the future?			
		Systems/Hardware Capability & Security		**8**	
	C.40.	What system do you use to recordkeep and administer defined contribution/deferred compensation plans? Do you use the same system for 401(a) and 403(b) plans? Was the software developed internally, leased, or purchased from another provider? Who has the ultimate responsibility/authority to make sure the software remains current to laws, regulations, client needs, etc.? How long have you used these systems for recordkeeping? Does your recordkeeping system currently interface with SAP and the Banner payroll systems?			
	C.41.	Are you planning any major change in the software or hardware supporting your recordkeeping system in the next 24 months? If yes, please describe.			
	C.42.	Describe your documented disaster recovery plan. How often do you test your recovery system?			
	C.43.	How often is data backed-up?			

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**
	C.44.	Describe any system outages within the last three years and how have they been handled. Has any liability resulted from these outages and are there any pending claims related to these outages?			
	C.45.	Describe in detail your procedures and safeguards used to guarantee: a) Security for your hardware and facility; b) Authorized access to data; c) Confidentiality of data; d) Security for any hard copy of plan-related data or documents; and e) Explain your process in the event that participant data is compromised.			
	C.46.	Do you utilize a Secure File Transfer Protocol (SFTP) when exchanging information with clients? If not, how do you protect the exchange of data?			
	C.47.	Do you adhere to the SPARK Institute's Best Practice on cyber security? If so, please provide a copy of your SOC2 or AUP report that aligns with SPARK's 16 control objectives.			
	C.48.	Do you test IT security as part of the SSAE18 or separately? If separately, who performs and how frequently.			
		Regulatory/Compliance Service		**8**	
	C.49.	Describe your ability to reconcile participant deferral elections/statutorily required contributions with plan contributions on an ongoing and historical basis? Are you able to alert employers when contributions do not match employee elections (for 403(b) or required contributions (for ORP)) after each payroll?			
	C.50.	Describe your capabilities and timeframes for monitoring maximum deferral limits and the catch-up provisions, including 403(b) plan 15-year catch-up, and ensuring that excess contributions are distributed from the plan in a timely manner.			
	C.51.	Do you have a specific process for confirming participant eligibility to make			

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**
		15-year special catch-up contributions to the 403(b) plan and coordinate these contributions with the regular catch-up?			
	C.52.	Describe how you monitor Code Section 401(a)(9) required minimum distributions including: a) Identification of individuals; b) Determination of the amount of the minimum required payment; and c) Payment within required deadlines.			
	C.53.	What resources do you have to obtain legal opinions, interpretations of laws, regulations, and other matters on issues pertaining to deferred compensation plans?			
	C.54.	How do you ensure that your recordkeeping system is in compliance with all applicable rules and regulations? How quickly are legal and regulatory changes reflected in the system?			
	C.55.	Should the State choose to provide notices consistent with those required by ERISA Section 408(b)(2) and related regulations, will you provide 408(b)(2) disclosures to the State and regulatory disclosures to participants?			
		Participant Communication & Education		**10**	
	C.56.	Fully describe the educational services that you will provide to the Program (both ORP and 403(b) plans, noting if there are any differences). Describe separately your initial and on-going communication and education program. Be sure to identify the key elements provided as part of your proposed communication and education program package including the types of marketing medium (e.g. print, e-mail, videos, animations, onsite, etc.). Provide sample materials for enrollment, transition and on-going communication and education.			
	C.57.	Describe the level of customization available to the State across all materials. Will there be input on both look and content? Include the flexibility available for producing one-off materials requested			

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**
		by the State or participating campuses (e.g. one-pagers on distributions or catch-ups).			
	C.58.	How does your company define retirement readiness and measure the retirement readiness of participants?			
	C.59.	Describe your ability to identify and target specific groups of participants, including those not engaged and/or not on track for retirement, with communication campaigns?			
	C.60.	Describe the communication and education services that you provide for non-active participants (i.e., retirees and terminated employees with account balances).			
	C.61.	Describe the education your firm delivers in providing distribution counseling to participants (active and inactive), including the potential benefits of leaving the account balance in the Program.			
	C.62.	Will you be assigning a communications lead to the Plans?			
	C.63.	Describe how you measure the success of your education/communication programs including their impact on retirement readiness. Are you able to provide metrics related to communications campaigns and other education services that are specific to the Tennessee ORP and 403(b) plans?			
	C.64.	Are you willing to provide customized surveys to assess the success of and participant satisfaction with the education program? (Yes/No).			
		Field Service Representatives		**10**	
	C.65.	Describe the structure of how the field service representatives would be organized to service this relationship, including: a) Location (including how you will cover all campuses); b) Staffing (including management structure, functions to be performed, and number of representatives); c) Standard hours of operation;			

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**
		d) Typical amount of time allotted for one-on-one meetings; e) Typical amount of time allotted for group meetings; f) How employers schedule onsite days g) How participants schedule consultations; and h) How you would handle walk-ins.			
	C.66.	Will the field service representatives assigned to the plan be 100% full-time dedicated? If not, what percentage of their time will be spent on the Program? If the representative is responsible for additional accounts, how many?			
	C.67.	Will the representatives assigned to the Program be employees of your firm? If not, explain the relationship.			
	C.68.	Could you assign more or fewer field service representatives to the Program as the State requests or as the number of participants increases?			
	C.69.	Describe the training program and licensing requirements for field representatives.			
	C.70.	Describe how you will ensure that field representatives are able to consistently provide accurate information about the ORP and 403(b) Plans?			
	C.71.	Detail the compensation structure for the local representative (e.g. 85% salary, 15% bonus). Include an explanation of how any bonuses and incentives are determined. **DO <u>NOT</u> INCLUDE DOLLAR AMOUNTS – JUST THE PERCENTAGE BREAKDOWN OF THE COMPENSATION STRUCTURE AND DETAILS ABOUT HOW BONUSES AND INCENTIVES ARE DETERMINED.** As indicated, it is a requirement that your field service representatives that provide enrollment and education services are not compensated on a commissioned or incentive basis to promote any investment product or services.			
	C.72.	Describe the ability of field service representatives to conduct participant meetings remotely via phone or web-based applications.			

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**
	C.73.	Describe how you will determine the number of one-on-one and group meetings field representatives need to conduct at each institution to meet all service standards and goals.			
	C.74.	How are field representative assisted transactions documented (i.e. deferral election, investment allocation changes)?			
	C.75.	Describe how you will measure and report participant and employer satisfaction with field representative meetings and services.			
	C.76.	Describe your ability to report to the State on field representative activities (number of meetings, meeting topics, participant actions, participant satisfaction, etc).			
		Participant Services – Internet Services		**10**	
	C.77.	Describe your participant website capabilities. Provide an Internet address and instructions on how to access a demonstration of your participant website.			
	C.78.	Is the State able to customize your standard landing page and participant website in any manner? If so, briefly describe.			
	C.79.	It is a mandatory requirement that the successful Respondent provide by no later than September 1, 2023 holistic retirement income projections for ORP and 403(b) Plan participants though online accounts that include input from the ORP and the 403(b) Plans and estimated social security information. The State's <u>preferred</u> holistic retirement income projection will be able to: a) estimate a social security benefit, b) combine ORP and 403(b) account balances and contribution assumptions with social security, c) include account balances and contributions assumptions from the State of Tennessee 401(k) and			

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**
		457(b) plans, as well as other outside defined contribution plans, d) if applicable, include a benefit projection from the Tennessee Consolidated Retirement System, e) customize retirement income/income replacement goals, and f) provide recommendations for how the participant may remedy any estimated shortfall between the retirement income goal and retirement income projection (such as increasing contributions by a certain amount). Describe your ability to provide the State's preferred retirement income projection to participants in the online account. If you cannot currently provide the State's preferred retirement income projection to participants, provide a time by which you might be able to implement it.			
	C.80.	Does your participant internet site allow participants to voluntarily include information from outside retirement, banking, or other financial-related accounts for purposes of retirement income projections or retirement readiness metrics? If so, can the outside accounts be linked directly (i.e. the outside account information is automatically populated and updated in the participant account) or must it be entered manually?			
	C.81.	Specify any transactions that cannot be completed via your Internet site.			
	C.82.	Do you have a mobile app or mobile optimized website? Are there limitations to the functionality versus the full site? If yes, what?			
	C.83.	What general and investment education materials and retirement planning tools do you offer participants via the Internet?			

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**
		Specify which are available pre-login versus post-login.			
	C.84.	Can participants e-mail specific questions via the Internet site? If yes, who receives the e-mail, researches the issue, and responds? What is the turnaround time?			
	C.85.	Can participants live chat via the Internet Site? If yes, who answers the chat and what hours is it available?			
	C.86.	Describe the security through which a participant passes to use your Internet system. What firewalls do you have in place for your Internet services?			
	C.87.	Describe any security breaches that resulted in improper access to one or more participant's accounts within the last three years and the steps you took to remedy the breach.			
	C.88.	What improvements to your Internet site/online participant account capabilities are designated to occur in the next two to three years? Are the same improvements being made to your mobile capabilities? If no, briefly describe what is being done to enhance your mobile capabilities.			
		Participant Services – Call Center and Automated Voice Response System (VRS)		**5**	
	C.89.	Describe the call center service model you will use to service the ORP and 403(b) plans, including: a) Staffing b) Location(s) c) Standard hours of operation (note that the ORP and 403(b) covers employers in the Central and Eastern Time Zones) d) Participant services and transactions available e) Participant services and transactions not available through the call center			
	C.90.	Will you have dedicated customer service call center representatives to the State's ORP and 403(b) plans? If you will not be dedicating customer service center representatives to the State, what portion			

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
		of their time will be spent on the State's plans?			
	C.91.	Provide the following information about your call center customer service representatives: a) Licensing requirements, employment qualifications as well as your training program b) Relationship: employees or outside contractors (If contractors or a combination, include the percentage of each and duration of subcontractor agreement) c) Average tenure			
	C.92.	How will your customer call service center representatives be trained on the particulars of the ORP and 403(b) Plans? How will you ensure they are able to consistently offer accurate, up-to-date information about the Plans?			
	C.93.	How are participant questions that could not be answered by the call center handled and/or directed?			
	C.94.	Can participants change their PIN by calling the customer service center? Can PINs be reset and immediately provided to a participant during the call? Can participants who misplace their PIN call the customer service center and have a new PIN sent directly to their home address?			
	C.95.	What security procedures do you use at your customer call service center to authorize transactions that the participant makes over the phone?			
	C.96.	Describe your service quality metrics for call center service representatives. Are there participant surveys after each call?			
	C.97.	Do you have the ability to record participant calls to the customer service center? Do you review these for quality assurance? Can the recordings be shared with the State and employers? How long are the recordings retained?			
	C.98.	Describe how you will measure and report participant satisfaction with customer call service center representative interactions.			

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**
	C.99.	Complete the information requested in **Chart 11 in RFP ATTACHMENT 6.2.1 — SECTION C** below relative to your large market call center standards.			
	C.100	Describe the transactions that can be processed through your Voice Response System (VRS)? Are there any transactions that cannot be processed through the VRS (i.e., PIN changes, address changes, etc.)? Is the VRS available 24 hours a day? If not, what are the VRS hours of operation.?			
	C.101	How quickly is the VRS updated after transactions are performed?			
	C.102	Is the VRS fully capable of generating all the necessary administrative forms to handle enrollments, terminations, and beneficiary distribution requests?			
	C.103	In the situation whereby a participant calls the VRS but does not properly complete the transaction, is there any follow-up with the participant? Briefly describe.			
	C.104	Can participants request contribution deduction changes through the VRS? Can you provide a feedback report back to the State to update its payroll records and contribution changes? How frequently?			
	C.105	Does your VRS accommodate non-English speaking participants? What languages?			
	C.106	Describe how data is secured within the VRS system (i.e., PIN, audit trail, confirmations).			
	C.107	Describe any security breaches through your VRS system that resulted in improper access to one or more participant's accounts within the last three years and the steps you took to remedy the breach.			
		Participant Reporting		**6**	
	C.108	Describe your standard participant statements and the frequency you are able to provide them. It is the State's preference for statements to be provided quarterly. Please provide samples. Briefly describe any differences between			

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**
		your hard copy statements and the statements available online.			
	C.109	What time periods are illustrated for a participant's personalized rate-of-return in each statement?			
	C.110	Describe the plans' customization capabilities for participant statements and indicate whether they apply to hard copy statements, electronic statements, or both. How much space is there for customized messages from the State on your participant statements? Are you able to include messaging from different institutions to only those employees? Indicate where customized messaging appears on hard copy and electronic statements. Are participants able to additionally customize the statements they receive (hard copy or electronic)?			
	C.111	How do you incorporate retirement income projections on the participant statements? Is plan or participant customization available?			
	C.112	Are you able to incorporate a participant's defined benefit plan benefit projection and estimated social security benefit into a retirement readiness score on statements? What information do you have and what would you need to accommodate a request to do so?			
	C.113	Can you include other printed information, prepared by the State, with mailed hard copy statements, electronic statements, or both?			
	C.114	Are all associated fees itemized and disclosed on the participants' quarterly statements? (Yes/No) Do they substantially comply with ERISA disclosures? (Yes/No)			
	C.115	What additional fee disclosure, if any, do you provide to participants?			
		Plan Sponsor & Employer Reporting		**5**	
	C.116	Describe your online employer reporting portal, including information and transaction capabilities available. Provide an Internet address and instructions on			

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**
		how to access a demonstration of your plan sponsor website.			
	C.117	Describe the standard reporting package that you would provide to the State and each institution and provide samples.			
	C.118	Please describe any reports that will help the State monitor key metrics about the Plans. Please include such reports as: a) Participant engagement with various channels, tools and services b) Participant usage of key plan features such as managed accounts, online advice, etc. c) Retirement readiness as measured by projected retirement income			
	C.119	Will the State be able to customize the reporting package, including the timing and content of reports?			
	C.120	Will the State and/or participating employers be able to request additional reports on a regular basis as needed?			
	C.121	What is the standard timeframe for providing each plan sponsor report, including investment asset reports, after the reporting period ends?			
	C.122	List the types of participant data you will be able to provide (demographic, deferral election, account activity, plan engagement, etc.) through available reports.			
	C.123	The State may conduct an internal audit of the Plans. For the audit: a) Briefly describe your process for assisting the State and its auditor. b) Describe your firm's resources dedicated to audit assistance. c) What is the lead time needed to fulfill requests? d) Provide a listing of documentation and reporting included in your standard annual audit package (provide samples with your proposal).			
		Investment Services		**5**	

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**
Investment Management Services					
	C.124	Provide the number of outside mutual fund family alliances with which you have relationships. Approximately how many investment options does this represent?			
	C.125	Are you able to offer all non-proprietary investment options currently offered in the ORP and 403(b) plans? The current lineups are provided in RFP Attachment 6.11.			
	C.126	Provide the number of commingled investment trust investment options you have available on your platform. What asset classes does this represent?			
	C.127	Is the State able to establish a qualified default investment alternative (QDIA) for the ORP and 403(b) Plans?			
	C.128	Briefly describe your ability to accommodate white label (fund-of-fund) investments.			
	C.129	The State requires an open architecture mutual fund platform for both the ORP and 403(b) Plans. Do you have any proprietary investment requirements? If yes, what are they?			
	C.130	What is the standard timeframe for making changes to the investment line-up? Are there limitations on the number of fund changes that occur within a certain time period?			
	C.131	If you receive a contribution from the State on behalf of an unknown participant, how will you treat those contributions and what steps will you take to discover if the contribution should be to a known participant?”			
	C.132	The Program and the Plan allow participants to transfer assets between and among service providers. Describe the process you will use to accommodate this provision and ensure requested transfers take place quickly. What is the timeframe in which you will complete such a transfer request?			
Participant Investment Advisory Services & Managed Accounts					

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**
	C.133	Describe the participant investment advisory services, **if any**, that you would offer under any contract resulting from this RFP (i.e., Morningstar ClearFuture, Financial Engines, etc.), including managed accounts. Note the different levels available and note what services each level provides to participants. Does your service: a) Produce asset allocation recommendations? b) Provide recommendations of specific funds? c) Include savings rate recommendations? d) Take into account a participant's assets outside the Plans?			
	C.134	If applicable, how long have you partnered with your current vendor for each of the services in your advisory program?			
	C.135	If applicable, list the various methods through which participants could receive investment advice (e.g. phone, in-person, internet, VRS).			
	C.136	If applicable, describe the difference between your Internet investment education tools and software from your participant investment advisory services.			
	C.137	If applicable, describe the generally accepted investment theories that form the basis for the vendor's advice model.			
	C.138	If applicable, briefly describe the type and level of indemnification you provide to the State for the vendor's advisory services.			
	C.139	If applicable, what is disclosed to participants regarding your fiduciary role and the vendor's fiduciary role with respect to these participant investment advisory services?			
	C.140	If applicable, do you or the vendor offer specific investment advice to participants on an in-person basis other than through the on-line advice provider? If yes, briefly describe. For in-person investment advice, how do you manage conflicts of interest?			
	C.141	If applicable, do you receive compensation (including to any			

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**
		subsidiaries) from the participant investment advisory service vendor for assets in managed accounts or any other services? If so, provide a detailed description of the arrangement. **DO NOT INCLUDE DOLLAR AMOUNTS.**			
	C.142	If applicable, briefly describe any additional relationships you have with any other advisory or financial wellness providers.			
Self-Directed Brokerage Account					
	C.143	Describe the self-directed brokerage account window(s) that you would offer in accordance with Section A.37 of the *Pro Forma* contract (RFP Attachment 6.6). Include within your response the manner and frequency by which you will monitor the brokerage account window.			
	C.144	Does your self-directed brokerage account window have any specific design requirements at the program level (i.e. minimum balances, restricted investments, etc) or just those established by the State?			
	C.145	If your self-directed brokerage account window requires minimum balances, what happens if minimum balances are not maintained? Can the State customize the minimum balance?			
	C.146	Can your brokerage account restrict a participant from certain investments (e.g. any share class of options offered in the core line-up)?			
	C.147	Are there any transfer restrictions for moving money between the core investment line-up and the self-directed brokerage account?			
	C.148	What information about the self-directed brokerage account can be shared on the participant website?			
	C.149	What are the standard hours of operation for telephone support? Is this provided through the brokerage arrangement or your call center? If through the brokerage arrangement, are there any standards in place to ensure messaging is consistent?			

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**
	C.150	Do participants receive a detailed account summary of all assets held in the brokerage account?			
	C.151	What information from the self-directed brokerage account is reflected and reported on quarterly participant statements?			
	C.152	How are self-directed brokerage account balances treated for purposes of the following: a) Regular benefit or unforeseeable emergency distributions b) IRC required and minimum distributions c) Domestic relations orders d) Death benefit claims			
		Custodial Trustee			
	C.153	For the custody/trustee services you propose, please provide: a) the name of the trust company b) the number of years they have been in operation c) the assets the company holds as of December 31, 2020 d) the total public sector defined contribution/deferred compensation assets held as of December 31, 2020?			
	C.154	Are there any restrictions by investment type that pertain to your custodial services? If yes, describe them in detail.			
	C.155	Do you have a limit on the number of checks/wires available to participants?			
	C.156	Do you have an electronic link with the investment lineup fund managers for updating participants' accounts on the recordkeeping system?			
		Fixed / Stable Value Fund			
	C.157	What stable value/fixed account product would you propose for the ORP and 403(b) Plans and why? For the proposed product(s), please provide: a) Most recent ratings from A.M. Best, Moody's and S&P			

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**
		b) Any informational documents, including prospectus, fact sheet, disclosure documents, etc. c) Comprehensive investment holdings information (quality and sector allocations, average duration, etc.) d) The information about the product(s) requested in **Charts 12, 13 and 14 in RFP ATTACHMENT 6.2.1 — SECTION C** below. e) Full description of withdrawal/transfer restrictions and termination requirements at both the Program and participant levels.			
	C.158	For the proposed product, does old money receive the same rate as new? If not, describe.			
	C.159	Is wrap capacity contingent on affiliated investment management?			
	C.160	Do you anticipate any changes in wrap fees that would impact the total expense ratio? If yes, what is the expected impact?			
	C.161	Are there any fixed/stable value products that you would not be able to offer on your recordkeeping platform? Please be specific.			
		Plan Implementation / Conversion		**5**	
	C.162	The implementation/conversion process must begin on December 1, 2021. Given this date, explain your implementation/conversion process, including timeframe, so that the recordkeeping services will be transitioned to and implemented by the successful Respondent as soon as administratively possible, but by no later than September 1, 2022.			
	C.163	Describe your experience implementing ORP/403b products with large multi-employer clients. Include details on your experience around transitioning existing accounts from one vendor to another.			
	C.164	By what date would you need authority to proceed to accommodate the asset and recordkeeping transfer?			

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**
	C.165	What involvement will be required from the State and the Institutions during the implementation process?			
	C.166	Describe in detail the steps necessary to transfer files from another vendor to your company. How do you ensure this is done completely and accurately?			
	C.167	How many tests of prior valuation and reconciliation of assets does your company require before conversion?			
	C.168	Do you have any limitations as to the format/media of participant data received from the current recordkeepers?			
	C.169	Describe your procedures during the conversion period to communicate with active and non-active employees (i.e. retirees and terminated employees with accounts in the Plan).			
	C.170	What is the standard length of your blackout period?			
	C.171	What conversion audit reporting do you provide?			
	C.172	Describe how the participant web and call center are introduced into the conversion process including any authentication communications for participants.			
	C.173	How do you monitor the effectiveness and quality of your implementation / conversion process and team?			
	C.174	Identify comparable plan conversions in which you have been involved. How many conversions and implementations has your company conducted during the past three years involving programs of similar size and scope (e.g. multiple vendor consolidation)?			
	C.175	Describe your enrollment program for new employees.			
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.			**Total Raw Weighted Score:** *(sum of Raw Weighted Scores above)*		
	Total Raw Weighted Score			**= SCORE:**	

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**
Maximum Possible Raw Weighted Score *(i.e., 5 x the sum of item weights above)*		**X 50** *(maximum possible score)*			
State Use – Evaluator Identification:					
State Use – Solicitation Coordinator Signature, Printed Name & Date:					

CHART 1

Provide the following information about the defined contribution/deferred compensation plans that your company currently administers.

	401(a)	403(b)	401(k)	457(b)	Higher Ed
Total Plans					
Total Assets					
Total Participants					
	Public Sector 401(a)	**Public Sector 403(b)**	**Public Sector 401(k)**	**Public Sector 457(b)**	**Public Higher Ed**
Total Plans					
Total Assets					
Total Participants					

CHART 2

List the number and total assets of the public sector 401(a) defined contribution/deferred compensation plans that you currently administer in the following categories:

	Plans		Assets	
Number of Participants	**Number**	**Percent**	**Amount**	**Percent**
Under 5,000				
5,001 – 10,000				
10,001 – 15,000				
15,000+				
Total				

CHART 3

List the number and total assets of the public sector 403(b) defined contribution/deferred compensation plans that you currently administer in the following categories:

	Plans		Assets	
Number of Participants	**Number**	**Percent**	**Amount**	**Percent**
Under 1,000				
1,001 – 3,000				
3,000+				
Total				

ATTACHMENT 6.2.1 — SECTION C (continued)

CHART 4

List the number and total assets of the public sector defined contribution/deferred compensation plans (all types) that you currently administer in the following categories:

	Plans		Assets	
Number of Participants	**Number**	**Percent**	**Amount**	**Percent**
Under 1,000				
1,001 – 3,000				
3,000+				
Total				

CHART 5

List the number and total assets of higher education 401(a) defined contribution plans that you currently administer in the following categories:

	Plans		Assets	
Number of Participants	**Number**	**Percent**	**Amount**	**Percent**
Under 5,000				
5,001 – 10,000				
10,001 – 15,000				
15,000+				
Total				

CHART 6

List the number and total assets of the higher education 403(b) defined contribution plans that you currently administer in the following categories:

	Plans		Assets	
Number of Participants	**Number**	**Percent**	**Amount**	**Percent**
Under 1,000				
1,001 – 3,000				
3,000+				
Total				

ATTACHMENT 6.2.1 — SECTION C (continued)

CHART 7

List the number and total assets of the higher education deferred compensation/defined contribution plans (all types) that you currently administer in the following categories:

	Plans		Assets	
Number of Participants	**Number**	**Percent**	**Amount**	**Percent**
Under 1,000				
1,001 – 3,000				
3,000+				
Total				

CHART 8

Provide your client retention statistics (percentage of total clients retained) for each of the last three years by completing the chart below.

	2020	**2019**	**2018**
Overall retention			
Public 401(a) retention			
Public 403(b) retention			
Public Deferred Compensation/Defined Contribution (all types) retention			
Higher Education 401(a) retention			
Higher Education 403(b) retention			
Higher Education Deferred Compensation/Defined Contribution Plans (all types)			

CHART 9

Complete the following chart on number of clients gained and lost:

	Gained			Lost		
	2020	**2019**	**2018**	**2020**	**2019**	**2018**
Overall						
Public 401(a)						
Public 403(b)						
Public Deferred Compensation/Defined Contribution (all types)						
Higher Education 401(a)						
Higher Education 403(b)						
Higher Education Deferred						

ATTACHMENT 6.2.1 — SECTION C (continued)

Compensation/Defined Contribution Plans (all types)						

Chart 10

Proper administration and service is expected from the successful respondent. Though it is not the desire of the State to impose penalties, but rather find a suitable partner, the State is including performance guarantees for the services procured in the RFP to ensure adherence to industry standards and timely processing of all transactions and services. Consequently, the successful respondent will place at risk at least 10% of its annual fees allocated as indicated in the chart below. If you are willing to place at risk more than 10% of your annual fees, please specify that percentage below:

_____%

Next, please specify in the chart below your service standards for the completion of the following services, which if not met, will result in the corresponding percentage of the 10% of the annual fees that will be lost by the Respondent or such higher percentage of the annual fees as indicated in the space provided above.

Activity	% of Fees Placed at Risk	Service Standard
Transition/Implementation	20.0%	____ days from receipt of all data requested
Contribution reconciliation and posting	2.5%	____ days from receipt of payroll data
Return of excess participant contributions	2.5%	____ days from date of identification of excess contribution
Identification of incorrect or missing participant contribution amounts	2.5%	____ days from the date of incorrect contribution
Termination / Rollovers / Direct Transfers for Distribution	2.5%	____ days from receipt of request
Participant directed fund transfers	2.5%	____ days from receipt of request
Confirmations mailed/posted to account	2.5%	____ days from execution of transaction or request
Participant statements mailed/posted	2.5%	____ days from period end
Plan Level Reporting	2.5%	____ days from quarter end
Transfer of Assets to TCRS for Service Purchase	2.5%	____ days from receipt of request
Investment Election Requests	2.5%	____ days from receipt of request
Contribution Percentage Elections/Changes	2.5%	____ days from receipt of request
DRO Qualification and QDRO Processing	2.5%	____ days from receipt of request
System Availability: Voice Response Unit, Customer Call Center and Participant Website	10.0%	____ hours where system unavailable
Customer Call Center Average Wait Time	10.0%	____% of calls answered within ____ seconds

ATTACHMENT 6.2.1 — SECTION C (continued)

Field Representative Availability	10.0%	____% of one-on-one meetings occur within ____ days of request
Group Education Meetings	5.0%	____% of group education meetings occur within ____ days of request
Posting of Participant Data Maintenance File	2.5%	____ days from receipt of file
Mailing/Emailing, etc of Participant Forms (e.g. enrollment, salary deferral)	2.5%	____ days from receipt of request
Implementation of holistic retirement readiness metric	10.0%	____ months from date of execution of contract (cannot be later than September 1, 2023)

CHART 11

Provide the information below about your large market call center standards:

	Performance Standard	4th Quarter 2020	3rd Quarter 2020	2nd Quarter 2020	1st Quarter 2020
Number of calls					
Average length of call					
Average response time					
Average speed of answer					
Percentage requiring follow-up					
Abandonment rate					
Percentage handled 100% via Automated Voice Response System versus 1-800					
Percentage of calls answered within 60 seconds					
Percentage of calls answered within 90 seconds					
After call survey scores					

CHART 12

Provide the following information concerning the stable value/fixed account product would you propose for the ORP and 403(b) Plans:

Manager	
Vehicle	
Fund Name	
Fund Inception	
Fund Assets ($B)	
Total Firm Stable Value Assets ($B)	
Effective Duration	

ATTACHMENT 6.2.1 — SECTION C (continued)

Market-to-Book Value Ratio	
Gross Crediting Rate[1]	
Net Crediting Rate	
Crediting Rate Reset Frequency	
Minimum Crediting Rate	
Recommended Benchmark	
Benchmark for Underlying Portfolio	
Expense Ratio	

CHART 13

Provide the following information concerning the stable value/fixed account product would you propose for the ORP and 403(b) Plans:

Book Value Structure	% Allocation
Liquidity Buffer	
Wrap Providers *Please list wrap providers below*	
Total	**100%**

CHART 14

Provide the following information concerning the stable value/fixed account product would you propose for the ORP, the TBR 403(b) Plan, and the UT 403(b) Plans.

ORP:

	Fees
Investment Management	
Wrap	
Revenue Share	
Other (please specify)	
Total Expense Ratio	

NOTE: If it is a spread product, provide the targeted spread.

TBR 403(b) Plan:

	Fees
Investment Management	
Wrap	

[1] Gross of investment management fees, net of wrap fees, sub-advisory fees and other expenses.

ATTACHMENT 6.2.1 — SECTION C (continued)

Revenue Share	
Other (please specify)	
Total Expense Ratio	

NOTE: If it is a spread product, provide the targeted spread.

UT 403(b) Plan:

	Fees
Investment Management	
Wrap	
Revenue Share	
Other (please specify)	
Total Expense Ratio	

NOTE: If it is a spread product, provide the targeted spread.

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 how your company will fulfill the State's vision to provide comprehensive, holistic retirement readiness education and planning resources to all participants, drive plan engagement, and measure the extent to which participants are on track to meet retirement goals. If able, provide a detailed example of how your participant communication and education services improved retirement readiness metrics for another client plan(s).		**10**	
D.2.	Describe how you will leverage technology or other activities to continuously improve the overall administrative, employer reporting experience, compliance, and participant experience services to be provided pursuant to this RFP? Provide demonstrations if possible.		**5**	
D.3.	What specific attributes do you feel differentiate you from your competition, and why do you think you are the best partner for the State of Tennessee based on the vision articulated in this RFP?		**5**	
Total Raw Weighted Score *(sum of Raw Weighted Scores above)***:** 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.e., 5 x the sum of item weights above)*		**X 10** *(maximum section score)*	**= SCORE:**	
State Use – Evaluator Identification:				
State Use – Solicitation Coordinator Signature, Printed Name & Date:				

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 Cost Proposal shall cover **ALL** plan level and participant expenses needed to accomplish the contract scope of services for the ORP and 403(b) Plans collectively. Costs shall be equal for ORP and 403(b) Plan participants. Services covered in the Cost Proposal shall include, but are not limited to:

- Plan Set-Up/Transition
- General plan administration and maintenance of records
- Voice Response System (setup/ongoing)
- Customer Service Center (setup/ongoing)
- Internet / Web Services / Microsite (setup/ongoing)
- Custodial Trustee Services
- General Compliance and Plan Document Services
- Customized enrollment / communication materials
- Participant Statements / Confirmations
- Form 1099R
- Check / Wire Processing
- Implementation of an holistic financial education program, including field service representative services
- Distribution / Withdrawal processing, setup, and maintenance
- Managed Account Services
- Qualified Domestic Relations Order Services
- Self-Directed Brokerage Account Window Services

NOTICE: Failure to provide a complete Cost Proposal exactly as required below will result in disqualification. A Respondent must NOT propose a zero cost in any of the cost items below and each Respondent must provide in each cost item a minimum proposed amount for each of the compensable units. Further, a Respondent must NOT record any other rates, amounts, or information. The Evaluation Factor associated with each cost item is for evaluation purposes only and indicates the relative emphasis of the item in the overall cost evaluation.

The Solicitation Coordinator will multiply the Proposed Cost Item 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.

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:	

RFP ATTACHMENT 6.3. (continued)

RESPONDENT LEGAL ENTITY NAME:	

Cost Item Description	Proposed Cost	State Use Only	
		Evaluation Factor	Raw Weighted Score
Managed Account Services as Described in Section A.35. of the Pro Forma Contract (RFP Attachment 6.6).	*Please provide your complete fee structure for Managed Account Services, including how and with what frequency Participant fees are calculated and charged, which will be included in any contract awarded pursuant to this RFP:* _____ _____ _____ _____ _____ ***THEN <u>based upon and in accordance with your fee structure as shown above</u>**, complete the following hypotheticals **for cost evaluation purposes:***		
Participant with exactly $100,000 in total Managed Account Assets for the year.	$_____ per year per Participant using the service	**15**	
Participant with exactly $250,000 in total Managed Account Assets for the year.	$_____ per year per Participant using the service	**3**	
Participant with exactly $400,000 in total Managed Account Assets for the year.	$_____ per year per Participant using the service	**1**	
Participant with exactly $500,000 in total Managed Account Assets for the year.	$_____ per year per Participant using the service	**1**	
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.			

lowest raw weighted score amount from all proposals / **raw weighted score amount being evaluated**	**x 2.5** **(maximum subsection score)**	**= SUBSCORE A:**	

RESPONDENT LEGAL ENTITY NAME:			
Cost Item Description	**Proposed Cost**	**State Use Only**	
		Evaluation Factor	**Raw Weighted Score**
Other Participant-Specific Services as Described in Sections A.22.b. and A.37 of the *Pro Forma* Contract (RFP Attachment 6.6)			
Qualified Domestic Relations Order Services as Detailed in Section A.22.b. of the *Pro Forma* Contract (RFP Attachment 6.6).	$_____ per order	**1**	
Self-Directed Brokerage Account Window Services as Detailed in Section A.37 of the *Pro Forma* Contract (RFP Attachment 6.6).	$_____ per year per Participant using the service (non-recurring fees, such as setup fees, should be divided by 5 and added to per year cost)	**2**	
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.			

Lowest raw weighted score amount from all proposals / **raw weighted score amount being evaluated**	**x 0.5** **(maximum subsection score)**	**= SUBSCORE B:**	

RESPONDENT LEGAL ENTITY NAME:			
Cost Item Description	**Proposed Cost**	**State Use Only**	
		Evaluation Factor	**Raw Weighted Score**
All Other Services as Detailed in the *Pro Forma* Contract (RFP Attachment 6.6)	*The fee structure for **All Other Services Detailed in the Pro Forma Contract** must be an asset based fee expressed as a percent to be applied to the total amount of assets under administration for the ORP and 403(b) Plans combined, except for assets in closed, individual annuity contracts that are considered to be legacy assets. The fee shall be charged to each Participant as a regular, direct deduction from the Participant's account balance.* ***Note:** After the first year of the Contract, the total annual compensation received by the successful Respondent for **All Other Services Detailed in the Pro Forma Contract** for any subsequent year of the Contract cannot exceed more than 105% of the total compensation received by the Respondent for those services during the previous year of the Contract. Any excess fees collected must be returned pro rata to the Participants.* ***Based upon and in accordance with the above**, please provide your proposed asset-based fee structure along with any fee schedule reductions due to increased assets under administration, which will be included in any contract awarded pursuant to this RFP. Fees for the first year of the Contract will be based on assets under administration as of the Contract start date. Fees for subsequent years will be based on the average monthly assets under administration for the previous year.* _____ _____ _____ _____ ***THEN based upon and in accordance with your fee structure as shown above**, complete the following hypotheticals **for cost evaluation purposes:***		
$250 million in assets	_____ % of assets per year	**1**	
$500 million in assets	_____ % of assets per year	**1**	
$750 million in assets	_____ % of assets per year	**1**	
$1 billion in assets	_____ % of assets per year	**1**	

$1.25 billion in assets	_____ % of assets per year	**1**	
$1.5 billion in assets	_____ % of assets per year	**1**	

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.

lowest raw weighted score amount from all proposals / **raw weighted score amount being evaluated**	**x 27** **(maximum subsection score)**	**= SUBSCORE C:**	

RESPONDENT LEGAL ENTITY NAME:	

Sum of SUBSCORES A, B and C	***= TOTAL SCORE:***	

State Use – Solicitation Coordinator Signature, Printed Name & Date:

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 # 30901-48021 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.

	1	2	3	4	5	
least satisfied						**most satisfied**

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

RFP # 30901-48021 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.

	1	2	3	4	5	
least satisfied						**most satisfied**

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.

	1	2	3	4	5	
least satisfied						**most satisfied**

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: 10)						
EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
	AVERAGE:		**AVERAGE:**		**AVERAGE:**	
TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH (maximum: 50)						
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 # 30901-48021 *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 recordkeeping/administration; communication/education; in-person field education; investment advisory; broad, open-architecture investment platforms; and custodial trustee services for the State of Tennessee's Optional Retirement Program and Public Higher Education 403(b) Plans, 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]

WITNESSETH:

WHEREAS, the State of Tennessee has established an eligible Optional Retirement Program (the "ORP") pursuant to Tennessee Code Annotated, Sections 8-25-201, *et seq*. and Section 401(a) of the Internal Revenue Code, by which the State of Tennessee provides an optional defined contribution plan to employees of Tennessee public institutions of higher education; and

WHEREAS, the ORP is to be administered in compliance with Tennessee Code Annotated, Sections 8-25-201, *et seq.*, its Plan document (which is attached hereto as Contract Attachment 1), Section 401(a) of the Internal Revenue Code, and other applicable laws, rules and regulations, as all of the same may be amended from time to time; and

WHEREAS, the Tennessee Board of Regents established the Tennessee Board of Regents 403(b) Retirement Plan, effective January 1, 2009, amended and restated the Plan in its entirety effective November 1, 2016, and amended the Plan once thereafter effective October 9, 2019; and

WHEREAS, the University of Tennessee established the University of Tennessee 403(b) Plan, effective January 1, 2009, and amended the Plan once thereafter effective October 9, 2019; and

WHEREAS, effective October 9, 2019 and pursuant to Tennessee Code Annotated, Section 8-25-104, the State of Tennessee assumed sponsorship of the Tennessee Board of Regents 403(b) Plan and the University of Tennessee 403(b) Plan (the "Plans") and the Chair of the Board of Trustees for the Tennessee Consolidated Retirement System became the Administrator of the Plans; and

WHEREAS, the Plans are to be administered in compliance with their respective Plan document (each of which are attached hereto as Contract Attachment 2 and Contract Attachment 3, respectively), Section 403(b) of the Internal Revenue Code, and other applicable laws, rules and regulations, as all of the same may be amended from time to time; and

WHEREAS, the State is authorized to contract with multiple companies for the provision of recordkeeping and administration of the ORP and the Plans and for the investment products to be offered under the ORP and the Plans; and

WHEREAS, to accomplish the above, the State issued a request for proposals for such investment products and for the provision of related administrative, communication, education, and enrollment services in connection therewith, and the Contractor was the successful proposer to perform said services.

NOW, THEREFORE, in consideration of the premises and mutual covenants and promises herein contained, the parties have agreed and do hereby enter into this Contract according to the provisions set out herein:

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. Definitions. For purposes of this Contract, definitions shall be as follows and as set forth in the Contract:

a) "Account" means an account maintained by the Contractor for a Participant in the ORP or the Plans.

b) “Administrator” means the Chair of the Board of Trustees for the Tennessee Consolidated Retirement System.

c) "Affiliate" means any person, firm or corporation that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Contractor, whether such control is through stock ownership, contract or otherwise.

d) "Assets" mean all Contributions and earnings thereon which belong to Participants and which are on deposit with the Contractor. “Assets” shall not include Legacy Assets (as defined below) unless the Participant transfers such Legacy Assets to a State approved Investment product offered by the Contractor under this Contract.

e) "Business Day" means each day except any Saturday, Sunday, or legal holiday as defined in Tennessee Code Annotated, Section 15-1-101, as amended.

f) “Code” means the Internal Revenue Code and the regulations promulgated thereunder.

g) “Contractor’s Proposal” means the Contractor’s proposal seeking this Contract and any clarifications of or addenda to the Contractor’s Proposal, which pursuant to Section D.28 below are incorporated into this Contract by reference.

h) "Contributions" or "Contribution" means the amount of money contributed by a Participant or an Employer on behalf of a Participant under the ORP or the Plans.

i) "Employee" means a person eligible for participation in the ORP or the Plans.

j) "Employer" means the Tennessee Board of Regents and its institutions that are authorized to participate in the Tennessee Board of Regents 403(b) Plan, and the University of Tennessee.

k) “Former Investment Provider” means any provider that was approved to offer Investments under the ORP or Plans, but that ceases to be eligible to receive new contributions under the ORP and Plans.

l) “Institution” means the University of Tennessee, any Tennessee state supported institution of higher education that is under the control and direction of the Board of Regents, Austin Peay State University, East Tennessee State University, Middle Tennessee State University, Tennessee State University, Tennessee Technological University, or the University of Memphis.

m) "Investment" means investment vehicles approved by the State from time to time under the provisions of this Contract.

n) "Investment Provider" means any provider that is currently approved to offer Investments under the ORP or Plans.

o) "Legacy Assets" mean monies invested in the ORP or the Plans prior to the effective date of this Contract that are not able to be transferred at the direction of the State. Unless transferred by the Participants, Legacy Assets shall be treated as per the individual contracts between the Former Investment Providers and the Participants in effect prior to the effective date of this Contract, subject to applicable State oversight and reporting requirements by such Former Investment Providers.

p) "ORP" means the Optional Retirement Program created in Tennessee Code Annotated, Sections 8-25-201, *et seq*.

q) "Participant" means any Employee, former Employee, or alternate payee with an account under the ORP or the Plans, which has not yet been fully distributed and/or forfeited, and shall include the designated beneficiary(ies) with respect to the account of any deceased Employee, former Employee, or alternate payee until such account has been fully distributed and/or forfeited.

r) "Plans" mean the Tennessee Board of Regents 403(b) Retirement Plan and the University of Tennessee 403(b) Plan.

A.3. Appointment. The State hereby appoints and authorizes the Contractor, and the Contractor hereby accepts such appointment and authorization, to assist the State and the Institutions in the administration of the ORP and the Plans, to provide State approved investment vehicles/products for the ORP and the Plans, and to otherwise provide the services and reports described herein.

A.4. Assignment of Key Personnel. The Contractor agrees to assign the individuals named on pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION B.13 of RFP ATTACHMENT 6.2] of the Contractor's Proposal as the key staff members to perform the services under this Contract. The Contractor shall, as promptly as possible, notify the State of any proposed changes in the employment of the named individuals, which changes shall include, but not be limited to, reassignments, promotions, terminations or resignations, and provide the State with an opportunity to meet with the candidate proposed by the Contractor as a replacement.

A.5. Operating Procedures. The Contractor shall assist the State in the establishment and coordination of any reasonable and necessary written operating procedures to effectuate the performance of the services hereunder, which may include, without limitation, the responsibilities of the State, the Contractor and the Institutions ("Operating Procedures") provided that the Operating Procedures shall not be in inconsistent with this Contract. Once developed, the Operating Procedures shall be considered a part of this Contract as though fully set forth herein and the Contractor shall perform such services in accordance with the Operating Procedures, this Contract and the documents described in Section D.28 below. The Operating Procedures may be amended in writing from time to time by mutual agreement of the Parties. The Parties agree to amend the Operating Procedures should any changes be necessary in order to comply with any applicable State or Federal laws or regulations relating to the services hereunder.

A.6. Offices. The Contractor shall maintain home, and/or local offices and telework arrangements described in the Contractor's Proposal to fulfill its administrative, enrollment and service responsibilities under this Contract. Such offices shall be used to service this Contract in the manner described in the Contractor's Proposal. The Contractor shall provide the State with proof that the Contractor is authorized to do business in Tennessee along with notice of the name of its agent for service of process in Tennessee.

A.7. Personnel. The Contractor shall maintain sufficient personnel to enroll eligible Employees under the ORP and the Plans and to process initial enrollment agreements of Participants and all amendments thereto; to assist in the reconciliation of any discrepancies between the Contractor's

records and those of the State and the Institutions; to assist in the reconciliation of any discrepancies between the enrollment or deferral election records with the Contractor and Contributions to the ORP and the Plans; to assist with the monitoring of the applicable annual 401(a) and 403(b) contribution limits including, but not limited to, catch-up contributions as set forth in Code~~,~~ to answer inquiries from Participants, the State or Institutions as to Account balances and other records maintained or generated under this Contract or by the Contractor; to assist with any administrative duties delegated by the State; to conduct training and provide ongoing support for personnel at the State and Institutions involved in the administration of the ORP and the Plans; to provide holistic financial educational services, including communications and field representative services, to Participants in the ORP and Plans as agreed upon by the State and the Contractor and to otherwise fulfill its duties and responsibilities under this Contract. The State reserves the right to disapprove the use of any representatives of the Contractor who are performing educational or enrollment services under the ORP and the Plans; however, no such disapproval shall be based on the grounds specified in Section D.8 hereof. The Contractor shall be responsible for obtaining and maintaining all licenses required in order for the Contractor's personnel to fulfill the duties required by this Contract.

A.8. Meetings. The Contractor shall be available on a quarterly basis to meet with appropriate State personnel, committees, boards and commissions to discuss any reports provided by the Contractor hereunder. The Contractor shall further be available upon reasonable notice and at reasonable times to meet with appropriate State personnel, committees, boards and commissions to discuss issues related to the ORP and the Plans to the extent necessary to discharge the Contractor's duties under this Contract.

Such meetings shall be held at the State's facilities in Nashville or at some other agreed upon location or, with the State's consent, the meetings may be conducted by teleconference, or through the use of other media as mutually agreed to by the Parties.

A.9. Participant Education Services. The Contractor shall provide the participant education and communications services to Participants as outlined in the Contractor's Proposal. These services shall include, but shall not be limited to:

a. Access to representatives at the Telephone Call Center described in Section A.10.

b. Online access to interactive projection and planning tools described in Section A.11.

c. Financial workshops on topics to be mutually agreed upon in writing by the State and the Contractor. The Contractor must provide workshops at each Institution. The Contractor must also provide comparable webinars on those topics that are accessible by Participants online.

d. One-on-One counseling. The Contractor shall have field representatives available to take one-on-one appointments at each Institution to discuss retirement planning tools and offer information on financial planning topics to be mutually agreed upon by the State and the Contractor. The field representatives must provide availability within a time to be mutually agreed upon by the State, the Institutions, and the Contractor. The field representatives may offer one-on-one appointment availability via telephone or videoconference as an additional option to ORP and 403(b) Plan Participants at a Participant's request. However, availability of such alternative methods does not absolve the Contractor from its obligation to have the capability of offering one-on-one counseling in-person.

e. Communication materials. The Contractor shall provide all communications materials described in Section A.13, and in addition shall provide such educational and electronic mailings, notices, and reminders as outlined in the Contractor's Proposal and as shall be mutually agreed upon in writing by the State and the Contractor.

A.10. Telephone Services.

a. Telephone Call Center. The Contractor agrees to establish and maintain a toll-free telephone call center for Employees staffed with trained personnel, which will provide Employees with the services, information, transactions and advice as described in the Contractor's Proposal, and such other information as may be mutually agreed upon in writing by the State and the Contractor. Such call center shall be operable each day except Saturdays, Sundays, and legal holidays as defined in Tennessee Code Annotated, Section 15-1-101, as amended, during the hours set forth in the Contractor's Proposal.

b. Automated Phone Response Center. The Contractor further agrees to establish and maintain a toll-free interactive voice response telephone system for Participants, which, upon proper identification, will provide Participants with the services, information, transactions, balance inquiry, and reports as described in the Contractor's Proposal, and such other information as may be mutually agreed upon by the State and the Contractor. Such information shall include the Participant's Account balance for each Investment offered by the Contractor; the Participant's asset allocation election for each Investment offered by the Contractor; the current unit or share value for each variable Investment fund offered by the Contractor; and the current interest rates for each fixed/stable value Investment account offered by the Contractor. Such telephone system shall further enable Participants to authorize transfers of Assets between Investments. The interactive telephone system shall use a unique personal identification number to ensure access security of Accounts. Such system shall be updated each Business Day and shall be available seven (7) days a week during the hours provided in page [PAGE NUMBER OF SUCCESSFUL PROPOSAL THAT RESPONDS TO SECTION C.100 OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal.

c. Telephone Services In General. The Contractor shall advise all Participants, the State and the Institutions of the availability of its toll-free numbers. The Contractor agrees that the telephone call center and the automated phone response center shall have an adequate number of telephone lines and call center personnel to respond to calls in accordance with the call center service standards set forth in the Contractor's Proposal and in Section A.50 below, and shall each have a toll-free TDD line for hearing impaired callers. The Contractor agrees that any transfer instructions given by Participants by phone shall be recorded on tape and retained for the applicable amount of time specified in pages [PAGE NUMBERS OF SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.97 OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal.

A.11. Internet Site(s), Interface and Recordkeeping System.

a. Participant Internet Access Site. The Contractor agrees to establish and maintain a secure Internet site available to Participants that provides access to the services, information, transactions, statements, and reports described in the Contractor's Proposal, and such other information as may be mutually agreed upon by the Parties, including an interactive benefit projection calculator with a retirement readiness output using ORP and Plan Assets, estimated Social Security benefit information, and other defined contribution assets and defined benefit estimates a Participant may provide. The Participant website shall integrate a Participant's ORP and 403(b) account balances in the same online account. In addition, and at a minimum, the site shall provide an e-mail contact, forms, current investment option descriptions, and current investment performance data. Investment performance data on currently available options shall be updated within seven (7) Business Days following the end of each period, or sooner if required by the applicable federal regulatory agency. At its option, the State may elect to host one or more of these Contractor-provided features on the State's Internet site and server. In addition, the Contractor agrees to provide a secure Internet site which shall permit Participants to access information regarding their Accounts. Such information shall include the Participant's current deferral allocation percentages, daily account balance and investment option values, recent transaction history, primary and secondary beneficiary designations and such other information as shall be mutually agreed upon by the State and the Contractor. Such Internet site shall also allow Participants to submit enrollments, cancellations, deferral changes, transfers, allocation changes, electronic

statement and newsletter delivery, and beneficiary designation elections and changes. Information on this Internet site shall also include the Participant's historical balances and contributions for the past eighteen (18) months by enabling Participants to select a date in the past eighteen (18) months to view account balance data. The Contractor shall take all necessary steps to secure the Internet site in order to prevent unauthorized persons from accessing Participant Account information and shall maintain records of transactions authorized through that site.

b. State Internet Access Site. The Contractor further agrees to provide secure on-line access to the State and to such designated Institution employees as requested by the State to permit electronic transmission of the Contributions record file to the Contractor. The Contractor shall update its recordkeeping system accordingly for the benefit of Participants upon receipt of data and funds, in good order.

c. Interface with Institutions' Payroll Systems. The Contractor acknowledges the Institutions use SAP and/or the Banner System as the Institutions' payroll systems. The Contractor agrees to establish and maintain, at its own expense, an electronic interface with those payroll systems to accept the Institutions' Contributions record files and Participant information.

d. Accessibility of Site(s). The Internet site(s), which shall be hosted and provisioned by or on behalf of the Contractor, shall be accessible by Participants and the designated Institution and State users twenty-four (24) hours a day, three hundred sixty-five (365) days a year, except for reasonable maintenance, updates or enhancements. Concurrent use by multiple users must be supported. Further, the Internet site(s) shall provide real time information to Participants, designated State users and the designated Institution users regarding their respective Participants. The Contractor shall, at its own expense, maintain and keep the private network or its Internet connection(s) in good working order and condition so that it will perform its functions properly. If required, any private network connection shall be furnished to the State at a location specified by the State. If redundant private network connections are provided, the alternate connection shall also be determined by the State.

e. Maintenance, Training and Support Services.

(1) Maintenance. The Contractor shall provide the following maintenance services:

(A) Incorporate any improvements, enhancements and new releases of the Internet site(s) developed by the Contractor that are generally made available to other licensees of the Internet site(s) along with explanatory reference documentation. Documentation of the existing Internet site(s) shall be changed as the Contractor deems necessary for purposes of removing errors, providing consistency of interpretation and/or documenting improvements. All such improvements, enhancements and new releases shall be considered part of the Internet site(s);

(B) Provide to Participants, the State and the Institutions updates to any portions of the Internet site(s) released at no cost to the Contractor to other software suppliers. Such updates shall be tested by the Contractor prior to furnishing the same to Participants, the State and the Institutions;

(C) Provide access to the Contractor's online support documentation; and

(D) Diagnose, verify and corrected errors, malfunctions and defects in the Internet site(s).

(2) Training. At the State's request, the Contractor shall, during regular State business hours, conduct a one day training class annually for State of Tennessee users and operations staff. All training shall be provided by the Contractor through telephone

conference calls or e-training sessions. The classes shall consist of a lecture and hands-on training in the use and operation of the Internet site functions and their related documentation. The Contractor shall further establish an on-going capability for training new users by providing to the State and the Institutions an electronic copy of the Internet site's User Guide suitable for reproduction, or online access to the User Guide for authorized users. The Contractor shall provide the State with periodic status updates relative to the access, use and functionality of the Internet site, and to address any questions the State and the Institutions may have relative to the Internet site. The length, content and frequency of the classes shall be mutually agreed upon by the Contractor and the State.

(3) Support. The Contractor shall provide consultation, support, advice, guidance and assistance to Participants, the State and Institutions relative to the accessibility, use and functionality of the Internet site(s) through a help desk support line that will be available to Participants, the State and the Institutions each Business Day from 8:00 a.m., central time, to 4:30 p.m., central time.

f. Security and Data Retention.

(1) The Contractor shall provide security functions within its application. The Contractor shall provide reasonable risk control procedures as well as appropriate physical, technical and administrative safeguards to protect the integrity, confidentiality and availability of the information that will be uploaded to the Internet site(s) and the Contractor's recordkeeping system. The Contractor shall take all necessary steps to secure the Internet site(s) and its recordkeeping system to prevent unauthorized persons from accessing Participant data and Account information and shall maintain records of transactions authorized through that Internet site(s).

(2) The Contractor warrants to the State that it is familiar with the requirements of the State of Tennessee Enterprise Information Security Policies and has measures in place that ensure that all data records are transported, stored and accessed in a secure manner, including encryption of any sensitive information. All data is property of the State of Tennessee. The Internet site(s) and the Contractor's recordkeeping system must meet or exceed the State's information security requirements for access control, authentication, storage, data destruction, maintenance and patching and must be compliant with best practices for secure application development as defined in ISO/IEC 27000 series. The State of Tennessee Information Security policy can be found at the following link: https://www.tn.gov/finance/strategic-technology-solutions/strategic-technology-solutions/sts-security-policies.html. The Contractor warrants that it will cooperate with the State in the course of performance of this Contract so that both Parties will be in compliance with State Enterprise Information Security Policies requirements, that may be amended from time to time, and any other state and federal computer security regulations including cooperation and coordination with State computer security officials and other compliance officers required by its regulations.

(3) The Contractor shall provide for the physical and electronic security of all information that is uploaded to the Internet site(s) and its recordkeeping system, including data encryption in transport and at rest, such that the information is maintained and secured, ensuring its safety from loss; theft; copying; destruction; modification; unauthorized access, use or disclosure during utilization, transmission and storage.

(4) The Contractor shall protect against anticipated threats or hazards to the security or integrity of the information uploaded to the Internet site(s) and its recordkeeping system that could result in inconvenience or harm to the State, the Institutions or the Participants.

(5) All security requests to add, update, and terminate State and Institution users, and grant privileges to State and Institution users must be performed by State security staff directly or performed by the Contractor at the request of State security staff.

(6) The Contractor shall allow State audit staff to monitor activity and create reports.

(7) The Internet's landing page shall clearly indicate that the application accessed through the Internet site is intended to be used by the State of Tennessee and Participants and shall display logos, titles, text and banners regarding unauthorized use. The Contractor's standard landing page and Participant website may be customized by the State in the manner provided in the Contractor's Proposal.

g. Information Security Management Process and Program; Back-Up Procedures and Disaster Recovery Plan; Business Continuity In Process and Program; and Conversion Project Management Plan.

(1) Information Security Management Process and Program. The Contractor shall maintain an Information Security Management Process and Program in accordance with Section E.4 of this Contract and in accordance with the Contractor's Proposal.

(2) Back-Up Procedures and Disaster Recovery Plan. For Internet site(s) and systems used in the performance of services hereunder, the Contractor shall maintain contingency plans for systems back-up in the event of disaster or malfunction. Such plans shall be as described in the Contractor's Proposal and comply with Section E.4 of this Contract. At a minimum, this shall be accomplished by the Contractor backing-up all Participant data nightly and maintaining at least two (2) back-up cycles off-site in a commercial business storage facility. The Contractor shall provide notification of an incident to both the Director of the Deferred Compensation Program and to the State's Information Systems Operations Group within two (2) hours after the beginning of operation of the Contractor's Emergency Operations Command Post.

(3) Business Continuity Management Process and Program. The Contractor shall maintain a Business Continuity Management Process and Program that complies with Section E.4 of this Contract and as described in the Contractor's Proposal.

(4) Conversion Project Management Plan. The Contractor shall transition Participant data and otherwise develop and implement a conversion plan from the previous recordkeeper(s) of the ORP and Plans, conduct Internet site training and perform post-implementation review services in accordance with the Contractor's Proposal. At the request of either party, the Contractor and the State shall meet to discuss the status of such services, and to resolve any issues in consummating the services. Any such meeting shall take place at a time mutually agreed to by the Parties and shall be held at the State's facilities in Nashville, Tennessee, or, with the State's approval, via telephone or web-based conference. The Party requesting the meeting shall set the meeting agenda, and prepare a brief report summarizing the issues raised at the meeting and the decisions made in addressing those issues.

A.12. State Access to Participant Information. The Contractor shall provide on-line access to Account records on all Participants to the Administrator and to such other State personnel as designated by the Administrator via the secure Internet site described in Section A.11 above. The Contractor shall provide individual Institutions with the same secure on-line access to Account records for that Institution as identified by a unique Federal Employer Identification number and ensure that each Institution will only have access to such Institution's own information. This access shall be limited to specific individuals at each Institution as designated by the Director of the State of Tennessee's Deferred Compensation Program. In addition, the Contractor shall allow each Institution to request Institution specific data directly from the Contractor.

A.13. Communication Material and Forms. The Contractor shall develop and otherwise provide all forms and other informational and enrollment materials respecting the ORP and Plans hereunder as provided in the Contractor's Proposal. The materials shall be designed, produced and distributed at the Contractor's expense in the method and frequency as shall be mutually agreed to in writing by the Parties. Such materials shall be filed with the State, and the State shall have the right to edit and approve the materials. The communication materials shall further include, but not be limited to:

a. brochures explaining the ORP, the Plans, and the Investment alternatives of the ORP and the Plans for new Employees;

b. detailed handbooks explaining the ORP, the Plans, and the Investment alternatives of the ORP and the Plans for Participants;

c. flyers explaining the field representative services available to Employees and Participants, including meeting types (1:1, group, etc.) and topics able to be discussed;

d. flyers showing Investment options in the ORP and the Plans based on risk;

e. brochures outlining distribution options permitted under the ORP and the Plans and applicable tax treatments;

f. brochures outlining annual contribution rules and limits for the ORP and the Plans separately and collectively, including 15-year catch up contributions, as applicable;

g. a monthly report detailing performance of Investments over different time periods and the current operating expenses of each Investment;

h. a Participant newsletter;

i. an Employer newsletter;

j. notification of any fund changes;

k. disclosure of the Contractor's fee structure under Section C of this Contract;

l. a description of each Investment product offered by the Contractor hereunder;

m. a distribution insert explaining applicable tax treatments;

n. an annual benefit projection statement; and

o. and other materials necessary to apprise Employees and/or Participants of the purpose and provisions of the ORP and the Plans.

Forms to be provided by the Contractor shall include participation enrollment agreements, benefit applications, transfer authorization forms, beneficiary designation forms, selection or change of Investment products for current account balances and future contributions and other forms necessary to administer the provisions of the ORP and Plans under this Contract. The materials shall be designed, produced and distributed in the method and frequency as shall be mutually agreed to in writing by the Parties, and at the Contractor's expense. All such material shall be filed with and approved in advance by the State. Enrollment documents and forms shall be available to the State and the Institutions in hard copy and on electronic media. Participant notification of changes in Investment products shall occur no later than thirty (30) calendar days after the State's approval of the changes as described in Section A.15. below. Publications describing Investment products must be available to Participants within thirty (30) calendar days following the change in the product line up. Communications shall meet any applicable statutory and regulatory requirements for notice of products, options, and feature changes. The Contractor agrees to and does hereby transfer, assign and convey to the State, without additional consideration therefor, all property rights, tangible and intangible, including trademarks and copyrights, to all materials developed specifically for the State.

A.14. Enrollment. The Contractor shall maintain enrollment packages to enroll eligible Employees in the ORP and the Plans and process changes in participation using standardized forms and/or Internet software application approved by the State pursuant to Section A.11 above. For Participants that

select an Investment product offered by the Contractor pursuant to Section A.15 below, the Contractor shall be responsible for ensuring that all enrollment and other forms and authorizations are complete and on file with the Contractor. Enrollment responsibilities of the Contractor shall include availability to educate Employees regarding all aspects of the ORP and the Plans and the Investment products, and the effect those Investment products will have on the Participants' future retirement income; providing each Participant with a copy of the applicable prospectuses; providing properly trained and licensed representatives; monitoring Participants' elections to comply with Code requirements; and providing notice to Participants regarding potential for mapping Investment products in the future to potential subsequent Investment products to be offered by the Contractor pursuant to Section A.15 below. The Contractor shall provide its personnel with all equipment necessary to properly enroll and educate Employees, and to resume service in the event of an emergency in accordance with Sections A.33 and E.4 of this Contract and the Contractor's Proposal. Tennessee Code Annotated, Section 8-25-204 provides a potential window through which a Participant may move participation from the ORP to the Tennessee Consolidated Retirement System and transfer assets. The Contractor will comply with Tennessee Code Annotated, Section 8-25-204 as may be amended from time to time in regard to participation transfers.

A.15. Investment Management Services. The Contractor shall offer to Participants the Investment products designated in writing by the State to the Contractor as approved products hereunder, provided that the Investment products are offered on the Contractor's recordkeeping platform. Any investment product designated by the State under this Section that is not offered on the Contractor's recordkeeping system is subject to the prior consent of the Contractor provided that such consent shall not be unreasonably withheld. Notwithstanding the foregoing, the Contractor shall offer to Participants a stable value/fixed account fund in the ORP and the Plans with a guaranteed interest rate that is not a bond fund as referenced on page [PAGE NUMBER OF SUCCESSFUL PROPOSAL WHICH RESPONDS TO SECTION C.157 OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal. The Contractor shall continue to make such products available to Participants until instructed otherwise by the State. Upon receipt of a written instruction to do so by the State, the Contractor shall offer Participants any additional investment options requested by the State that are offered on the Contractor's recordkeeping platform. Any investment option requested to be added by the State under this Section that is not offered on the Contractor's recordkeeping system is subject to the prior written consent of the Contractor provided that such consent shall not be unreasonably withheld. The Contractor shall upon receipt of a written instruction from the State freeze or delete an Investment product in the ORP and/or the Plans in accordance with the process and timing required by the State.

The Contractor shall further accommodate identification of transactions with Investment Providers to facilitate the separate account statements that the ORP and 403(b) Plans receive from each Investment Provider for each separate fund. The Contractor shall also provide transaction information to the Investment Providers to facilitate direct balance and transaction reporting to the State for each fund. The Contractor acknowledges that statements received by the State from a single fund family are aggregated.

At the State's request, the Contractor shall monitor the products' investment performance and compare the results to the appropriate benchmarks. The Contractor shall communicate the results of the ongoing performance monitoring to the State at least quarterly. Further and at the State's request, the Contractor shall on an annual basis identify and recommend to the State the Investment products offered hereunder that should be continued, removed or replaced. For any Investment products proposed to be replaced, the Contractor shall recommend to the State the proposed replacement investment product. In evaluating and making recommendations for the retention, removal or replacement of such Investment products, the Contractor shall research and analyze performance relative to market conditions and other relevant circumstances. The Contractor shall map existing and future Contributions to appropriate Investment product funds upon approval of the State. The Contractor shall act as a fiduciary to Participants when selecting Investment products to recommend to the State.

The Contractor shall be deemed to have satisfied this fiduciary standard by making a good faith recommendation accompanied by a written rationale for its recommendation and disclosure of the conflicts of interest applicable to all product recommendations, provided the Contractor at all times recommends appropriate Investment products for a primary retirement plan. Alternatively, potential conflicts may be resolved by the Contractor hiring an investment consultant as a subcontractor pursuant to Section D.6. of this Contract below to select and monitor funds and to advise the Contractor regarding investment selection and ongoing performance monitoring.

The Contractor shall document the justifications for the Investment recommendation, and the monitoring process used under this Section A.15. The Contractor shall further prepare and maintain a current list of approved Investment products offered by the Contractor to Participants pursuant to this Section.

A.16. Deposits. The Institutions will deposit Contributions with the Contractor, and the Contractor agrees to accept and invest such deposits in accordance with the allocation instructions of the respective Participants and in compliance with this Contract. In the event a Participant's allocation instructions are not on file with the Contractor, the Contractor shall invest the Contributions in a default Investment option selected by the State from the list of approved Investment products offered by the Contractor pursuant to Section A.15 above. The Contractor shall thereafter contact the Participant and the appropriate Institution as soon as possible for the allocation instructions. The Contractor shall continue to invest the Contributions contributed on behalf of such Participant in the default Investment option until the Participant's allocation instructions are received by the Contractor. Contributions received on behalf of unknown Participants shall be treated by the Contractor in accordance with page [PAGE NUMBERS OF SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.131 OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal, and the Contractor shall take the steps described in such pages to discover if the Contribution should be to a known Participant.

A.17. Processing of Contributions. The Contractor shall accept Contribution and Participant information from the Institutions as provided in Section A.11 above in such media as the Contractor can accept and as shall be selected by the respective Institutions' payroll centers.

Upon receipt of Contributions, the Contractor shall process the same in detail consistent with the terms of the ORP and the Plans and the Institutions' payroll systems; reconcile Contribution amounts with the Institutions; assist in the identification and correction of Contribution errors; and direct immediate investment of Contributions in accordance with Participant allocation instructions, as may be amended from time to time, or in the absence of such instructions, in the default Investment option described in Section A.16 above. All Contributions shall be treated as vested immediately upon receipt. Contributions shall be wired by the respective Employer Institution to the Contractor for same day posting. The Contractor agrees that Contributions received by the Contractor by 3:00 p.m., Central Time, on any given Business Day shall be processed and credited that same day. Notwithstanding any provision of this Contract to the contrary, the term "Business Day" for purposes of this Section shall mean any day on which the New York Stock Exchange is open for the transaction of public business. The Contractor agrees that any rollovers, or transfers of Contributions received by the Contractor on behalf of a Participant shall be characterized as to source. New Contributions shall be accepted from the Employer only.

A.18. Investment and/or Provider Transfers.

a. Participants shall be permitted to transfer all or a portion of their respective Assets, without restriction and without the deduction or imposition of any surrender or termination charges, to any one or more other approved Investment products offered by the Contractor pursuant to Section A.15 above, and to any other service provider that provides recordkeeper services for the State under the ORP or the 403(b) Plans. Transfers to such other service providers shall be done according to the procedures and within the timeframe outlined in the Contractor's Proposal. It is understood that Assets in the ORP cannot be transferred to a 403(b) Plan and

that Assets in a 403(b) Plan cannot be transferred to the ORP. This Section shall not apply to restrictions and/or charges imposed for Participant violations of applicable market timing policies, or to liquidity restrictions, if any, described in the Contractor's Proposal; provided that any such liquidity restrictions shall be waived by the Contractor for all transfers or mapping occurring upon the termination of this Contract or upon a Participant's transfer of membership from the ORP to the Tennessee Consolidated Retirement System pursuant to Tennessee Code Annotated, Section 8-25-204.

b. Participant transfer requests that are received by the Contractor by 3:00 p.m., Central Time, on any given Business Day shall be completed by the Contractor on that same Business Day. Transfer requests received by the Contractor after 3:00 p.m., Central Time, on any given Business Day that involve transfers to other approved Investment products offered by the Contractor pursuant to Section A.15 above, or that involve transfers to other service providers as described in this Section that do not meet the Contractor's "same day" processing requirements shall be completed by the Contractor on the next Business Day. Notwithstanding any provision of this Contract to the contrary, the term "Business Day" for purposes of this Section shall mean any day on which the New York Stock Exchange is open for the transaction of public business.

A.19. Transfer of Assets. Funds may be transferred from the Contractor for the following reasons exclusively: to compensate the Contractor in accordance with Section C hereof, to reimburse the State for administrative and/or expense purposes as described in Section A.40 below; to move Participants' Assets in accordance with Section A.18, to correct errors, to make distributions or benefit payments to Participants, alternate payees under a qualified domestic relations order or their beneficiaries as permitted by the ORP and the Plans, or to transfer Assets in a Participant's Account to the Tennessee Consolidated Retirement System as provided in Tennessee Code Annotated, Section 8-25-204.

A.20. Administration. The Contractor shall perform all administrative and recordkeeping functions necessary to ensure compliance with the terms of the ORP and Plans, to provide for the accurate accounting of the Assets in the Participants' Accounts, and to provide for the efficient and prudent management of the Accounts. Such functions shall include, but shall not be limited to, reconciling Participant Accounts to the Contractor's accounts daily and monthly, converting (as applicable) records maintained by the previous ORP and Plans recordkeeper(s) to records maintained by the Contractor, and enrollment services as described in Section A.14. above.

A.21. Records. The Contractor shall establish and maintain records for each Participant's Account showing post-tax Contributions, pre-tax Contributions, if any, incoming rollovers, withdrawals, distributions, transfers, earnings, authorizations, addresses, date of birth, social security number, optional employer/employee identification numbers (to accompany contributions in lieu of social security numbers), primary and contingent beneficiaries, and other related information. The Contractor shall update Participants' Accounts daily using the most currently available share price or interest rate. The Contractor shall be required to use share accounting for all mutual funds other than money market funds and standard industry accounting for other Investment products, clearly indicating the method used. The Contractor shall take the necessary steps to maintain current addresses for all Participants and shall notify the State of the steps taken. The Contractor shall maintain all Participant enrollment agreements, benefit applications, qualified domestic relations orders, transfer authorization forms, beneficiary designation forms, selection or change of Investment products for current balances and future contributions, and other Participant transactions forms in its recordkeeping office as described in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.15. of RFP ATTACHMENT 6.2] of the Contractor's Proposal, or at such other office of the Contractor as may hereafter be specified in writing by the Contractor to the State. The Contractor shall further maintain such records in its off-site backup facilities as described in Section A.11.

The records of the Contractor and Participants hereunder shall be maintained in accordance with generally accepted accounting principles, the most recent Governmental Accounting Standards Board Statements, the ORP and Plan documents, and the Code. The Contractor agrees that all

Participant, ORP and Plan records created, received or otherwise generated under this Contract shall be the property of the State. The Contractor may only use or release such data as specifically permitted in this Contract. The Contractor shall maintain risk control procedures to protect against unauthorized access of both computer resources and data to reduce erroneous or fraudulent activities. The Contractor shall notify the State and the applicable Participant in the event of breach of records security that could put the Participant at risk of identity theft as provided in Sections A.48 and E.6 below. The Contractor shall further maintain a robust, alternate service resumption plan, which addresses events affecting the Contractor's sites in accordance with Sections A.33 and E.4 of this Contract and the Contractor's Proposal. Such plan shall provide for resumption of services and processing in the event of a disaster, which affects the Contractor's primary service delivery office(s). The plan shall also include a plan for the physical exchange of files, or an alternate communication method with the State and the Institutions, in the event that electronic delivery is not feasible.

A.22. Benefit and Distribution Payments; Qualified Domestic Relations Orders.

a. Benefit and Distribution Payments. Upon request of the applicable Participant, the Contractor shall promptly supply annuity or minimum distribution payout projections for any Participant considering distribution. The Contractor shall disburse benefits under the ORP to ORP Participants in accordance with Tennessee Code Annotated, Sections 8-25-201, *et. seq.*, the ORP plan document and in compliance with applicable requirements of the Code. The Contractor shall disburse benefits under the 403 (b) Plans to 403(b) Plan Participants in accordance with the respective 403(b) plan document and in compliance with applicable requirements of the Code. Categories of distributions to be administered and processed by the Contractor shall include, but may not be limited to, lifetime annuity payments; partial lump-sum payments; equal monthly, quarterly, semi-annual or annual payments of a specified amount; equal or approximately equal monthly, quarterly, semi-annual or annual payments, calculated to continue for a lifetime; monthly, quarterly, semi-annual or annual payments equal to the minimum distributions required under Section 401(a)(9) of the Code over the life expectancy of the Participant or over the life expectancy of the Participant and a beneficiary; and other distributions, if any, allowable under applicable law and the respective plan document. Payments shall be issued on a consistent pre-specified date and frequency as mutually established by the Contractor and the Participant. Lump-sum payments shall be effected on a daily basis. The Contractor shall offer direct deposit services for no additional fee to Participants or beneficiaries electing periodic or lump sum payments. For distributions out of the 403(b) Plans, the Contractor shall provide, in addition to checks, ACH capability for lump sum and periodic withdrawals, and for rollovers in and out of the Plans.

b. Qualified Domestic Relations Orders. The Contractor shall review and process qualified domestic relations orders it receives relative to Participants in accordance with the Contractor's Proposal. For purposes of this Contract, a "qualified domestic relations order" has the same meaning as provided in Code § 414(p); provided, that such order may only relate to the provision of marital property rights for the benefit of the former spouse of the Participant. The Contractor shall be responsible for maintaining records on Participants receiving distributions from the Contractor., as may be amended from time to time. The Contractor shall be responsible for maintaining records on Participants receiving distributions from the Contractor.

A.23. Tax Reporting. In compliance with federal and state laws, the Contractor shall take all actions necessary to withhold, remit, and report income taxes deducted from distribution payouts, and to produce and distribute all income tax reports and statements. Any penalties for income tax deposit delinquency or underpayment of tax shall be the sole responsibility of the Contractor.

A.24. State Reports. In addition to the reports described in the Contractor's Proposal, the Contractor shall provide the following reports to the State and such additional reports as may be agreed to by the Contractor and the State from time to time. All reports shall be submitted in a format approved by the State.

a. Financial information required for reporting of defined contribution plans as outlined in the most recent applicable Governmental Accounting Standards Board Statement.

b. Monthly, quarterly and 12-month period ending summary reports showing total assets, total active Participants, total Accounts with a balance, total Employer Contributions, total employee Contributions, and total distribution amounts for the ORP, each 403(b) Plan, and in total.

c. Monthly, quarterly and 12-month period ending summary reports showing total assets, total active Participants, total Accounts with a balance, total Employer Contributions, total employee Contributions, and total distributions for Participants at each Institution.

d. Monthly, quarterly and 12-month period ending financial statements, by plan and by Investment, detailing beginning balance; receipts (specifying new deferrals, incoming rollovers, transfers, and investment earnings); and disbursements (specifying benefit withdrawals, death benefit withdrawals, transfers, annuity purchase transfers, investment losses, and administrative fees); and the rate of return for the period for the ORP and each Plan.

e. Monthly, quarterly, and year to date summary reports showing total field representative group and individual meetings.

f. Monthly, quarterly, and year to date summary reports showing total field representative group and individual meetings at each Institution.

g. Monthly, quarterly, and year to date reports summarizing meeting topics, participant actions, and participant satisfaction metrics that are the result of field representative meetings as indicated in the Contractor's Proposal.

h. Reports summarizing metrics related to Participant Education Activities outlined in Section A.9 above.

i. Monthly, quarterly and 12-month period ending summary reports showing the total balance and percentage of overall balance held in each Investment and the total contributions and percentage of overall contributions to each Investment for all University of Tennessee ORP and Plan Participants, all Tennessee Board of Regents ORP and Plan Participants, and all ORP and Plan Participants.

j. Quarterly summary reports for each Investment showing the total number of University of Tennessee ORP and Plan Participants that invest in such product, the total number of Tennessee Board of Regents ORP and Plan Participants that invest in such product, and the total number of combined ORP and Plan Participants that invest in such product.

k. For the ORP and each Plan separately, quarterly and fiscal year to date financial statements, by Investment, detailing beginning balance; receipts (specifying new deferrals, incoming rollovers, transfers, and investment earnings); and disbursements (specifying benefit withdrawals, death benefit withdrawals, transfers, annuity purchase transfers, investment losses, and administrative fees); and the ORP or Plan's rate of return for the period.

l. Quarterly and year to date reports showing the total number of Participants receiving partial/full lump sum distributions through the Contractor, number of annuitized distributions, number of inactive Participants, and the average number of Investment product options per Participant in the Tennessee Board of Regents ORP, the University of Tennessee ORP, the Tennessee Board of Regents 403(b) Plan, and the University of Tennessee 403(b) Plan.

m. A yearly report due by March 15th of each year beginning in 2023 itemizing any distribution checks issued hereunder that have remained uncashed as of the previous December 31st. The report shall show, for each uncashed check, the amount of the check, and the name, social security number, and last known address of the payee.

n. Monthly, quarterly, and annual report detailing all revenue received by the Contractor resulting from the ORP and Plans. The revenue shall be broken down by source including, but not limited to, asset based fees, managed account or other advisory service fees, and fees associated with a stable value fund.

o. Monthly reconciliation reports of the Contractor's ORP and Plan records to the Investment Providers' records. Insofar as possible, the Contractor shall work with those Providers to correct differences between the Contractor's ORP and 403(b) Plan records and the Investment Providers' records. Any deviations between the Contractor's ORP and 403(b) Plan records and the Investment Providers' records are to be fully identified and explained.

p. Annual report showing success or failure in meeting the Annual Performance Standard Guarantee outlined in Section A.50 of this Contract.

q. Annual marketing and communication plan, including annual objectives for outreach to unengaged Participants.

r. Annual establishment with the State of goals and strategic planning initiatives to help Participants achieve retirement security and annual review and evaluation of progress toward such goals. Such review and evaluation may include, but not be limited to, assessment of the use of educational tools and adequacy of contribution levels of Participants.

s. Such other reports as may be requested by the State that summarize the activity and current status of any duties or responsibilities of the Contractor hereunder. Such reports may include, but shall not be limited to: metrics related to Participant satisfaction with field service representatives, Participant retirement readiness metrics, and Participant engagement metrics.

t. Upon the State's request, the Contractor's financial statements, which will be delivered in hard copy or via electronic access.

A.25. Institution Reports. In addition to the reports described in the Contractor's Proposal, the Contractor shall provide the following reports to the Institutions and such additional reports as may be agreed to by the Contractor and the State from time to time. All reports shall be submitted in a format mutually agreed upon by the State and the Contractor.

a. Copies of that Institution's Participants' quarterly statements in alphabetical order on CD or other format mutually agreed upon by the State and the Contractor.

b. Quarterly summary reports of each Investment's performance.

A.26. Annual reports of IRS Compliance Activity. On an annual basis, the Contractor shall provide the following summary reports. All reports shall be submitted in a format mutually agreed upon by the State and the Contractor.

a. A report to the State of the number of Participants and beneficiaries receiving distributions through the Contractor during the calendar year; number of 1099 forms issued; total taxes withheld and remitted to the IRS; and, if requested by State, the information contained in such Participant or beneficiary's 1099 forms.

b. A report to the State and the Institutions detailing the respective Institution's Participants who may potentially be exceeding the annual contribution limits and the corrective action required prior to calendar year end.

c. A report to the Institutions detailing the name, last known address, last department, social security number, and Account balance of each inactive Participant over age seventy two (72) who is not currently receiving distributions complying with Code Section 401(a)(9).

d. Other reports requested by the State to show compliance activity with Internal Revenue Service requirements enacted after the effective date of this Contract.

A.27. Participant Reports. The Contractor shall provide the following reports to Participants. All reports shall be submitted in a format mutually agreed to by the Contractor and the State.

a. The Contractor shall provide to Participants quarterly statements of their respective Accounts. The statements shall be a consolidated statement for those Participants with balances in both the ORP and the 403(b) Plans and shall not just be a combination of two independent statements. The quarterly statements shall contain, at a minimum, the Participant's name, address, Employer, and primary beneficiaries. The statements shall also show the period covered by the statement, the Contributions from inception to date, as well as detailed reporting, by Investment, of beginning balance, transactions during the period and ending balance. Where pertinent to an Investment, reporting shall include the number of units or shares applicable to each transaction and to the beginning and ending balance, and the unit or share value. The statements shall also show retirement readiness in terms of a projected replacement income in a manner and format mutually agreed to by the Contractor and the State. Statements shall be sent to the Participants within twenty-two (22) calendar days of the end of the calendar quarter. The Participants shall be permitted to elect mail delivery or on-line delivery of quarterly statements.

b. The Contractor shall provide Participants with prompt written confirmation of transfers, and advance notice of potential noncompliance with the Code's "Required Beginning Date" provisions. In addition, the Contractor shall make the Participant's personal rate of return available to the Participant in a format mutually agreed to by the Contractor and the State.

A.28. Compliance with Internal Revenue Code. The Contractor recognizes that the ORP is intended to qualify as a Section 401(a) defined contribution plan under the Code and the Plans are intended to qualify as Section 403(b) defined contribution plans under the Code and agrees to maintain knowledge of the federal rules applicable to the ORP and the Plans and to administer its duties under this Contract in a manner consistent with the applicable requirements of the Code, the ORP, and the Plans. The Contractor shall be responsible for preparing documents and forms necessary to obtain approval from appropriate federal agencies as may be required to ensure full compliance with the laws and regulations governing the ORP and the Plans.

A.29. Reconciliation of Participant Deferral Elections. The Contractor shall work with the State and the Institutions to develop mutually agreed procedures for the regular reconciliation of Contributions to the ORP with those required in Tennessee Code Annotated, Sections 8-25-201 *et seq.* and Contributions to the 403(b) Plans with Participant deferral elections. The procedures shall be included in the Operating Procedures described in Section A.5 above.

A.30. Application of Contribution Limits. The Contractor shall perform contribution limit testing by applying the applicable 401(a) and 403(b) contribution limits including, but not limited to, the regular catch-up and 403(b) plan 15-year catch contribution limits as set forth in Code for each Participant upon receipt by the Contractor of the information necessary to perform such calculations. Annual contribution limit testing shall be performed for all Participants at intervals mutually agreed to between the Contractor and the State, but in no event shall the testing be performed later than within three (3) months after the close of the year for which the calculations are to be performed. Identified excess contributions shall be distributed to the extent permitted by

the Code, Treasury regulations or other regulatory guidance, including any Internal Revenue Service self-correction programs; the Plan; or as otherwise provided in this Contract or agreed to by the State and the Contractor.

A.31. Consultation and Advice. The Contractor shall recommend amendments to the ORP and Plan documents or changes in the operation of the ORP and the Plans as may be required by changing conditions, laws or regulations, or as may be beneficial in offering Participants the most advantageous Investments. Further, the Contractor shall assist the State in the drafting and adoption of any rules, regulations or administrative actions necessary in the conduct of the ORP and the Plans.

A.32. Designated Roth Contributions, Auto Enrollment and Auto-Escalation. If permitted by the respective plans, the Contractor shall administer designated Roth contributions, auto enrollment and auto-escalation for the plans in accordance with procedures to be mutually agreed to by the Parties in the Operating Procedures described in Section A.5 above.

A.33. Back-Up Procedures and Disaster Recovery. The Contractor shall maintain a backup plan that ensures that the Contractor can restore all Participant Account data, transaction history and other Plan data in the event of a system malfunction or failure. Said plan shall be in substantially the same form as the plan outlined in the Contractor's Proposal and consistent in all respects with Sections E.4 of this Contract. In the event that any material change to the form of the plan is proposed by the Contractor, the Contractor shall so advise the State in writing. For the purposes of this Paragraph, "material change" shall include, but shall not be limited to, the time required for restoration of services or in the location of the hot site. In the event of a disaster impacting Participants or the Contractor's office, the Contractor shall resume operations in accordance with Section E.4 below. The Contractor shall provide notification of an incident described in this Paragraph to the State.

A.34. Site Visit. The Contractor shall provide to the State, at the State's request, an on-site tour of the Contractor's facilities highlighting customer service, and the Contractor's ability to handle compliance with the Contractor's responsibilities under this Contract. In the event the State elects to perform a due diligence review of the services performed hereunder, the Contractor shall provide airfare and accommodations for one visit per year for two representatives of the State to the Contractor's home office for the purpose of conducting the review.

A.35. Managed Account Services. The Contractor shall offer all Participants the option of enrolling in a service whereby a qualified financial advisor, registered as an Investment Advisor under the Investment Advisors Act of 1940 and approved by the Contractor, selects among the ORP and/or 403(b) Plans' available Investment options and manages the Participants' respective accounts for them by terms that are mutually agreed upon by the Contractor and the State. In the event the Participant has an ORP Account and a 403(b) Account, the Participant shall have the option to enroll in the service for the ORP Account only, the 403(b) Plan Account only, or both the ORP and 403(b) Plan Account. The Contractor shall be responsible for having a diversified allocation of investment options selected for the ORP and/or 403(b) Plan Participant which would fit the ORP and/or 403(b) Plan Participant's unique situation and retirement goals. An ORP and/or 403(b) Plan Participant electing this service would supply the Advisor with information about the Participant's goals and finances. The service would not manage a Participant's non-ORP and/or 403(b) Plan assets. The Advisor shall automatically rebalance assets managed by the Advisor at least annually. The Advisor shall provide representative support online and by phone for Participants enrolling in this service.

A.36. Participant Investment Advisory/Guidance Services. The Contractor shall provide all Participants who wish to receive specific recommendations on how to manage their own Accounts with the personalized investment advice, if any, described in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.133 – C.142 of RFP ATTACHMENT 6.2] of the Contractor's Proposal. The State reserves the right, at its sole

discretion, to discontinue this service upon providing the Contractor with at least twenty (20) Business Days' advance notice.

A.37. Self-Directed Brokerage Account Window. The Contractor shall provide all Participants access to the self-directed brokerage account window(s) as described in the Contractor's Proposal and shall monitor such service as stated in the Contractor's Proposal. The State reserves the right, at its sole discretion, to discontinue this service or to request a replacement vendor for this service. The State shall give the Contractor at least ninety (90) calendar days prior written notice of the discontinuance of the service or request for a replacement. In addition, the Contractor shall notify the State and offer a replacement vendor if available in the event the service is no longer available as a self-directed brokerage option. Any replacement vendor must be approved by the State prior to implementation.

A.38. Participant Affirmative Election and Cancellation of Optional Services.

a. Participant Affirmative Election. The Contractor acknowledges and agrees that the services described in Sections A.35 and A.37 above shall not require Participants to "opt out" or otherwise reject the services to avoid fees. A Participant must clearly exercise an "opt in" decision to receive the services and must acknowledge the cost of the services.

b. Cancellation. A Participant shall have the right to cancel the Participant's receipt of any of the services described in Sections A.35, A.36 and A.37 at any time by completing a cancellation form that the Contractor shall make available online at the Plan's web site as described in Section A.11 of this Contract, by calling the Contractor at the toll-free customer service number established under Section A.10 of this Contract, or through another process mutually agreeable to the State and the Contractor. However, a Participant who cancels participation in the managed account services described in Section A.37 will not change the allocation of the Participant's Investment Options unless and until the Participant makes an allocation change to that Participant's account.

A.39. Participant Fee Reallocation Disclosure. Any compensation, inducements, and etc. received by the Contractor from any outside sources in rendering the services under this Contract shall be disclosed and allocated to the applicable Participants' Accounts and used to improve the Participants' returns. The Contractor shall disclose on each Participants' Account statement any such compensation, inducements and fees, and the source of such compensation, inducements and fees (such as reallocation of retail recordkeeping fees, price break, 12b-1 fee not charged, reduced fund management fee, etc). The Contractor agrees that all compensation and charges shall be fully disclosed to participants and the State.

A.40. Defined Contribution Participant Account Collection for DC Administrative and/or Expenses Purposes. The Contractor shall (i) collect on behalf of the State an annual administrative fee of 0.03% (or such other amount as the State may direct) from all Participants either through (A) revenue-sharing paid by an Investment Provider to the Contractor in respect of a Participant's investment in the Investment Provider's fund, (B) an explicit fee to each Participant, or (C) a combination of both (A) and (B), and (ii) shall calculate such amount monthly at 0.0025% of month-end Assets and deposit the same into separate, unallocated trust accounts for the ORP and each Plan held by the Contractor for the exclusive benefit of the State within thirty (30) calendar days following month-end, to be used solely at the direction of the State for administrative purposes in accordance with plan fiduciary obligations.

A.41. Timetable for Transitioning and Implementing of Services. The Contractor agrees that the implementation/conversion process outlined on pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.162 of RFP ATTACHMENT 6.2] of the Contractor's Proposal shall begin on December 1, 2021 and that all services hereunder shall be transitioned to and implemented by the Contractor as soon as administratively possible, but by no later than September 1, 2022.

A.42. Independence of Services. Unless the State deems it appropriate, neither the Contractor nor any of its Affiliates shall be permitted to act as an Investment Provider under the ORP or the Plans during the term of this Contract for an Investment other than a stable value fund/fixed account with a guaranteed interest rate that is not a bond fund as referenced on page [PAGE NUMBER OF SUCCESSFUL PROPOSAL WHICH RESPONDS TO SECTION C.157 OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal. Unless approved by the State, investment products obtained or obtainable from the Contractor shall not be communicated to Participants in conjunction with the Contractor's communication responsibilities hereunder. The Contractor shall refrain from using information about Participants acquired in the course of providing the services hereunder to market or sell products or services unrelated to the ORP or the Plans unless a request for such products or services is initiated by a Participant. If any licensed agent of the Contractor who performs enrollment services for the ORP or the Plans sells an investment product to any Participant outside the ORP or the Plans, the Contractor shall first obtain a signed statement from the Participant acknowledging the Participant's understanding that such product is not affiliated with the ORP or the Plans and has not been reviewed or recommended by the State. The language in such statement shall be approved by the State and such statement shall be retained in the ORP or Plan Participant's file and a copy furnished to the State.

A.43. Representations. The Contractor represents and warrants to the State the following:

a. Neither the Contractor nor any officer, stockholder, director, or employee of the Contractor, or any Affiliate of the Contractor, is subject to any present or past litigation or administrative proceeding of or before any court or administrative body which would have a material adverse effect on the Contractor, or its ability to discharge its responsibilities under this Contract, or which would impair their ability to act as a fiduciary under a qualified plan, nor, to its knowledge, is any such litigation or proceeding presently threatened against any of them or their property.
b. The Contractor and its Affiliates, to the best of its knowledge, are presently in compliance with all existing laws and regulations, a violation of which would or could materially adversely affect the Contractor's operations or would or could materially adversely affect its ability to fulfill its obligations and undertakings set forth in this Contract.
c. The Contractor is in good standing with the State of Tennessee and all its departments and agencies.
d. The Contractor has and shall maintain the capability to adequately carry out the recordkeeping and reporting requirements of the ORP and Plans including access to the necessary computer and data retention equipment needed to provide such recordkeeping and reporting.

The Contractor shall promptly notify the State should any of the foregoing representations and warranties no longer be true and correct.

A.44. Future Enhancements. The Contractor agrees to make available to the State for the benefit of its Participants future enhancements and improvements of its administrative services provided to other similarly situated governmental deferred compensation programs with the same or similar characteristics for such compensation as may be mutually agreed upon by the Parties through an amendment to this Contract.

A.45. Errors. Overpayments caused by the Contractor's errors shall be the responsibility of the Contractor, not to be charged to the State or the Participants, regardless of whether or not such overpayments can be recovered by the Contractor; provided, however, the State will not withhold its reasonable cooperation in the Contractor's recovery efforts, but the decision to institute or join in litigation will remain in the sole discretion of the State. Repayment must be made within thirty (30) calendar days of the discovery of the error. Overpayments due to fraud, other than fraud by employees or agents of the Contractor, will not be considered overpayments due to errors. The Contractor shall assist in identifying fraud and make reasonable efforts to recover overpayments due to fraud. The State will not hold the Contractor responsible for overpayments caused by the State's errors; however, the Contractor shall assist in recovery of such overpayments. The

Contractor will be given full credit for all refunds that result from recovery of overpayments to the extent that the Contractor is held financially responsible for such overpayment pursuant to this Contract. It is further understood that the Contractor shall be liable, and solely responsible, for any processing errors of the Contractor or its agents. In the event of a Participant's loss of interest or dividend and/or principal due to an error by the Contractor or its agents in processing transactions on behalf of a Participant or the State, the Contractor shall place the Participant in the same position the Participant would have been in had the processing error not occurred.

A.46. Notice of Lobbyist. Should the Contractor retain the services of lobbyist, as that term is defined in Tennessee Code Annotated, Section 3-6-301, the Contractor shall immediately notify the State in writing.

A.47. Statement on Standards for Attestation Engagements. On at least an annual basis, the Contractor shall have a Statement on Standards for Attestation Engagement No. 18 (SSAE18 SOC2), Type II independent service auditor's report prepared for its service organization, and provide copies of each such report to the State during the Contract term. The audit must detail that the Contractor's processes, procedures and controls have been formally evaluated and tested with respect to the management of the Plans, the management of the Participants' monies and the management of the Participants' and State's data.

A.48. Cyber Incidents or Breaches. The Contractor shall immediately provide to the State all information and reports relative to cyber incidents or breaches that could negatively impact Participants or other State data, or that could negatively impact the services provided under this Contract. This includes information and reports in the possession of any subcontractor or cyber security firm acting on behalf of the Contractor for the purpose of detecting corruption, fraud, compliance, operational efficiencies, disaster recovery plan, business continuity plan or cyber response plans.

A.49. Client Conferences. On an annual basis during the term of this Contract, the Contractor shall invite two (2) 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 all costs, including round-trip airfare, registration fees, materials, lodging, meals and refreshments related to the Client Conferences shall be deemed a part of this Contract.

If the costs borne by the Contractor under this Section A.49 are initially borne by the State, the Contractor shall reimburse the State for such costs. 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.52 below.

A.50. Annual Performance Standards' Guarantee. To ensure adherence to industry standards and timely processing of all transactions and services, the Contractor agrees the following performance standards shall be met or exceeded during each performance evaluation period. The performance evaluation periods shall be from December 1, 2021 – November 30, 2022; December 1, 2022 – November 30, 2023; December 1, 2023 – November 30, 2024; December 1, 2024 – November 30, 2025; and December 1, 2025 – November 30, 2026. The Contractor agrees to put at risk [10% OR SUCH HIGHER NUMBER AS MAY BE IN THE CONTRACTOR'S PROPOSAL THAT RESPONDS TO SECTION C.18 of RFP ATTACHMENT 6.2] of its fees for each time period above allocated as indicated below. If a particular standard is not met during a given performance evaluation period, the Contractor shall lose the following corresponding percentage of the [10% OR SUCH HIGHER NUMBER AS MAY BE IN THE CONTRACTOR'S PROPOSAL WHICH RESPONDS TO SECTION C.18 of RFP ATTACHMENT 6.2] of annual fees

the Contractor otherwise would have been entitled to pursuant to Section C.3 below for the next performance evaluation period:

Activity	% of Fees Placed at Risk	Service Standard [TO BE COMPLETED BASED ON THE SUCCESSFUL RESPONDENT'S RESPONSE TO QUESTION C.18. OF THE RPF]
Transition/Implementation	20.0%	____ days from receipt of all data requested
Contribution reconciliation and posting	2.5%	____ days from receipt of payroll data
Return of excess participant contributions	2.5%	____ days from date of identification of excess contribution
Identification of incorrect or missing participant contribution amounts	2.5%	____ days from the date of incorrect contribution
Termination / Rollovers / Direct Transfers for Distribution	2.5%	____ days from receipt of request
Participant directed fund transfers	2.5%	____ days from receipt of request
Confirmations mailed/posted to account	2.5%	____ days from execution of transaction or request
Participant statements mailed/posted	2.5%	____ days from period end
Plan Level Reporting	2.5%	____ days from quarter end
Transfer of Assets to TCRS for Service Purchase	2.5%	____ days from receipt of request
Investment Election Requests	2.5%	____ days from receipt of request
Contribution Percentage Elections/Changes	2.5%	____ days from receipt of request
DRO Qualification and QDRO Processing	2.5%	____ days from receipt of request
System Availability: Voice Response Unit, Customer Call Center and Participant Website	10.0%	____ hours where system unavailable
Customer Call Center Average Wait Time	10.0%	____% of calls answered within ____ seconds
Field Representative Availability	10.0%	____% of one-on-one meetings occur within ____ days of request
Group Education Meetings	5.0%	____% of group education meetings occur within ____ days of request
Posting of Participant Data Maintenance File	2.5%	____ days from receipt of file
Mailing/Emailing, etc of Participant Forms (e.g. enrollment, salary deferral)	2.5%	____ days from receipt of request
Implementation of holistic retirement readiness metric	10.0%	____ months from date of execution of contract (cannot be later than September 1, 2023)

The above performance standards do not eliminate the Contractor's obligation to comply with all other terms and conditions of this Contract and shall not be construed to limit the liability of the Contractor for damages sustained by the State by virtue of any breach of this Contract by the Contractor nor shall they be construed to limit any other remedies available to the State in equity, at law or otherwise.

A.51. 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 records and monies held by the Contractor hereunder to whomever the State may designate in writing to the Contractor. Such records and monies shall be furnished to the State or to the State's written designee within fifteen (15) calendar days after the State's written request therefor. The records and monies shall be transmitted to the State or to the State's written designee pursuant to reasonable written instructions given by the State. The Contractor shall also provide the State with a full written accounting of the status of Participants' Accounts under the ORP or the Plans. 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 such services. 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 property of the State and all services hereunder have been successfully transferred or converted in accordance with this Paragraph.

A.52. 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 4 to this Contract.

A.53. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be the greater of the Term of this Contract or any other warranty generally offered by Contractor, its suppliers, or manufacturers to customers of its goods or services. The goods or services provided under this Contract shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

A.54. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any Defects, the goods or services shall be deemed to have been accepted by the State.

B. TERM OF CONTRACT:

This Contract shall be effective on December 1, 2021 ("Effective Date") and extend for a period of number 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. The Contractor specifically acknowledges and agrees that it shall not be entitled to receive any compensation or remuneration whatsoever from the State in connection with the services hereunder. Instead, the Contractor shall be entitled to the fees set forth in Section C.3 below, which will be paid by the Participants in accordance with Section C.5 below.

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. The Contractor shall be compensated based upon the following payment methodology:

Goods or Services Description	**Amount** (per compensable increment)
(1) Managed Account Services as Described in Section A.35.	[TO BE COMPELETED BASED ON THE SUCCESSFUL RESPONDENT'S COST PROPOSAL FOR THESE SERVICES]
(2) Qualified Domestic Relations Order Services as Detailed in Section A.22.b	$_____ per order
(3) Self-Directed Brokerage Account Window Services as Detailed in Section A.37	$_____ per year per Participant using the service (including any non-recurring fees such as setup fees)
(4) All Other Services as Detailed in the Contract The fee for all other services detailed in the Contract shall be an asset based fee expressed as a percent to be applied to the total amount of assets under administration for the ORP and 403(b) Plans combined, except for assets in closed, individual annuity contracts that are considered to be legacy assets. The fee shall be charged to each Participant as a regular, direct deduction from the Participant's account balance. **Note:** After the first year of the Contract, the total annual compensation received by the Contractor for All Other Services detailed in the Contract for any subsequent year of the Contract cannot exceed more than 105% of the total compensation received by the Contractor for those services during the previous year of the Contract. Any excess fees collected shall be returned pro rata to the Participants.	[TO BE COMPELETED BASED ON THE SUCCESSFUL RESPONDENT'S COST PROPOSAL FOR THESE SERVICES]

Fees for the first year of the Contract shall be based on assets under administration as of the Contract start date. Fees for subsequent years shall be based on the average monthly assets under administration for the previous year.	

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.

C.5. Payment Requirements. The above fees shall be paid as follows:

a. The fees in Item (4) of Section C.3.b above shall be paid proportionately from the assets held in the ORP and 403(b) Plans and debited from the respective Participants' Accounts.

b. The fees in Items (1) – (3) of Section C.3.b shall be debited from the respective Accounts of the Participants who utilize the services described therein.

C.6. Offsets. Any and all other fees, rebates, or other sources of revenue received by the Contractor or by the ORP or 403(b) Plans from an investment management company or any other source shall be used to offset the Contractor's compensation set forth in Item (4) of Section C.3.b. above. Any excess of fees, rebates, and revenues over the administrative charges set forth in Item (4) of Section C.3.b above shall be remitted to or retained by the ORP or 403(b) Plans, as applicable. Neither the Contractor nor any officer, director, or employee of the Contractor, or any Affiliate of the Contractor, shall receive any direct or indirect compensation from an investment management company or any Affiliate of such a company as a result of the selection of any Investment for the Plans or as a result of the enrollment of an Employee in any investment of the Plans beyond that which is specifically provided in this Contract.

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:

Hunter Bethea, Director of Deferred Compensation
15th Floor, Andrew Jackson State Office Building
502 Deaderick Street
Nashville, Tennessee 37243
hunter.bethea@tn.gov
Telephone # (615) 532-1183

The Contractor:

[CONTRACTOR CONTACT NAME & TITLE]

[CONTRACTOR NAME]
[ADDRESS]
[EMAIL ADDRESS]
Telephone # [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. 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.5. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"),the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.

D.6. 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.7. 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.8. 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.9. 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 5, 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.10. 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.11. 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.12. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.

D.13. 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.14. 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.15. 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.16. State 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.

D.17. 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 acts, omissions, or negligence 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.18. 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.19. 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.20. 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.21. 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.22. 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. This Section shall not apply to the Contractor's obligations relative to disaster recovery as provided in Sections A.11, A.33 and E.4.

D.23. 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.24. 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.25. 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.26. 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.27. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

D.28. 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 – 5;
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.29. 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.30. 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 in an amount not less than one million dollars ($1,000,000) including employer liability of one million dollars ($1,000,000) per accident for bodily injury by accident, one million dollars ($1,000,000) policy limit by disease, and one million dollars ($1,000,000) per employee for bodily injury by disease.

    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. Automobile Liability Insurance

1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).

2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars ($1,000,000) per occurrence or combined single limit.

d. Technology Professional Liability (Errors & Omissions)/Cyber Liability Insurance

1) The Contractor shall maintain technology professional liability (errors & omissions)/cyber liability insurance appropriate to the Contractor's profession in an amount not less than ten million dollars ($10,000,000) per occurrence or claim and ten million dollars ($10,000,000) annual aggregate, covering all acts, claims, errors, omissions, negligence, infringement of intellectual property (including copyright, patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, information theft, damage to destruction of or alteration of electronic information, breach of privacy perils, wrongful disclosure and release of private information, collection, or other negligence in the handling of confidential information, and including coverage for related regulatory fines, defenses, and penalties.

2) Such coverage shall include data breach response expenses, in an amount not less than ten million dollars ($10,000,000) and payable whether incurred by the State or Contractor, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services and expenses in the performance of services for the State or on behalf of the State hereunder.

e. Crime Insurance

1) The Contractor shall maintain crime insurance, which shall be written on a "loss sustained form" or "loss discovered form" providing coverage for third party fidelity, including cyber theft and extortion. The policy must allow for reporting of circumstances or incidents that may give rise to future claims, include an extended reporting period of no less than two (2) years with respect to events which occurred but were not reported during the term of the policy, and not contain a condition requiring an arrest or conviction.

2) Any crime insurance policy shall have a limit not less than one million dollars ($1,000,000) per claim and one million dollars ($1,000,000) in the aggregate. Any crime insurance policy shall contain a Social Engineering Fraud Endorsement with a limit of not less than two hundred and fifty thousand dollars ($250,000). This insurance may be written on a claims-made basis, but in the event that coverage is cancelled or non-renewed, the Contractor shall purchase an extended reporting or "tail coverage" of at least two (2) years after the Term.

D.31. 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.32. 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. Printing Authorization. The Contractor agrees that no publication coming within the jurisdiction of Tenn. Code Ann. §§ 12-7-101, *et. seq*., shall be printed pursuant to this Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103 (d).

E.3. Intellectual Property Indemnity. 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 or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

E.4. Contractor Hosted Services Confidential Data, Audit, and Other Requirements.

a. "Confidential State Data" is defined as data deemed confidential by State or Federal statute or regulation. The Contractor shall protect Confidential State Data as follows:

(1) The Contractor shall ensure that all Confidential State Data is housed in the continental United States, inclusive of backup data.

(2) The Contractor shall encrypt Confidential State Data at rest and in transit using the current version of Federal Information Processing Standard ("FIPS") 140-2 validated encryption technologies.

(3) The Contractor and the Contractor's processing environment containing Confidential State Data shall either (1) be in accordance with at least one of the following security standards: (i) International Standards Organization ("ISO") 27001; (ii) Federal Risk and Authorization Management Program ("FedRAMP"); or (2) be subject to an annual engagement by a CPA firm in accordance with the standards of the American Institute of Certified Public Accountants

("AICPA") for a System and Organization Controls for service organizations ("SOC") Type II audit. The State shall approve the SOC audit control objectives. The Contractor shall provide proof of current ISO certification or FedRAMP authorization for the Contractor and Subcontractor(s), or provide the State with the Contractor's and Subcontractor's annual SOC Type II audit report within 30 days from when the CPA firm provides the audit report to the Contractor or Subcontractor. The Contractor shall submit corrective action plans to the State for any issues included in the audit report within 30 days after the CPA firm provides the audit report to the Contractor or Subcontractor.

If the scope of the most recent SOC audit report does not include all of the current State fiscal year, upon request from the State, the Contractor must provide to the State a letter from the Contractor or Subcontractor stating whether the Contractor or Subcontractor made any material changes to their control environment since the prior audit and, if so, whether the changes, in the opinion of the Contractor or Subcontractor, would negatively affect the auditor's opinion in the most recent audit report.

No additional funding shall be allocated for these certifications, authorizations, or audits as these are included in the asset based fee of Section C.3.b(4) of this Contract.

(4) The Contractor must annually perform Penetration Tests and Vulnerability Assessments against its Processing Environment. "Processing Environment" shall mean the combination of software and hardware on which the Application runs. "Application" shall mean the computer code that supports and accomplishes the State's requirements as set forth in this Contract. "Penetration Tests" shall be in the form of attacks on the Contractor's computer system, with the purpose of discovering security weaknesses which have the potential to gain access to the Processing Environment's features and data. The "Vulnerability Assessment" shall be designed and executed to define, identify, and classify the security holes (vulnerabilities) in the Processing Environment. The Contractor shall either (i) allow the State, at its option, to perform Penetration Tests and Vulnerability Assessments on the Processing Environment, or (ii) provide to the State the results of a third party penetration test conducted by an industry recognized penetration testing firm.

(5) Upon State request, the Contractor shall provide a copy of all Confidential State Data it holds. The Contractor shall provide such data on media and in a format determined by the State

(6) Upon termination of this Contract and in consultation with the State, the Contractor shall destroy all Confidential State Data it holds (including any copies such as backups) in accordance with the current version of National Institute of Standards and Technology ("NIST") Special Publication 800-88. The Contractor shall provide a written confirmation of destruction to the State within ten (10) business days after destruction.

b. Minimum Requirements

(1) The Contractor and all data centers used by the Contractor to host State data, including those of all Subcontractors, must comply with the State's Enterprise Information Security Policies as amended periodically. The State's Enterprise Information Security Policies document is found at the following URL: https://www.tn.gov/finance/strategic-technology-solutions/strategic-technology-solutions/sts-security-policies.html.

(2) The Contractor agrees to maintain the Application so that it will run on a current, manufacturer-supported Operating System. "Operating System" shall mean the software that supports a computer's basic functions, such as scheduling tasks, executing applications, and controlling peripherals.

(3) If the Application requires middleware or database software, Contractor shall maintain middleware and database software versions that are at all times fully compatible with current versions of the Operating System and Application to ensure that security vulnerabilities are not introduced.

c. Comptroller Audit Requirements

Upon reasonable notice and at any reasonable time, the Contractor and Subcontractor(s) agree to allow the State, the Comptroller of the Treasury, or their duly appointed representatives to perform information technology control audits of the Contractor and all Subcontractors used by the Contractor. Contractor will maintain and cause its Subcontractors to maintain a complete audit trail of all transactions and activities in connection with this Contract. Contractor will provide to the State, the Comptroller of the Treasury, or their duly appointed representatives access to Contractor and Subcontractor(s) personnel for the purpose of performing the information technology control audit.

The information technology control audit may include a review of general controls and application controls. General controls are the policies and procedures that apply to all or a large segment of the Contractor's or Subcontractor's information systems and applications and include controls over security management, access controls, configuration management, segregation of duties, and contingency planning. Application controls are directly related to the application and help ensure that transactions are complete, accurate, valid, confidential, and available. The audit shall include the Contractor's and Subcontractor's compliance with the State's Enterprise Information Security Policies and all applicable requirements, laws, regulations or policies. In lieu of the State, the Comptroller of the Treasury or their duly appointed representatives performing the audits described herein of the Subcontractors, the State may, at its sole discretion, accept the results of audits conducted by the Contractor, provided the audits cover the topics described in this Section E.4 and are based on the ISO 27001 framework.

The audit may include interviews with technical and management personnel, physical inspection of controls, and review of paper or electronic documentation.

For any audit issues identified, the Contractor and Subcontractor(s) shall provide a corrective action plan to the State within 30 days from the Contractor or Subcontractor receiving the audit report.

Each party shall bear its own expenses incurred while conducting the information technology controls audit.

d. Business Continuity Requirements. The Contractor shall maintain set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations ("Business Continuity Requirements"). Business Continuity Requirements shall include:

(1) "Disaster Recovery Capabilities" refer to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:

i. Recovery Point Objective ("RPO"). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident: One (1) hour

ii. Recovery Time Objective ("RTO"). The RTO is defined as the targeted duration of time and a service level within which a business process must be restored after a disaster (or disruption) in order to avoid unacceptable consequences associated with a break in business continuity: Four (4) hours

(2) The Contractor and the Subcontractor(s) shall perform at least one Disaster Recovery Test every three hundred sixty-five (365) days. A "Disaster Recovery Test" shall mean the process of verifying the success of the restoration procedures that are executed after a critical IT failure or disruption occurs. The Disaster Recovery Test shall use actual State Data Sets that mirror production data, and success shall be defined as the Contractor verifying that the Contractor can meet the State's RPO and RTO requirements. A "Data Set" is defined as a collection of related sets of information that is composed of separate elements but can be manipulated as a unit by a computer. Upon the State's written request, the Contractor shall provide written confirmation to the State after each Disaster Recovery Test that its Disaster Recovery Capabilities meet the RPO and RTO requirements.

E.5. 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 30901-48021 (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.

E.6. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. The State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII and Contractor shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from

the State to enable the State to verify or ensure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of such PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Contract.

E.7. Additional Subcontracting Requirements. The Contractor shall ensure in all subcontracts between it and the Contractor's State approved subcontractors that each subcontract shall contain the sections of "Confidentiality of Records", and "HIPAA Compliance" (as identified by the section headings) as these may be modified from time to time. Notwithstanding any use of State approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed by its subcontractors or other providers of goods or services.

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

ORP PLAN DOCUMENT

See Contract Attachment 1

CONTRACT ATTACHMENT 2

TENNESSEE BOARD OF REGENTS 403(B) PLAN DOCUMENT

See Contract Attachment 2

CONTRACT ATTACHMENT 3

UNIVERSITY OF TENNESSEE 403(B) PLAN DOCUMENT

See Contract Attachment 3

CONTRACT ATTACHMENT 4

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 5

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.

NUMBER OF EMPLOYEES AND ORP ELIGIBILITY SUMMARIES FOR UT

Please contact the Solicitation Coordinator at dawn.rochelle@tn.gov for the link and password

RFP ATTACHMENT 6.8.

NUMBER OF EMPLOYEES AND ORP ELIGIBILITY SUMMARIES FOR TBR AND LGI'S

Please contact the Solicitation Coordinator at dawn.rochelle@tn.gov for the link and password

RFP ATTACHMENT 6.9.

CASH FLOW, ACTIVITY AND PARTICIPATION DETAILS FOR EACH CURRENT ORP VENDOR

Please contact the Solicitation Coordinator at dawn.rochelle@tn.gov for the link and password

RFP ATTACHMENT 6.10.

CASH FLOW, ACTIVITY AND PARTICIPATION DETAILS FOR EACH CURRENT 403(b) PLAN VENDOR

Please contact the Solicitation Coordinator at dawn.rochelle@tn.gov for the link and password

RFP ATTACHMENT 6.11.

INVESTMENT LINEUPS

Please contact the Solicitation Coordinator at dawn.rochelle@tn.gov for the link and password