

Request for Proposal (“RFP”)



457(b) Plan Recordkeeping, Administration, & Custody Services Provider for:

Illinois State Board of Investment
("ISBI")

Updated to Reflect New Submission Date

Issuance Date: May 3, 2021
Questions Due: May 10, 2021
Q&A Responses Delivered: May 17, 2021
Submission Deadline: **June 3, 2021**
Finalist(s) Onsite Due Diligence: July 2021 TBD
Contract Performance Begins: July 1, 2022

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Please do not contact staff of ISBI or the Department regarding this request and direct all correspondence during the process in written format only to the contacts listed above.

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I. INTRODUCTION & PURPOSE

A. Background

The Illinois State Board of Investment (“ISBI”) hereby issues a request for competitive proposals (“RFP”) from qualified recordkeepers (“Respondent(s)”) to provide recordkeeping services on behalf of the State of Illinois Deferred Compensation Plan (the “Plan”).

Pursuant to the Illinois Pension Code (40 ILCS 5/22A), ISBI is a non-appropriated, statutorily created agency responsible for overseeing the State of Illinois Deferred Compensation Plan (the “Plan”). The Plan is a defined contribution plan that is a non-ERISA, governmental plan under Section 457 of the Internal Revenue Code of 1986. More information regarding ISBI, its Board of Trustees (the “Board”) and the Plan can be found by reviewing its enabling statute in the Illinois Pension Code at 40 ILCS 5/1, 5/22A, 5/24.

The Illinois Department of Central Management Services Bureau of Benefits (“CMS” or the “Department”) is the primary health care and insurance administrator for State universities, community colleges, teachers, State employees and retirees. In addition, the Bureau of Benefits administers a wide range of other programs including the State dependent and medical care assistance program for State workers, retirees, and their qualified dependents, the State commuter savings program, the Illinois workers’ compensation program, and the State of Illinois Deferred Compensation Plan (“Plan”).

More information about ISBI, the Department, and the Plan is available at:

<https://www.isbinvestment.com/> and
<https://www2.illinois.gov/cms/benefits/Deferred/Pages/DeferredCompensation.aspx>

ISBI will provide notice of this RFP in one or more industry periodicals at least 14 days before the response to the RFP is due. Notice will also be provided to ISBI’s universe of Recordkeepers. Recordkeepers owned by minorities, women, or persons with a disability (“MWDBE”) are encouraged to participate in the competitive proposal process. Qualified recordkeepers that do not receive an RFP from ISBI or the Plan’s Consultant are encouraged to compete and may obtain the RFP document from the ISBI website.

RVK Inc. (“RVK”) is conducting this RFP, with the assistance of CMS and ISBI Staff, on behalf of ISBI and the Plan.

ISBI currently receives recordkeeping, administration, and some custodial services for the Plan from T. Rowe Price (“TRP”). (Limited custodial services for the Stable Return Fund are provided by Northern Trust.)

B. Purpose of RFP

ISBI has engaged RVK to perform a Request for Proposal (“RFP”) process soliciting responses from qualified recordkeepers and their affiliated or unaffiliated custodial providers (Respondents). Through the RFP process, ISBI intends to perform a competitive market review of the services and fees offered by recordkeepers for the currently used set of administrative services and ensure that best practices are being followed when possible. ISBI intends to issue a contract to the selected recordkeeper that would be in force until the next procurement cycle, which is generally every five years.

ISBI’s goals for the search include:

- Identifying ways to streamline administrative and operational processes and achieve efficiencies where possible.
- Ensuring that the recordkeeper is an effective partner with experience working with governmental 457(b) plans and plans of similar size and complexity.
- Evaluating education capabilities that can help participants achieve retirement readiness and achieve measurable and sustainable results.
- Improving communication and engagement with participants through the website, newsletters, in-person/virtual events, and other written communications.
- Ensure transparent and best-value pricing for recordkeeping, administration, and custody fees.

B. ISBI Quiet Period

During the proposal period, no Respondent or any person acting on behalf of a Respondent may contact the ISBI Board of Trustees, any individual Trustee, or ISBI staff member, other than the Search Contacts specified on page 1. No Respondent may, at any time, attempt to influence the evaluation other than by a properly submitted response to this RFP or to a formal request for information or presentation.

Current ISBI service providers who are responding to this RFP are expected to limit their contact for business transactions to ISBI employees with whom they ordinarily interact and to avoid direct contact with Trustees or other staff during the proposal period. These communications with ISBI employees shall not involve any discussions about the on-going RFP.

Violation of these rules constitutes grounds to reject the proposal of any offender.

II. COMPLEXITY DETAILS

Details of the Plan for which services are being sought are provided below:

457(b) Plan Data

Table 1 below provides details on plan data, including plan participant accounts, and associated transaction volumes.

| DC Plan Data | Total As of 3/31/2021 |
|---|--------------------------|
| Eligible participants | 111,174 |
| Participation Rate | 31% |
| Participants with deferral rate >0 | 34,492 |
| Participants with pretax deferral (\$) | 28,612 |
| Participants with pretax deferral (%) | 3,173 |
| Participants with Roth deferral (\$) | 3,817 |
| Participants with Roth deferral (%) | 404 |
| Unique participant deferrals (\$) | 31,058 |
| Unique participant deferrals (%) | 3,435 |
| Active employee participant accounts with a balance | 37,790 |
| Terminated employee / Beneficiary/Alternative payee participant accounts with a balance | 20,093 |
| Total Accounts | 57,883 |
| Active w/ balance Average Deferral Rate Excludes 0 | 5.60 |
| Active w/ balance Median Deferral Rate Excludes 0 | 3.00 |
| Average Participant Balance | \$95,166 |
| Median Participant Balance | \$30,189 |
| Outstanding Loans (period end count) | 4,809 |
| Outstanding Loan Balance (\$) | \$43,312,066 |
| Outstanding Loan Balance (avg \$) | \$9,006 |

| | 12 Months Ending 3/31/2021 |
|--|----------------------------------|
| DC Plan Data | Total |
| New Enrollments Processed | 4,959 |
| Contributions (Employee) (\$) | \$176,369,802 |
| Contributions (Rollover) (\$) | \$48,964,485 |
| New Loans (count) | 1,397 |
| New Loans (\$) | \$16,665,813 |
| New Loans (avg \$) | \$11,930 |
| In-service Withdrawals (Hardships, Unforeseeable emergencies, CRDs, and withdrawals of rollover contributions) (number) | 836 |
| In-service Withdrawals (Hardships, Unforeseeable emergencies, CRDs, and withdrawals of rollover contributions) (\$) | \$11,459,376 |
| In-service Withdrawals (Hardships, Unforeseeable emergencies, CRDs, and withdrawals of rollover contributions) (avg \$) | \$13,707 |
| Rollover Distributions (partial and total) (Count) | 1,505 |
| Rollover Distributions (partial and total) (\$) | \$209,954,781 |
| Rollover Distributions (partial and total) (avg \$) | \$139,505 |
| Partial Lump Sum Distributions (count) | 4,705 |
| Partial Lump Sum Distributions (\$) | \$28,767,252 |
| Partial Lump Sum Distributions (avg \$) | \$6,114 |
| Total Lump Sum Distributions (count) | 5,334 |
| Total Lump Sum Distributions (\$) | \$286,013,169 |
| Total Lump Sum Distributions (avg \$) | \$53,621 |
| Installment Distributions (number) | 12,262 |
| Installment Distributions (\$) | \$19,026,826 |
| Installment Distributions (avg \$) | \$1,552 |
| Required Minimum Distributions (number) | 178 |
| Required Minimum Distributions (\$) | \$1,703,090 |
| Required Minimum Distributions (avg \$) | \$9,568 |
| Domestic Relations Orders Account Splits Processed | 33 |

Table 2 below provides details on the website and call center utilization for the Plan.

| Web System Usage | 12 Months Ending 3/31/2021 Total |
|--|-------------------------------------|
| Browser logins (distinct users) | 100,762 |
| Browser logins (distinct user monthly average) | 8,397 |
| App logins (distinct users) | 44,868 |
| App logins (distinct user monthly average) | 3,739 |
| Browser logins (total logins) | 369,208 |
| Browser logins (total logins monthly average) | 30,767 |
| App logins (total logins) | 381,351 |
| App logins (total logins monthly average) | 31,779 |

| Call Center Statistics | Number of Calls |
|------------------------|--------------------|
| Q1 2021 | 8,566 |
| Q4 2020 | 7,500 |
| Q3 2020 | 7,688 |
| Q2 2020 | 5,126 |
| Q1 2020 | 5,810 |

Table 3 below provides details on the current (as of 3/31/2021) investment menu and balances. An open architecture support for investment menu design, inclusive of a target date investment option suite, should be provided as the base case. Additional scenarios are provided to contemplate potential offers including related investment management services. Any revenue sharing received would be reimbursed to participants in the funds.

| Illinois DCP Fund Name | Product Name | (Ticker /SA/CF) | Asset Class | Market Values (\$) as of: 3/31/2021 | Participant Count as of: 3/31/2021 |
|----------------------------------|---|-----------------|------------------|-------------------------------------|------------------------------------|
| Target Retirement Income Fund | Vanguard Tgt Ret Inc Tr Sel | CF | Target Date Fund | \$320,101,719 | 3,525 |
| Target Retirement 2015 Fund | Vanguard Tgt Ret 2015 Tr Sel | CF | Target Date Fund | \$332,529,256 | 2,990 |
| Target Retirement 2020 Fund | Vanguard Tgt Ret 2020 Tr Sel | CF | Target Date Fund | \$481,246,838 | 4,737 |
| Target Retirement 2025 Fund | Vanguard Tgt Ret 2025 Tr Sel | CF | Target Date Fund | \$572,954,455 | 6,676 |
| Target Retirement 2030 Fund | Vanguard Tgt Ret 2030 Tr Sel | CF | Target Date Fund | \$471,834,217 | 6,986 |
| Target Retirement 2035 Fund | Vanguard Tgt Ret 2035 Tr Sel | CF | Target Date Fund | \$355,407,344 | 6,943 |
| Target Retirement 2040 Fund | Vanguard Tgt Ret 2040 Tr Sel | CF | Target Date Fund | \$248,836,167 | 6,086 |
| Target Retirement 2045 Fund | Vanguard Tgt Ret 2045 Tr Sel | CF | Target Date Fund | \$129,583,927 | 4,993 |
| Target Retirement 2050 Fund | Vanguard Tgt Ret 2050 Tr Sel | CF | Target Date Fund | \$61,203,481 | 3,973 |
| Target Retirement 2055 Fund | Vanguard Tgt Ret 2055 Tr Sel | CF | Target Date Fund | \$30,405,842 | 2,625 |
| Target Retirement 2060 Fund | Vanguard Tgt Ret 2060 Tr Sel | CF | Target Date Fund | \$23,569,884 | 1,745 |
| Target Retirement 2065 Fund | Vanguard Tgt Ret 2065 Tr Sel | CF | Target Date Fund | \$5,999,921 | 272 |
| US Large Company Stocks Fund | BlackRock Equity Index F | CF | Equity | \$837,913,315 | 13,001 |
| US Small/Mid Company Stocks Fund | BlackRock Russell 2500 Index F | CF | Equity | \$547,962,169 | 10,750 |
| Non-US Company Stocks Fund | BlackRock MSCI ACW Ex US IM Index F | CF | Equity | \$115,597,757 | 5,533 |
| Bond Fund | BlackRock US Debt Index F | CF | Fixed Income | \$152,611,449 | 5,685 |
| Stable Return Fund | State of Illinois Stable Return Fund (Managed by Invesco) | SA | Stable Value | \$780,153,229 | 11,369 |
| Outstanding Loan Balance | Loan Fund | N/A | Other | \$43,312,066 | 5,440 |
| PLAN TOTAL | | | | \$5,511,223,037 | 103,329 |

Table 4 below provides details on the current Stable Return Fund structure and balances (as of 3/31/2021, and using custody data), which is managed by Invesco. Currently, the Stable Return Fund holds six wrap contracts and a cash buffer, which are held in custody at Northern Trust.

| Wrapped Holdings | Contract Value (\$) |
|-------------------------------------|----------------------|
| MassMutual Contract | \$114,401,147 |
| Nationwide Life Insurance Contract | \$129,257,596 |
| Prudential Insurance Contract | \$131,712,322 |
| State Street Bank Contract | \$130,417,755 |
| Transamerica Contract | \$128,770,763 |
| Voya Retirement & Annuity Contract | \$130,618,708 |
| Sub Total Wrapped Holdings | \$765,178,290 |
| Unwrapped Holdings | |
| Cash & Equivalents (Northern Trust) | \$16,784,377 |
| Grand Total | \$781,962,667 |

Table 5 below provides details on auto-enrollment (as of 12/31/2020) for the 6 months following the auto-enrollment legislation effective date of July 1, 2020.

| Auto-Enrollment Action | Number of Participants | % of Total |
|--|------------------------|---------------|
| Defaulted to 3% | 1,699* | 85.0% |
| Made Own Election (could be 3% or another % or amount) | 113 | 5.7% |
| Opted out prior to end of 30-day grace period* | 156 | 7.8% |
| Terminated Before 30-day grace period ended | 31 | 1.6% |
| Total | 1,999 | 100.0% |

*1,571 active participants and 128 terminated participants

Additional Details Regarding the Plan:

- Auto-enrollment
 - Eligible new hires (employees who first become a member or participant of the State Employees' Retirement System, Judges' Retirement System, and General Assembly Retirement System) are automatically enrolled at 3% of pre-tax compensation.
 - The participant has a 30-day grace period based on the date of hire to make an affirmative election or opt out of the Plan prior to auto-enrollment.
 - Once auto-enrolled, may elect, within 90 days after enrollment, to withdraw from the Plan and receive a refund of amounts deferred, as well as any earnings after Plan fees. The Stable Return Fund is the default investment for the first 110 days after the 30-day grace period. If no changes are made within the 110-day period, then the participant's account balance and future investment elections are mapped to the age-appropriate Target Retirement Fund. (Due to the myriad payroll schedules in place, 110 days is used to ensure that the 90-day refund window has closed prior to the Stable Return Fund to Target Retirement Fund Transfer taking place.)
- There are no employer contributions to the Plan.

- Unforeseeable Emergency / Hardship Withdrawal Process and Review
 - The current recordkeeper receives and reviews all participant requests for an unforeseeable emergency withdrawal:
 - (1) If the hardship falls under a standard hardship request (modified safe harbor guidelines), the current recordkeeper reviews to confirm if the request is in good order, and if so, processes the distribution.
 - (2) If the participant has indicated that the request is for an Unforeseeable Emergency resulting from a cause not contemplated in Code Section 2700.315(f), the recordkeeper forwards it to the Hardship Committee for review and determination.
 - The Hardship Committee is provided proper documentation to present cases to help guide the Committee in accurately identifying Internal Revenue Code (“IRC”) approved hardships.
 - The Department facilitates the meetings with additional Department team members participating and offering input. The Department does not vote on Hardship decisions.
 - Voting members include: one representative from ISBI, one CMS employee that is not in the Department, and one employee at another Agency.
- Special catch up: The plan includes a provision that allows for special catch up contributions for employees nearing retirement. The Department will complete special catch-up election forms with participants to determine their contribution limit based on the rules outlined in the Plan Document. The Department will refer the participant to the recordkeeper for that participant to make the salary deferral election and will work with the recordkeeper to ensure that the special maximum contribution limit is applied.
- Service Credits: Participants are allowed to purchase service time from the State Retirement System or one of their reciprocal retirement systems in Illinois using money from the Plan account. These forms are processed once a month by the Plan and must be accepted by the Department in good order by the 15th of the month in order to pay any money due by the end of that month. The funds are generally withdrawn from the participant’s account on the 25th to ensure payment to the retirement system by the end of that month.
- COLA buy-out rollovers: Current participants are able to roll over their entire accelerated pension benefit payment (COLA Buyout) from the State Employees’ Retirement System (SERS) to their Plan account.
- Participants are currently not able to utilize managed accounts and there is no intent to offer them.
- Participants are able to receive investment education—not advice. ISBI is interested in exploring alternative models of education/advice that best help participants achieve their retirement goals.
- ISBI expects to evaluate its approach towards retirement income in the coming months. More information regarding retirement income capabilities, services, products, and solutions is requested as part of the technical questionnaire.

Department Role and Responsibilities

Subject to the general supervision of the Board, the Department has the full authority to administer the Plan and promulgate, adopt, amend, or revoke internal management procedures which are consistent with, and necessary to implement and maintain, the Plan. The Department’s key ongoing administrative responsibilities include:

- Plan Oversight
 - Act as a resource to all employees regarding the Plan and its benefits and rules.
 - Give instruction to the recordkeeper on administrative issues.
 - Review the Plan’s administrative procedures and forms and ensure they remain accurate.
 - Review the services and administrative procedures (including process flows), policies, forms, and participant communications that the recordkeeper will use in providing services to the Plan.
 - Review reports prepared by the recordkeeper for accuracy.

- Work with CMS Internal Audit on regular internal audits in addition to working with the external auditor on an annual basis.
- Account Maintenance:
 - Transmit HR indicative data maintenance file to the recordkeeper.
 - Review HR indicative data edits and errors from the maintenance file (including SSN changes) that are questioned by the recordkeeper and determine what action needs to be taken.
- Enrollment / Deferral Changes
 - Periodically review to ensure that salary deferrals are being sent to the correct Pay Agency and work with Pay Agencies to make updates as needed.
 - Determine Special Catch-up eligibility, complete applications, and enroll participants. Notify recordkeeper and Pay Agency of approvals.
- Payroll Contribution Processing
 - Group money from Comptroller's payroll plus the various Universities, Boards and Commissions that are not a part of Illinois Office of the Comptroller, reconcile any errors or corrections, and then voucher and wire the money to the recordkeeper daily.
 - Separately, transmit a file to the recordkeeper containing the Name, SSN, and dollar amount for each participant contributing, including a breakdown of pre-tax and Roth contributions.
 - Work with DC Liaisons at each agency to correct payroll errors or verify information.
 - Review and approve COLA buy-out rollovers. Provide contribution information and send wire to the recordkeeper for the appropriate amount.
- Distributions / Withdrawals
 - Administer the second stage of the Unforeseeable Emergency provision which involves the Hardship Committee. The Department ensures proper documentation has been received to present cases to and guide the Committee in accurately identifying IRC approved hardships. Once a decision has been made, instruct the recordkeeper on the distributions to be made.
 - Required Minimum Distribution Support: Confirming Joint Last Survivor requirements are met for participants requesting this calculation. The Department also confirms participants with an active status are truly active and therefore not required to take a distribution.
 - Service Credits: Accept requests to purchase service credits from various public retirement systems in Illinois using DC money and send directions to the recordkeeper on a monthly basis to make direct distribution to purchase credits and notify those systems regarding the purchase.
 - Beneficiary Verification: If no beneficiary is on file at the recordkeeper, collect death certificate, verify beneficiary information, and instruct the recordkeeper on how the account is to be split.
- Communications / Education
 - Coordinate education meeting requests made by various divisions.
 - Provide content suggestions and review participant newsletters and other communications materials developed by the recordkeeper.
- Other
 - Process Power of Attorney and Qualified Domestic Relationship Orders and inform or direct the recordkeeper on how to effectuate the order. (The Department expects that the selected Respondent will take on primary responsibility for reviewing and qualifying these requests.)
 - Image participant and Agency communications that affect participant contributions (e.g. corrections and administrative adjustments).
 - Locate missing Participants and instruct the recordkeeper on the action to take with respect to benefits for missing Participants and benefits for Participants who have not cashed Plan benefit checks. (The Department expects that the selected Respondent will take on primary responsibility for searching for missing participants on a periodic basis.)

PLAN DOCUMENTS:

The State’s Administrative Code acts as the Plan Document for the Plan. The permanently approved Administrative Code can be found here:

<https://www.ilga.gov/commission/jcar/admincode/080/08002700sections.html>.

The Plan’s Administrative Code / Plan Document is provided to Respondents to provide an opportunity to comment upon specific ability to support the structure and benefit framework of the Plan. Within the RFP response and affirmation requests contained therein, each Respondent is encouraged to refer to the features and structure of the plan as defined within these documents.

Appendix E includes the Administrative Code for the Plan inclusive of updates related to auto-enrollment and other items that have been approved by the Board and are pending final review by the State’s Joint Committee on Administrative Rules. Please note that this appendix only contains sections with pending edits. Please see the web link above for the language pertaining to other sections.

A review of plan terms and conditions and commentary thereof is a required component of a complete RFP response. (See technical question number 74)

INDICATIVE DATA & PAYROLL INFORMATION AND LAYOUTS:

Indicative Data: Participant indicative data is sent to T. Rowe Price twice per week (7:00am on Tuesday and Friday) through Secure FTP by the State’s Department of Innovation and Technology (DoIT) in partnership with the Department.

Payroll Data: Payroll is provided by Secure FTP by DoIT in partnership with the Department.

Payroll Locations and Schedules: Currently, there is one centralized payroll file provided to the recordkeeper by the Department/DoIT. Payroll is sent to the current recordkeeper on a near daily basis due to the myriad payroll schedules in place for various State agencies.

Indicative Data File Transmission Specifications: Below is the layout for the indicative data file that the State currently provides to T. Rowe Price:

| FIELD | DESCRIPTION |
|----------------|---|
| Record Type | A - not eligible for distribution T - Eligible for distribution D - Death |
| SSN | |
| TYPE ENROLLEE | |
| SUBTYPE | |
| TYPE EFDT | YYYY-MM-DD |
| LAST NAME | |
| FIRST NAME | |
| MIDDLE NAME | |
| DATE OF BIRTH | |
| ADDRESS LINE 1 | |
| ADDRESS LINE 2 | |
| CITY | |
| STATE | |
| ZIP | |
| Zip4 | |

| | |
|--------------------------|---|
| COUNTRY | |
| COVERAGE BEGIN DATE | YYYY-MM-DD |
| SALARY | Life units |
| PREVIOUS SSN | 000-00-0000 if member does not have a previous SSN |
| SSN EFDT | YYYY-MM-DD if member has a previous SSN this date will be populated |
| Department Code | |
| Section Code | |
| REHIRE DATE | YYYY-MM-DD |
| EMP-ID | Do not map |
| HOME PHONE | |
| GENDER | |
| MARRIAGE STATUS | |
| PAY FREQUENCY | |
| AGENCY CODE | |
| ORG CODE | |
| SUFFIX CODE | |
| LOCATION | |
| AE exclusion for rehires | AE exclusion for rehires first participating prior to 7/1/2020 |

Address Updates: Address updates for actively working participants are sent by the Department on the indicative data file to the recordkeeper. Address updates for separated participants are processed by the recordkeeper. The Department and the recordkeeper are responsible for processing address changes received from beneficiaries or Alternate Payees

Salary Deferral File Transmission Specifications: Below is the layout for the file that T. Rowe currently provides to the State containing salary deferral elections:

- Plan Name
- Social Security Number
- Agency code
- Paycode
- Source Info
- Percentage or Dollar Amount
- Location
- Deferral Time and Date
- Status
- Eligibility Date
- Effective Date
 - If auto enrollment related, then the effective date is the end of the grace period.
 - If participant election, the effective date is the first of the month following the date the participant made the deferral election.
- Date of birth

A review of these documents and commentary thereof is a required component of a complete RFP response. (See technical question number 70.)

III. MINIMUM QUALIFICATIONS REQUIREMENTS

Respondents must satisfy each of the following minimum qualifications for this RFP in order to be given further consideration by ISBI. Failure to satisfy each of the requirements will result in the immediate rejection of the proposal. Failure to provide complete information will result in the rejection of the proposal.

1. Respondent and its proposed team have all authorizations, permits, licenses and certifications required by federal and state laws and regulations to perform the services specified in this RFP at the time Respondent submits a response to the RFP.
2. Respondent has total assets for recordkeeping services provided to clients in excess of U.S. \$100 billion.
3. For the administration of the loan program, the Respondent can accept ongoing loan repayments directly from a participant's bank account, versus payroll, as the State of Illinois payroll systems are currently not set up to process loan repayments.
4. For the administration of the loan program, the Respondent can create a customized system for the participant to self-certify that they do not have another outstanding loan through any other State sponsored program. The system would also calculate the maximum available loan amount in the event the participant has another outstanding loan balance.
5. For the administration of auto-enrollment, the Respondent can create a customized system to enroll participants into the stable return fund and then transfer the participant's account balance and investment elections to the age-appropriate target retirement fund once the 90-day refund period has expired, unless the participant makes an alternative election prior to the transfer taking place.
6. Respondent can administer a participant recordkeeping and administrative fee using the following formula: Participants with an account balance that is greater than a certain dollar threshold (currently \$6,700) are charged a per participant recordkeeping and administrative fee (currently \$16.75 per quarter). Account balances less than a certain dollar threshold (currently \$6,700) are charged an asset-based fee (currently 0.25% of the account balance per quarter, or 1% annually).
7. Respondent has at least 5 U.S.-based institutional DC plan clients with total plan participants in excess of 25,000. One of the five plans must have a custodied separate account.
8. Respondent has provided defined contribution recordkeeping services for a minimum of 15 years, as of December 31, 2020.
9. The Respondent's proposed relationship manager has a minimum of 10 years' experience in the defined contribution industry, as of December 31, 2020.
9. Respondent maintains sufficient procedures and capabilities necessary to ensure the timely and accurate backup and full recovery for all computers and other data storage systems related to the Plan.
10. Respondent has both (i) reviewed ISBI's Vendor Disclosure Policy **and** (ii) provided all disclosures required under the Policy. If Respondent has no disclosures to report, Respondent has indicated that fact in the firm's response. The Vendor Disclosure Policy is attached as **Exhibit A**.

11. Respondent has reviewed the Plan's Investment Policy Guidelines, found via ISBI's website (<https://www.isbinvestment.com/wp-content/uploads/2019/12/ISBI-DC-Investment-Policy-2019.12.13.pdf>), and agrees that, if retained, Respondent can provide services in furtherance of the Policy.
12. Respondent has (i) reviewed the representations and certifications outlined in **Exhibit B**, titled Required Representations and Certifications, and (ii) agrees that, if Respondent is selected to provide services to the Plan, such representations and certifications will be incorporated into the agreement. Limited drafting changes may be negotiated during any agreement negotiation.

NOTE – THE PROVISIONS CONTAINED IN Exhibit B ARE NOT EXHAUSTIVE. CERTAIN OTHER PROVISIONS WILL BE PRESENT IN ANY AGREEMENT EXECUTED BY ISBI.

IV. SCOPE OF SERVICES

To facilitate the requirements of ISBI, this RFP is soliciting proposals from qualified providers for recordkeeping, custody, and related services.

ISBI is seeking a cost-effective solution that provides access to high-quality technology, seamless delivery of recordkeeping, administrative, and custody services, and client service/support while maintaining the safety and security of the Plan's private information through a robust set of logical security environments incorporating effective internal controls and external threat mitigation. The successful Respondent must demonstrate the ability to deploy automated solutions and effectively interface with the Department and other State agencies.

The successful recordkeeper's client servicing philosophy is expected to be best in class and incorporate industry best practices. ISBI expects to be assigned a low-turnover, high-quality client servicing team consisting of knowledgeable, experienced, and responsive individuals.

The service functions required include, but are not limited to:

ORGANIZATION AND CLIENT SERVICE

1. Respondent will be an experienced provider of recordkeeping and administration for governmental 457(b) deferred compensation plans, as well as other types of defined contribution plans, with reasonable experience with similar clients to the Plan overseen by the Board.
2. Respondent will demonstrate a meaningful continued dedication to the DC recordkeeping business.
3. Respondent's organization will be stable, with strong credit ratings (if debt ratings are currently applicable) and will maintain reasonable insurance coverage, including professional liability and errors and omissions liability insurance, cyber liability and privacy breach insurance, and fidelity bond/blanket crime coverage.
4. Respondent will establish and maintain an experienced team of professionals to provide service to the account with limited professional turnover rates. Respondent's professionals are expected to be broadly available by e-mail and phone and will exhibit prompt response (24-hour acknowledgment) to ISBI Staff and Department inquiries.
5. ISBI and Respondent will mutually agree upon a service level agreement and ISBI may assess monetary penalties against Respondent for failure to meet performance standards stated within a resulting Contract. The service level agreement is expected to include items such as system and call center availability, operational timelines, participant and plan sponsor satisfaction, and improvements to participant outcomes (e.g., retirement readiness and financial wellbeing.)
6. Respondent will consider ISBI as a strategically important client and facilitate participation in any client advisory boards or other opportunities to provide feedback on the Respondent's potential products, services, and strategic direction.
7. Respondent agrees that the sole compensation for performing the services under any resulting Contract shall be the amount agreed to in the Contract. On a quarterly basis, successful Respondent will disclose to ISBI any and all compensation or remuneration from investment companies associated with the Plan and any/all such revenue from investment companies will be used to offset recordkeeping costs or maintained within a plan expense reimbursement account. Successful Respondent's failure to do this will constitute a material breach of the Contract.

CYBERSECURITY AND DATA PROTECTION

8. Respondent will provide and maintain reasonable information technology and system resources in support of its service offerings, invest in the maintenance thereof, and have documented and tested data security, disaster recovery, and business continuity plans.
9. All electronically transmitted Personally Identifiable Information (PII) must be protected, and the Respondent must indicate what safeguards are in place to ensure this information is not being accessed by unauthorized users.
10. Respondent will demonstrate a commitment to cybersecurity and data privacy which will be supported by a contractual requirement to provide (at Respondent's sole cost) at least one (1) year of credit monitoring services for any and all participants for which a data breach may have exposed Personally Identifiable Information (PII).
11. The Respondent will promptly (within 24 hours) notify the Department and ISBI Staff of any cyber incident or data breach. Respondent will proactively and thoroughly investigate and reasonably address the cause of the breach.
12. Respondent will maintain insurance policies that would cover losses caused by cybersecurity and identity theft breaches (including breaches caused by internal threats, such as misconduct by the Respondent's own employees or contractors, and breaches caused by external threats, such as unauthorized third-party access to a plan participant's account and related fraudulent activity).
13. Respondent agrees that information regarding the Plan contained in all materials, records, documents, accounting records, software programs, developed and/or maintained by Respondent for purposes relative to accounts of the Plan belong to ISBI and shall be accessible to ISBI at all times.
14. Respondent shall maintain duplicates of all records in connection with the Plan. Duplicate records shall, at all times, be kept offsite and in a place of safekeeping.
15. Respondent shall open all books, records, ledgers and journals relating to the Plan for inspection and audit by ISBI or its designee, at any time during normal working hours, with seventy-two (72) hours advance notice. Records requested shall be provided by Respondent on electronic media in an acceptable format within thirty (30) days from receipt of request.
16. Respondent agrees to provide ISBI with a detailed contingency plan for disaster recovery of Respondent's electronic data processing equipment that assures some system functionality will be back in operation within forty-eight (48) hours of a disaster.
17. Respondent must have an established business continuity and disaster recovery plan in place that includes procedures and regularly scheduled testing of the cut over to the recovery site and return switch over to the main site.
18. Respondent agrees that all information obtained by it from any employee, whether the employee becomes a participant or not, shall be kept in absolute confidence and shall not be utilized by Respondent or any of its officers, directors, agents or employees in connection with any other matter without prior written consent of ISBI.
19. Respondent will protect confidential information against unauthorized access, loss, disclosure, modification, or misuse.

20. Respondent will meet all applicable federal, state, and local laws, rules, regulations, directives, and other governmental requirements pertaining to the privacy, confidentiality, or security of participants' personal information.
21. Respondent agrees to provide standard governance documents documenting and supporting its maintenance of effective policies, standards, procedures, and internal controls for review by ISBI and ISBI's authorized designees.
22. Respondent will no less frequently than annually obtain a third-party audit (i.e. SSAE 18 / SOC 1) to support review of service organizational controls over information security policies and procedures related to the services that the Respondent would provide as a result of this RFP and will provide such audit reporting to ISBI and ISBI's authorized designees.
23. Respondent will no less frequently than annually obtain a third-party audit (i.e. SSAE 18 / SOC 2, or analogue) to support review of service organizational controls over cybersecurity standards and practices related to the services that the Respondent would provide as a result of this RFP and will provide such audit reporting to Board and Board's authorized designees.

RECORDKEEPING & ADMINISTRATION SERVICES

24. The Department obtains and maintains participation, demographic, financial and other data from various State agencies and Universities in order to administer the Plan under the supervision of the Board. Upon receipt of the indicative data file, the Respondent shall enter such data into its recordkeeping system (including creating shell accounts for new participants) and provide for the proper operation and maintenance of the records of the Plan. Respondent will create a report for any edits and errors and send it to the Department for review.
25. Respondent's recordkeeping system(s) must have the capability to:
 - a. execute fund replacements and mappings as directed by plan sponsor;
 - b. daily valuation and settlement of trades for investment funds;
 - c. accurately maintain and record-keep participant accounts;
 - d. systematically process automatic enrollments, automatic contribution escalation, and opt-out elections thereof, pursuant to the provisions of the Plan document;
 - e. track multiple contributions separately, including but not limited to: participant pre-tax contributions, catch-up, Roth, and rollover;
 - f. maintain separate accounts for amounts rolled in from other eligible plans by an individual participant;
 - g. maintain transaction history with archiving capabilities; and
 - h. provide plan administrator with appropriate demographic information as updated from a mutually agreed upon payroll file structure and allow for viewing of beneficiary information and facilitate updates by plan administrator and participants

26. Respondent will provide or facilitate the following enrollment services:
 - a. Respondent will send enrollment information to newly eligible employees, notifying them of their eligibility to participate in the Plan.
 - b. Respondent will allow for use of auto enrollment and auto escalation options for the Plan.
 - c. Respondent will notify participants who are eligible for auto-enrollment of the grace period to make an enrollment election and will automatically enroll participants who do not make an election according to the rules of Plan.
 - d. Allow participants to enroll in the Plan electronically or via a customer service representative.
 - e. Participants will be able to elect rate of contributions as either a flat dollar amount or a percentage of pay.
27. Respondent will provide a transmission file to the Department (for dissemination to the various agencies) for processing changes that impact payroll processing. This includes, but is not limited to new enrollments and contribution rate changes and other payroll-related activities. Please note that while loan repayments are currently not processed through payroll, Respondent must have the ability to process payroll loan repayments if requested by ISBI.
28. Respondent will have the ability to accommodate weekly, bi-weekly, and monthly payroll feeds from a single Payroll source. Note that the Plan currently processes payroll on a near-daily basis due to the various payroll schedules in effect for various agencies.
29. Respondent will provide or facilitate the following contribution/allocation services:
 - a. Employer, or its agent, will calculate and collect all employee contributions under the Plan and Respondent will facilitate the deposit of such monies into the Trust within the timeframes established by the Department of Labor.
 - b. Respondent will allocate and/or post participant contribution amounts, by applicable contribution type, to individual accounts.
 - c. Contributions made to be Plan will be invested consistent with the participant's investment elections, or as otherwise directed by the Department.
30. Respondent will accommodate receipt of contributions via direct debit, ACH, wire, or other mutually agreeable format from the Department, including reconciliation on overages and shortages. Respondent will reconcile the total amount wired from the Department with the total contribution amount listed for each participant.
31. Respondent will create a customized system to enroll participants into the stable value fund and then transfer the participant's account balance and investment elections to the age appropriate target retirement fund once the 90-day Plan withdrawal period has expired, unless the participant makes an alternative election prior to the transfer taking place. (Please see the Complexity Details section for more information on the current administrative process.)
32. Respondent will maintain an information sharing feed with the recordkeeper of the State Universities Retirement System ("SURS") Deferred Compensation Plan (currently Voya Financial) related to contributions received by participants of University employers eligible to participate in both plans. (The file contains SSN, YTD contributions, and Year for eligible participants.)
33. Respondent will process withdrawal transactions for auto-enrolled participants who wish to withdraw from the Plan during the time allowed according to the Plan Document.

34. Respondent will accept rollover-in money from other 457, 401k, 403b and qualified plans as allowed by the Plan Document and process rollover contributions.
35. Respondent will process COLA buy-out rollovers based on direction from the Department.
36. Respondent will, with respect to any investment directed by the participants, process transactions according to the elections made by the participant and authorized by ISBI.
37. Respondent will execute all buy, sell, reinvestment directions from ISBI or its duly appointed investment manager; and shall follow the direction of the participant in the investment of their individual account balances among the investment options made available under the Plan.
38. Respondent will monitor, track, and report frequency of trading based upon mutual fund company governing instruments which may include the calculation, collection, and remittance of redemption and excessive trading fees.
39. Respondent will provide or facilitate the following services related to Loans:
 - a. Respondent shall process loans in accordance with the current loan policy on file and consistent with the Plan Document. Please note that terminated participants are currently allowed to request new loans.
 - b. For the administration of the loan program, the Respondent will create a customized system for the participant to self-certify that they do not have another outstanding loan through any other State sponsored program. The system would also calculate the maximum available loan amount in the event the participant has another outstanding loan balance.
 - c. Participant loan proceeds will be mailed / direct deposited to the participant on the effective date of the loan.
 - d. In the case of a change of a participant's status to or from a leave of absence, Respondent will be responsible for any necessary re-amortization of the loan.
 - e. Respondent will accept ongoing loan repayments directly from a participant's bank account or check. (Please note that the State of Illinois payroll systems are currently not set up to process loan repayments, so there are no payroll loan repayments.)
 - f. In the event that a participant elects that a loan should be prepaid, Respondent will calculate the full loan payoff amount.
 - g. Process deemed distributions for participants who do not repay their loans.
 - h. Respondent will periodically furnish to the Department a delinquent loan report indicating loans that have not been repaid in a timely manner.
40. Respondent will process participant requests for hardship withdrawal distributions due to an Unforeseeable Emergency. Respondent will review all hardship requests received based on the following procedure:
 - a. If the hardship falls under a standard hardship request (modified safe harbor guidelines), Respondent reviews to confirm if the request is in good order, and if so, processes the distribution.
 - b. If the participant has indicated that the request is for an Unforeseeable Emergency resulting from a cause not contemplated in the appropriate section of the Plan Document, Respondent will forward the request to the Hardship Committee for review and determination

41. Respondent will provide or facilitate the following services related to Benefit Payments:
 - a. Respondent will process withdrawals and distributions, including any required minimum distributions, properly requested and consented to by the participant, beneficiary, and alternate payee, if applicable.
 - b. Respondent will comply with relevant federal income tax withholding and reporting laws on benefit payments.
 - c. Respondent will prepare and distribute Internal Revenue Service Forms 1099-R.
 - d. Respondent will have an established process to handle RMD calculation and processing for participants and beneficiaries.
 - e. Respondent will notify the Department on a periodic (not less than annual) basis of all participants for whom Respondent receives returned mail or otherwise does not have a current mailing address.
 - f. Respondent will be responsible for facilitating the tracking of returned mail and will perform a search for missing Participants and beneficiaries who are entitled to benefit payments from the Plan using commercially available tools no less frequently than annually.
42. Respondent will provide a report back to the Department of the Service Credits Processed by agency to be provided to the agency for posting upon receipt of funds.
43. Respondent will be authorized to receive certain compensation ("float") from the use of un-invested funds as is reasonably necessary during the period of time in which a benefit distribution check is outstanding, an investment transaction is pending, or any similar transaction is in progress but must report the formulas, policies, and amounts of such compensation on a periodic (not less than annual) basis.
44. Respondent shall maintain an account under the Plan (the "Plan Expense Account") to be used solely to pay permissible Plan expenses, including recordkeeping fees. Respondent shall cause fees and expenses to be paid from the Plan Expense Account only at the direction of ISBI. Respondent shall provide a detailed accounting to Board as of the last day of each calendar month of all recordkeeping and shareholder servicing fees, as well as any Participant administrative fees, deposited to the Plan Expense Account and all fees and expenses paid out of the Plan Expense Account in accordance with the Contract.
45. Respondent will deduct administrative fees based on a mutually agreeable structure with ISBI (such as a percentage of assets on a quarterly basis or a per participant fee basis) and deposit such fees into the Plan Expense Account. Respondent will calculate, track, and report quarterly to ISBI on all payments and related activities. ISBI may change the administrative fees and payment methodology from time to time.
46. Respondent must have systems and procedures in place to provide outsourced assistance to the Plan Administrator with qualification of / capabilities to process Unforeseeable Emergency / Hardship Withdrawals, Account Transfer to Beneficiary(-ies) in case of death of Participant, and plan-to-plan transfers as specified in the Plan Document. Fees for such services must be fully disclosed and reasonable.

47. Respondent will provide or facilitate the following services related to beneficiary processing:
- a. Respondent will allow participants to update their beneficiary designation via an online platform, call-center facilitated process, and paper forms (upon request and as needed due to signature requirements). It is expected that existing beneficiary elections on file will be moved to the Respondent's system if a transition occurs.
 - b. For instances requiring a form, Respondent will review forms submitted by the Department or participants for completeness and create electronic images of such forms to make them viewable on an online platform.
48. Respondent will have an established process to handle death benefit processing – take calls from family, collect death certificate, and confirm beneficiary information. The Respondent will work directly with the Department regarding participants for whom a beneficiary election is not on file, or where the beneficiary designation is on file at the Department. Once the beneficiary designation is determined to be in good order, Respondent will process the transfer to the beneficiary and process any payment requests.
49. Respondent must have systems and procedures in place to provide administrative processing of Qualified Domestic Relations Orders ("DROs"). The recordkeeper shall have primary responsibility for determining whether any QDRO filed with the Plan is qualified and for processing all instructions necessary to effectuate such order.
50. Respondent will have systems and procedures in place to provide support in reviewing and processing requests for Power of Attorney ("POA") status.
51. Subject to ISBI's authorization and direction, Respondent will process the following types of changes to the individual account of any participant based on the electronic instructions, or the oral instructions if conveyed directly to a CSR, of any person who is properly authenticated:
- a. Investment Transfers
 - b. Investment Election Changes
 - c. Deferral Rate Changes
 - d. Distributions, Withdrawals, and Loans
 - e. Address changes for terminated participants
52. Respondent will provide or facilitate the following Account Access and Technology services:
- a. Voice Response Unit (VRU)
 1. Respondent will provide Plan Participants toll-free access to the Voice Response Unit ("VRU") modules.
 2. Respondent will use commercially reasonable efforts to ensure that the VRU system is available 7 days a week and 24 hours a day, except during maintenance downtime.
 3. Respondent will issue each participant a Personal Identification Number ("PIN"), which allows the participant access to Plan and individual account information or transactional capabilities.
 - b. Customer Service Representatives (CSR's)
 1. Respondent will provide participants access to the services of a CSR Team by means of a toll-free number.
 2. Respondent will make CSRs available to provide participants with Plan information and to initiate or execute Plan transactions upon receiving oral instructions from

participants.

3. Toll free number must minimally provide 8 AM to 8 PM coverage within the US Central Time Zone.
- c. Internet or Online Platform
 1. Respondent will provide participants 24-hour access to their account information through a secure online or internet web site.
 2. Respondent will additionally provide participants with online access through either a mobile optimized website or a mobile application that is available with major operating systems.
 3. Respondent will also provide the Department and ISBI with online access to a secure plan sponsor web site. Respondent will be responsible for training the Department and ISBI Staff on appropriate use of the portal.
- d. Technology Business Continuity and Disaster Recovery:
 1. Respondent will have an established backup plan in place that ensures the Respondent can restore all participant data, transaction history, and other client-related data in the event of a system malfunction or failure.
 2. Respondent must have an established disaster recovery plan in place that includes procedures and regularly scheduled testing of the cut over to the recovery site and return switch over to the main site.

53. Respondent will provide training to the Department and ISBI Staff to assist them with using the online portal and completing administrative tasks for employees.

54. Respondent will proactively communicate with the Department, ISBI Staff, and ISBI with regards to ways to improve the design and administration of the Plan.

COMPLIANCE SERVICES

55. Respondent will provide Code Section 457 contribution monitoring to provide an additional check to ensure that participants do not contribute in excess of the applicable IRS limits and report the results to the Department.

56. Respondent will generate quarterly report of current contribution rates and YTD contribution amounts on file to facilitate regular audits by the Department.

57. Respondent will prepare and deliver to the Department and ISBI such reports as may be reasonably requested by ISBI from time to time, including an annual report similar to the Form 5500, for the time period during which the Respondent keeps the Plan's records

58. Respondent will supply ISBI annually with summary annual report(s) that ISBI can use to distribute annually to participants.

59. Respondent will provide legal services and assistance implementing new laws and regulations that would affect the operations of the Plan.

60. Respondent will prepare and distribute to participants all disclosures currently and prospectively required by DOL and/or IRS regulations.

61. Respondent will prepare a year-end asset and liabilities statement package that includes summary schedules of reportable transactions, an annual trust statement, SSAE 18 / SOC 1 reports, and participant activity reports. The year-end statement package will be generated following the Plan year-end, conditioned upon receipt of all pertinent information for DC Plan assets held in the Trust.
62. Respondent will provide audit support to the Plan's internal and/or external auditors. Respondent will either provide reporting to the auditors or provide the auditors with online access to the appropriate reporting through the plan sponsor website.

COMMUNICATION, EDUCATION, AND FINANCIAL WELLNESS SERVICES

63. Respondent must be willing to assist with the design and implementation of a process and procedure to manage both initial and ongoing implementation communication for all active, terminated, and eligible participants in the Plan.
64. Respondent will proactively work with the Department, ISBI Staff and ISBI to review and assess communication/education goals and strategies for each year. Respondent will take the lead on analyzing the Plan's data and identifying potential approaches to communications/education based on that data.
65. Respondent must develop and produce quarterly participant statements, plan enrollment and other strategic communications materials as agreed upon by Respondent and ISBI as part of the recordkeeping services and included within core recordkeeping fees.
66. Respondent will provide the following services regarding participant statements:
 - a. Respondent will issue participant statements after the end of each plan year quarter.
 - b. Respondent will maintain a statement format and content review process with the Department prior to the posting or mailing of statements.
 - c. Participant statements will be posted directly to the participant's online account with Respondent or mailed to the participant.
 - d. If a participant has a valid e-mail address on file, he or she will receive an electronic notification that his or her statement is viewable on the Respondent website. The participant will not receive a paper statement, unless otherwise requested.
 - e. If a participant has elected to receive his or her statement via e-mail, but the e-mail is undeliverable (i.e., the e-mail bounces), then the e-mail address will be removed from the account and a paper statement will be mailed to the address on record.
 - f. If an account is known to have an incorrect address, based on an item having been returned by the USPS as undeliverable, then a statement will not be mailed until a corrected address is received.
67. Respondent will develop a quarterly newsletter that will be included with each participant statement. Respondent will work with the Department and ISBI Staff each quarter to determine the content of the newsletter.
68. Respondent must have a communications/education staff for the purpose of creating, designing, and producing marketing, education, and communication materials that are designed to meet the information needs of governmental 457(b) plan participants and beneficiaries, as well as potential plan participants, on an ongoing basis.

69. Respondent may charge for the costs of production or reproduction of communications other than participant statements, plan enrollment and other strategic communications materials as agreed upon by Respondent and ISBI provided that an advance cost estimate is prepared by Respondent and mutually agreed upon in writing by both parties.
70. Respondent must be willing to affirm in the Contract that it will provide plan education and communication support with a strict rule against any conflicts of interest or cross-selling of services or investment products and to provide and maintain appropriate controls to prevent any violations.
71. Respondent may be required to assist with the regular updates of summary plan documents / plan education materials or posting of current SPDs and other materials on the vendor's participant website and the Department website for access by participants.
72. Respondent will distribute an enrollment kit to all eligible employees. Upon reasonable notice, the Respondent shall provide the production, printing and assembly of enrollment kits on an ongoing basis for distribution to eligible employees who are not participants in the Plan. If requested by ISBI, the Respondent shall coordinate the printing of enrollment forms.
73. Respondent must have trained representatives to present worksite educational seminars and participant meetings on the details of the plan as they are available to the participants.
74. If instructed by ISBI, Respondent shall provide enrollment representatives for a minimum of 50 days (at least 4 meetings per day) of on-site employee educational meetings.
75. Respondent must be willing to make available onsite (and/or via customized webinars or web-conference) trained representatives to service the plan participants on an ongoing basis at negotiated periods of time upon request.
76. In-person and call center representatives will be employees of the Respondent paid on a salary plus bonus structure and will adhere to a strict rule against any conflicts of interest or cross-selling of services or investment products, and they will additionally have appropriate licensing and/or advanced certifications/degrees to provide services to participants. The Respondent will maintain appropriate controls to ensure that representatives adhere to these rules.
77. Respondent must be able to communicate directly with participants concerning relevant changes in tax legislation which affect relevant defined contribution and deferred compensation plans, changes in enrollments, investment options, transmittal of distributions, and distribution of quarterly benefit statements.
78. The information provided in all such communications should also be available at a centralized web location, and should be sent out by email upon request.
79. All communications between participants and Respondent's representatives requires approval by the Department and ISBI Staff prior to delivery.
80. Respondent shall provide an optional holistic financial wellness offering that can be made available to the Plan's participants. Financial wellness offering shall include, but is not limited to, coverage for the following topics: Savings; Budgeting; Debt Management; Taxes; Healthcare; Education Costs / Student Loan Debt.

INVESTMENT MANAGEMENT, INVESTMENT OPTION TRADING, AND CUSTODY SERVICES

81. Respondent will provide an open architecture investment framework as follows:
 - a. Complete coverage of current asset classes
 - b. No restrictions on manager, vehicle, or share class choices
 - c. Support for mutual funds and NSCC-eligible collective trusts and separate accounts pursuant to trading agreements.
 - d. A completely open-architecture pricing proposal must be provided by the Respondent as the primary pricing scenario. Respondent may propose alternative pricing scenarios that include a separate offering of a proprietary fixed account / stable value product and/or target date funds.
82. Respondent, an affiliate thereof, or a qualified third-party provider of custodial services, will support the use of white label investment options, including fund of one and multi-manager structures.
83. Respondent will place trades that are directed after the close of any major stock exchange as of the next day the applicable stock exchange is open and conducting business.
84. Respondent will process, on behalf of the Trust, any vote, proxy, tender, or similar rights incident to ownership of any plan assets held in the Trust, upon written direction from the employer or its agent (including any duly appointed investment manager) and will facilitate the solicitation of voting instructions for participant directed assets as necessary.
85. Respondent will provide fund fact sheets for the existing white label fund options.
86. Respondent must accurately and fully disclose all investment expenses and revenue-sharing arrangements associated with all investment offerings through the Plan. This includes both proprietary and non-proprietary investment options. Revenue-sharing (including sub-transfer-agent fees and proprietary fund investment fund sharing) monies, for both proprietary and non-proprietary products, **MUST** be disclosed to the plan sponsor, and credited back to the participants.
87. Respondent, an affiliate thereof, or a qualified third-party provider of custodial services, will act as Custodian of a custodial bank account for the Plan and will register and safe-keep all Plan assets; execute and settle all buy, sell and reinvestment transactions; and, collect and report all dividend and interest payments. All cash contributions to the Plan pending investment, all cash being transferred among the investment options offered by the Plan, and all cash awaiting distribution to the Plan's participants and beneficiaries will be held in a custodial bank account for the exclusive benefit of the Plan's participants and their beneficiaries.
88. Respondent will register and safe-keep the Plan's assets, execute all buy, sell and reinvestment transactions, and collect and report all dividend and interest payments.

IMPLEMENTATION

89. Respondent will provide a well-articulated description of a transition/conversion process clearly outlining expectations of the Department and ISBI Staff, timelines, and resources involved.
90. If selected, a Non-Incumbent Respondent will effectively and in a risk-controlled manner facilitate the conversion of participant records and recordkeeping processing no later than July 1, 2022, or as subsequently mutually agreed.
91. Respondent will be expected to review the Plan and make best practice recommendations.

FEES / ECONOMICS

92. Respondent must have the ability to provide recordkeeping services in an unbundled fashion that uses per-participant fees assessed on either a monthly or a quarterly basis, in arrears, using period-end counts of participants with a balance. Base fees and per-transaction fees paid by the requesting party may be used but must be transparently communicated and reasonable.
93. Fee agreements must take the following form: an explicit fee quote for recordkeeping, custody, and related services. If custody services from an additional third-party are proposed, those parties should be identified as part of the response, and the fees must be included in the fee proposal.
94. Respondents must clearly articulate their revenue requirement and expectations from the Plan and overall account relationship on an annual basis and articulate/define any and all assumptions relied upon to generate such revenue.
95. Proposals for core recordkeeping services made with contingent assumptions of usage of ancillary products or services not requested within the scope of services must be clearly defined and a contingent proposal must be accompanied by a proposal that clearly articulates the proposal for core recordkeeping services without such services.
96. Respondent must clearly identify ALL additional and/or transactional fees that may apply for both in scope as well as optional items.
97. Respondent must put forward its estimate of an annual communications budget and onsite meeting allotment applicable to this relationship.
98. Respondent must clearly outline any/all assumptions and conditions relied upon, if any, in assembling its response and economic proposal.
99. Any revenue sharing, including, but not limited to, shareholder servicing fees, administrative fee payments and sub-transfer agent fees received by the Respondent or its affiliates and retained service providers must be accounted for, reported to ISBI and rebated directly back to participants on a quarterly basis at a minimum.

V. TIMELINE

The timeline of the RFP process as currently planned (subject to change at the sole discretion of ISBI without liability) is as follows:

| | |
|--|----------------------|
| RFP Issued: | May 3, 2021 |
| Questions on RFP Due: | May 10, 2021 |
| Responses to RFP Questions Provided: | May 17, 2021 |
| Reponses to RFP Due: | June 3, 2021 |
| Finalist(s) Onsite Due Diligence (as needed): | July 2021 TBD |
| Contract Performance: | July 1, 2022 |

VI. INFORMATION TO BE PROVIDED BY RESPONDENT

Respondents should provide all of the information below as part of their response. Responses which, in the opinion of ISBI, materially deviate from the prescribed format may be rejected. All responses to the RFP will be subject to verification for accuracy. Proposals containing false or misleading information may, at the discretion of ISBI, be rejected.

1. EXECUTIVE SUMMARY OF RESPONSE

Provide an executive summary of your response in bulleted format (no longer than two pages) that indicates the key differentiated features of your firm and why its proposal to ISBI for recordkeeping, administrative, and custodial services should be chosen.

2. TRANSMITTAL LETTER

A transmittal letter must be submitted on the Respondent's official business letterhead. The letter must identify all documents provided collectively as a response to the RFP and must be signed by an individual authorized to bind the Respondent contractually. **An unsigned proposal shall be rejected.** The letter must also contain the following:

- Statement that the proposal is being made without fraud or collusion; that the Respondent has not offered or received any finder's fees, inducements or any other form of remuneration, monetary or non-monetary, from any individual or entity relating to the RFP, the Respondent's proposal or ISBI's resulting selection.
- Statement that discloses any current business relationship or any current negotiations for prospective business with ISBI or any ISBI Board Members or ISBI Staff.

3. TECHNICAL QUESTIONNAIRE

Respondents must complete the technical questionnaire per the instructions in ***APPENDIX A – TECHNICAL QUESTIONNAIRE***. The information requested must be provided in the prescribed format. If you provide a PDF version of your response, you must provide an MS Word version of your response to the questions in Appendix A.

4. FEE PROPOSAL

Respondent must complete the fee proposal per the instructions in ***APPENDIX B – FEE PROPOSAL***. The pricing information electronic format submission must be in materially the same layout and MS Excel format as specified in Appendix B.

5. MINIMUM QUALIFICATIONS CERTIFICATION

Respondents must satisfy each of the following minimum qualifications for this RFP put forward in section ***III. MINIMUM QUALIFICATIONS***, in order to be given further consideration by ISBI. Failure to satisfy each of the requirements will result in the immediate rejection of the proposal. Failure to provide complete information will result in the rejection of the proposal. Respondents must complete their certification of minimum qualifications satisfaction as specified in ***APPENDIX C – MINIMUM QUALIFICATIONS CERTIFICATION***.

6. **SCOPE OF SERVICES AFFIRMATION**

All Respondents must agree (by written affirmation) that it will adhere to the scope of services put forward by ISBI in section **IV. SCOPE OF SERVICES** or detail any areas of proposed modifications or exceptions to them. Respondents must complete their affirmation of adherence as specified in **APPENDIX D – SCOPE OF SERVICES AFFIRMATION**.

7. **PROPOSED AGREEMENTS**

Respondents must attach your applicable **recordkeeping, administration, and custody** agreements. All agreements should reflect your proposed terms and should not be in conflict with ISBI's required contractual terms.

8. **PROPOSED SERVICE LEVEL AGREEMENT**

All respondents will be required to enter in a binding Service Level Agreement that establishes applicable service levels. The respondents must be willing to submit monthly reporting assessing performance against the service levels. Include in your response your proposed Key Performance Indicator (KPI) categories and applicable service levels, clearly specifying economic penalties associated with exceptions to the required KPIs. Provide your proposed KPIs as part of your response to the **APPENDIX B – FEE PROPOSAL**. (See tab **"Performance Standards"**)

9. **ADDITIONAL MATERIALS REQUESTED:**

All respondents shall provide copies of sample report materials as identified in **Appendix A** (Technical Questionnaire); they are also listed below for your reference. If an alternate or expanded table of contents is indicated, please follow this order (identifying electronic file names) and clearly indicate where section breaks occur.

Please clearly label this attachment and electronic media with the following label: **Additional Materials Requested**.

- Sample recordkeeping services contract and related documentation (Q 23)
- Sample Performance Standards (Q 31)
- SSAE 18/SOC 1 (Type 2 preferred) auditor's report (Q 52)
- SSAE 18/SOC 2 (Type 2 preferred) auditor's report (Q 53)
- Standard monthly and quarterly reporting package (Q 92)
- Sample statements and other standard confirmations/documents (Q 106)
- Sample standard communication and education package (Q 107)
- Form CRS and other Advice-related Disclosures (Q113, Part G)
- Samples of relevant participant education / advice / wellness materials (Q 125)
- List of all the mutual funds and DC-eligible collective funds available (Q 134)
- Implementation Timeline (Q 152)
- Self-Directed Brokerage Commission Schedule (Fee Proposal)

VII. SUBMISSION OF WRITTEN QUESTIONS

Respondents shall not discuss or share the contents of their proposals with other potential Respondents. Questions Respondents may have regarding the information presented in this Request for Proposal must be sent via e-mail to Stephen Budinsky (Stephen.Budinsky@rvkinc.com), Jonathan Kowolik (Jonathan.Kowolik@rvkinc.com), and ISBI.Backstop@isbinvestment.com **no later than May 10, 2021 at 5pm ET.**

All communication regarding this RFP is to be conducted through the above specified representatives of ISBI. Any attempt by Respondents to communicate with other representatives may result in elimination from the process.

All questions received by this date will be answered in writing to all parties receiving the RFP without divulging the source of the query by **May 17, 2021.**

VIII. SUBMISSION OF PROPOSALS

To be considered a complete response, each Respondent must follow the following procedure:

All proposals must be received at the contact information and format designated below **no later than June 3, 2021 at 5pm ET.**

The proposal must include all items specified in **Section VI. INFORMATION TO BE PROVIDED BY RESPONDENT.**

Electronic Submission:

Proposals should be submitted via email to Jonathan.Kowolik@rvkinc.com, Stephen.Budinsky@rvkinc.com, and ISBI.Backstop@isbinvestment.com.

Please note the electronic response of the completed technical questionnaire (Appendix A) must be submitted in Word document format and the completed fee proposal (Appendix B) must be submitted in Excel spreadsheet format.

Additional Information regarding the submission of proposals:

- A. Cost Liability** - Neither ISBI nor RVK, Inc. shall be liable or responsible for any costs incurred by any Respondent responding to this RFP or prior to the issuance of a contract. ISBI will not pay expenses and costs incurred outside the scope of the applicable compensation schedule.
- B. RFP Information** - Neither ISBI nor RVK, Inc. guarantees the validity or reliability of information obtained from other sources. If it becomes necessary to revise any part of this RFP, an addendum will be provided to all Respondents that received the initial form of the RFP.
- C. Respondent's Responsibility** - Each Respondent should familiarize itself with the service specifications and the work to be performed before submitting a response.
- D. RFP Response Validity** - All proposals are to remain valid for at least 180 days from the date of submission.
- E. Disclosure of Proposal Contents** - All materials submitted by Respondents shall become the property of ISBI and will not be returned. Proposals submitted may be reviewed and evaluated by any person designated by ISBI, in its sole discretion.
- F. Economy of Presentation** - To be considered for selection, Respondents must submit a complete response to this RFP. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Respondent's capabilities and approach in meeting the requirements set forth in this RFP. The emphasis should be on each proposal's completeness and clarity of content.
- G. Rejection of Proposals** – ISBI (or its designee) will be the sole judge of the Respondent's responsiveness to the RFP and reserves the right to reject any or all responses, with or without cause, without incurring any liability whatsoever.
- H. Contract Execution or Further Due Diligence** - After selection, ISBI may enter into contract negotiations with the selected Respondent to finalize terms, fees and conditions. Alternatively, at the sole discretion of ISBI, a further due diligence process, including interviews and/or on-site investigations, may be conducted.

I. Contact with Plan Sponsor - Interested firms should not contact any employee, officer, or Board member of ISBI concerning this RFP after the date of issuance of the RFP (except as required during the natural course of pre-existing business relationships or with the prior approval of RVK). All correspondence, inquiries, and communications regarding the RFP should be directed to RVK.

J. Further Instructions and Conditions

- a. All responses to this RFP must conform to these instructions. Failure to conform may be considered appropriate cause for rejection of the response.
- b. Terms and conditions of RFP – Submission of a proposal indicates the Respondent's acceptance of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between ISBI and the firm selected.
- c. Timing and sequence – The timing and sequence of events resulting from this RFP will be determined solely by ISBI.
- d. Oral agreements - Any alleged oral agreement or arrangement made by a Respondent with ISBI or ISBI's Consultant thereof shall be superseded by the written contract between ISBI and such a Respondent.
- e. Amending or canceling requests - ISBI reserves the right to amend or cancel this RFP, prior to the due date and time, at its sole discretion.
- f. Rejection for default or misrepresentation - ISBI reserves the right to reject the proposal of any Respondent that is in default of any prior contract, for misrepresentation or otherwise, as may be determined.
- g. Respondent's presentation of supporting evidence – A Respondent, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in its response.
- h. Clerical errors in awards – ISBI reserves the right to correct inaccurate awards resulting from its clerical errors.
- i. Rejections of qualified proposals – Proposals are subject to rejection in whole or in part if they limit or modify any of the terms and conditions and/or specification of the RFP.
- j. Respondent's presentation of supporting evidence – A Respondent, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in its proposal.
- k. Changes to proposal – No additions or changes to a Respondent's original proposal shall be allowed after submittal, except where corrections of errors or omissions may serve the best interests of ISBI as defined above. Clarification at the request of ISBI may be required at the Respondent's expense.

- I. Right to award, reject or waive – ISBI reserves the right to award in part, to reject any and all proposals in whole or in part, to waive technical defects, irregularities and omissions if, in its judgment, the best interests of ISBI will be served. Nothing in the document obligates ISBI to establish a legally binding contract with any Respondent. This RFP does not constitute an offer by ISBI. ISBI reserves the right to select and terminate any firm as deemed necessary based on the needs of ISBI and its employees. ISBI reserves the right to request additional information from any or all proposals as is necessary.

K. Other Procedural Information

Notice. ISBI will provide notice of this RFP in one or more industry periodicals at least 14 days before the response to the RFP is due. The RFP document may also be obtained from the ISBI website. Neither this RFP nor any response to this RFP should be construed as a legal offer.

Diversity. Public Act 96-0006 encourages ISBI to increase the racial, ethnic, and gender diversity of its fiduciaries, to the greatest extent feasible within the bounds of financial and fiduciary prudence. In furtherance of this Act, it is the goal of ISBI to use its best efforts to increase the racial, ethnic, and gender diversity of its fiduciaries, including its investment managers.

Response Submissions. All interested Respondents must submit their responses in accordance with the proposal submission instructions herein. ISBI reserves the right to reject any or all proposals submitted. All material submitted in response to the RFP will become the property of ISBI. ISBI is not responsible for any costs incurred by the Respondents in responding to this RFP.

Revisions. If it becomes necessary to revise any part of the RFP, or if additional information is necessary for a clarification of provisions within this RFP, prior to the due date for proposals, a supplement will be provided to all known Respondents and posted on the ISBI's website. If a supplement is necessary, ISBI may extend the due date and time of the proposals to accommodate any additional information requirements.

Freedom of Information Act. Respondents are advised that proposal materials are subject to the Illinois Freedom of Information Act (5 ILCS 140). After completion of the RFP, selection by ISBI and successful negotiation of a contract, if any, proposals submitted may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the Illinois Freedom of Information Act for information within the Respondents' proposals must identify relevant language as confidential and identify in the email transmission of the proposal whether confidential information is included. Further, each page of confidential documentation must be labeled as such. The Respondent must also specify which statutory exemption applies for each piece of confidential information. The Freedom of Information Act can be found at the Illinois General Assembly's website (<http://www.ilga.gov/>).

ISBI reserves the right to make determinations of confidentiality. If ISBI disagrees with a Respondent's confidential designation, it may either reject the proposal or discuss its interpretation of the exemptions with the Respondent. If agreement can be reached, the proposal will be considered. If agreement cannot be reached, ISBI may remove the proposal from consideration. Respondents waive any cause of action against ISBI if ISBI discloses any information provided by a Respondent pursuant to this RFP that was required to be disclosed pursuant to law.

Applicable Law. ISBI shall conduct the RFP process in accordance with applicable provisions of the Illinois Pension Code, the State Officials and Employees Ethics Act and any other relevant authority under the Illinois Compiled Statutes. Ex parte communications between the ISBI and its Staff and interested parties, including Respondents, or non-interested parties shall be recorded or disclosed, in accordance with the State Officials and Employees Ethics Act.

Other Requirements and Information.

No Respondent shall retain a person or entity to influence (i) the outcome of an investment decision or (ii) the procurement of investment advice or services of the ISBI for compensation, contingent in whole or in part upon the decision or procurement.

ISBI shall post the name of the successful Respondent, if any, on ISBI's website, along with a disclosure including the total amount applicable to the contract, the total fees paid or to be paid and a description of the factors that contributed to the selection of the Respondent.

This RFP does not obligate ISBI to complete the RFP process. ISBI reserves the right to amend or re-bid any segment of the RFP prior to the announcement of the selected firm(s). In case of such amendment, all Respondents will be afforded the opportunity to revise their proposals to accommodate the RFP amendment. ISBI also may, at its discretion, issue a separate contract for any service or group of services included in this RFP.

ISBI reserves the right to request additional information from any or all Responders to assist it in its evaluation process.

IX. PROPOSAL EVALUATION PROCESS

ISBI may reject any or all proposals and may or may not in its sole discretion, waive any immaterial deviation or defect in a proposal. ISBI's waiver of an immaterial deviation or defect shall in no way modify the Request for Proposal or excuse the Respondent from full compliance with the proposal requirements.

Proposals that contain false or misleading statements or that provide references which do not support an attribute or condition claimed by the Respondent may be rejected.

A. Proposal Evaluation

All responsive proposals will be evaluated by ISBI Staff, the Department, and consultants. The proposals best meeting the criteria will be further evaluated and finalists will be invited to present their qualifications for a final selection interview.

B. Clarification

Respondent may be requested to provide additional information and/or clarify contents of their proposal package. Other than information requested by ISBI, the Department, or RVK, Inc., no Respondent will be allowed to alter the proposal or add new information after the final filing date.

C. Semi-Finalist / Finalist Selection

After completion of the initial evaluation process, one or more finalists may be selected as best capable of providing the required services at a competitive and reasonable total cost to the Plan.

D. Finalist Interviews

The finalists may have an interview with the Department, ISBI Staff and RVK, Inc. in a location to be determined and scheduled at a future date. These presentations will afford the Department, ISBI, and RVK with an opportunity to personally articulate needs and requirements as well as conduct further due diligence.

E. Reference Checks & Additional Requests

Finalist institution(s) may be asked to furnish references and to respond to detailed questions regarding capabilities, resources, services offered, economics, and any other questions that may arise following a detailed review of initial responses to the RFP. A "best-and-final" fee proposal may be requested of all finalist institutions.

Selection Criteria

The Board will select the Respondent for the service offerings based upon the Respondents' response to this Request for Proposal, finalist questions, subsequent finalist interviews, and any additional follow-up items as is needed to make a prudent decision for the Plan.

The Respondents' proposals will be comparatively evaluated based on the following criteria to determine the best value and prudent selection of one or more finalists and, ultimately, the Respondent determined to have provided the proposed solution that best meets the needs of the Plan's participants.

| Criteria Element |
|--|
| Executive Summary, Minimum Qualifications Affirmation, and Scope Affirmation |
| Organization and Client Service |
| Cybersecurity and Data Protection |
| Recordkeeping & Administration Services |
| Communication and Education Services |
| Compliance Services |
| Investment Management, Custody, and Investment Option Trading Services |
| Implementation Services |
| Competitiveness & Reasonableness of Fee Proposal |
| <i>(Note that Fee Proposal responses will be scored based on the Respondent's open architecture fee proposal. Fee scenarios that include proprietary investment management products will be considered supplemental to the fee evaluation process and may be incorporated into optional use clauses within the resultant contract with the selected Respondent.)</i> |

APPENDIX A: TECHNICAL QUESTIONNAIRE

Respondents must respond to each of the questions in the document titled **Appendix A – Technical Questionnaire**.

A. ORGANIZATION AND CLIENT SERVICE

1. Provide a brief overview of your company and history of your organization including an organizational chart of the primary functional areas of your overall operations. Please describe any parent/subsidiary/affiliate relationships.
2. Please provide a history of your firm’s involvement in defined contribution and deferred compensation plan administration services.
3. Discuss any recently announced or upcoming changes to ownership or leadership structure, including any pending agreements to merge or sell the company or its parent.
4. Are you currently participating in any alliances or joint marketing efforts? If so, please describe in detail.
5. Does your firm maintain a broker-dealer? Please describe what services, if any, are provided by your firm’s broker-dealer in connection to providing services to the Plan.
6. Provide a clear statement outlining whether the firm or any officer or principal has been involved in any litigation(s) and/or active or settled governmental investigation(s) surrounding its defined contribution mutual fund, annuity, TPA, recordkeeping, education services, and/or universal life services. Please explain the issue(s) and any resolution(s).
7. Identify your firm's target market and primary area of focus.
8. What insurance does your firm have against liabilities incurred through servicing plans of this type (Fiduciary insurance, E&O, etc.)?

| Type of Insurance | \$ Amount of Coverage | \$ Amount of Deductible | Provider |
|--|-----------------------|-------------------------|----------|
| Professional Liability (E&O) | | | |
| Cyber Liability and Privacy Breach Insurance | | | |
| Fidelity Bonds | | | |
| Directors & Officers Liability (D&O) | | | |
| Primary General Liability / Automobile Liability | | | |
| Excess / Umbrella Liability | | | |
| Property | | | |
| Workers Compensation / Employers Liability | | | |
| Other - Describe | | | |
| Other - Describe | | | |

9. Provide your credit ratings from AM Best, Moody's and Standard & Poor's (if applicable).

| | |
|------------------------------|--|
| Moody's | |
| Standard & Poor's | |
| AM Best | |

10. Indicate the total number of participants and total value of assets (\$ Million) in all defined contribution and deferred compensation plans for which you provide recordkeeping services as of 12/31/2020.

| Plan Type | Total Plan Count | Total Participant Count | Total Asset Value (\$) |
|----------------------|------------------|-------------------------|------------------------|
| Governmental 457(b) | | | |
| 401(k) | | | |
| Governmental 401(a) | | | |
| ERISA 403(b) | | | |
| Non-ERISA 403(b) | | | |
| Other (description): | | | |

11. Indicate in the tables below the approximate number of each retirement plan type you administer by number of participants and assets as of 12/31/2020.

| # of Participants | Governmental 457(b) Plans | Other DC Plans | Total |
|-------------------|---------------------------|----------------|-------|
| < 1,000 | | | |
| 1,000 – 4,999 | | | |
| 5,000 – 9,999 | | | |
| 10,000 – 24,999 | | | |
| 25,000 – 49,999 | | | |
| >50,000 | | | |
| Total | 0 | 0 | |

| Asset Size | Governmental 457(b) Plans | Other DC Plans | Total |
|-------------------------------|---------------------------|----------------|-------|
| < \$25 Million | | | |
| \$25 Million - \$99 Million | | | |
| \$100 Million - \$499 Million | | | |
| \$500 Million - \$999 Million | | | |
| \$1 Billion - \$4.99 Billion | | | |
| >\$5 Billion | | | |
| Total | | | |

12. Indicate the number of DC plans, assets, and participants gained and lost in the last three years, both in numerical form and as a percentage of your total DC administration services client base.

| Year Ending | # of Plans Gained | Assets (\$) Gained | # of Participants Gained | # of Plans Lost | Assets (\$) Lost | # of Participants Lost | Prior Year Ending Total # of Plans | Prior Year Ending Total Assets (\$) | Prior Year Ending Total # of Participants |
|-------------|-------------------|--------------------|--------------------------|-----------------|------------------|------------------------|------------------------------------|-------------------------------------|---|
| 2018 | | | | | | | | | |
| 2019 | | | | | | | | | |
| 2020 | | | | | | | | | |

13. Provide details on the turnover in your governmental 457(b) Plan client base in the following table format:

| Unless specified, for 12 Months Ending | Governmental 457(b) Plans Gained (# and Assets) | Governmental 457(b) Plans Lost (# and Assets) |
|--|--|--|
| 12/31/2020 | \$ | \$ |
| 12/31/2019 | \$ | \$ |
| 12/31/2018 | \$ | \$ |
| 12/31/2017 | \$ | \$ |
| 12/31/2016 | \$ | \$ |

14. Provide details on the turnover in your DC Plan client base in the following table format:

| Unless specified, for 12 Months Ending | DC Plans Gained (# and Assets) | DC Plans Lost (# and Assets) |
|--|-----------------------------------|---------------------------------|
| 12/31/2020 | \$ | \$ |
| 12/31/2019 | \$ | \$ |
| 12/31/2018 | \$ | \$ |
| 12/31/2017 | \$ | \$ |
| 12/31/2016 | \$ | \$ |

15. What are your client retention statistics for each of the last three years?

| Year (or YTD period) | Client Retention % | % of Clients that Left Due to Services Provided by Your Organization (i.e. not merger, etc.) |
|----------------------|--------------------|--|
| 12/31/2020 | | |
| 12/31/2019 | | |
| 12/31/2018 | | |

16. What is the average client relationship duration (in years)?

17. What are the firm’s diversity & inclusion goals and metrics, and what is the timeline for achieving those goals?

18. Please fill out the table below for your U.S. employee base as of 12/31/2020:

| | U.S. Female % | U.S. Minorities % ⁽¹⁾ | U.S. Underrepresented Minorities % ⁽²⁾ |
|---|---------------|----------------------------------|---|
| Board of Directors | | | |
| Senior Management | | | |
| Recordkeeping Client Service Personnel | | | |
| Call Center Representatives | | | |
| Other Employees Not Included Above | | | |
| Total | | | |

⁽¹⁾ Given that the classification of a minority differs by region, data is based on the U.S. population only at this time; excludes Caucasians

⁽²⁾ Includes African-American, Black, American Indians/Alaskan Natives, and Hispanic/Latinx only

19. Please list all individuals at the firm whose primary responsibility is increasing firm racial diversity of underrepresented minorities, or increasing the numbers of women. Please include their name, bio, and year hired for their current position.

20. Please list programs for recruitment of underrepresented minorities or women and number of years your firm has participated or sponsored such programs.

21. Does your organization apply diversity and inclusion thought leadership to analyze participant data and improve retirement outcomes?
 a. If so, describe.
 b. If not, discuss why not.

22. Would you consider yourself a fiduciary or co-fiduciary in the performance of administration services to the plan? (Yes or No) If yes, what limitations exist?

23. Attach a copy of a recordkeeping services contract as well as other documentation that would be required to enter into a relationship with your firm (trust agreement, etc.) **[See Additional Materials Requested]**

24. Please clearly describe the team that would work directly with CMS, ISBI Staff, and the Board during the transition and on an ongoing basis. Why do you consider this team to be a good fit for the relationship?

25. Which individual or team would have overall responsibility for the relationship? Who will have primary responsibility for the relationship on a day-to-day basis? Where are these professionals located?

26. Provide a summary of the professional credentials of your proposed team clearly identifying years of experience in the industry, with your firm, and total/similar client relationships.

| Role | Name / Title | Office Location | Year Joined Your Firm | Years of Industry Experience | Total Number of Current Client Relationships | Number of Current Relationships of Similar Size and Complexity to the Plan |
|--|--------------|-----------------|-----------------------|------------------------------|--|--|
| Executive Sponsorship | | | | | | |
| Relationship Management | | | | | | |
| Day-to-Day Account Management | | | | | | |
| Day-to-Day Account Support | | | | | | |
| Transaction Processing Support | | | | | | |
| Communications Support | | | | | | |
| Compliance Support | | | | | | |
| Implementation Support | | | | | | |
| Others (Add additional rows as needed) | | | | | | |

27. Disclose the professional turnover rates for relationship management, client service, and participant service personnel in your recordkeeping division over the past three years.

| | Average Annual Turnover Rate (past three years) |
|-------------------------|---|
| Relationship Management | |
| Client Service | |
| Participant Service | |

28. Describe how your firm works to keep professional turnover rates to a minimum. If turnover does occur, describe actions taken to ensure that relationship satisfaction is maintained and that there is no interruption to ongoing client initiatives.

29. Describe your approach to working with plan sponsors to determine areas for potential improvement to a plan and/or implementing best practice approaches.

30. Provide contact information for at least three similarly sized references that can speak to your firm's capabilities. Please provide at least one reference with greater than 25,000 participants and at least one reference who can speak to the relationship / client service team proposed within the RFP. References that are governmental 457(b) plan sponsors are preferred, and at least one reference must be a governmental 457(b) plan. For each reference, provide a brief description of the plan size, type, and services provided.

31. Do you guarantee service performance? If so, please describe and include samples of items that you would agree to as part of a contract for plan administration services clearly specifying any penalty compensation. **[See Additional Materials Requested]. (Please also complete the Service Performance questionnaire as part of your Appendix B – Fee Proposal.)**

B. CYBERSECURITY AND DATA PROTECTION

32. Describe your firm's ethics policy and how ethical behavior is encouraged throughout the firm. If applicable, please provide us with a copy of your firm's ethics policy.
33. Describe your company's processes and protocols for dealing with cyber threats and how data is secured within the system, including standard and advanced authentication procedures (i.e., PIN, audit trail, confirmations).
34. Has your firm achieved any data protection standards or certifications (e.g. NIST RMF, ISO/IEC 27001, COBIT, COSO, ITIL)? If so, please describe.
35. Does your company conduct periodic security assessments to identify cyber security threats, vulnerabilities and potential business consequences? If yes, describe how often they are conducted.
36. Do you conduct periodic penetration testing? If so, please provide the following information regarding any such testing:
- Describe the types of penetration tests were performed (application, network, cloud, other), the frequency of tests, and the entity or entities that performed penetration tests over the past two years.
 - Do you follow CVSS, OCOAS, or other industry standard scoring? If no, please explain.
 - What are your remediation timeframes?
 - Did your testing identify any material vulnerabilities (critical or high)? Were any findings remediated within the timeframes outlined in your policies and procedures?
37. Have any plans retaining your services experienced unauthorized access or distribution of participant and financial data due to a breach of your firm's information systems? If so, please describe fully.
38. What is your timeframe and process for notifying clients in the case of any cyber incident or data breach?
39. What are your company's thresholds for determining a reportable security breach separate from a non-reportable security breach?
40. Has your company experienced a reportable security breach (to clients/regulators) in the last three years? (Y/N) If yes, explain the circumstances and remedial actions taken as a result.

41. Does your organization have an insurance policy in place that would cover losses caused by cybersecurity and identity theft breaches (including breaches caused by internal threats, such as misconduct by the Respondent's own employees or contractors, and breaches caused by external threats, such as unauthorized third-party access to a plan participant's account and related fraudulent activity)?
 - c. If so:
 - i. Provide a copy of the policy or other evidence of insurance.
 - ii. Describe any limitations or exclusions to your policy regarding the items listed above.
 - iii. Would this policy be used to reimburse fraudulent distributions? (Assuming that the deductible is met.)
 - d. If not, do you anticipate obtaining such insurance in the future?
42. How do you assess employees' security awareness/knowledge? Describe your internal security awareness program.
43. Describe your training process to ensure all personnel who deal with personal identifiable information are trained on adequate protection of that information.
44. Describe your documented disaster recovery plan. How often do you test your recovery system?
45. Describe your maintenance and backup procedures including daily backups, retention timetable and off-site backup storage approach. Where are your off-site backup facilities located?
46. Describe any advanced authentication procedures your company currently uses for those requesting access to the online applications. (e.g., two-factor authentication, voice biometrics, etc.). Please break out procedures for each of the following user categories.
 - a. Your employees
 - b. Plan sponsors
 - c. Participants
47. Describe the steps that you take to prevent fraudulent distributions from being requested and paid out of the Plan.
48. What security measures are in place when a participant's bank account, address, and/or contact information are changed online or via a phone representative to ensure that there is no fraudulent activity?
49. Describe what safeguards you have implemented to prevent fraudulent access to participant accounts being gained through social engineering methods.
50. If it is suspected that a potentially fraudulent transaction has taken place:
 - a. Describe your investigation process. How long does it typically take?
 - b. At what point is the plan sponsor notified?
 - c. Describe when corrections can be made.
 - d. In what situations will you take responsibility for making the participant whole? Clearly state any limitations to doing so.
51. Will your firm share Plan participant data with third parties (e.g. Equifax) for the purpose of learning more about Plan participants? May this information be used of marketing your products and services to these members? If so, please describe fully.

52. Do you have or can you make available a recent SSAE 18/SOC 1 (Type 2 preferred) auditor's report on internal controls (Yes/No)? If yes, please provide the most recent copy covering all service areas covered by this RFP and its scope (attach multiple reports as necessary). **[See Additional Materials Required]**
53. Do you have or can you make available a recent SSAE 18/SOC 2 (Type 2 preferred) report on internal controls (Yes/No)? If yes, please provide the most recent copy covering all service areas covered by this RFP and its scope (attach multiple reports as necessary). **[See Additional Materials Required]**

C. TRUST / RECORDKEEPING / ADMINISTRATION SERVICES

54. Describe the hardware platform(s) and software system(s) you use to provide recordkeeping and administration services to defined contribution plans.
55. Was the software developed internally, leased, or bought from another provider? Who has the ultimate responsibility/authority to ensure the software remains current to laws, regulations, client needs, etc.?
56. How often is the system upgraded? Describe the number and timing of your annual and periodic core system enhancement cycles fully.
57. Are on-going upgrades provided to your clients automatically, or are they made available on an optional basis subject to agreement of the client?
58. How much customization does your platform allow? Does your platform allow for custom messaging / instructions? Can you differentiate for different plan types and/or different employers? Give examples.
59. Describe the hardware and software system you use for your voice response system. For how many years has this version been in place and when is the next scheduled upgrade?
60. Describe the hardware and software system you use for your internet transaction system. For how many years has this version been in place and when is the next scheduled upgrade?
61. Describe the account services and transaction capabilities available through your participant website.
62. Do you have a mobile application (as differentiated from a mobile-optimized web page) for participant usage? If so, clearly describe the features available (and whether access is inquiry only or transactional).
63. How are website transactions processed and documented?
64. How do you manage peaks in internet usage volume?
65. How often is the data on the website updated?
66. How does the website interface with the recordkeeping system?
67. Are there any transactions that cannot be processed through your website? If yes, please explain.

68. What system enhancements do you have planned over the next three years for:
- Your core recordkeeping system?
 - You participant online interface, including any mobile access channels?
 - Your plan sponsor online interface?

69. Indicate whether your recordkeeping system accommodates customization of data fields by completing the table below.

| | Yes | No | Possibly | Able to Identify Errors? |
|---|-----|----|----------|--------------------------|
| Social Security Number | | | | |
| Participant ID (employer provided or generated by your system) | | | | |
| Name | | | | |
| Address | | | | |
| Home Phone | | | | |
| Cell Phone | | | | |
| Work Phone | | | | |
| Email Address | | | | |
| Birth Date | | | | |
| Death Date | | | | |
| Gender | | | | |
| Marital Status | | | | |
| Marital Status Effective Date | | | | |
| Hire Date | | | | |
| Plan Enrollment Date | | | | |
| Termination Date | | | | |
| Employment Status Code (i.e. active v inactive, etc.) | | | | |
| Account Type | | | | |
| Original Account Holder Name (if QDRO alternative payee or beneficiary) | | | | |
| Beneficiary Name and Relationship | | | | |
| Beneficiary Contact Information (address, email, phone, etc.) | | | | |
| Division / Pay Group | | | | |
| Other (if applicable, please provide a full list of full data fields supported) | | | | |

70. Discuss your review of the indicative data and payroll information provided by ISBI providing a clear affirmation of your ability to use this file and process. Clearly identify any areas that would present challenges for your firm to administer, if any.

71. Indicate whether your recordkeeping system is capable of identifying inconsistencies every pay period in the table below.

| | Yes | Resolved By |
|--|-----|-------------|
| Illogical Data: | | |
| Duplicate records | | |
| Deferral %>0 but deferral = \$0 | | |
| Deferral %=0 but deferral > \$0 | | |
| Status terminated but comp > \$0 or deferral > \$0 | | |
| Other (please indicate other illogical data addressed) | | |
| Invalid Dates: | | |
| Birth date out of range <> specified dates | | |
| Hire date out of range <> specified dates | | |
| Termination date out of range <> specified dates | | |
| Hire date > termination date | | |

72. Discuss your firm's involvement in ensuring that participant indicative data is free of errors. How will you work with CMS to minimize the time necessary to clean up data?

73. Describe the method of maintaining plan sponsor and participant history on the system.

74. Discuss your review of the Plan Document provided by the Board:

- a. Provide a clear affirmation of your ability to administer the Plan under the terms of the existing plan document (as amended).
- b. Clearly identify any areas that would present challenges for your firm to administer, if any.
- c. Discuss specific administrative requirements your firm would have for the Board to support your effective and compliant administration of the Plans.
- d. Are there any changes that you would suggest to the Board in order to align with current best practices?
- e. Provide any additional evidence of your experience with and abilities to administer similar plans.

75. How do you monitor a plan to ensure it is administered in accordance with its provisions? What controls are in place?

76. Describe the policies, procedures, controls, and reporting you have in place to proactively monitor for and identify potential errors caused by both human / manual entry and system-initiated changes.

77. Discuss your general capabilities and distinguishing or differentiated services provided to participants for:

- a. Plan enrollment (especially online enrollment)
- b. Investment elections, including default and rebalancing features
- c. Beneficiary designation
- d. Investment exchanges and reallocations
- e. Rollovers into the plan
- f. Other transaction/interface categories
- g. Default IRA rollovers for small balance participants (or similar solutions)
- h. In-Plan Roth conversions

78. Discuss your general capabilities and distinguishing or differentiated services provided to participants for processing distribution requests (including rollovers out). What types of distributions can be processed entirely online, and which require assistance from a customer service representative? Specifically state if there are any differences in the process for rollover to an affiliate IRA vs. a qualified plan or another provider's IRA.
79. Provide a brief discussion of Federal and State tax reporting for deferred compensation plans including discussion of tax form preparation, and filing and support for tax reporting.
80. Discuss how your system can be customized in collaboration with the plan sponsor, especially online information and process flows (such as enrollment, contribution election, loan request, distribution request, etc.) that are provided to participants. If customization is not easily available, how do you work with plan sponsors looking to make processes more efficient for participants?
81. Please discuss your ability to accommodate auto-enrollment features in your recordkeeping system. Do you provide custom communications to support the adoption of these features?
82. Discuss your ability to support the Plan's auto-enrollment structure that including having contributions invested in the Stable Return Fund for 90 days and then having the participant's account balance and investment elections transfer to the age-appropriate target date fund unless an election is made. Do you have any plans that operate under this structure currently?
83. Discuss your experience and ability to create a customized system for the participant to self-certify that they do not have another outstanding loan through any other State sponsored program. The system would also calculate the maximum available loan amount in the event the participant has another outstanding loan balance.
84. Discuss your experience and ability to set up a loan program through which ongoing loan repayments are accepted directly from a participant's bank account or check and no payroll loan repayments are in place.
85. Discuss your ability to support the Plan's existing two-tiered process for processing hardship withdrawal distributions due to an Unforeseeable Emergency.
86. Discuss your ability to provide auto rebalancing of investment options.
 - a. What limitations, if any, exist?
 - b. Can auto-rebalancing of core investment menu options be provided if a self-directed brokerage account is made available to participants?

87. In the format below, describe your organization's standards for performance. Assume all data, wires, or other requests are received in reasonably good condition, prior to the cutoff time for the day, and that any required approvals have been received.

| Activity | Quality Standard (business days) | Explanation |
|---|---|-------------|
| Participant contribution file reconciliation and posting (allowing for standard reconciliation and verification of files) | ___ days* from receipt of payroll data | |
| Withdrawals Information Payment Detail provided to custodian bank (check or direct deposit payment details provided date) | ___ days* from receipt of request | |
| Distributions Information Payment Detail provided to custodian bank (check or direct deposit payment details provided date) | ___ days* from receipt of request | |
| Investment transfers into fund processed | ___ days* from receipt of request | |
| Confirmations e-mailed or electronically delivered | ___ days from execution of transaction or request | |
| Confirmations mailed | ___ days from execution of transaction or request | |
| Participant statements e-mailed or electronically delivered | ___ days from period end | |
| Participant statements mailed | ___ days from period end | |
| DRO Review and Processing (Assume all documents received in good order) | ___ days* from receipt of request | |
| Review and posting of rollovers into the plan | ___ days* from receipt of request | |

*Assumes days from receipt of data or request received prior to 4 PM ET. If same day, please state "0."

88. Provide a discussion of Domestic Relations Orders (DROs) and other outsourced document administration services (including powers of attorney, beneficiary documentation, death processing, and others) that you are able to provide. Specific to potential DROs, describe the assistance that you are able to provide plan sponsors in assuring that the participant receives all appropriate data.

89. Provide a brief discussion of checks and balances in place to ensure process and transactional integrity, including plan administration manuals and other controls.

90. Discuss your ability to restrict the access of each client HR/payroll employee to the participant account information for the employees they work with in their divisions/agency.

91. Describe the account services, transaction, and reporting capabilities available through your plan sponsor portal. Also describe your process for training CMS and ISBI Staff on the use of this system.

92. Provide a brief description of the standard monthly and quarterly reporting package that you would provide CMS, ISBI Staff, and the Board as well as the medium(s) used (provide samples). **[See Additional Materials Requested]**

93. What are your ad hoc reporting capabilities? Can your service team members design and prepare ad hoc reports or must programming staff be involved? What types of ad hoc reports are most requested by your other clients? If there are any extra or additional costs for this service, fully describe.

94. Provide a review of the standard hours of account access and transactional availability via customer service call centers, online, and voice response channels.

| Call Center | Open (AM/PM) | Close (AM/PM) | Time Zone |
|-----------------|--------------|---------------|-----------|
| Monday - Friday | | | |
| Saturday | | | |
| Sunday | | | |

| Online | Open (AM/PM) | Close (AM/PM) | Time Zone |
|-----------------|--------------|---------------|-----------|
| Monday - Friday | | | |
| Saturday | | | |
| Sunday | | | |

| Voice Response Channel | Open (AM/PM) | Close (AM/PM) | Time Zone |
|------------------------|--------------|---------------|-----------|
| Monday - Friday | | | |
| Saturday | | | |
| Sunday | | | |

95. Provide statistics related to actual performance related to account access standards, for the last four calendar quarters.

| | 4Q 2020 | 3Q 2020 | 2Q 2020 | 1Q 2020 |
|---|---------|---------|---------|---------|
| Website "up time" (days) | | | | |
| Number of calls | | | | |
| Average call length (seconds) | | | | |
| Average response time (seconds) | | | | |
| Quality Standard for # of sec. on hold during transfers (seconds) | | | | |
| Actual average # of sec on hold during transfers (seconds) | | | | |
| Percentage of calls requiring follow-up (%) | % | % | % | % |
| Quality Standard for call abort rate (%) | % | | | |
| Call abort rate (%) | % | % | % | % |
| Average # of calls monitored by supervisor on a monthly basis | /month | /month | /month | /month |

96. Provide an overview of your organization's call center(s) including the number of customer service representatives ("CSRs") currently employed to service your DC recordkeeping clients and management structure. Where are the CSRs for these clients located and how many are at each site? How does each site act as a backup for the others?

97. Discuss training provided to CSRs before they are allowed to handle incoming calls. Do you require any certifications and licenses?

98. Discuss your case management procedures for calls that have service issues. With respect to complaints, what is the follow-up procedure for complaints about CSRs?
99. Do you monitor and/or tape toll-free calls? If you tape calls, how long are tapes stored (in years)? Can representatives of plan sponsors review recorded calls for quality assurance? Can recorded calls and/or transcripts be provided to plan sponsors, when needed, to investigate inquiries / claims?
100. Discuss how CSRs are compensated, including all components of compensation. If your CSRs receive any form of commission-based pay, provide a detailed description of how their commission is earned, and whether there is any financial incentive for representatives to recommend one product over another.
101. If a participant elects to move from the website to a call center service representative, describe the interface between the website and the service representative.
102. What kinds of web and phone services are available to participants for whom English is a second language?
103. What kinds of ADA compliant accessibility / foreign language support features are available to participants through your web, mobile, and phone services?

D. COMMUNICATION AND EDUCATION SERVICES

104. Provide a brief description of your firm's background and experience in providing both templated and custom communication and education materials.
105. Discuss how you work with plan sponsors on creating and implementing a strategic plan for participant engagement and communications, including using plan data to identify different campaigns and reviewing the effectiveness of those campaigns.
106. Provide a brief description of your standard participant-level statements and documents (provide samples, including quarterly and annual statements and other standard confirmations/documents that Plan participants might use). **[See Additional Materials Requested]**
107. Discuss the key elements provided as part of a standard communication and education package included in your proposal. (Provide samples of materials that may be used by the Plan.) **[See Additional Materials Requested]**
108. Provide a discussion of non-standard elements to a communication and education package you may provide for an additional charge.
109. Review how communication and education materials are produced and fulfilled (i.e. in-house or through third-parties).
110. Review how onsite investment education services are provided including a summary of the type of costs, if any, which apply for these services.
111. Describe any / all participant tools / educational materials, philosophy, and process for delivering participant education and advice. Are there any meeting attendance requirements / limitations? If so, please describe.

112. Discuss your firm's offering of onsite and phone representatives (including the use of live and pre-recorded webinars) to provide investment education to participants. For each of the sub-questions below, differentiate as needed between onsite, phone, and webinar support representatives. (Please respond to each item below individually.)
- a. Provide a review of how onsite investment education services would be provided to Plan participants, including general, partially dedicated, or fully dedicated staff and proposed staffing levels.
 - b. What are the required credentials, licenses, and training for the onsite registered representatives? Discuss why you require such licensure.
 - c. Discuss how your firm identifies optimal personnel and manages professional development, periodic turnover, and incorporates client preferences into staffing models.
 - d. Provide a discussion of how the proposed representatives (as well as their supervisors) are compensated and include all components of compensation. What portion of salary is available as a bonus, and what metrics are used to determine this bonus? Please note that as requested in the scope of services, any representatives must be on a salary plus bonus structure.
 - e. Will your company's proposed representatives help participants with:
 - i. Determining asset allocation?
 - ii. Selecting appropriate investment vehicles?
 - iii. Understanding all the fees involved with your company's services and investment options?
 - iv. Investment related questions?
 - v. General questions related to retirement plans offered by clients?
 - vi. Retirement planning?
 - f. How do your employees handle requests from members seeking additional information or support in purchasing non-plan products or services?
113. Do you provide advice / guidance services to participants, either in-person or over the phone? If so, please provide the information requested below. If advice services are available without including a managed accounts program, please describe the differences, if any, specific to each of the items. (Please respond to each item below individually.)
- a. What are the required credentials, licenses, and training for these representatives?
 - b. Will your representatives provide investment or rollover recommendations to participants? If so, will you act as a fiduciary with respect to these recommendations?
 - c. Do your representatives have discretion with respect to the advice that they provide, or do they use a standardized advice program maintained by your organization?
 - d. What types of products outside of the investments available through the plan are your representatives authorized to discuss with participants? (e.g., IRAs, annuities, brokerage accounts, etc.)
 - e. Please list all outside products that may be discussed.
 - f. If representatives are authorized to discuss any other products, can they do so proactively, or only if specifically requested by a participant?
 - g. Please provide copies of your Form CRS and any other disclosure documents that would be provided to participants as part of this service **[See Additional Materials Requested]**
 - h. How is this service addressed as part of your services agreement? Will you indemnify the plan sponsor for these services? Will you commit to providing any recommendations as a fiduciary and/or in accordance with the SEC's Regulation Best Interest within the services agreement?

114. Affirm in writing, your firm's willingness to provide plan education and communication support with a strict rule against any cross-selling of non-plan services or investment products by employees who directly or indirectly support Plan participants and to provide and maintain appropriate controls to limit and inhibit such services. Are you willing to apply monetary penalties to staff that do not follow such guidelines? In addition, describe the steps that your firm would take to ensure compliance, including your willingness to undergo a regular audit by an independent third-party.
115. Provide a discussion of resources your firm offers to support IRA rollovers and/or retirement distributions including a detailed discussion of any revenue to your firm or affiliates generated and transparency of reporting thereof. Furthermore, are your representatives compensated directly or indirectly (including as a consideration in determining any bonuses or other rewards) for the transfer of Plan assets to non-Plan products or services?
116. Does your firm employ or contract with individuals or entities who do not provide services directly to Plan participants, but who do (or may) promote, market, recommend or solicit non-Plan products or services to State of Illinois employees or Plan participants? If yes, please describe.
117. Discuss how your firm helps plan sponsors measure the effectiveness of employee education efforts, especially those geared towards improving participants' retirement readiness and overall financial wellbeing. What data and metrics are available for plan sponsors to consume, and how is this data made available to as well as proactively presented to plan sponsors?
118. Discuss how you work with plan sponsors to determine the success of a given campaign and encourage sustainment, as well as how unsuccessful campaigns can be modified.
119. Provide a brief discussion of your financial wellness programs, if any. Clearly outline any additional costs associated with such service.
120. Provide a list of topics your financial wellness programs include.
121. Please comment upon and provide any empirical evidence supporting the ways that participants have benefited from use of your financial wellness offerings.
122. Describe the controls in place to ensure accuracy of analysis, data integrity, and other system capabilities for financial wellness and/or investment education and advice online tools or calculators used (either online or with onsite/call center representatives).
123. What reporting options, if any, are available to Plan Sponsors regarding financial wellness utilization?
124. Describe any upcoming anticipated enhancements to your financial wellness offerings.
125. Provide samples of relevant participant education / advice / wellness materials that showcase your company's ability to provide the desired scope of services. **[See Additional Materials Requested]**

E. COMPLIANCE SERVICES

126. Provide a summary discussion of your compliance and regulatory resources and the teams that are leveraged.
127. Provide a general review of how your firm helps ensure that plans remain in compliance and how your firm monitors the plans to ensure it is administered in accordance with its provisions. What controls are in place?
128. Provide a discussion of the audit support that you would be able to provide to CMS and the Board.
129. Provide a discussion of other types of outsourced services.

F. INVESTMENT MANAGEMENT & ADVICE SERVICES

130. Discuss how trustee services are provided (i.e., directly, via affiliate, via third-party, etc.), additional fees for trustee services, and any limitations that exist on holding assets. (Note that explicit fees for trustee services are requested as part of your Appendix B – Fee Proposal.)
131. Discuss your trust interface and its integration with the recordkeeping platform, plan sponsors, and investment managers.
132. Please explicitly affirm that you can support all of the investment options currently available to the Plan's participants. Identify any exceptions that may apply.
133. Discuss your ability and willingness to provide the Board access to institutional class shares of mutual funds that do not provide embedded revenue sharing and structuring a flexible "tack-on" fee structure, in either an asset-based or per-participant manner that creates a revenue-neutral arrangement to pay for plan administration expenses. Provide a detailed explanation of your firm's position on this topic.
134. Please provide a complete list of all the mutual funds and DC-eligible collective funds available through your proprietary and alliance networks including revenue sharing or negotiated administrative service credits received by your firm. **[See Additional Materials Requested]**
135. Discuss revenue or cost-reductions received by your firm's recordkeeping unit or corporate parent through a client's use of both affiliated and non-affiliated investment management offerings that may provide revenue sharing including shareholder servicing fee credits (such as sub-TA fees). How will these be disclosed? Will a portion or all of these be made available to and subject to a credit to the Plans for equitable allocation or use for qualified plan expenses?
136. Discuss your ability and willingness to provide the Plan with administration of custom / "white-label" funds (for core and target date fund options) in a single or multi-manager format using custom NAVs or Unitized Valuations. Provide a detailed discussion of your abilities and service offerings, including any additional fees that may be assessed.
137. Discuss your ability and willingness to provide the Plan with fund fact sheets for white label funds. Provide a detailed discussion of your abilities and service offerings, including any additional fees that may be assessed.

138. Discuss your organization's ability to provide services related to a Self-Directed Brokerage Account, indicating capabilities working with other SDBA providers and/or proprietary or vended services.
139. Describe your transition process in the event funds are added, replaced, or eliminated in the future.
140. Are there any limitations, conditions, and/or additional costs that would apply for fund changes?
141. Has your firm implemented any “retirement income” services, products, or solutions for any of your clients? If so, please list and describe the services, products, and/or solutions available on your platform.
142. If the Board were to adopt a retirement income service, product, or solution that is currently or prospectively available in the marketplace and is not on your platform, would you be willing to implement the Board’s chosen solution? Please discuss any limitations or fees that may be present.
143. Describe all participant-level managed account services available through your platform offerings. If advice is offered, is it in-house or via a third party?
144. If your firm provides investment advice and managed accounts at the participant level using an online advice provider, please identify the providers available on your platform in the table provided.

| Vendor | Type (Select Direct, Sub-Advised, or Proprietary) | Offered Since Year | Number of Clients Using the Vendor | Number of Participants Using the Vendor | Average Rate of Utilization |
|--------|---|--------------------|------------------------------------|---|-----------------------------|
| | | | | | |

145. Discuss revenue sharing or cost-reductions received by your firm’s recordkeeping unit or corporate parent through a client’s use of managed account offerings. How will these be disclosed? Will a portion or all of these be made available to and subject to a credit to the Plan for equitable allocation or use for qualified plan expenses?

G. IMPLEMENTATION SERVICES

Incumbent Only Questions:

146. What associated new and updated services, alternative models, etc. might CMS, ISBI Staff, and the Board expect to receive from a continuation and expansion of its relationship with your organization? Describe how (and under what timeframe) these services would be provided.
147. Describe the approach your firm would take to de-conversion should the RFP process result in another firm being selected. Include explicit detail about the support (and any fees for such support) that would be provided for the successor recordkeeper including, but not limited to, provision of complete records of historical participant activity, support during reconciliation activities, and post-conversion research activities.

Non-Incumbent Only Questions:

148. Provide a review of the resources your firm has to provide implementation services for transitioning clients.
149. What group or unit will serve as the transition team in planning and implementing the transition of the Plan? Identify the individuals and specify the team leader and the roles each member will serve in the transition. Also, describe their experience and how they are related to the client administration team. Include the team members' professional biographical information.
150. What is the role of the transition team during implementation? Will our ongoing service team be involved in the transition? Will there be overlap with the transition team?
151. Provide distinguishing details of your firm's process when conducting an initial plan review and best practice recommendations and how such recommendations are incorporated into the transition process.
152. Provide a review of how your firm would implement a transition process to bring the Plans onto your platform. This review should include an explicit estimate of the timeline required and include a sample draft transition plan. **[See Additional Materials Requested]**
153. What lead-time is required for a typical large governmental 457(b) plan client transition, and how might our transition be different?
154. Provide a discussion of the involvement and time required from CMS and ISBI Staff during the implementation process.
155. Discuss your organization's experience transitioning from T. Rowe Price? What particular nuances, if any, are notable?
156. Provide a detailed description of your last comparable conversion judging similarity by relative plan size and complexity. Include details of specific problems that occurred and the solutions implemented, timeline, etc.
157. What changes, if any, should the Board expect to make as part of a transition?
158. Discuss the historical data necessary to accurately and completely transition the Plan over to your systems and processes. Explicitly describe your support expectations from the prior recordkeeper including, but not limited to, provision of historical records, support during reconciliation activities, and post-conversion research activities.

APPENDIX B: FEE PROPOSAL

Respondents must complete the Excel spreadsheet titled **Appendix B – Fee Proposal**

**State of Illinois Deferred Compensation Plan Recordkeeping and Administration RFP
Appendix B: Fee Proposal**

**Primary Scenario: No Proprietary Investments
Assumed**

Instructions: Please complete each of the questions below to describe your fee proposal for the Plan, assuming NO proprietary investments and NO Managed Accounts.

Reminder: Fee Proposals will be scored based on the reasonableness and cost effectiveness of the open architecture proposal.

PLEASE DO NOT INSERT OR DELETE ANY ROWS OR COLUMNS IN THIS DOCUMENT UNLESS ADDITIONAL INSTRUCTIONS WITHIN THE SPECIFIC TAB ALLOW YOU TO DO SO.

| Question | 457(b) Plan |
|--|--|
| | State of Illinois Deferred Compensation Plan |
| Q1 | |
| Outline any base or minimum fees, as applicable. | |
| Q2 | |
| Provide any conversion charges, if any. | |
| Q3 | |
| Clearly specify Fee Guarantee Term and Conditions. | |
| Q4 | |
| Clearly specify Termination Fees, if any (Describe all terms). | |

| | | | | | |
|--|----------------------|-----------------------------------|-------------------------|-------------------|-------------------------|
| Q5 | | | | | |
| Clearly specify the Material Change Level (participant count and/or asset level), explicitly defining the percentage change at which your stated per participant fees would be subject to renegotiation. Please note finalists may be required to articulate fee levels contemplating a given up and down change to the base participant/asset levels. | | | | | |
| Q6 | | Cost Proposal Assumptions | | | |
| Provide an annual fee quote (to be invoiced quarterly and paid for using the fees deducted from participant accounts) on a per-participant-with-a-balance basis to encompass all recordkeeping services as well as general education services. Please note that this quote may be given in terms of dollars per participant. | | 457(b) Plan | | | |
| | | Description | Units | Unit Price | Calculated Total |
| | | # of Participants with a Balance: | 57,883 | See below | |
| | | Total Assets: | \$5,511,223,037 | See Below | |
| | | | Assumed Units | Rate | Total |
| | Assumed Units | Unit Price | Calculated Total | | |
| Base Fees (Total \$): | | | 1 | | \$0.00 |
| Per Participant Fee (\$ / Participant): | | | 57,883 | | \$0.00 |
| Total Estimated Annual Base/Participant/Asset Fees: | | | | | \$0.00 |
| Total Estimated Annual Base/Participant/Asset Fees: (\$/Participant) | | | | | \$- |
| Total Estimated Annual Base/Participant/Asset Fees: (% of Assets) | | | | | 0.00% |
| Notes: | | | | | |
| Q7 | | | | | |
| Name of Proposed Trustee / Custodian | | | | | |
| Q8 | | | | | |

Discuss core trust/custody/accounting fees (as well as the vendor to whom such fees, if different than the Respondent, are paid) that may apply to the relationship considering the current lineup of white labeled single manager CITs and the separate account.

If you are proposing trust/custody/accounting fees from another firm, please include a binding fee schedule from that provider, which provides a breakdown of how these fees have been calculated.

Q9

Specify any trust/custody/accounting fees that you would assess for the custom stable value separate account that would be assessed in addition to the core trust/custody/accounting fees. (Note that you may also propose that the Board maintains its separately contracted relationship with Northern Trust for custody of the Stable Return Fund.)

Q10

Specify any trust/custody/accounting fees that you would assess for custom fund options that the Board may consider in the future. Specifically address:

- The fees to offer an actively managed separate account (including custody of fund assets, trade facilitation, and daily valuation). Explicitly discuss the difference in fees, if any, for global separately managed accounts.
- The fees to offer a multi-manager custom allocation fund (that may include a white-label blended strategy or custom lifecycle option). Such options may include a combination of mutual funds, commingled funds, and unitized separate accounts. Services are to include administering asset allocation, trading, rebalancing, cash movement and valuation.
- The fees to offer a unitized pool, which may include a unitized plan-specific NAV that incorporates expenses into a gross-of-fees NAV.

Q11

Specify any additional fees to provide fund fact sheets for the existing white label investment lineup.



Q12

Specifically address the flexibility to add, remove, and replace investment options. If fees are applicable, please describe fully the cost to change add, remove, or change an investment option on the recordkeeping system, specifying any differences between sponsor-directed (e.g., adding, replacing, or removing a fund, including a new vintage of a target date suite) vs. fund provider directed (e.g., name changes, fund mergers, etc.) adjustments.

Specifically address fees for the actual fund change vs. participant communications if separate and additional.



Q13

Clearly identify ALL additional and/or transactional fees that may apply for both in-scope as well as optional items. If any of the fees to the right will not apply, please specify as "Included".

| Description | Assumed Units | Rate / Unit Price | Total |
|---|---------------|-------------------|-------|
| New Loans (Please do not include fees for loan maintenance): | 1,397 | | \$ - |
| Loan Maintenance (Annual): | 4,809 | | \$ - |
| In-service Withdrawals (Hardships, Unforeseeable emergencies, CRDs, and withdrawals of rollover contributions): | 836 | | \$ - |
| Rollover Distributions | 1,505 | | \$ - |
| Partial Lump Sum Distributions: | 4,705 | | \$ - |
| Total Lump Sum Distributions: | 5,334 | | \$ - |

| | | | | |
|--|--|--|--|------|
| | Installment Distributions: | 12,262 | | \$ - |
| | Required Minimum Distributions: | 178 | | \$ - |
| | Other Distributions: | 0 | | \$ - |
| | QDRO Administration and Outsourcing Fee: | 33 | | \$ - |
| | Overnight Check Fee: | Assumption Not Available - Please provide fee, if any. | | N/A |
| | Wire Fee: | | | N/A |
| | Returned ACH Fee: | | | N/A |
| | Other Fees: | | | \$ - |
| | Other Fees: | | | \$ - |
| | Other Fees: | | | \$ - |
| | Other Fees: | | | \$ - |
| | Other Fees: | | | \$ - |
| | Other Fees: | | | \$ - |

Q14

Describe fees, if any, for Administrative Forms, Confirmations, and Standard Legal Notices with print or e-mail distribution.

Q15

Describe fees, if any, for customized, comprehensive communication and education materials delivered directly to participants via their preferred channel including print, e-mail, web, and phone:

- Enrollment and Follow-up on Enrollment
- Onboarding Materials
- Quarterly Newsletter
- Needs-based Workplace Campaigns
- Needs-Based Life Stage Messaging Campaigns
- Educational campaigns for retirees and job changers

(If certain customizations are included and some would lead to additional fees, please discuss what customizations would lead to additional fees.)

Please include associated postage charges.

| | |
|---|--|
| Q16 | |
| <p>The Board's preference to receive 50 onsite Employee Meeting Days within the core recordkeeping fees. Affirm the number of Employee Meeting Days On Site that are included in your proposed pricing. Clearly specify how many meetings per day will be supported and any minimum attendance counts required. Please also indicate the cost per additional day of on-site meetings and any assumptions and requirements associated.</p> | |
| Q17 | |
| <p>Indicate the number of live plan-specific live virtual web meetings that are included in your proposal. Clearly specify the cost per additional live plan-specific live virtual web meetings and any assumptions and requirements associated.</p> | |
| Q18 | |
| <p>Indicate the cost for online, on demand, plan specific recording using a technology such as Brainshark (clearly specifying any limitations on view count, if any).</p> | |
| Q19 | |
| <p>Indicate the cost for standard universally offered live and recorded web workshops, if any.</p> | |
| Q20 | |
| <p>Indicate the cost for standard educational content offered online including general educational materials, publications, educational articles, calculators, and plan level information, if any.</p> | |
| Q21 | |
| <p>Describe your additional project fee approach (including fixed fees vs. hourly rate) for change orders. Clearly identify the hourly rate and labor categories that you would commit to for such projects.</p> | |
| Q22 | |

Identify the cost to provide, maintain, and make available an Administrative Manual for the Plan.

| |
|--|
| |
|--|

Q23

Identify other administrative, tax, reporting, or similar miscellaneous fees that may apply.

| |
|--|
| |
|--|

Q24

Indicate the specific fee structures and administrative expectations for self-directed brokerage accounts. (Note that the Board does not currently intend to offer a self-directed brokerage account option.)

| | |
|---|--|
| Cost to Open Account: | |
| Annual Administrative Fee: | |
| Transaction Fee for Transaction Fee Mutual Fund Trades | |
| Transaction Fee for Common Stock Trades | |
| Transaction Fee for Fixed Income Trades | |
| <u>Provide, and affirm that you have provided, your retail commission fee schedule as as part of your Additional Materials Requested.</u> | |
| Minimum Deposit Requirement: | |
| Minimum Initial Transfer of Funds | |
| Minimum Subsequent Transfer of Funds | |

Q25

Please list any and all direct and indirect fees that may be charged by your firm that were not addressed in the preceding questions. Of those fees, which are borne by the plan sponsor and which are charged directly to the plan participants? If charged directly to the plan participant, how are these fees identified and communicated to the plan participants?

| |
|--|
| |
|--|

Q26

| |
|--|
| |
|--|

| | | |
|---|---|------------------------|
| <p>Clearly outline any/all assumptions and conditions relied upon, if any, in assembling this response and economic proposal.</p> | | |
| <p>Q27</p> | | |
| <p>Is there anything else you want to include in your discussion of recordkeeping fees?</p> | | |
| <p>Q28</p> | | <p>Please select :</p> |
| <p>At Respondent option, indicate whether your firm is proposing one or more optional additional scenarios contemplating the management of fixed account / stable value assets, target date funds, or a combination thereof in tandem with your recordkeeping services and provide an optional annual fee quote (to be assessed quarterly as a direct deduction to participant accounts) to encompass all recordkeeping services for an optional scenario. If you would like to provide a bid, please indicate as such to the right and complete the tables on Tab: Optional IM Scenarios. If you decline to bid, please indicate as such to the right.</p> | <p>a. Recordkeeping and Fixed Account / Stable Value Management:</p> | |
| | <p>b. Recordkeeping and TDF Management:</p> | |
| | <p>c. Recordkeeping and Fixed Account / Stable Value Management and TDF Management:</p> | |
| | <p>d. Other Bundled Proprietary Product Scenario:</p> | |

**State of Illinois Deferred Compensation Plan Recordkeeping and Administration RFP
Appendix B: Fee Proposal
Optional Investment Management Scenarios**

Instructions: If you elected to provide a bid under any of the Optional IM scenarios detailed in Q28, please provide the following details regarding the investment option and complete the appropriate fee tables below.

Reminder: These scenarios will be considered supplemental to the fee evaluation process and may be incorporated into optional use clauses within the resultant contract with the selected Respondent.

| Stable Value / Fixed Account Investment Option | Response |
|--|----------|
| Identify the proprietary or non-proprietary stable value fund option that your firm would propose for this relationship. (must match eVestment Alliance Profile) | |
| Provide the following details about your proposed proprietary or non-proprietary stable value fund offering: | |
| a) Name of asset management firm; | |
| b) Professional resources, including stable value professionals; | |
| c) Total stable value asset management assets; | |
| d) Structure of account (i.e. general account, separate account, or commingled fund); | |
| e) Investment strategy allocation (liquidity, short duration, intermediate duration, core/other); | |
| f) Wrap coverage, including provider details and fees; | |
| g) Any liquidity restrictions; | |
| h) Market value/book value historical values (prior 36 months); | |
| i) Minimum crediting rate for the fund and whether the return is net or gross of fees, and net or gross of wrap costs; | |
| j) Market value performance and book value performance on a quarterly basis going back at least three years; and, | |
| k) Current fees: | |
| i. Stable value program management; | |
| ii. Investment management; | |
| iii. Insurance wrap; and, | |
| iv. Other, clearly defined. | |

| Target Date Fund Investment Option | Response |
|---|----------|
| <p>Identify the proprietary or non-proprietary target date fund suite that your firm would propose for this relationship. (must match eVestment Alliance Profile). If multiple glidepaths or share types are available, please list them.</p> | |

| Other Bundled Proprietary Product | Response |
|--|----------|
| <p>Describe any other bundled proprietary product scenario not already included in the options given that you would like ISBI to consider as part of this RFP process.</p> | |

a. Selection as Recordkeeper and Stable Value / Fixed Account Manager:

| a. Selection as Recordkeeper and Stable Value / Fixed Account Manager: | | | | |
|--|-----------------------------------|----------------------|-------------------------|-------------------------|
| | | | | |
| Cost Proposal Assumptions | | | | |
| 457(b) Plan | | | | |
| Provide an annual fee quote (to be invoiced quarterly and paid for using the fees deducted from participant accounts) on a per-participant-with-a-balance basis to encompass all recordkeeping services as well as general education services. Please note that this quote may be given in terms of dollars per participant. | Description | Units | Unit Price | Calculated Total |
| | # of Participants with a Balance: | 57,883 | | See below |
| | Total Assets: | \$5,511,223,037 | | See Below |
| | | Assumed Units | Rate | Total |
| | Assumed Units | Unit Price | Calculated Total | |
| Base Fees (Total \$): | 1 | | \$0.00 | |
| Per Participant Fee (\$ / Participant): | 57,883 | | \$0.00 | |
| Total Estimated Annual Base/Participant/Asset Fees: | | | | \$0.00 |
| Total Estimated Annual Base/Participant/Asset Fees: (\$/Participant) | | | | \$ - |
| Total Estimated Annual Base/Participant/Asset Fees: (% of Assets) | | | | 0.00% |
| Notes / Indicate any other changes to Proposed Fees (e.g., transactional, other fees) | | | | |

b. Selection as Recordkeeper and TDF Manager:

| b. Selection as Recordkeeper and TDF Manager: | | | | |
|--|-----------------------------------|----------------------|-------------------------|-------------------------|
| | | | | |
| Cost Proposal Assumptions | | | | |
| Provide an annual fee quote (to be invoiced quarterly and paid for using the fees deducted from participant accounts) on a per-participant-with-a-balance basis to encompass all recordkeeping services as well as general education services. Please note that this quote may be given in terms of dollars per participant. | 457(b) Plan | | | |
| | Description | Units | Unit Price | Calculated Total |
| | # of Participants with a Balance: | 57,883 | | See below |
| | Total Assets: | \$5,511,223,037 | | See Below |
| | | Assumed Units | Rate | Total |
| | Assumed Units | Unit Price | Calculated Total | |
| Base Fees (Total \$): | 1 | | \$0.00 | |
| Per Participant Fee (\$ / Participant): | 57,883 | | \$0.00 | |
| Total Estimated Annual Base/Participant/Asset Fees: | | | \$0.00 | |
| Total Estimated Annual Base/Participant/Asset Fees: (\$/Participant) | | | \$ - | |
| Total Estimated Annual Base/Participant/Asset Fees: (% of Assets) | | | 0.00% | |
| Notes / Indicate any other changes to Proposed Fees (e.g., transactional, other fees) | | | | |

c. Selection as Recordkeeper and Stable Value / Fixed Account Manager and TDF Manager:

| Cost Proposal Assumptions | | | | | |
|--|-----------------------------------|-----------------|------------------|------------------|--|
| 457(b) Plan | | | | | |
| Description | Units | Unit Price | Calculated Total | | |
| Provide an annual fee quote (to be invoiced quarterly and paid for using the fees deducted from participant accounts) on a per-participant-with-a-balance basis to encompass all recordkeeping services as well as general education services. Please note that this quote may be given in terms of dollars per participant. | # of Participants with a Balance: | 57,883 | See below | | |
| | Total Assets: | \$5,511,223,037 | See Below | | |
| | | Assumed Units | Rate | Total | |
| | | Assumed Units | Unit Price | Calculated Total | |
| Base Fees (Total \$): | 1 | | \$0.00 | | |
| Per Participant Fee (\$ / Participant): | 57,883 | | \$0.00 | | |
| Total Estimated Annual Base/Participant/Asset Fees: | | | \$0.00 | | |
| Total Estimated Annual Base/Participant/Asset Fees: (\$/Participant) | | | \$ - | | |
| Total Estimated Annual Base/Participant/Asset Fees: (% of Assets) | | | 0.00% | | |
| Notes / Indicate any other changes to Proposed Fees (e.g., transactional, other fees) | | | | | |

d. Other Bundled Proprietary Product Scenario:

| d. Other Bundled Proprietary Product Scenario: | | | | | |
|--|---------------------------|-----------------------------------|-----------------|------------------|-------|
| | | | | | |
| | Cost Proposal Assumptions | | | | |
| | 457(b) Plan | | | | |
| Provide an annual fee quote (to be invoiced quarterly and paid for using the fees deducted from participant accounts) on a per-participant-with-a-balance basis to encompass all recordkeeping services as well as general education services. Please note that this quote may be given in terms of dollars per participant. | Description | Units | Unit Price | Calculated Total | |
| | | # of Participants with a Balance: | 57,883 | See below | |
| | | Total Assets: | \$5,511,223,037 | See Below | |
| | | | Assumed Units | Rate | Total |
| | | Assumed Units | Unit Price | Calculated Total | |
| Base Fees (Total \$): | | 1 | | \$0.00 | |
| Per Participant Fee (\$ / Participant): | | 57,883 | | \$0.00 | |
| Total Estimated Annual Base/Participant/Asset Fees: | | | | \$0.00 | |
| Total Estimated Annual Base/Participant/Asset Fees: (\$/Participant) | | | | \$ - | |
| Total Estimated Annual Base/Participant/Asset Fees: (% of Assets) | | | | 0.00% | |
| Notes / Indicate any other changes to Proposed Fees (e.g., transactional, other fees) | | | | | |

**State of Illinois Deferred Compensation Plan Recordkeeping and Administration RFP
Appendix B: Fee Proposal
Proposed Performance Standards / Service Level
Agreement (SLAs) & Key Performance Indicators (KPIs)**

Please complete the table below with your proposed performance standards.

| | Category | Category Definition | Description of Performance Standard/Measurement | Proposed Fees at Risk | Any Additional Notes / Conditions |
|---|--|---------------------|---|-----------------------|-----------------------------------|
| Required KPIs | Call Abandonment Rate | | | | |
| | Voice Response System (VRS) Availability | | | | |
| | Participant Website Availability | | | | |
| | Quarterly Statements - Online Availability | | | | |
| | Average Speed to Answer Calls | | | | |
| | First Call Response Rate | | | | |
| | Quarterly Statements Timeliness | | | | |
| | Case Management / Work Item Resolution | | | | |
| | Transaction Processing Accuracy | | | | |
| | Participant Satisfaction Rating | | | | |
| | Plan Sponsor Satisfaction Rating | | | | |
| | Improvements to Participant Outcomes (e.g., retirement readiness and financial wellbeing.) | | | | |
| Add Any Additional Proposed KPIs | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| | | | | |
|--|--|--|--|--|
| | | | | |
| | | | | |
| | | | Sum Total Of Individual Standards: | |
| | | | Total Fees At Risk Per Reporting Period (as limited, if applicable): | |

Describe Any Additional Terms / Conditions:

APPENDIX C: MINIMUM QUALIFICATIONS CERTIFICATION

ISBI's minimum qualifications for this RFP are detailed in *Section III. MINIMUM QUALIFICATIONS*.

Respondents must satisfy each of the following minimum qualifications for this RFP, in order to be given further consideration by ISBI. Failure to satisfy each of the requirements will result in the immediate rejection of the proposal. Failure to provide complete information will result in the rejection of the proposal.

Please state "YES" or "NO" where indicated. If evidence is requested, please provide complete documentation.

1. Respondent and its proposed team have all authorizations, permits, licenses and certifications required by federal and state laws and regulations to perform the services specified in this RFP at the time Respondent submits a response to the RFP.
YES or NO
2. Respondent has total assets for recordkeeping services provided to clients in excess of U.S. \$100 billion.
YES or NO
3. For the administration of the loan program, the Respondent can accept ongoing loan repayments directly from a participant's bank account, verses payroll, as the State of Illinois legacy payroll systems are currently not set up to process loan repayments.
YES or NO
4. For the administration of the loan program, the Respondent can create a customized system for the participant to self-certify that they do not have another outstanding loan through any other State sponsored program. The system would also calculate the maximum available loan amount in the event the participant has another outstanding loan balance.
YES or NO
5. For the administration of auto-enrollment, the Respondent can create a customized system to enroll participants into the stable value fund and then transfer the participant's account balance and investment elections to the age appropriate target retirement fund once the 90-day Plan withdrawal period has expired, unless the participant makes an alternative election prior to the transfer taking place.
YES or NO
6. Respondent can administer a participant recordkeeping and administrative fee using the following formula: Participants with an account balance that is greater than a certain dollar threshold (currently \$6,700) are charged a per participant recordkeeping and administrative fee (currently \$16.75 per quarter). Account balances less than a certain dollar threshold (currently \$6,700) are charged an asset-based fee (currently 0.25% of the account balance per quarter, or 1% annually).
YES or NO

7. Respondent has at least 5 U.S.-based institutional DC plan clients with total plan participants in excess of 25,000. One of the five plans must have a custodied separate account. (Please indicate which plan(s) have separate accounts.)

YES or NO

Complete:

| U.S.-Based DC Plan Institutional Client | Plan Type | 12/31/20 Plan Participants | Uses Separate Account(s) Y / N |
|---|-----------|----------------------------|--------------------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

8. Respondent has provided defined contribution recordkeeping services for a minimum of 15 years, as of December 31, 2020.

YES or NO

If yes, please provide the year of inception of DC recordkeeping services.

9. The Respondent’s proposed relationship manager has a minimum of 10 years’ experience in the defined contribution industry, as of December 31, 2020.

YES or NO

If yes, please provide evidence.

9. Respondent maintains sufficient procedures and capabilities necessary to ensure the timely and accurate backup and full recovery for all computers and other data storage systems related to the Plan.

YES or NO

10. Respondent has both (i) reviewed ISBI’s Vendor Disclosure Policy **and** (ii) provided all disclosures required under the Policy. If Respondent has no disclosures to report, Respondent has indicated that fact in the firm’s response. The Vendor Disclosure Policy is attached as **Exhibit A**.

YES or NO

11. Respondent has reviewed the Plan’s Investment Policy Guidelines, found via ISBI’s website (<https://www.isbinvestment.com/wp-content/uploads/2019/12/ISBI-DC-Investment-Policy-2019.12.13.pdf>), and agrees that, if retained, Respondent can provide services in furtherance of the Policy.

YES or NO

12. Respondent has (i) reviewed the representations and certifications outlined in **Exhibit B**, titled Required Representations and Certifications, and (ii) agrees that, if Respondent is selected to provide services to the Plan, such representations and certifications will be incorporated into the agreement. Limited drafting changes may be negotiated during any agreement negotiation.

YES or NO

Provide any proposed changes to the representations and certifications in redline format as part of your response to this certification.

NOTE – THE PROVISIONS CONTAINED IN Exhibit B ARE NOT EXHAUSTIVE. CERTAIN OTHER PROVISIONS WILL BE PRESENT IN ANY AGREEMENT EXECUTED BY ISBI. A complete list of certifications and representations may be found on ISBI’s website via the Disclosures and Reporting tab.

IF RESPONDENT PROVIDED A "NO" RESPONSE TO ANY OF THE MINIMUM QUALIFICATION REQUIREMENTS ABOVE, RESPONDENT SHOULD NOT SUBMIT A PROPOSAL TO ISBI.

PLEASE CERTIFY THE RESPONDENT'S SATISFACTION OF THE MINIMUM QUALIFICATIONS BY PROVIDING THE RESPONDENT'S AUTHORIZED SIGNATURE BELOW.

Authorized Signer Name: _____

Title: _____

Respondent Firm: _____

Signature: _____

Date: _____

APPENDIX D: SCOPE OF SERVICES AFFIRMATION

Current Relationship Complexities are defined in **Section II. RELATIONSHIP COMPLEXITY DETAIL / APPENDIX E: PLAN DOCUMENTATION** of this RFP. The scope of services for this RFP is detailed in **Section IV. Scope of Services**.

An individual authorized to bind the responding institution to these service requirements must sign and date the services certification statement included below:

- 1. The Respondent must agree (by written affirmation) to provide the services as listed in Section III. Scope of Services, as well as agree to all other requirements as stated in this RFP and more fully detailed in Appendix E within the resulting contract agreement.**

Respondent agrees to provide the services as detailed in Section III of the RFP as well as the aforementioned service requirement terms as provided.

(Yes/No): _____

IF NO IS ENTERED PLEASE FULLY DESCRIBE EXCEPTIONS, IF ANY, WITH REDLINE EDITS IN THE SPACE BELOW.

PLEASE NOTE: SUCH EXCEPTIONS MAY FORM THE BASIS FOR FURTHER NEGOTIATION OR MAY BE CONSIDERED AS AN EVALUATION SUB-FACTOR.

Authorized Signer Name: _____

Title: _____

Respondent Firm: _____

Signature: _____

Date: _____

APPENDIX E: PLAN DOCUMENTATION

Please see PDF file entitled **Appendix E – Plan Document Pending Changes** containing the Plan's Administrative Code as approved by the Board and pending final approval from the Joint Committee on Administrative Rules.

EXHIBIT A: VENDOR DISCLOSURE POLICY

The Illinois State Board of Investment (“ISBI”) acts as fiduciary for the State of Illinois Deferred Compensation Plan. As fiduciaries, the Board of Trustees (the “Board”) of ISBI is responsible for managing, investing, reinvesting, preserving, and protecting fund assets.

It is the policy objective of the ISBI to prevent actual, potential, or perceived conflicts of interest with its current and prospective vendors on behalf of its participants.

In furtherance of this policy, ISBI shall require the following disclosures:

1. Political Contribution Disclosure

All (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors’ solicitors, finders, officers, directors, partners, principals, lobbyists, and any individual whose compensation is directly derived by the awarding of ISBI’s contracts must provide written disclosures of all political contributions made during the preceding five years to a Board Member or a Board Member’s Campaign Committee and any other political contribution expressly prohibited by SEC Rule 206(4)-5 (17 CFR 275.206(4)-5), and provide disclosures in writing of any future political contributions made to Board Members or a Board Member’s Campaign Committee. In addition, all vendors submitting bidding proposals to ISBI and any vendors retained by ISBI, shall affirm in writing its compliance with SEC Rule 206(4)-5.

All (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors’ solicitors, finders, officers, directors, partners, principals, lobbyists, and any individual whose compensation is directly derived by the awarding of ISBI’s contracts must provide written disclosures of any future instances where a Board Member or a Board Member’s Campaign Committee solicits any political contributions from such persons, regardless of the candidate or political campaign committee for whom the solicitation is requested.

Additionally, (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors’ solicitors, finders, officers, directors, partners, principals, lobbyists, and any other individual whose compensation is directly derived by the awarding of ISBI’s contracts, must provide written disclosures of all political contributions made during the preceding five years to any political committee established to promote the candidacy of the office of the Governor or any other declared candidate for that office.

The failure to provide written disclosures of political contributions or solicitations may result in the disqualification or termination of the vendor.

PROVIDE RESPONDENT’S POLITICAL CONTRIBUTION DISCLOSURES IN AN ATTACHMENT.

IF RESPONDENT HAS NO POLITICAL CONTRIBUTIONS TO REPORT, INDICATE THAT RESPONDENT HAS NO DISCLOSURES TO REPORT IN AN ATTACHMENT.

2. Public Act 95-0971 Disclosures

Public Act 95-0971 (the Act) amends the Illinois Procurement and Election Codes (i) to require certain “business entities” to register with the State Board of Elections; (ii) to require state bidding documents and contracts to contain language referencing a business entity’s duty to register with the State Board of Elections and duty to provide a registration-related certification; and (iii) to restrict business entities from making political contributions to any political committee established to promote the candidacy of the officeholder responsible for awarding the contract on which the business entity has submitted a bid or

proposal, which is the Governor in the case of the Board. ISBI constitutes a "State Agency" under the Act. On January 30, 2008, the Board resolved to apply the Act's requirements to ISBI's contracts.

All (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI must comply with all requirements of the Act that are applicable to the particular vendor. Please note that any contract formed between ISBI and vendor is voidable for vendor's failure to comply with the requirements of the Act.

Please read the Act carefully, as it may affect your ability to do business with ISBI. The Act may require registration and disclosures by you with the State Board of Elections and requires specific language to be present in ISBI bidding materials and contracts. Further, the Act may restrict you from making political contributions to certain state officeholders.

DISCLOSE WHETHER RESPONDENT CONSTITUTES A "BUSINESS ENTITY" UNDER THE ACT.

IF RESPONDENT IS A BUSINESS ENTITY, RESPONDENT MUST PROVIDE A REGISTRATION CERTIFICATION AS AN ATTACHMENT.

3. Vendor Disclosure of Financial Interests and Potential Conflicts of Interest

All bidding materials from potential ISBI vendors must be accompanied by a disclosure of any ownership of the vendor in excess of 7.5%, as well as a disclosure of any distributive income share in excess of \$100,000.00 of the bidding entity and its parent entity. If the vendor is a publicly traded entity subject to Federal 10K reporting, it may submit its 10K disclosure to satisfy the 5% ownership disclosure. Distributive income share, in this instance, is a fee, commission, bonus, or any other form of remuneration conferred by the bidding entity or its parent contingent on the bidding entity's selection for procurement of services by ISBI.

Disclosures must include at least the names, addresses, and dollar or proportionate share of ownership of each person identified and their instrument of ownership.

PLEASE PROVIDE OWNERSHIP DISCLOSURES IN AN ATTACHMENT.

IF RESPONDENT HAS NO OWNERSHIP DISCLOSURES TO REPORT, INDICATE THAT RESPONDENT HAS NO OWNERSHIP DISCLOSURES TO REPORT IN AN ATTACHMENT.

Further, the bidding entity must disclose whether any of the following relationships, conditions, or statuses are applicable to representatives of the bidding entity or its parent entity:

- a. State employment, currently or in the previous three years, including contractual employment services;
- b. State employment by spouse, father, mother, son, daughter or immediate family including contractual employment for services in the previous two years;
- c. Elective Status: the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois, or the statutes of the State of Illinois currently or in the previous three years;
- d. Relationship to anyone (spouse, father, mother, son, daughter, or immediate family) holding elective office currently or in the previous two years;
- e. Employment, currently or in the previous three years, as or by any registered lobbyist of the State government;

f. Relationship to anyone (spouse, father, mother, son, daughter, or immediate family) who is or was a registered lobbyist of the State government in the previous two years;

g. Compensated employment, currently or in the previous three years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections;

h. Relationship to anyone (spouse, father, mother, son, daughter, or immediate family) who is or was a compensated employee in the last two years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections.

PROVIDE DISCLOSURES APPLICABLE UNDER SECTION 3.a. – 3.h. IN AN ATTACHMENT.

IF RESPONDENT HAS NO DISCLOSURES TO REPORT FOR 3.a. – 3.h., INDICATE RESPONDENT HAS NO DISCLOSURES TO REPORT FOR 3.a. – 3.h. IN AN ATTACHMENT.

4. Public Act 98-1022 Disclosures

Public Act 98-0122 (the Act) amends the Illinois Pension Code to require certain disclosures regarding utilization of minorities, females, and persons with a disability. For purposes of this RFP, the terms “minority owned business,” “female owned business,” and “business owned by a person with a disability” are as defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act. In accordance with the Act, all (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI must provide the following numerical data:

a. The number of the vendor’s investment and senior staff and the percentage of its investment and senior staff who are a (i) minority person, (ii) female, or (iii) person with a disability;

| DIVERSITY PROFILE | | | | | | | | |
|--|--------------|--------|----------|--------|----------|--------|---|-------------------------------------|
| Name of Respondent Firm: | | | | | | | | |
| Data as of: | | | | | | | | |
| Job Category | Non-Disabled | | | | Disabled | | Total Minority, Female and Disabled Persons | Total Staff Minority & Non-Minority |
| | Non-Minority | | Minority | | Male | Female | | |
| | Male | Female | Male | Female | | | | |
| Senior Staff (as defined by your Firm) | | | | | | | | |
| Investment Professionals (Excluding Senior Staff) | | | | | | | | |
| Total Senior Staff & Investment Professionals | | | | | | | | |
| Percent of Total Senior & Investment Professionals | | | | | | | | |

Note: Do not count employees twice. Employees must be placed in one category ONLY.
Example: A black female with a disclosed disability can go into either the “minority female” category OR the “disabled female” category, not both.
Additional Note: “Not Applicable” or a blank is not an acceptable response. A number must be written in each box.

- b. The number of contracts, oral or written, that the vendor has in place for investment services, consulting services, and professional and artistic services that constitute a (i) minority owned business, (ii) female owned business, or (iii) business owned by a person with a disability; and
- c. The number of contracts, oral or written, that the vendor has in place for investment services, consulting services, and professional and artistic services where more than 50% of services performed pursuant to contract are performed by a (i) minority person, (ii) female, or (iii) person with a disability but do not constitute a business owned by a minority, female, or person with a disability.

| Number of contracts, oral or written, for investment services, consulting services, and professional and artistic services that the Respondent has with: | | |
|--|---------------------|------------------------|
| | Number of Contracts | Funds Expenses to Date |
| Minority/Female/Disabled Firms | | |
| Non-Minority owned Firms where greater than 50% of the services performed pursuant to the contact are completed by Minority/Female/ Disabled persons within that Firm. | | |
| Total | | \$ |

Note: “Not Applicable” is not an acceptable response. A number must be written in each box. If your firm does not track this information, please perform a reasonable review of your service provider relationships and answer to the best of your knowledge.

Finally, in a separate attachment, please provide any additional information related to your firm's diversity initiatives that might be useful during the search and/or selection process.

These disclosures are not intended to prohibit or prevent any contract. The disclosures are considered by the Board of Trustees of ISBI, within the bounds of financial and fiduciary prudence, prior to awarding a contract. Failure to make any disclosure required by this provision may render the contract, bid, proposal, response, or relationship voidable by ISBI and may result in the termination of any existing relationship, suspension from future contracts, bids, proposals, responses, or relationships for a period up to ten years.

EXHIBIT B: REPRESENTATIONS AND CERTIFICATIONS

Representations and Certifications:

1. _____ shall comply with all applicable laws of the State of Illinois and the United States of America, and any governmental or regulatory authority outside of the United States.
2. _____ certifies that no finder's fee or commission has been or shall be paid to any individual or organization resulting from the establishment of this investment relationship.
3. No party may assign this Agreement, in whole or in part, nor delegate, except as contemplated herein, all or part of the performance of duties required of it by this Agreement without the prior written consent of the other party, and any attempted assignment or delegation without such consent shall be void.
4. If any provision of this Agreement shall be held invalid, illegal, or unenforceable, the validity, legality, or enforceability of the other provisions of this Agreement shall not be affected, and there shall be deemed substituted for the provision at issue a valid, legal, and enforceable provision as similar as possible to the provision at issue.
5. _____ and ISBI each represents to the other that it is duly authorized and fully empowered to execute, deliver, and perform this Agreement.
6. _____ shall maintain, for a minimum of 5 years after the completion of this Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with this Agreement. _____ further agrees to cooperate fully with any audit and to make this Agreement, and all books, records, and supporting documents related to this Agreement, available to the Auditor General, chief procurement officer, internal auditor, and the purchasing agency. Failure to maintain the books, records, and supporting documents required by this Agreement shall establish a presumption in favor of the State of Illinois for the recovery of any funds paid by the State of Illinois under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.
7. _____ certifies that _____ is its correct tax identification number and that the manager is doing business as a _____.
8. _____ certifies that neither it, nor any of its affiliates, is participating or shall participate in an international boycott in violation of the provisions of the United States Export Administration Act of 1979.
9. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-5. Section 50-5 prohibits a contractor from entering into a contract with a State Agency if the contractor has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, or if the contractor has made an admission of guilt of such conduct which is a matter of record. Further, _____ acknowledges that ISBI may declare this Agreement void if this certification is false.
10. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-10. Section 50-10 prohibits a contractor from entering into a contract with a State Agency if the contractor has been convicted of a felony and 5 years have not passed from the completion of the sentence for that felony. Further, _____ acknowledges that ISBI may declare this Agreement void if this certification is false.

11. _____ certifies that it, and any of its affiliates (as defined in the Illinois Procurement Code), is not barred from being awarded a contract under 30 ILCS 500/50-11. Section 50-11 prohibits a contractor from entering into a contract with a State Agency if the contractor knows or should know that it, or any of its affiliates, is delinquent in the payment of any debt to the State of Illinois, as defined by the Debt Collection Board. Further, _____ acknowledges that ISBI may declare this Agreement void if this certification is false.
12. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-12. Section 50-12 prohibits a contractor from entering into a contract with a State Agency if the contractor, or any affiliate, has failed to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act. Further, _____ acknowledges that ISBI may declare this Agreement void if this certification is false.
13. _____ certifies that is not barred from being awarded a contract under 30 ILCS 500/50-14. Section 50-14 prohibits a contractor from entering into a contract with a State Agency if the contractor has been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last 5 years. Further, _____ acknowledges that ISBI may declare this Agreement void if this certification is false.
14. _____ certifies that during the five years prior to the date of this Agreement, no officer, director, partner, or other managerial agent of the _____ has been convicted of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953. Further, _____ acknowledges that ISBI shall declare this Agreement void if this certification is false.
15. Respondent acknowledges warrants that none of the disqualifications described in Section 411 of ERISA apply to the Respondent; and specifically agrees to perform its duties under this Agreement with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in an enterprise of like character and with like aims.
16. _____ shall secure, and maintain throughout the term of the investment management relationship with ISBI, insurance that satisfies the requirements set forth below that is provided by insurer(s) rated A- or better by A.M. Best & Company. _____ shall provide ISBI:
 - a. A copy of the requisite insurance policies upon initiation of the contract;
 - b. an annual certification that the insurance requirements continue to be satisfied; and
 - c. evidence of continued satisfaction of the insurance requirements upon request.The minimum insurance requirement shall include: (1) a bond protecting the Account assets that meets the requirements of, and that is in the amount specified under, ERISA and the regulations thereunder; and (2) errors and omissions coverage in an amount equal to the greater of: \$5 million or 5% of the assets under management, up to a maximum of \$10 million of coverage. The errors and omissions insurance shall protect the Account against losses from the negligent acts, errors or omissions of Respondent.
17. _____ shall notify ISBI in writing within five (5) business days of any material changes in senior officers, senior personnel involved in the management of the Account, ownership, significant legal actions instituted against Respondent, or any investigations, examinations, or other proceedings commenced by any governmental regulatory agency which is not conducted in the ordinary course of Respondent's business.
18. _____ certifies that Respondent and, to the best of its knowledge, Respondent's subcontractors (if any), have complied with Illinois Executive Order 1-2007.

19. _____ certifies that Respondent is not an Illinois Finance Entity as defined by 40 ILCS 5/1-110.10.
20. If _____ retains any subcontractors to perform any portion of the work hereunder, then Respondent shall promptly provide notification, in writing, to ISBI. Respondent shall also disclose the names and addresses of all subcontractors and the expected amount of money each will receive under the contract. Respondent shall provide ISBI a copy of any subcontract with an annual value of more than \$25,000 so identified within 20 days after the execution of this Agreement or after execution of the subcontract, whichever is later. In addition, Respondent acknowledges that if at any time during the term of the contract it adds or changes any subcontractors, it will provide notification, in writing, to ISBI. For purposes of this certification, "subcontractor" does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy-voting advisory services, services used to track compliance with legal standards, and investment fund of funds where ISBI has no direct contractual relationship with the investment advisers or partnerships.
21. _____ acknowledges that a description of this Agreement shall be posted on ISBI's website, including the name of the organization, the total amount applicable to the Agreement, the total fees paid or to be paid under the Agreement and a disclosure, approved by ISBI, describing the factors that contributed to the selection of the organization.
22. _____ agrees to disclose the names and address of: (i) Respondent; (ii) any entity that is a parent of, or owns a controlling interest in, Respondent; (iii) any entity that is a subsidiary of, or in which a controlling interest is owned by, Respondent; (iv) any persons who have an ownership or distributive income share in Respondent that is in excess of 7.5%; or (v) any persons who serve as executive officers of Respondent.
23. _____ agrees to provide full disclosure of direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the organization in connection with the provisions of services to ISBI. Such disclosure shall be updated promptly.
24. _____ will furnish to ISBI, from time to time, such evidence as ISBI may reasonably request that it satisfies the foregoing requirements and shall promptly notify ISBI if it has reason to believe that any of the foregoing representations, warranties, or covenants may cease to be satisfied.
25. _____ acknowledges that ISBI is unable to provide its vendors with any indemnification rights in a resulting Agreement with ISBI and agrees that, if selected pursuant to this procurement process, such limitation will not impact the contract negotiations between ISBI and the Respondent.
26. _____ acknowledges is not in violation of the "revolving door prohibition" on procurement activity relating to a State Agency under 30 ILCS 500/50-30.
27. _____ shall notify ISBI in writing within five (5) business days of any material changes in senior officers, senior personnel involved in the management of the Account, ownership, significant legal actions instituted against Respondent, or any investigations, examinations, or other proceedings commenced by any governmental regulatory agency which is not conducted in the ordinary course of Respondent's business.

NOTE – ADDITIONAL CERTIFICATIONS AND REPRESENTATIONS MAY BE NEGOTIATED IN ANY RESULTING AGREEMENT WITH ISBI.