



**State of New Hampshire**  
**DEPARTMENT OF ADMINISTRATIVE SERVICES**  
 OFFICE OF THE COMMISSIONER  
 25 Capitol Street – Room 120  
 Concord, New Hampshire 03301

VICKI V. QUIRAM  
 Commissioner  
 (603)-271-3201

JOSEPH B. BOUCHARD  
 Assistant Commissioner  
 (603)-271-3204

November 9, 2015

Her Excellency, Governor Margaret Wood Hassan  
 and the Honorable Council  
 State House  
 Concord, New Hampshire 03301

**REQUESTED ACTION**

Authorize the Department of Administrative Services, on behalf of the NH Deferred Compensation Commission, to amend its contract agreement with Segal Advisors, Inc., New York, NY (VC# 164120), originally approved by the Governor and Council on May 25, 2011, item #12, by extending the end date from January 1, 2016 to March 31, 2016 and increasing the price limitation by \$12,500 from \$250,000 to \$262,500 for investment advisory services to the NH Deferred Compensation Commission. **100% Agency Income.**

Funding is available in the following Deferred Compensation account contingent upon availability and continued appropriations:

01-14-14-1400-13070000-509206 Deferred Compensation, Deferred Compensation  
 Financial Advisors

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$25,000	\$50,000	\$50,000	\$50,000	\$50,000	\$25,000
				Extension	<u>\$12,500</u>
				Total FY16	\$37,500

Total Contract \$262,500

**EXPLANATION**

The New Hampshire Deferred Compensation Commission (the "Commission") has, with Governor and Council approval, (Governor and Council Item #12, approved May 25, 2011) contracted with Segal Advisors, to provide investment advisory services to the Commission on the plan investments. They are a fiduciary to the Plan in this role. The short contract extension will allow the Commission to continue to meet its fiduciary obligations to Plan participants, in reviewing and monitoring the plan investment funds, for the important year-end reports, with the assistance of Segal Advisors, Inc., through the completion of the RFP period for the awarding of a new advisory consulting contract.

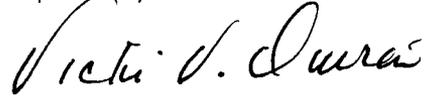
The RFP for the new five-year investment advisory consulting contract was issued by DAS Purchase and Property on October 26, 2015. With favorable negotiations, the Commission

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
November 9, 2015  
Page 2 of 2

projects a contract to be presented to Governor and Council for approval in February 2016. The extension of the existing contract to March 31, 2016 will ensure that the Commission has continuing expert investment advice available by avoiding a lapse in the contract and allowing time for a smooth transition if a new consultant is selected.

The amendment has been approved by the Office of the Attorney General as to form, execution, and content.

Respectfully Submitted,

A handwritten signature in black ink, reading "Vicki V. Quiram". The signature is written in a cursive style with a large, looping initial "V".

Vicki V. Quiram  
Commissioner

**FIRST AMENDMENT  
TO  
NH Deferred Compensation Commission / Segal Advisors, Inc.  
AGREEMENT**

This agreement, (hereinafter called the "Agreement"), dated the 9 day of Nov, 2015, by and between the State of New Hampshire, acting by and through the New Hampshire Deferred Compensation Commission, which is represented by the Department of Administrative Services (hereinafter referred to as the "Department"), and Segal Advisors, Inc., (hereinafter referred to as the "Contractor", "Segal Advisors" or "Segal"), SEC registered investment adviser.

WHEREAS, pursuant to an Agreement dated May 25, 2011, the Contractor agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of \$50,000 per year, paid quarterly as specified in the Agreement;

WHEREAS, pursuant to Section 18 of the Agreement, the Agreement may be modified or amended only by a written instrument executed by the parties hereto and only after approval of such modification by the Governor and Council, or amendment;

WHEREAS, the Contractor, and the Department have agreed to amend the Agreement in respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties hereto do hereby agree as follows:

**1. Amendment and Modification of Agreement:**

The Agreement is hereby amended as follows:

Amend Section 1.7 of the General Provisions by extending the Completion Date from January 1, 2016 to March 31, 2016.

Amend Section 1.8 of the General Provisions by increasing the Price Limitation by \$12,500, from \$250,000 to \$262,500.

**2. Continuance of Agreement:**

Except as specifically amended and modified by the terms and conditions of the Amendment, the Agreement and the obligations of the parties hereunder, shall remain in full force and effect in accordance with the terms and conditions set forth herein.

**CONTRACTOR;**

**Segal Advisors, Inc.**

By: *Francis Picarelli*

Name: Francis Picarelli  
Title: Sr. Vice President, Segal Advisors, Inc.

On the 9 day of Nov, 2015 there appeared before me, in the state and county foresaid a person who satisfactorily identified himself as

*Francis Picarelli*, and acknowledged that he/she executed this document indicated above. In witness thereof, I hereunto set my hand and official seal.

*Gisele M. Scott*  
Notary Public/Justice of the Peace

My Commission Expires: 5/26/19

**GISELE M SCOTT**  
**NOTARY PUBLIC - STATE OF NEW YORK**  
**NO. 01SC4896407**  
**Qualified in Nassau County**  
**My Commission Expires May 26, 2019**

**THE STATE;**

**The State of New Hampshire**

By: *Barry J. Glenn*

Name: Barry J. Glenn, for the Commission  
Title: Director, Bureau of Securities Regulation

By: *Vicki V. Quiram*

Name: Vicki V. Quiram  
Title: Commissioner, DAS

The foregoing contract, having been reviewed by this office, is approved as to form, substance and execution.

**Office of the Attorney General**

By: *Thomas R. Broderick*

Name: Thomas R. Broderick  
Title: Attorney

**Governor and Council of NH**

On: \_\_\_\_\_, 2015

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

# State of New Hampshire Department of State

## CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Segal Advisors, Inc. a(n) New York corporation, is authorized to transact business in New Hampshire and qualified on December 27, 2004. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto  
set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 6<sup>th</sup> day of November, A.D. 2015

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State



116 Huntington Avenue 8th Floor Boston, MA 02116-5744  
T 617 424.7300 F 617.424 7390 www.segalrc.com

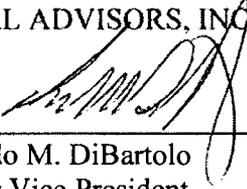
## CORPORATE RESOLUTION CERTIFICATION

As Treasurer of Segal Advisors, Inc. d/b/a Segal Rogerscasey ("Segal RC") acting on behalf of the Board of Directors of Segal RC, pursuant to a Unanimous Written Consent dated November 29, 2006, which gives the Corporate Secretary and/or the Treasurer authority to certify, on behalf of the Board of Directors, that officers of the Segal RC may execute proposals, agreements, and other legal documents, I hereby certify that Frank Picarelli, Senior Vice President of Segal RC, is authorized by the Board of Directors to submit proposals, execute agreements, other instruments and legal documents necessary for Segal RC to provide investment consulting and support services the State of New Hampshire.

This certification is hereby effective on November 9, 2015 and will remain in effect until revoked in writing.

ON BEHALF OF THE BOARD OF DIRECTORS  
OF SEGAL ADVISORS, INC. D/B/A SEGAL ROGERSCASEY

By: \_\_\_\_\_

  
Ricardo M. DiBartolo  
Senior Vice President,  
Treasurer and Chief Financial Officer

7073476





## Summary of Insurance Contract

**Sent to:** New Hampshire Deferred Compensation Plan  
25 Capitol St. - Room 215c  
Concord, NH 03301

We, the undersigned Insurance Brokers, hereby verify that Greenwich Insurance Company and National Casualty Company have issued the following described insurance, each for their own part and not one for the other, and which is in force as of the date hereof:

**Type of Insurance:** Professional Indemnity Insurance  
**Name of Assured:** SEGAL ADVISORS, INC. D/B/A SEGAL ROGERSCASEY, and others, as more fully described in the Policy.  
**Policy No.:** MPP 0022143 09  
**Insurer(s):** Greenwich Insurance Company  
**Period:** 12:01 a.m. January 30, 2015 to 12:01 a.m. January 30, 2016  
**Limit:** Not less than US\$13,500,000

Subject to the terms, conditions, exclusions and limitations of the Policy(ies).

This document is furnished as a matter of information only. The limits shown are as requested. The issuance of this document does not make the person or organization to whom it is issued an additional Assured, nor does it modify in any manner the contract of insurance between the Assured and the Insurers. Any amendment, change or extension of such contract can only be effected by specific endorsement attached thereto.

**Date:** November 6, 2015

*Aon Risk Services Northeast, Inc.*



# State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES  
OFFICE OF THE COMMISSIONER  
25 Capitol Street – Room 120  
Concord, New Hampshire 03301

LINDA M. HODGDON  
Commissioner  
(603) 271-3201

JOSEPH B. BOUCHARD  
Assistant Commissioner  
(603) 271-3204

May 3, 2011

His Excellency Governor John H. Lynch  
and the Honorable Executive Council  
State House  
Concord, NH 03301

## REQUESTED ACTION

1. Authorize the Department of Administrative Services, Deferred Compensation Commission, to enter into a (5) five year contract with Segal Advisors of New York, NY (VC # 164120), in an amount not to exceed \$250,000, for independent investment consulting to the State of New Hampshire Public Employees Deferred Compensation Plan. The contract shall become effective upon approval by Governor and Council until January 1, 2016.

**100% Agency Income.**

2. Further authorize the New Hampshire Deferred Compensation Commission to accept \$250,000 from the Plan Administrator, Great-West Retirement Services, to pay for such services indicated in item #1, as provided by the contract. **100% Agency Income.**

Funding will be available from the Deferred Compensation account and are anticipated to be budgeted and available in future years, with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office, if needed and justified, contingent on continued appropriations:

01-14-14-1400-1307-509206 Deferred Compensation

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$25,000*	\$50,000	\$50,000	\$50,000	\$50,000	\$25,000

\* 2011 actual disbursements pro rated to conform to approval date by Governor and Executive Council. Funds and disbursements will be made on a quarterly basis per the contract.

## EXPLANATION

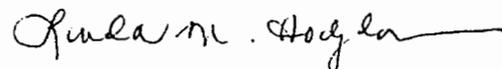
The current contract with the Plan Administrator (Great-West Retirement Services) provides funds to pay for the cost of an independent investment advisor to assist the

Commission in its fiduciary responsibility to plan participants. Funds are paid and accumulate into a separate plan account that the Commission will draw down as it needs funds. The funds are drawn down into a state account (01-14-14-1400-1307-509206) maintained by the Department of Administrative Services for the Commission and then paid out via state check. These are not state funds, but are monies paid to the Commission per the Plan contract. Segal Advisors will act as a fiduciary to the Plan and provide guidance relative to investment options; plan design; plan communications and Commission education. Funds and disbursements will be made on a quarterly basis per the contract.

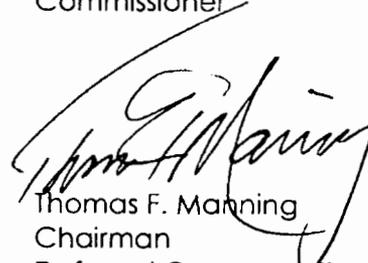
An RFP (2011-126) was issued on December 16, 2010 for an independent investment advisor. The RFP was needed as the current contract ended on December 31, 2010 and could not be renewed. On January 21, 2011, proposals were received from Buck Consultants, Evaluation Associates, Glading Group, Segal Advisors, and Wilshire Associates Inc. The Scoring was based upon: Fees and Compensation (40%), Experience (20%), Qualifications of Staff (20%), Quality and Conciseness of Proposal (10%), and Oral (10%). Based on the foregoing, the proposal submitted by Segal Advisors received the highest ranking score and was accepted by unanimous vote by the evaluating members. The evaluation team consisted of the following members: Thomas Manning, Assistant Secretary of State and Chairman of the NH Deferred Compensation Commission; Barry Glennon, Deputy Director of Bureau of Securities; Craig Downing, Hearing Officer for the NH Department of Labor; and Michael Brown, Senior Assistant Attorney General and the Chief of Client Counseling in the Office of the Attorney General. The evaluation scoring sheet is attached.

The Commission's experience with Segal has been a very positive one. Based on the foregoing, I am respectfully recommending approval of the contract with Segal Advisors.

Respectfully Submitted,



Linda M. Hodgdon  
Commissioner



Thomas F. Manning  
Chairman  
Deferred Compensation Commission

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RFP # 2011-126

On January 21, 2011, the deadline day for submissions, the Commission had received five (5) proposals from:

Buck Consultants  
500 Grant Street  
Suite 2900  
Pittsburgh, PA 15219-2513

Evaluation Associates  
200 Connecticut Avenue  
Suite 700  
Norwalk, CT 06854

Glading Group  
7 North Willow Street  
Suite 5  
Montclair, NJ 07042

Segal Advisors  
333 West 34<sup>th</sup> Street  
New York, NY 10001

Wilshire Associates Inc. ( Wilshire Consulting)  
210 Sixth Avenue  
Suite 3720  
Pittsburgh, PA 15222

457 Plan Investment Advisory and Consulting Services RFP Scoring Results

Proposer/ Factors	A					B				
	Buck	Evaluation Associates	Glading	Segal	Wilshire					
Fees & Compensation 40%	10.00	20.00	40.00	38.00	5.00	28.03	33.10	40.00	38.40	15.87
Experience 20%	15.00	15.00	10.00	20.00	15.00	20.00	17.00	16.00	20.00	20.00
Qualifications of Staff 20%	20.00	20.00	20.00	20.00	20.00	20.00	20.00	16.00	20.00	20.00
Quality & Conciseness of Proposal 10%	10.00	10.00	5.00	10.00	10.00	10.00	9.00	8.00	9.00	10.00
Oral Presentation 10%	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>Total</b>	<b>65.00</b>	<b>75.00</b>	<b>85.00</b>	<b>98.00</b>	<b>60.00</b>	<b>88.03</b>	<b>89.10</b>	<b>90.00</b>	<b>97.40</b>	<b>75.87</b>

Proposer/ Factors	C					D				
	Buck	Evaluation Associates	Glading	Segal	Wilshire	Buck	Evaluation Associates	Glading	Segal	Wilshire
Fees & Compensation 40%	28.03	33.10	40.00	38.40	15.87	28.03	33.10	40.00	38.40	15.87
Experience 20%	20.00	20.00	18.00	20.00	20.00	20.00	18.00	18.00	20.00	20.00
Qualifications of Staff 20%	20.00	20.00	19.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Quality & Conciseness of Proposal 10%	10.00	10.00	9.00	10.00	10.00	10.00	10.00	8.00	9.00	10.00
Oral Presentation 10%	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>Total</b>	<b>88.03</b>	<b>93.10</b>	<b>96.00</b>	<b>98.40</b>	<b>75.87</b>	<b>88.03</b>	<b>91.10</b>	<b>96.00</b>	<b>97.40</b>	<b>75.87</b>

A Mike Brown  
 B Craig Downing  
 C Barry Glennon  
 D Tom Manning

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RFP# 2011-126

THOMAS F. MANNING

Current Position: Assistant Secretary of State

Employed with the State of New Hampshire: 33 years

Background: Mr. Manning is the current Chairman of the NH Deferred Compensation Commission. He has served as a member of the Commission for twenty years and he has participated in the selection of two of the three Plan Administrators who have contracted to operate the Plan since its inception.

BARRY GLENNON

Current Position: Deputy Director, Bureau of Securities

Background: Attorney Glennon is responsible for licensing, registration and administration of the Bureau of Securities. He has 26 years of private and public sector experience dealing with securities and insurance. He is the Secretary of State's designee to the NH Deferred Compensation Commission.

CRAIG A. DOWNING

Current Position: Hearing Officer, NH Department of Labor

Background: Mr. Downing is a workers' compensation hearing officer, a position he has held for 21+ years. In addition he has been a participant in the NH Deferred Compensation Plan since 1995. He was first appointed to the NH Deferred Compensation Commission by Governor and Council in July, 2007. He holds the public member at large position on the Commission and has been on two prior selection committees.

MICHAEL BROWN

Current Position: Senior Assistant Attorney General and the Chief of client counseling in the Office of the Attorney General.

Attorney Brown has been the Attorney General's designee on the Deferred Compensation Commission for at least a decade. He has over 25 years of legal practice experience representing nearly all state agencies and has appeared before various state and federal administrative agencies, as well as, state and federal trial and appellate courts. He is knowledgeable and experienced in procurement and contracting.

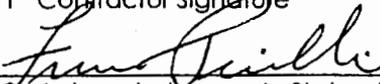
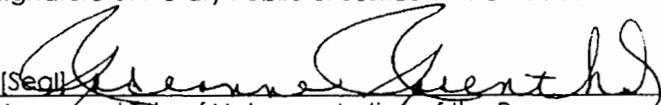
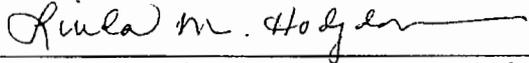
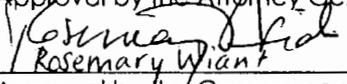
Subject: 457 Plan Investment Consulting and Advisory Services Contract

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name State of New Hampshire Administrative Services		1.2 State Agency Address State House Annex, Room 102 25 Capitol Street Concord, NH 03301	
1.3 Contractor Name The Segal Companies, Segal Advisors		1.4 Contractor Address 333 West 34 <sup>th</sup> Street, New York, NY 10001	
1.5 Contractor Phone Number (212)-251-5177	1.6 Account Number 01-14-14-1400-13070000-509206	1.7 Completion Date 01/01/2016	1.8 Price Limitation \$250,000
1.9 Contracting Officer for State Agency Thomas Manning, Chairman of NH Deferred Compensation Commission		1.10 State Agency Telephone Number 603-271-8245	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory FRANCIS PICARDI, Vice Pres. et	
1.19 Acknowledgement: State of <u>New York</u> , County of <u>Kings</u> On <u>Apr. 28, 2011</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  (Seal)		ROSEANNE ROSENTHAL, Notary Public, State of New York No. 24-4739060 Qualified in Kings County Commission Expires <u>12/31/2013</u>	
1.13.2 Name and Title of Notary or Justice of the Peace <u>ROSEANNE ROSENTHAL - Notary Public</u>			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Linda M. Hodgdon, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Rosemary Wiant On: <u>5-10-11</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.** Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records

and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

#### **7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

#### **8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

#### **9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

**14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.** This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

**EXHIBIT A**  
**SCOPE OF SERVICES**

**I. PURPOSE:**

The Contractor hereby agrees to provide investment consulting and advisory services to the New Hampshire Deferred Compensation Commission (the "Commission") in its role as administrator of the State of New Hampshire Public Employees Deferred Compensation Plan (the "Plan"), in accordance with the specifications of RFP 2011-126 and as described herein.

**II. TERM:**

The term of any resulting contract shall be for a five (5) year term commencing April 15, 2011, or upon Governor and Council approval, whichever is later, and shall expire approximately five (5) years thereafter on January 1, 2016. At contract completion the NH Deferred Compensation Commission shall issue a new RFP for continued investment consulting and advisory services.

Notwithstanding the above, the resulting contract is subject to an annual review by the NH Deferred Compensation Commission. If the Commission finds deficiencies with the services provided; which shall be solely determined by the Commission, the contract may be terminated at the end of any contract year with 90 days written notice to the consultant.

**III. SPECIFICATIONS FOR THE REQUIRED SERVICES:**

The Contractor shall provide the following services:

1. Investment Performance Monitoring

The Contractor shall conduct and provide in writing, quarterly fund performance reviews that, at a minimum, include:

- A general overview of the market as a whole and specific industry sectors.
- A general review of the Plan's portfolio of funds, including investment style, plan expenses and risk/reward profiles.
- A comparison of the Plan's investment options in each asset category to appropriate benchmarks.
- Data and/or reports depicting historical performance returns, major holdings, sector weightings, manager information, and portfolio statistics (ratings, asset size, etc.) of the funds.
- Reports on any manager and/or fund investment strategy changes.
- The monitoring of the Custom Stable Value Fund product, data and/or reports depicting the book to market differential of the Portfolio and advice on quarterly rate setting, underlying investments and current and future risks.

2. Investment Option Selection

The Contractor shall provide ongoing assistance with investment options, including, but not

limited to:

- Providing advice and assistance with adding and/or eliminating investment options by reviewing funds in accordance with the Commission IPS and GWRS contract.
- Evaluation and provision of recommendations regarding new offerings, such as guaranteed income products.
- Providing advice and assistance to the Commission on establishing a Roth 457 program with our provider Great West.
- Assisting the Commission in evaluating and if needed, recommending changes in the portfolio of the NH Custom Stable Value Fund.
- Review and suggest changes, if needed, with SDB window option contained in the Plan.
- Informing the Commission of industry and plan sponsor trends, as well as new investment products or methods of offering investment products.

3. Investment Policy Statement (IPS)

The Contractor shall assist with maintaining the Plan's Investment Policy Statement, including, but not limited to the following:

- Providing advice and assistance to the Commission in updating the current IPS to match the current fund line up with GWRS.
- Assisting the Commission with application of the IPS regarding decisions on funds and new offerings. (Section 2)
- Providing ongoing review and advice to avoid administrative and legal complications.

4. Education/Communication and Training

The Contractor shall provide expert comprehensive guidance to the Commission to assist in their oversight of the Plan, including, but not limited to:

- Attending Commission meetings and special meetings as requested.
- Advising the Commission of key trends and recent developments in fiduciary responsibility and plan administration.
- Providing on site general education and fiduciary liability training for the Commission in a once a year Education Day, including representatives of mutual fund offerings and outside experts.
- Identifying and recommending other education resources, including off-site educational opportunities for the Commission
- Providing advice and assistance in developing and evaluating participant communication strategy, including but not limited to mailers, email, social network opportunities, more effective use of the Plan website ([www.nhdcp.com](http://www.nhdcp.com)) and assessments. Participant assessments administered by GWRS may include but are not limited to participant surveys, focus groups, customer satisfaction evaluations, and other knowledge/awareness assessments.
- Assisting the Commission in its annual evaluations of the Plan provider goals, including GWRS PEP.

5. Contract Review

The Contractor shall provide contract review assistance in compliance with the State of NH procurement policies, including but no limited to:

- Assistance to the Commission in the development/review of proposed contracts with Great West Retirement Services. In 2015, the contract with GWRS expires. Prior to the expiration of this contract, the Commission may undertake negotiations with GWRS for a 5 year renewal of the contract. The consultant will assist the Commission in those negotiations. The consultant will be involved in drafting, reviewing and providing advice regarding a new contract or amendments and revisions to existing contracts.

6. Specific Assignments

- The Contractor shall assist the Commission in the development and adoption of a new Plan Document
- The Contractor shall recommend and advise the Commission on updates to the enabling statute of the State 457 Plan.
- The Contractor shall develop and assist the Commission to rewrite the IPS to conform to current Plan.
- The Contractor shall advise and assist with the Annual Education Day agenda and offerings.
- The Contractor shall respond to informational requests from the Commission or its designees in a timely manner.

**IV. ORDER OF PRECEDENCE OF DOCUMENTS**

The order of Precedence of the contract documents for investment advisory and consulting services will be as follows, in descending order of priority:

1. *Executed Contract Form P-37;*
2. *State's Request for Proposal (RFP) for Investment Advisory and Consulting Services;*
3. *Segal Companies' Response to the RFP;*

To the extent that any of the terms that appear in the investment advisory and consulting services are inconsistent with or contradicted by the first three documents listed above, the terms of the Form P-37, RFP, and the RFP Response shall prevail in the order noted.

**EXHIBIT B**  
**CONTRACT PRICE AND PAYMENT TERMS**

The State of New Hampshire shall pay The Segal Companies/ Segal Advisors for services rendered at the end of each quarter and within 30 days of the receipt of a quarterly invoice. The quarterly invoice shall be in the amount of \$12,500.00. The total cost of the contract is \$250,000 (\$50,000 per year) with no renewal option.

EXHIBIT C  
SPECIAL PROVISIONS

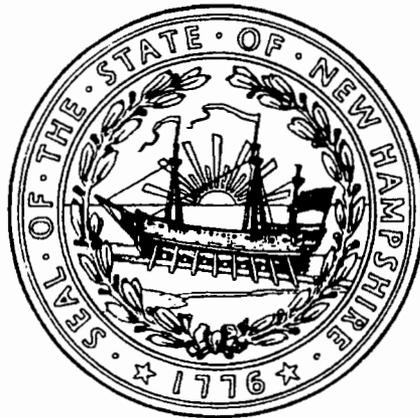
I. There are no special provisions for this agreement.

Contractor's Initials: *ESP*

Date: *4/28/2011*

**EXHIBIT D**  
**STATE OF NEW HAMPSHIRE PROPOSAL 2011-126**

**STATE OF NEW HAMPSHIRE**  
**Public Employees Deferred Compensation Plan**



**Request for Proposals # 2011-126**

**457 Plan**  
**Investment Advisory and Consulting Services**

**Issue Date:** December 16, 2010  
**Deadline for Questions:** January 6, 2011  
**Deadline for Submissions:** January 21, 2011 (3:00 PM EST)

**Submit proposals to:**

**State of New Hampshire**  
**Department of Administrative Services**  
**Bureau of Purchase & Property**  
**c/o Robert Stowell**  
**25 Capitol Street Room 102**  
**Concord, NH 03301**

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Contractor's Initials: FSJ  
Date: 4/28/2011

## I. BACKGROUND

The State of New Hampshire Deferred Compensation Commission (the "Commission") is seeking a consulting firm (consultant) to provide ongoing review, assessment, and recommendations for the New Hampshire Deferred Compensation Plan (the "Plan" or "NHDCP") operating under its authority.

### **DEFERRED COMPENSATION PLAN OVERVIEW**

The State of New Hampshire offers a deferred compensation plan to its state employees and any political subdivision in the state as outlined in section 457 of the Internal Revenue Code. The authority to provide this plan is outlined in New Hampshire RSA 101-B, "Public Employees Deferred Compensation Plan" (the "Plan"). The Commission, which oversees the Plan, is established in this statute and includes 8 members. Among a variety of tasks, the Commission is responsible for selecting and hiring the plan administrator/record keeper and investment consultants. The Commission is also responsible for: 1). Establishing and maintaining the Investment Policy Statement (the "IPS", attached as Appendix D), 2). Selecting investment options, 3). Periodically evaluating the Plan's investment performance and recommending investment option changes.

The Commission has contracted with Great-West Retirement Services ("GWRS") as administrator/record keeper to provide Plan administration activities including coordination, maintenance, education and communication of the investment options to participants and provide fund commentary/review to the Commission. GWRS is also responsible for holding and investing plan assets in accordance with the terms of the contract. The contract with GWRS is for 5 years and assets were transferred from the previous administrator/record keeper on 2/01/2010. Advised Assets Group ("AAG"), an affiliate, is responsible for the management of the NH Custom Stable Value Fund.

The assets in the plan as of June 30, 2010, were \$ 167.38 million. As of June 30, 2010 there were 5,878 accounts. Participating employees made contributions of \$ 3.66 million in the preceding quarter. The afore-mentioned totals include state employees and those of 12 other political subdivisions.

### **CURRENT PLAN INVESTMENT OPTIONS**

#### Target Date Funds

T. Rowe Price Retirement 2010 Fund  
T. Rowe Price Retirement 2020 Fund  
T. Rowe Price Retirement 2030 Fund  
T. Rowe Price Retirement 2040 Fund  
T. Rowe Price Retirement 2050 Fund  
T. Rowe Price Retirement Income Fund

#### Global/International Funds

American Funds Capital World Gr & Inc R5  
Artio International Equity II

#### Small-Cap Funds

Hartford Small Company R4  
Pennsylvania Mutual Fund Inv  
Invesco Van Kampen Small Cap Value A  
Vanguard Small Cap Index Instl.

#### Mid-Cap Funds

INVESCO Mid Cap Core Equity Fund

Perkins Mid Cap Value Fund T  
Vanguard Mid Cap Index Signal  
Munder MidCap Core Growth A

Large-Cap Funds

Davis New York Venture A Fund  
Rainier Large Cap Equity Instl Fund  
T. Rowe Price Equity Income Fund  
Janus Twenty Fund T  
Vanguard Institutional Index Fund

Balanced Funds

American Funds American Balanced R4  
Pax World Balanced Fund Inc- (Social Responsible Fund choice)

Bond Fund

PIMCO Total Return Fund Admin

Stable Value Fund

New Hampshire Custom Stable Value Fund

TD Ameritrade SDB – (Opening 1/1/2011)

More information on the above can be viewed at [www.nhdcp.com](http://www.nhdcp.com)

## II. CONSULTANT SCOPE OF WORK

### CONSULTING SERVICES

#### Investment Performance Monitoring

Conduct quarterly fund performance reviews that include at a minimum:

- Provide a general overview of the market, including stocks, bonds, international markets, and industry sectors.
- Review the Plan's portfolio of funds, including investment style, plan expenses and risk/reward profiles.
- Conduct a comparison of Plan investment options in each asset category to appropriate benchmarks.
- Provide historical performance returns, major holdings, sector weightings, manager information, and portfolio statistics (ratings, asset size, etc.) of the funds. (Fund ratings can be done by proprietary ranking or third party public source)
- Monitor and report on manager and/or fund investment strategy changes.
- Monitor Custom Stable Value Fund product, the book to market differential, advise on quarterly rate setting, underlying investments and current and future risks.

#### Investment Option Selection

Provide ongoing assistance with investment options, including, but not limited to:

- Informing the Commission of industry and plan sponsor trends, as well as new investment products or methods of offering investment products.
- Assisting with adding and/or eliminating investment options by reviewing funds in accordance with the Commission IPS and GWRS contract.
- Evaluate and provide a recommendation in regard to new offerings, such as guaranteed income products.
- Advise and assist the Commission on establishing a Roth 457 program with our provider Great West.
- Assisting the Commission in evaluating and if needed, recommending changes in the portfolio of the NH Custom Stable Value Fund.
- Review and recommend changes, if needed, with SDB window option contained in the Plan.

#### Investment Policy Statement (IPS)

Assist with maintaining the Plan's Investment Policy Statement, including, but not limited to:

- Providing ongoing review and advice to avoid administrative and legal complications.
- Assisting the Commission with application of the IPS to decision making.
- Review and assist the Commission in updating the current IPS

#### Education/Communication and Training

Provide expert comprehensive guidance to the Commission to assist in their oversight of the Plan, including, but not limited to:

- Attending Commission meetings and special meetings as requested.
- Advising the Commission of key trends and recent developments in fiduciary responsibility and plan administration.
- Provide on site general education and fiduciary liability training for the Commission in a once a year Education Day.

- Identify and recommend other education resources, including off-site educational opportunities for the Commission
- Providing advice and assistance in developing and evaluating participant communication strategy, including but not limited to mailers, email, social network opportunities, more effective use of the Plan website ([www.nhdcp.com](http://www.nhdcp.com)) and assessments. Participant assessments administered by GWRS may include but are not limited to participant surveys, focus groups, customer satisfaction evaluations, and other knowledge/awareness assessments.
- Assist the Commission in annual evaluation of the Plan provider goals, including participant education program

#### Contract Review/RFP Process

Provide RFP and contract review assistance in compliance with the State of NH procurement policies, including but not limited to:

- Providing assistance to the Commission in the development/review of proposed contracts with Great West Retirement Services.
  - In 2015, the contract with GWRS expires. Prior to the expiration of this contract, the Commission may undertake negotiations with GWRS for a 5 year renewal of the contract. The consultant will assist the Commission in those negotiations. The consultant must be capable of drafting, reviewing and providing advice regarding amendments or extensions to existing contracts.
- The consultant must be capable of drafting RFP proposals including; questionnaires, evaluation criteria, scoring methodologies, response summaries and other information as necessary to assist the Commission in evaluating the capabilities and soundness of firms submitting proposals.
  - The Commission may choose to undertake a full RFP search to ensure the plan participants of the best choice in providers. In that case, the consultant must be able to assist the Commission in evaluating responses to proposals for Administrator/Record keeper and generate recommendations to the Commission for action based upon the State of NH procurement policies.
  - Be capable of facilitating a formal review and selection process for Administrator/Record keeper services. If the RFP option is selected by the Commission, the consultant is expected to be compensated separate from this contract. The cost of such services should not be included in this contract, but the Commission requests that the proposers provide a cost estimate of such services as well as an outline of what is included in that cost with this proposal. The cost estimate is requested for informational purposes only.

#### Miscellaneous

- Assist the Commission in development and adoption of a new Plan Document
- Recommend and advise the Commission on updates to the enabling statute of the State 457 Plan.
- Respond to informational requests from the Commission or Plan Administrator/Record keeper in a timely manner.

#### **CONTRACT AND TIME REQUIREMENTS**

The anticipated contract will start as soon as possible after approval of Governor and Council. The Commission desires a contract for a five-year period. Bidders are requested to provide pricing for this period of time in two ways; 1. A single five-year contract or 2. A 3 year contract with an optional 2-year renewal. The term of the consultant contract shall be subject to annual review by the Commission. The Commission may cancel the contract at the end of any contract year upon providing the consultant with 90 days advance notice in writing. No contracts and agreements entered into by the Commission shall impose any penalties or responsibilities on

the Commission or the State of New Hampshire for cancellation of the contract or agreement prior to the stated expirations dates.

During the term of the contract the consultant will attend regularly scheduled meetings of the Commission. The Commission meets quarterly in public session, but, at its discretion, may meet more frequently. The consultant will be required to be at the 4 scheduled public meetings as well as the Commission Education Day mentioned above. The education day can be scheduled adjacent to one of the regular meetings to reduce time and travel expenses. In addition, the bidder may propose an alternate arrangement for 2 of the quarterly meetings, than onsite participation after the first full year of the contract as the Commission becomes familiar with the investment team.

**REPORTS**

The consultant will conduct quarterly analysis of the performance of the Plan's investment options and present that analysis to the Commission at its quarterly meeting. In addition the consultant will present recommendations as needed on the task list above or at the direction of the Commission. All analysis shall be constructed with the points outlined in the Scope and with the IPS as a framework. The reports shall be sent to the Commission in hard copy and electronic form prior to the scheduled Commission meetings.

**MINIMUM QUALIFICATIONS**

All bidders must:

1. Have a minimum of five years' experience providing investment-consulting services;
2. Demonstrate that they provide such services to at least five 457, 401(a), defined contribution, or 401(k) plans; and
3. Have a client base that includes at least \$500 million in net assets under management in government 457 plans.

**ADDITIONAL REQUIREMENTS**

All bidders must attest that they and their key professionals do not have or anticipate a potential conflict of interest with the State of New Hampshire, the Commission, its members, or Great-West Retirement Services, AAG or any other of its affiliates.

**STAFFING**

Using all information contained in or referenced in this RFP and their prior experience, bidders must provide a staffing plan identifying key personnel and their qualifications.

Contractor's Initials: *JS*  
Date: *4/20/2011*

### **III. TERMS AND CONDITIONS FOR SUBMISSION OF PROPOSALS**

The purpose of this section is to state the terms and conditions that will govern the submission of responses to the Commission in response to this Request for Proposals.

#### **MANDATORY INSTRUCTIONS FOR VENDORS**

It is requested that you complete all sections of the RFP and provide your Proposal by the stated Proposal Submission Deadline. All companies, producers, agents or underwriters submitting Proposals are construed to have agreed to all conditions set forth in the RFP. This RFP may not be altered or modified by bidders or bidding entities.

#### **REQUIRED TERMS AND CONDITIONS**

The Transmittal Letter (attached hereto as Appendix A) shall be signed and submitted with your RFP response. Failure to submit the Transmittal Letter with your response will result in rejection of your response.

The form contract P-37 (attached hereto as Appendix C) shall be part of this Proposal and the basis for contract discussions. If and when a selection for an award is made, the successful vendor and the State shall promptly execute this form of contract, which is to be completed by incorporating the service requirements and price conditions established by the vendor's offer. In addition to the fully and properly executed P-37, the successful vendor shall promptly provide the required documentation needed for Governor and Council approval. Such documents shall include, but may not be limited to, a Certificate of Authority/Vote, an original Certificate of Good Standing, and a Certificate of Insurance.

- A sample Certificate of Authority/Vote can be found in Appendix B.
- The Certificate of Good Standing must be dated April 1, 2010, or later, and have a gold seal. The Certificate of Good Standing is available from the Secretary of State's Office by calling (603) 271-3244 or (603) 271-3246 or by visiting [www.sos.nh.gov/corporate/index.html](http://www.sos.nh.gov/corporate/index.html).
- The Certificate of Insurance shall contain coverage limits in accordance with sections 14 and 15 of Form P-37.

Unless the successful vendor returns the above mentioned documents to the State within ten business days following selection for an award, the State reserves the right to award the contract to the next confirming bidder.

#### **VENDOR CERTIFICATIONS**

All bidders shall be duly registered as a vendor authorized to conduct business in the State.

- **STATE OF NEW HAMPSHIRE VENDOR APPLICATION.** If you are not currently a registered vendor in the State, you shall complete a Vendor Application and W-9 Form and submit it to the NH Bureau of Purchase and Property. See the following website for information on obtaining and filing the required forms (no fee): <http://www.admin.state.nh.us/purchasing> or [www.nh.gov](http://www.nh.gov).
- **NEW HAMPSHIRE SECRETARY OF STATE REGISTRATION.** Any person or persons conducting business under any name other than his/her own legal name shall register with the NH Secretary of State. Businesses are classified as 'Domestic' (in-state) or 'Foreign' (out-of-state). Please visit the following website to find out more about the requirements and filing fees for both classifications: <http://www.nh.gov/sos/corporate>.

#### **PROPOSAL INQUIRIES**

All inquiries concerning the substance of this RFP shall be made in writing or via email, citing the RFP Title, Page, Section, and Paragraph, and shall be submitted to:

Thomas Manning, Chairman  
NH Deferred Compensation Commission

71 South Fruit Street  
Concord, NH 03301

Vendors are strongly encouraged to submit questions to the Chairman via email at the following email address  
- [cdowning@labor.state.nh.us](mailto:cdowning@labor.state.nh.us)

Except as provided above, bidders are prohibited from contacting anyone other than the contact person. For the purposes of this RFP, the contact person is:

Mr. Robert Stowell, Administrator  
State House Annex - Room 102  
25 Capitol Street  
Concord, NH 03301-6312  
Phone (603) 271-2201  
Fax (603) 271-2700  
TDD Access: Relay NH 1-800-735-2964  
[Robert.stowell@nh.gov](mailto:Robert.stowell@nh.gov)

Technical questions regarding this, timing for Oral Presentations, P-37 requirements and other bid procedure matters may be directed to Mr. Robert Stowell, Director of the Bureau of Purchase and Property, throughout the bid process, at the above contact address.

Furthermore, no other individual employee or representative of the State of New Hampshire is authorized to provide any information or respond to any question or inquiry concerning this RFP other than as described herein. Failure to observe this rule may result in disqualification.

All inquiries related to the substance of this RFP must be received no later than January 6, 2011 as specified below. Inquiries received after this date and time will be addressed only if they are deemed by the Commission to be critical to the competitive selection process. An official written answer will be provided to all questions meeting these requirements.

In order to provide a fair process and complete information, all written questions and the responses will be summarized in a fact sheet that will be available online at <http://www.admin.state.nh.us/purchasing/> by the date listed below. Similar inquiries will be consolidated into one question. The name(s) of the firms submitting the questions will not be listed. Answers will be posted as soon as possible to allow for follow up questions by interested vendors.

Any proposal determined to be non-responsive to the specifications or other requirements of this RFP, including instructions governing format, may be disqualified without evaluation. The Commission shall reserve the right to clarify and seek supplemental information to any proposal submitted.

#### **SCHEDULE CALENDAR**

The following is the tentative time schedule for the selection of a vendor to provide the services described herein. All dates are subject to modification by the Commission, with notice.

<b>Issuance of RFP</b>	<b>December 16, 2010</b>
<b>Deadline for Questions and notice to Commission of intent to respond</b>	<b>January 6, 2011</b>
<b>Commission Response Deadline</b>	<b>January 12, 2011</b>
<b>RFP Proposal Submission Deadline</b>	<b>January 21, 2011 (3:00 PM EST)</b>
<b>Oral Presentations</b>	<b>Week of February 7, 2011</b>
<b>Approximate* Award Date</b>	<b>February 18, 2011</b>

**Approximate\*\* Start Date**

**March 18, 2011 (Upon Governor & Council Approval)**

The Commission shall review all of the submitted proposals and score them within 10 business days of the submission deadline. The Commission will choose up to (5) five of the highest scoring bidders and schedule oral presentations. The Commission will advise the highest scoring bidder as soon as possible of the Intent to Award and begin exclusive negotiations with the bidder.

\*Soliciting proposals and granting of exclusive negotiation rights does not commit the Commission to accept any of the terms of any proposal. We may suspend or terminate negotiations at any time that we determine additional negotiations would be unproductive.

The Commission will negotiate and, if successful, award a contract to the highest scoring proposer. Should the Commission not reach a favorable agreement with the highest scoring bidder, at its sole discretion, the Commission shall terminate negotiations and commence negotiations with the second highest scoring bidder and so on until a favorable agreement is reached.

\*\*No contract with the Commission is official until approved by the Governor and Executive Council. If negotiations are successful, the proposed contract will be reviewed by the Bureau of Purchase and Property and the Office of the NH Attorney General for compliance. After such review and approval, the contract will be forwarded to the Governor and Executive Council. The apparent successful bidder should be prepared to have at least one representative present for the Governor and Executive Council meeting. The apparent successful bidder will have at least a 2 week notice of the date and time of the meeting. The apparent successful bidder will be responsible for all costs associated with the above-stated requirement. (See below)

**QUESTIONS**

No formal Bidders' Conference will be held. Technical questions regarding this, timing for Oral Presentations, P-37 requirements and other bid procedure matters may be directed to Mr. Robert Stowell, Director of the Bureau of Purchase and Property, throughout the bid process. Questions dealing with the Scope of Services and fulfillment of the RFP should be addressed to the Commission Chair via email to [cdowning@labor.state.nh.us](mailto:cdowning@labor.state.nh.us). The deadline for these types of questions remains January 6, 2011.

**ADDENDUM**

In the event it becomes necessary to add to or revise any part of this RFP prior to the scheduled Proposal submittal deadline, the State shall post any Addenda on the State's Bureau of Purchase and Property website. Before submitting your Proposal, always check the site for any addenda or other materials that may have been issued, that would affect this RFP. The web address is [www.admin.state.nh.us/purchasing](http://www.admin.state.nh.us/purchasing).

**TERMS OF SUBMISSION**

The State assumes no responsibility for understandings or representations concerning conditions made by its officers or employees prior to and in the event of the execution of a contract, unless such understanding or representations are specifically incorporated into this RFP. Verbal discussions pertaining to modifications or clarifications of this RFP shall not be considered part of this RFP unless confirmed in writing. Any information provided by the vendor verbally shall not be considered part of that vendor's response.

**CHANGE OF OWNERSHIP**

In the event that the Vendor should change ownership for any reason whatsoever, the State shall have the option of continuing under the contract with the vendor, its successors or assigns for the full remaining term of the contract, continuing under the contract with the vendor, its successors or assigns for such period of time as determined necessary by the State; or immediately terminate the contract without liability to the vendor, its successors or assigns.

**CANCELLATION**

Contractor's Initials: *JS*  
Date: 4/28/2011

The State reserves the right to cancel all or any part of this RFP at any time. Cancellation of this RFP, in whole or in part, shall not bar the State from issuing an RFP for the same services or from purchasing the same services through other means.

**PUBLIC DISCLOSURE**

All material received in response to this RFP shall become the property of the Department of Administrative Services and will not be returned to the Vendor. The Department of Administrative Services reserves the right to use any information presented in an RFP response.

Any information contained in the Proposal that a Vendor considers confidential shall be clearly designated. Marking of the entire Proposal or entire sections of the Proposal (e.g. pricing) as confidential will neither be accepted nor honored. Notwithstanding any provision of this RFP to the contrary, Vendor pricing will be subject to public disclosure upon the effective date of any resulting contract.

Generally, each Proposal shall become public information upon the effective date of a resulting contract; however, to the extent consistent with applicable state and federal law and regulations, as determined by the State, including, but not limited to, RSA Chapter 91-A (Right to Know Law), the State will endeavor to maintain the confidentiality of portions of the Proposal that are clearly and properly marked confidential. If a request is made to the State to view portions of a Proposal that Vendor has properly and clearly marked confidential, the State will notify Vendor of the request and of the date that the State plans to release the records. By submitting a Proposal, Vendor agrees that unless the Vendor obtains a court order, at its sole expense, enjoining the release of the requested information, the State may release the requested information on the date specified in the State's notice without any liability to the Vendors.

**VENDOR'S RELATION TO THE STATE**

In the performance of the contract, the vendor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the vendor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers compensation or other emoluments provided by the State to its employees.

**FINANCIAL RESPONSIBILITY**

Bidders understand and agree that the State shall have no financial responsibility for any costs incurred by the bidders responding to this RFP. The successful bidder shall be solely responsible for meeting all terms and conditions specified in the RFP, its proposal, and any resulting contract. The apparent successful bidder may be required to attend a Governor and Council meeting to address any questions that may be asked and to avoid any possible delay in the contract award. The Commission must approve any subcontractor in advance. Disclosure of any use of a subcontractor must be made in the bid proposal.

The bidder's signature on a proposal submitted in response to this RFP guarantees that the prices quoted have been established without collusion with other eligible bidders and without effort to preclude the Commission from obtaining the best possible competitive proposal.

**NUMBER OF RESPONSE COPIES**

Please submit two (2) hard and 9 electronic (CD) copies of your response to:

Mr. Robert Stowell, Administrator  
State House Annex - Room 102  
25 Capitol Street  
Concord, NH 03301-6312  
Phone (603) 271-3601  
Fax (603) 271-2700  
TDD Access: Relay NH 1-800-735-2964  
robert.stowell@nh.gov

All responses must be delivered to the above office on or before January 21, 2011, 3:00 PM EST. Responses received

Contractor's Initials: *SLP*  
Date: *4/28/2011*

after the above date and time will not be considered.

All material received in response to this RFP shall become the property of the Commission. Regardless of the bidder selected, the Commission reserves the right to use any information presented in any proposal. The content of each bidder's proposal shall become public information pursuant to RSA 91-A once a contract has been awarded.

### **ORAL PRESENTATIONS**

Finalists for Oral Presentations will be chosen of the proposals submitted after scoring. The Commission will choose up to (5) five finalists to make presentations. No changes in the proposals are allowed unless it is a universal change made to all proposals at the request of the Commission. Since no changes are allowed, this is not a Best and Final (BNF) presentation and the Commission expects the bidders to submit their best proposal from the outset. Oral presentations provide an opportunity to evaluate a bidder through the presentation of its proposal.

The time allotments and the format shall be the same for all oral presentations. Bidders will be given notice of at least three (3) business days prior to the date of an oral presentation. The Commission may waive the location and medium requirements of an oral presentation upon the written request of a bidder due to special hardships, such as a bidder with disabilities or limited resources. In these circumstances, the Commission may conduct oral presentations through an alternative written or electronic medium (e.g., telephone, video conference, TTY, or Internet).

A bidder is limited to the presentation of material contained in its proposal, with the limited exception that a bidder may address specific questions posed by the Commission or provide clarification of information contained in its proposal. Any correction or modification of the proposal or the presentation of supplemental information shall be considered prejudicial to the interests of other bidders and fair competition, and shall not be permitted.

### **EFFECTIVE PERIOD OF RESPONSES**

Response proposals (bids) must remain in effect for at least 120 days from the submission deadline, and thereafter until either the bidder withdraws the response in writing, a contract is executed, or the RFP is canceled, whichever occurs first.

### **DISQUALIFICATION OF PROPOSALS**

- A. **Late Proposals:** Proposals that are received after the deadline date and time shall be automatically disqualified.
- B. **Non-responsive Proposals:** Proposals that are not responsive or that fail to comply with mandatory requirements of the RFP shall be deemed non-responsive and shall be disqualified. Non-responsive proposals shall include, but not be limited to, those that fail to address or meet any mandatory item, and those submitted in insufficient number or in incorrect format.

#### IV. ESSENTIAL ELEMENTS OF THE PROPOSAL

The purpose of this section is to identify the information, which should be submitted in response to this RFP and the order in which it should appear in the proposal. The response is limited to 20 pages in length. Additional information may be provided in Appendices to the response as needed.

##### A. PART I. COVER LETTER

The proposal should contain a cover letter and introduction, including: the company name and address, and the name and telephone number of the person or persons who will be authorized to represent the proposer regarding all matters related to the proposal, including the name(s) of the individuals directly responsible for the account. The letter should also contain the following statement:

***We have read the Commission's Request for Proposals (RFP) for 457 Plan consulting services for the Deferred Compensation Plan and fully understand its intent. We certify that we have adequate personnel, equipment, and facilities to provide the Commission's requested services that we have indicated we can meet. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Commission.***

In addition, the cover letter must certify that:

The response is genuine, and is not collusive.

The response is not made in the interest of or on the behalf of any person not named therein.

The bidder has not directly or indirectly induced or solicited any person to submit a false response or to refrain from submitting a proposal.

The bidder specifically acknowledges their role as a fiduciary to the Plan.

The bidder has thoroughly examined the RFP requirements and proposed fees to cover all the services that we have indicated. The proposal is valid for at least 120 days from the submission deadline.

The bidder acknowledges and accepts all terms and conditions included in the RFP and the State of New Hampshire Standard Contract Terms and Conditions ("P-37").

The bidder agrees to provide consultant services in a manner acceptable to the Commission.

The bidder and key professionals do not have or anticipate a potential conflict of interest with the Commission, GWRS, AAG or any of its related entities. Further, the bidder will immediately disclose all potential conflicts of interest if and when discovered.

A person authorized to bind the firm to all commitments made in its response shall sign this letter.

##### B. PART II: TECHNICAL PROPOSAL:

The bidder must include a narrative outlining the bidder's qualifications and capacity to provide the requested services. This response must include the following:

1. Describe your relevant experience and background in meeting the all of the services outlined in the scope of services above.
2. Provide an overview of your firm's services and management approach. The narrative should demonstrate the bidder's ability to customize services to the clients needs.
3. Provide a proposed work plan for the project.
4. Please identify the individuals who would perform the work for the Commission. Describe their assigned responsibilities and provide resumes. Please provide an organizational chart illustrating where in the organization the consulting team is positioned and whom they report to. Please provide the following information:
  - Name.
  - Title.
  - Proposed Role with the Commission.
  - Total years of investment consulting experience with 457, defined contribution, 401(k) or similar plans.
  - Years of investment consulting experience with the firm.
  - Number and size of assigned accounts.

5. Please provide the following information pertaining to your current clients:

Portfolio Size (\$ Millions)	Category	Public Sector	Other Tax-Exempt	Other	Total
\$0-\$49	# of Clients				
	Total \$				
\$50-\$99	# of Clients				
	Total \$				
\$100-\$250	# of Clients				
	Total \$				
Over \$250	# of Clients				
	Total \$				
Total	# of Clients				
	Total \$				

**C. PART III: DESCRIPTION OF FIRM:**

**1. HISTORY**

- a. What is your firm's complete name, address, voice telephone, e-mail, and fax numbers? Include the name and title of your proposed primary consultant and the location from which the consulting work will be done.
- b. Briefly, what is your firm's corporate history? Within the past three years, have there been any

Contractor's Initials: *JP*  
 Date: *7/28/2011*

significant developments in your organization, such as changes in ownership, restructuring, or personnel reorganizations? Do you anticipate future significant changes in your organization? If yes, please describe.

## **2. OWNERSHIP**

- a. Describe the ownership structure of your firm, giving specific details with regard to any parent or affiliates.
- b. Include an ownership organizational chart. Show and describe, if any, the distinct lines of business of your firm that are in addition to your investment consulting business.

## **3. ORGANIZATION**

- a. Describe the line(s) of business of your firm, any parent organization, and any affiliated companies.
- b. Within the last five years, has your firm or any officer or principal been involved in any business litigation or other legal proceedings relating to your consulting activities? If so, provide an explanation and indicate the current status or disposition along with the caption of the case, the court it was in and the docket number.
- c. Please describe the level of coverage for errors and omissions insurance and any fiduciary or professional liability insurance your firm carries. List the insurance carrier(s) supplying the coverage.

## **4. EMPLOYEES**

- a. List senior staff hires and departures over the last three years.
- b. Provide data relating to turnover ratios of your consulting, research, and technical staff over the last three years.

## **5. CURRENT CLIENTS**

Please provide a minimum of two and a maximum of five references for clients providing 457, defined contribution, 401(k) or similar plans. After first informing you of our intentions, the Commission may contact any of these clients as references.

## **6. FORMER CLIENTS**

Please provide the names of all clients who have terminated your firm's services in the last three years. In each case, detail the reason for termination.

## **7. NEW CLIENTS**

Please provide the names of all new client relationships gained in the last three years.

### **D. PART IV- COST PROPOSAL:**

The Cost Proposal should include:

- Overall budget
- Staff rates per hour and estimated total hours for each person assigned to the engagement.
- Other expenses or costs associated with the performance of this contract.
- Suggestions and proposals to keep the cost down, while fulfilling all the required services.

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The Commission has not determined the anticipated cost for the requested services. The Proposer's bid shall include the above cost details as requested, irrespective of the Commission's budgeted funds for this work. Note that the Commission costs in calendar year 2010 for Investment Consulting Services, with fewer comprehensive reports, but including the education day was \$ 34,875.00.

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Date: 4/28/2011

## V. EVALUATION CRITERIA

The factors to be used by the Commission in evaluating the proposals will include, but are not limited to, the following:

1. Experience (quantity, quality, and timeliness) of the firm and its staff with providing investment consulting services to other states or public entities with similar 457 deferred compensation, defined contribution, 401(k) or similarly operated plans. (20%)
2. Qualifications of staff to be assigned to the Commission. Particular attention will be paid to relevant experience with public entities. (20%)
3. Quality and conciseness of proposals. (10%)
4. Oral Presentations. (10%)
5. Fees and compensation. (40%)

Fees and compensation will be an important factor in the evaluation of responses. However, the Commission will select the bid that demonstrates the "best value" overall, including proposed alternatives and that meets the objectives of this RFP. The Commission reserves the right to negotiate with the selected bidder.

### BIDDER'S CAPABILITIES

Within the proposal, the successful bidder should include the following information or documents in their submission:

- Please provide a sample of the performance report that you would prepare on a quarterly basis for the regular meeting with the Commission.
- Indicate the number of plan clients you have that use GWRS as Administrator/Record Keeper and/or Investment Manager? Please provide the name, asset size and number of participants for these plans.
- Describe your research staff capabilities and scope. Provide the names and qualifications of those in-house individuals who will provide support to the Investment Team assigned to the NH Plan.
- Describe your technical ability and experience in advising and/or managing Stable Value Funds. Provide the names and qualifications of those in-house individuals who would advise the NH Plan in the event of required investment mix changes in the NH Custom Stable Value Fund.
- Describe your experience in performing a vendor search for a Plan of our size. While we realize that our potential need for a vendor search is 4 years away, please provide the names and qualifications of in-house individuals you currently employ that have experience in such searches. You may include that information along with the cost estimate and outline for such a service. Include information about the last two vendor searches you performed for plans of more than \$ 150 million in assets. Cost estimate is for information only.
- Please provide an example of a communications piece that you designed or assisted with that helped one of your clients meet a desired goal; i.e. increased enrollments, increased attendance at education seminars etc...
- Please provide an example of recent fiduciary training you have provided to another client.

Please feel free to include any other unique material or information that you believe makes your firm stand apart from other prospective bidders in regard to items in the above list and within the detailed Scope of Services.

#### ADDITIONAL PLAN INFORMATION

- The Plan currently holds approx. \$ 168 million in total assets. Approx. \$ 80 million out of the total is with the NH Custom Stable Value Fund.
- The NH Custom Stable Value Fund was established on transfer, managed by Advised Assets Group (AAG). The SVF is a separate account product, containing only NH Plan money. At present it is an all government portfolio.
- GWRS took over the Plan as Administrator/Record Keeper on February 1, 2010. This transfer included a significant change in the mutual fund offerings, including the addition of Target Date Funds for the first time in the Plan.
- Also new to the Plan was the addition of investment advice services through Advised Assets Group (AAG), in the form of web based guidance as well as full Managed Account Services.
- A primary goal of the Commission is to increase employee participation from not only State employees but also to expand the Plan to other political subdivisions in the State.
- The Plan is supported by revenue-sharing. There are no per participant fees, other than those in Managed Accounts.
- The SDB addition is also new. The Commission chose TD Ameritrade to be the provider. The projected date for the opening of the brokerage window is January 1, 2011.