



William F. Dwyer
STATE TREASURER

**THE STATE OF NEW HAMPSHIRE
STATE TREASURY**

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May 27, 2015

Her Excellency, Governor Margaret Wood Hassan
And the Honorable Council
State House
Concord, NH 03301

Requested Action

Authorize the State Treasury ("Treasury") to enter into a five-year contract with Charter Trust Company of Concord, NH in amounts based on portfolio market value to provide investment and portfolio management services for the New Hampshire Hospital Trust Fund effective upon Governor and Executive Council approval until June 30, 2020 with an option for yearly renewal up to five (5) years at the discretion of the State Treasurer with Governor and Executive Council approval. The contract involves no general fund appropriations. All fees associated with this contract will be paid from trust funds under management.

Explanation

Earlier this year, Treasury issued a Request for Proposal (RFP) to firms qualified for and interested in providing investment management services for one or more portfolios under the direction of the Treasury. The RFP was posted on the State's procurement website and Treasury received nineteen (19) responses. The responses were reviewed by an evaluation team consisting of three (3) members of the NH Hospital Trust Management Committee and two (2) Treasury employees.

All 19 responses met the eligibility requirements of the RFP and were evaluated on the basis of: 1) qualifications and experience, 2) performance history, 3) public funds asset management experience, 4) cost, and 5) firm asset size, structure, and reporting format. Recognizing that past performance does not guarantee future results and recognizing that not all accounts under consideration are invested with the same objective and asset allocation, performance was evaluated within broad asset classes and compared to industry standard benchmarks: the S & P 500 Index was used for equities and the Barclay's Intermediate Government/Corporate Index was used for fixed income. Performance was evaluated and compared using 1, 3, and 5 - year periods.

Her Excellency, Governor Margaret Wood Hassan
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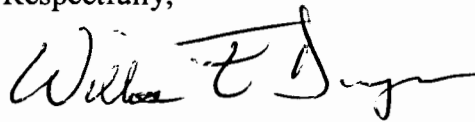
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The primary driver of the RFP was a request from the NH Hospital Trust Committee which oversees the administration of the NH Hospital Trust Fund with an approximate market value of \$7 million. The NH Hospital Trust Fund has been managed by Citizens Private Bank & Trust (and its predecessors) since 1996, having been selected as a result of an RFP process. During an audit of NH Hospital, state auditors expressed a concern over the length of time since an RFP process had been undertaken and the Trust Committee agreed.

Although many qualified firms submitted compelling responses, based on our evaluation, Charter Trust Company was selected as the best value for the provider of these services for the NH Hospital Trust Fund. Recognizing there is a cost to transfer and/or liquidate and reinvest assets, a five year contract term with the option to annually renew up to five years was chosen.

The attached contract has been approved by the Office of the Attorney General as to form, substance, and execution.

Respectfully,

A handwritten signature in black ink, appearing to read "William F. Dwyer". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William F. Dwyer
State Treasurer

Attachments: Criteria rankings of Investment Management Services RFP bidders
Investment Management 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 Treasury		1.2 State Agency Address 25 Capitol Street, Room 121, Concord, NH 03301	
1.3 Contractor Name Charter Trust Company		1.4 Contractor Address 90 North Main Street, Concord, NH 03301	
1.5 Contractor Phone Number (603)224-1350	1.6 Account Number N/A	1.7 Completion Date 6/30/2020	1.8 Price Limitation see Exhibit B
1.9 Contracting Officer for State Agency William F. Dwyer		1.10 State Agency Telephone Number (603)271-2621	
1.11 Contractor Signature <i>Charter Trust Company</i> By: <i>[Signature]</i>		1.12 Name and Title of Contractor Signatory Diane J. DeStefano, Sr. VP & Wealth Mgr	
1.13 Acknowledgement: State of NH , County of Merrimack On 04/30/2015 , 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] <i>[Signature]</i>			
1.13.2 Name and Title of Notary or Justice of the Peace DEVIN R. COWETTE, Notary Public My Commission Expires October 16, 2019			
1.14 State Agency Signature <i>William F. DWYER</i> <i>STATE TREASURER</i>		1.15 Name and Title of State Agency Signatory <i>[Signature]</i>	
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: <i>Ande C. Adelli</i> On: <i>5/28/15</i>			
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.

**Criteria Ranking Through Consensus Scoring
Investment Management Services RFP Bidders**

Charter Trust Co. Bank of New Hampshire Cambridge Trust of New Hampshire

General Requirements Met					
Signed Transmittal Letter	Y	Y	Y	Y	Y
Non-Collusion Declaration	Y	Y	Y	Y	Y
Contact Information Provided	Y	Y	Y	Y	Y
Resumes of Individuals Included	Y	Y	Y	Y	Y
Size of Firm					
Qualifications & Experience					
Firm Turnover- past 5 years	5	4	4	4	4
Average length of relationships	4	4	4	4	4
Adding value to State's Portfolio	5	4	4	4	4
Subtotal	14	12	12	12	12
Weighted Total	3.5	3	3	3	3
Performance History					
Chosen Benchmarks	5	4	4	4	4
1 yr compared to benchmark	5	4	4	4	4
3 yrs compared to benchmark	4	4	4	4	4
5 yrs compared to benchmark	4	4	4	4	4
Subtotal	18	16	16	16	16
Weighted Total	4.5	4	4	4	4
Public Funds Asset Mgmt Experience					
Experience with Governmental Clients	4	4	4	4	3
Transition of Accounts	5	5	5	5	3
Subtotal	9	9	9	9	6
Weighted Total	2.25	2.25	2.25	2.25	1.5
Cost					
Pricing Structure	5	5	5	5	4
Subtotal	5	5	5	5	4
Weighted Total	0.75	0.75	0.75	0.75	0.6
Firm Asset size, structure and reporting format					
Sample Reports	5	4	4	4	4
Regulatory Compliance	5	4	4	4	4
Code of ethics	5	4	4	4	4
Best execution	4	4	4	4	4
Business litigation/legal proceedings	5	5	5	5	5
Disaster Recovery/Business Continuity Plan	4	4	4	4	4
Compensation Structure	4	4	4	4	4
Subtotal	32	29	29	29	29
Weighted Total	3.2	2.9	2.9	2.9	2.9
Final Score	14.2	12.9	12.9	12.9	12

**Criteria Ranking Through Consensus Scoring
Investment Management Services RFP Bidders**

Citizens Private Bank & Trust

Fidelity

TD Wealth

General Requirements Met	Y	Y	Y	Y	Y	Y
Signed Transmittal Letter	Y					Y
Non-Collusion Declaration	Y					Y
Contact Information Provided	Y					Y
Resumes of Individuals Included	Y					Y
Size of Firm						
Qualifications & Experience						
Firm Turnover- past 5 years	4			4		4
Average length of relationships	4			4		3
Adding value to State's Portfolio	5			4		3
Subtotal	13			12		10
Weighted Total	3.25			3		2.5
Performance History						
Chosen Benchmarks	4			4		3
1 yr compared to benchmark	4			3		3
3 yrs compared to benchmark	3			3		3
5 yrs compared to benchmark	3			3		3
Subtotal	14			13		12
Weighted Total	3.5			3.25		3
Public Funds Asset Mgmt Experience						
Experience with Governmental Clients	5			5		3
Transition of Accounts	4			3		5
Subtotal	9			8		8
Weighted Total	2.25			2		2
Cost						
Pricing Structure	2			5		4
Subtotal	2			5		4
Weighted Total	0.3			0.75		0.6
Firm Asset size, structure and reporting format						
Sample Reports	3			4		3
Regulatory Compliance	4			4		4
Code of ethics	4			4		4
Best execution	3			4		3
Business litigation/legal proceedings	5			4		5
Disaster Recovery/Business Continuity Plan	4			4		4
Compensation Structure	4			4		4
Subtotal	27			28		27
Weighted Total	2.7			2.8		2.7
Final Score	12			11.8		10.8

**Criteria Ranking Through Consensus Scoring
Investment Management Services RFP Bidders**

Eastern Bank

Prime Buchholz

Federated

General Requirements Met					
Signed Transmittal Letter	Y	Y	Y	Y	Y
Non-Collusion Declaration	Y	Y	Y	Y	Y
Contact Information Provided	Y	Y	Y	Y	Y
Resumes of Individuals Included	Y	Y	Y	Y	Y
Size of Firm		med			
Qualifications & Experience					
Firm Turnover- past 5 years	3	3	3	3	4
Average length of relationships	3	3	3	3	4
Adding value to State's Portfolio	4	4	4	4	3
Subtotal	10	10	10	10	11
Weighted Total	2.5	2.5	2.5	2.5	2.75
Performance History					
Chosen Benchmarks	3	3	3	3	3
1 yr compared to benchmark	3	3	3	3	3
3 yrs compared to benchmark	3	3	3	3	3
5 yrs compared to benchmark	3	3	3	3	3
Subtotal	12	12	12	12	12
Weighted Total	3	3	3.25	3	3
Public Funds Asset Mgmt Experience					
Experience with Governmental Clients	4	4	4	4	2
Transition of Accounts	3	3	3	3	2
Subtotal	7	7	6	6	4
Weighted Total	1.75	1.75	1.5	1.5	1
Cost					
Pricing Structure	3	3	1	1	4
Subtotal	3	3	1	1	4
Weighted Total	0.45	0.45	0.15	0.15	0.6
Firm Asset size, structure and reporting format					
Sample Reports	4	4	3	3	3
Regulatory Compliance	4	4	4	4	4
Code of ethics	4	4	4	4	4
Best execution	3	3	4	4	2
Business litigation/legal proceedings	4	4	4	4	4
Disaster Recovery/Business Continuity Plan	4	4	4	4	3
Compensation Structure	4	4	3	3	3
Subtotal	27	27	26	26	23
Weighted Total	2.7	2.7	2.6	2.6	2.3
Final Score	10.4	10.4	10	10	9.65

**Criteria Ranking Through Consensus Scoring
Investment Management Services RFP Bidders**

Granite Investment Advisors RBC Wealth Management The Javaheri Group @ Morgan Stanley

General Requirements Met			
Signed Transmittal Letter	Y	Y	Y
Non-Collusion Declaration	Y	Y	Y
Contact Information Provided	Y	Y	Y
Resumes of Individuals Included	Y	Y	Y
Size of Firm			
Qualifications & Experience			
Firm Turnover- past 5 years	3	3	4
Average length of relationships	3	3	3
Adding value to State's Portfolio	3	3	2
Subtotal	9	9	9
Weighted Total	2.25	2.25	2.25
Performance History			
Chosen Benchmarks	3	3	3
1 yr compared to benchmark	3	3	3
3 yrs compared to benchmark	3	3	3
5 yrs compared to benchmark	3	2	3
Subtotal	12	11	12
Weighted Total	3	2.75	3
Public Funds Asset Mgmt Experience			
Experience with Governmental Clients	3	3	2
Transition of Accounts	3	2	2
Subtotal	6	5	4
Weighted Total	1.5	1.25	1
Cost			
Pricing Structure	3	5	5
Subtotal	3	5	5
Weighted Total	0.45	0.75	0.75
Firm Asset size, structure and reporting format			
Sample Reports	3	3	2
Regulatory Compliance	4	4	3
Code of ethics	4	4	4
Best execution	2	3	2
Business litigation/legal proceedings	4	4	4
Disaster Recovery/Business Continuity Plan	4	3	3
Compensation Structure	3	3	3
Subtotal	24	24	21
Weighted Total	2.4	2.4	2.1
Final Score	9.6	9.4	9.1

**Criteria Ranking Through Consensus Scoring
Investment Management Services RFP Bidders**

Wells Fargo Asset Management Boston Advisors Lazard Asset Management

General Requirements Met			
Signed Transmittal Letter	Y	Y	Y
Non-Collusion Declaration	Y	Y	Y
Contact Information Provided	Y	Y	Y
Resumes of Individuals Included	Y	Y	Y
Size of Firm			small
Qualifications & Experience			
Firm Turnover- past 5 years	3	4	3
Average length of relationships	3	3	3
Adding value to State's Portfolio	2	2	2
Subtotal	8	9	8
Weighted Total	2	2.25	2
Performance History			
Chosen Benchmarks	3	3	3
1 yr compared to benchmark	3	3	3
3 yrs compared to benchmark	3	2	3
5 yrs compared to benchmark	3	2	2
Subtotal	12	10	11
Weighted Total	3	2.5	2.75
Public Funds Asset Mgmt Experience			
Experience with Governmental Clients	2	3	2
Transition of Accounts	2	2	2
Subtotal	4	5	4
Weighted Total	1	1.25	1
Cost			
Pricing Structure	3	4	4
Subtotal	3	4	4
Weighted Total	0.45	0.6	0.6
Firm Asset size, structure and reporting format			
Sample Reports	3	2	3
Regulatory Compliance	4	4	4
Code of ethics	4	4	4
Best execution	3	2	3
Business litigation/legal proceedings	4	4	4
Disaster Recovery/Business Continuity Plan	3	3	3
Compensation Structure	3	3	3
Subtotal	24	22	24
Weighted Total	2.4	2.2	2.4
Final Score	8.85	8.8	8.75

**Criteria Ranking Through Consensus Scoring
Investment Management Services RFP Bidders**

F.L. Putnam Investment Mgmt Co.

LESA Sroufe & Co.

Breckinridge Capital Advisors

General Requirements Met				
Signed Transmittal Letter	Y	Y	Y	Y
Non-Collusion Declaration	Y	Y	Y	Y
Contact Information Provided	Y	Y	Y	Y
Resumes of Individuals Included	Y	Y	Y	Y
Size of Firm		small		
Qualifications & Experience				
Firm Turnover- past 5 years	2	3	3	3
Average length of relationships	3	3	3	2
Adding value to State's Portfolio	2	2	2	2
Subtotal	7	8	7	7
Weighted Total	1.75	2	2	1.75
Performance History				
Chosen Benchmarks	3	3	3	2
1 yr compared to benchmark	3	2	2	2
3 yrs compared to benchmark	2	2	2	2
5 yrs compared to benchmark	2	2	2	2
Subtotal	10	9	8	8
Weighted Total	2.5	2.25	2	2
Public Funds Asset Mgmt Experience				
Experience with Governmental Clients	3	2	2	2
Transition of Accounts	3	2	2	2
Subtotal	6	4	4	4
Weighted Total	1.5	1	1	1
Cost				
Pricing Structure	4	2	3	3
Subtotal	4	2	3	3
Weighted Total	0.6	0.2	0.45	0.45
Firm Asset size, structure and reporting format				
Sample Reports	2	3	3	3
Regulatory Compliance	4	4	4	4
Code of ethics	4	4	4	4
Best execution	2	2	2	2
Business litigation/legal proceedings	4	4	4	4
Disaster Recovery/Business Continuity Plan	4	3	3	3
Compensation Structure	3	3	3	3
Subtotal	23	23	23	23
Weighted Total	2.3	2.3	2.3	2.3
Final Score	8.65	7.75	7.5	7.5

**Criteria Ranking Through Consensus Scoring
Investment Management Services RFP Bidders**

Boston Hill Advisors

General Requirements Met		
Signed Transmittal Letter		Y
Non-Collusion Declaration		Y
Contact Information Provided		Y
Resumes of Individuals Included		Y
Size of Firm		
Qualifications & Experience		
Firm Turnover- past 5 years		3
Average length of relationships		3
Adding value to State's Portfolio		2
Subtotal		8
Weighted Total		2
Performance History		
Chosen Benchmarks		2
1 yr compared to benchmark		2
3 yrs compared to benchmark		2
5 yrs compared to benchmark		2
Subtotal		8
Weighted Total		2
Public Funds Asset Mgmt Experience		
Experience with Governmental Clients		2
Transition of Accounts		2
Subtotal		4
Weighted Total		1
Cost		
Pricing Structure		3
Subtotal		3
Weighted Total		0.45
Firm Asset size, structure and reporting format		
Sample Reports		2
Regulatory Compliance		4
Code of ethics		4
Best execution		2
Business litigation/legal proceedings		4
Disaster Recovery/Business Continuity Plan		2
Compensation Structure		2
Subtotal		20
Weighted Total		2
Final Score		7.45

Criteria Ranking Through Consensus Scoring
Investment Management Services RFP Bidders

Evaluation Committee Member	State Agency	Position	Expertise
Rachel Miller	State Treasury	Chief Deputy Treasurer	Responsible for trust/custodial account oversight within Treasury; 15 years of experience in trust management, reporting, and performance evaluation
Erin Zayac	State Treasury	Senior Financial Analyst	Manages trust/custodial accounts within Treasury; 2 years of experience in trust management, reporting, and performance evaluation
Jim Dall	Department of Health & Human Services, NH Hospital (NHH)	Chief Financial Officer, NHH Trust Committee Member	Trust committee member for 5+ years with experience in trust reporting and performance evaluation
Donna Ferland	Department of Health & Human Services, NH Hospital (NHH)	Finance Administrator, NHH Trust Committee Member	Trust committee member for nearly 2 years with experience in trust reporting and performance evaluation
Deborah Robinson	Department of Health & Human Services, NH Hospital (NHH)	Director of Rehabilitation Services, NHH Trust Committee Chairperson	Trust committee member for 5+ years with experience in trust reporting and performance evaluation

EXHIBIT A

Investment Management Services

Scope of Services

The New Hampshire State Treasury (“Treasury”) engages the services of Charter Trust Company as an investment manager to provide investment management services in connection with the NH Hospital Trust Fund including but not limited to the following:

- Investment management of portfolio(s)
- Custody and safekeeping of account assets
- Up to 12 statements of activity per year or 1 online account
- Collection and payment of investment income
- 12 payments or remittances per year
- Periodic meetings with clients and/or advisors as needed
- Formal quarterly reviews in printed report format, including portfolio performance, with Treasury and other state personnel
- Rebalancing to target asset allocations as needed
- Active monitoring of trade executions to ensure optimal pricing received
- Detailed fundamental analysis performed and reviewed at weekly Investment Team meetings
- Assistance in investment guideline review and revision as necessary

EXHIBIT B

Investment Management Services

Payment Terms

Schedule of Annual Fees -

- 30 basis points (.30%) for the fixed income portfolios
- 40 basis points (.40%) for the blended portfolios
- The account is valued on the last business day of each month; 1/12th of the annual fee is payable in arrears on the fifteenth of the month following delivery of services

Other Fees –

- Extra account statement fee of \$20 per statement
- Standard base fee and regulatory fees are waived
- Asset transfer fees upon termination of \$30 per asset

EXHIBIT C

Investment Management Services

Special Provisions

Form P-37

Contract

Reference

Description of Special Provision

- | | |
|-----|--|
| 1.7 | The term of the contract is five continuous years, with an option for yearly renewal up to five (5) years, at the sole discretion of the New Hampshire State Treasurer and subject to the approval of the Governor and Executive Council. |
| 3 | The obligation to continue services under the contract resulting from this RFP may be terminated for cause by either party upon seven (7) days written notice of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminated party. The Treasury shall have the right to terminate the contract or suspend performance thereof without cause for the Treasury's convenience upon fourteen (14) days written notice to the Firm, and the Firm shall terminate or suspend performance of services on a schedule acceptable to the Treasury or at the end of this fourteen (14) day period, at the option of the Treasury. In the event of termination or suspension for the Treasury's convenience, the Treasury shall pay the Firm for all services performed through the date of notice of termination or suspension. These options shall be in addition to any other remedies the State of New Hampshire may have. |
| 7 | Unless changes in key personnel are made by the Firm and at the request of the State, the State reserves the right to terminate the contract upon changes in key personnel which may result from among other things, merger of the Firm with another or reductions in force by the Firm. |



Secretary's Incumbency Certificate

The undersigned, Kathryn M. Woodfin, Secretary of Charter Trust Company, incorporated in the State of New Hampshire, hereby certifies that Diane DeStefano is a duly elected, qualified and acting officer of Charter Trust Company, holding the office of Senior Vice President and Wealth Manager.

Creating
®

Managing
Wealth

I further certify that on 07/17/2014 the Charter Trust Company Board unanimously voted:

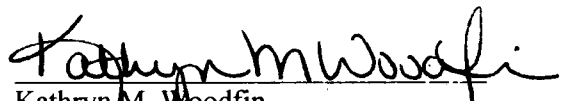
That the Chief Executive Officer, President, Chief Financial Officer, Chief Investment Officer or any Executive Vice President, Senior Vice President, Vice President, Wealth Advisor, or Senior Wealth Advisor, or each of them, be and hereby is authorized and empowered, in the name and on behalf of Charter Trust Company, subject to standard operating policies and procedures and where required by approval of the standing officer committees of Charter Trust Company, to do any of the following acts in connection with its fiduciary or agency accounts:

(a) enter into, execute and deliver deeds, bills of sale or any other documents of title, or any other agreements, contracts, leases, options, undertakings, assignments, or releases for or concerning any real or personal property, tangible or intangible, owned by Charter Trust Company or in which Charter Trust Company has any interest or proposes to acquire any interest; and

(b) enter into, execute and deliver any document, instruments or agreement in writing concerning the acquisition, purchase, ownership, use, exchange, sale or transfer of shares of stock (including rights and warrants), bonds, notes, loan agreements, or other securities or evidences of indebtedness of any business or charitable or governmental organization or authority; and

(c) delegate any of the foregoing authority to such employees or officers of Charter Trust Company, on such conditions and pursuant to such regulations as such Officers shall require.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 5th day of May, 2015.


Kathryn M. Woodfin
Secretary

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

Sworn to me this 5th day of May, 2015.


Notary Public
My commission expires: **My Commission Expires October 13, 2016**

90 North Main Street

Concord, New Hampshire

03301-4915

603-224-1350

fax 866-351-8163

www.chartertrust.com

Certificate of Authority # 2

(Corporation or LLC - Contract Specific, date specific)

Corporate Resolution

I, Kathryn M. Woodfin, hereby certify that I am duly elected Clerk/Secretary of
(Name)

Charter Trust Company. I hereby certify the following is a true copy of a vote taken at
(Name of Corporation or LLC)

a meeting of the Board of Directors/shareholders, duly called and held on July 17, 2014, ~~200~~XX

at which a quorum of the Directors/shareholders were present and voting.

Diane DeStefano,

VOTED: That SVP - Wealth Manager is duly authorized to enter a
(Name and Title)

contract on behalf of Charter Trust Company with the
(Name of Corporation or LLC)

Treasury State of New Hampshire and further is
(Name of State Agency)

authorized to execute any documents which may in his/her judgment be
desirable or necessary to effect the purpose of this vote.

I hereby certify that said vote has not been amended or repealed and remains in full
force and effect as of the May 5, 2015, ~~200~~XX I further certify that it is understood that the
State of New Hampshire will rely on this certificate as evidence that the person listed above
currently occupies the position indicated and that they have full authority to bind the
corporation to the specific contract indicated.

DATED: May 5, 2015

ATTEST: Kathryn M Woodfin
(Name & Title)

Kathryn M. Woodfin, Secretary

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

Sworn to me this 5th day of May, 2015.

Devin Cowette
Notary Public

My commission expires: **DEVIN R. COWETTE, Notary Public**
~~My Commission Expires~~ **October 16, 2018**



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/29/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).


PRODUCER McCrillis & Eldredge Ins, Inc. 2 North Main Street Newport, NH 03773 David McCrillis	CONTACT NAME: David McCrillis PHONE (A/C, No, Ext): 603-863-3636 E-MAIL ADDRESS: dmccrillis@mccrillisandeldredge.com	FAX (A/C, No): 603-863-5177
	INSURER(S) AFFORDING COVERAGE	
INSURED Charter Trust Company Kathryn Woodfin 90 North Main Concord, NH 03301-4915	INSURER A : Zurich Insurance	
	INSURER B : Everest National Ins Co	
	INSURER C :	
	INSURER D :	
	INSURER E :	

COVERAGES	CERTIFICATE NUMBER:	REVISION NUMBER:
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THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Trust Liability <input checked="" type="checkbox"/> Fiduciary Liabili			DOP017172600 DOP017172600	06/06/2014 06/06/2014	06/06/2017 06/06/2017	EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ OTHER: \$
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ OTHER: \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ OTHER: \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	Blanket Bond			8100008430-131	04/15/2013	04/08/2016	Bond 8,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Trust Company Operations. Trust Department Liability & Professional Liability is provided with a \$5,000,000 limit. Fiduciary Liability is provided with a \$3,000,000 limit. The Financial Liability Blanket Bond provides an \$8,000,000 limit.

CERTIFICATE HOLDER STATE33 State of NH Treasury State House Annex 25 Capitol Street Room 121 Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
--	--



GLENN A. PERLOW
BANK COMMISSIONER

INGRID E. WHITE
DEPUTY BANK COMMISSIONER

State of New Hampshire

Banking Department

53 Regional Drive, Suite 200
Concord, New Hampshire 03301

Telephone: (603) 271-3561
FAX: (603) 271-1090 or (603) 271-0750

Certificate of the Bank Commissioner of the State of New Hampshire

I, Glenn A. Perlow, Bank Commissioner of the State of New Hampshire, hereby certify that Charter Trust Company (the "Bank"), is a New Hampshire chartered fiduciary trust company duly organized and validly existing under Chapter 392 of the New Hampshire Revised Statutes Annotated, and that the Bank is empowered thereunder to do a non-depository general banking business, and is duly authorized to conduct such banking business in the State of New Hampshire. Such authority does not include taking deposits or making loans.

Dated at Concord, New Hampshire this 27th day of April, 2015.

A handwritten signature in black ink, appearing to read "Glenn A. Perlow".

Glenn A. Perlow, Bank Commissioner