

REQUEST FOR PROPOSALS
FOR
MASTER CUSTODY SERVICES
PIN 214200000456

MARCH 2020

CITY OF NEW YORK
DEFERRED COMPENSATION PLAN & NYCE IRA
[A Fiduciary Fund of the City of New York]

REQUEST FOR PROPOSALS
FOR
MASTER CUSTODY SERVICES
PIN 214200000456

THIS REQUEST FOR PROPOSALS (“RFP”) INCLUDES THE FOLLOWING:

- SECTION I - OVERVIEW
- SECTION II - SCOPE OF WORK
- SECTION III - PROPOSAL EVALUATION PROCEDURES
- SECTION IV - PROPOSAL SUBMISSION PROCEDURES
- SECTION V - GENERAL INFORMATION OF THIS RFP
- SECTION VI - GENERAL PROVISIONS OF THIS RFP
- SECTION VII - ADDITIONAL REQUIRED PROVISIONS OF THE CONTRACT(S)
RESULTING FROM THIS RFP

PROPOSAL SUBMISSION FORM
ACKNOWLEDGMENT OF ADDENDA FORM
ATTACHMENT A – PRICE PROPOSAL FORM

THE FOLLOWING REQUIRED DOCUMENTS MUST BE DOWNLOADED FROM THE PLAN’S
WEB SITE, LOCATED AT: <https://www1.nyc.gov/site/olr/about/about-rfp.page>

- 1) CUSTODIAL OPERATING PROCEDURES MANUAL – Exhibit I
The Custodial Procedures Manual contains confidential information and will only be released to vendors with the intent of submitting a proposal in response to this RFP. To request a copy of the Procedures Manual, please email Georgette Gestely, Director/Agency Authorized Contact Person for this solicitation, at RPretax@nyceplans.org. The subject line of the email must contain the name of the RFP and the PIN number. Please do not attach any files. Along with your request, please include your contact information with an email address.
- 2) PRICING ASSUMPTIONS AND ADDITIONAL REQUIREMENTS – Exhibit II
- 3) RULES & REGULATIONS OF THE NEW YORK STATE DEFERRED COMPENSATION BOARD
- 4) APPENDIX A FOR THE DEFERRED COMPENSATION PLAN - THE GENERAL PROVISIONS GOVERNING CONTRACTS FOR CONSULTANTS, PROFESSIONAL AND TECHNICAL SERVICES
- 5) BIDDER’S CERTIFICATION OF COMPLIANCE WITH IRAN DIVESTMENT ACT
- 6) DOING BUSINESS ACCOUNTABILITY PROJECT/CONTRACT, FRANCHISE AND CONCESSION PROPOSERS—FREQUENTLY ASKED QUESTIONS
- 7) SUMMARY GUIDE OF 457 & 401(K) PLAN PROVISIONS AND THE NYCE IRA DISCLOSURE STATEMENT
- 8) DOING BUSINESS ACCOUNTABILITY PROJECT DATA FORM
- 9) CITY OF NEW YORK DEFERRED COMPENSATION 457 AND 401(k) PLAN DOCUMENTS

AUTHORIZED AGENCY CONTACT PERSON

PROPOSERS ARE ADVISED THAT THE AUTHORIZED AGENCY CONTACT PERSON FOR ALL MATTERS CONCERNING THIS RFP IS:

NAME: Georgette Gestely
TITLE: Director
ADDRESS: 22 Cortlandt Street, 28th Floor
New York, NY 10007
EMAIL: RPretax@nyceplans.org

SECTION I

A. INTRODUCTION

New York City Deferred Compensation Board (“Board”) acting through the New York City Mayor’s Office of Labor Relations, as the designated administrator, is seeking proposals in response to this request for proposals (“RFP”) from vendors to provide master custodial services for the New York City Deferred Compensation Plan. The City of New York Deferred Compensation Plan & NYCE IRA is composed of a 457 plan, a 401(k) plan, a deemed IRA and a 401(a) plan. The 457 Plan and the 401(k) Plan offers participants the ability to make both pre-tax and Roth contributions. The City of New York Deferred Compensation Plan established a 408(q) deemed IRA program (“NYCE IRA”). The NYCE IRA is both a traditional IRA and a Roth IRA along with a spousal component. The 401(a) Plan is exclusively utilized for employer contributions made to eligible participants that contribute a specified amount to the 457 Plan. All of the above referenced plans and programs shall be referred to collectively in this RFP as “the Plan.”

Proposers are encouraged to review the Plan’s Web site, in order to enhance understanding of the Plan’s operation and customer service offerings.

Proposal specifications are set forth in Section II, “Scope of Work and Contents of Proposal.”

Currently, the Bank of New York Mellon provides the Plan’s master custodial services. The Bank of New York/Mellon is responsible for the custody of approximately \$22 billion of Plan assets.

Proposals in response to this RFP are due no later than 4:30 P.M. Eastern Time on May 28th, 2020

If you have any questions regarding this RFP, please email them to the attention of Georgette Gestely, Director/Agency Authorized Contact Person for this solicitation, at RPretax@nyceplans.org. The subject line of the email must contain the name of the RFP and the PIN number. Please do not attach any files; please include your questions in the body of the email only.

B. CONSULTANTS’ PORTION OF THE RFP

Please be advised that in addition to completing this RFP, Vendors **must** complete Mercer Sentinel® Group’s (Mercer) Global Custody Database Questionnaire.¹ If your firm does not already participate in Mercer’s Global Custody Database, you will need to contact Patrick Flanagan at Mercer Sentinel via email at patrick.flanagan@mercer.com to receive instructions.

If you have already completed Mercer Sentinel’s Global Custody Database Questionnaire, please review your database submission for accuracy and provide updated information, as needed. Completed responses to the Global Custody Questionnaire are required in order to be considered for this search.

You must furnish a complete response to the Mercer Global Custody Database Questionnaire no later than 4:30 P.M. Eastern Time on May 28th, 2020

Please also attach **ONE** hard copy of your Mercer Global Custody Database Questionnaire Response to your RFP response. This should be in a separate envelope and clearly identified as the “Mercer Global Custody Database Questionnaire Response.” Please do not include this as part of your bound proposal.

¹ Mercer Sentinel Group is the dedicated investment operations and implementation consulting unit of Mercer Investment Consulting, Inc.

C. PLAN SPECIFICATIONS

457 Plan Specifications

The 457 Plan was established in 1986, and has a potential population of 435,000 employees, with a total payroll of approximately \$16 billion. As of October 31, 2019, 138,091 employees participate in the 457 Plan. Average monthly contributions to the 457 Plan are \$57 million. The average contribution level is 7.27% of the participants' pay. The 401(k) Plan began accepting contributions on January 1, 2002 and has an eligible population of approximately 435,000 with a total annual payroll of approximately \$16 billion. As of October 31, 2019, the 401(k) Plan had 42,582 participants. Average monthly contributions to the 401(k) Plan are \$13 million. The average contribution level is 5.62% of the participants' pay. The 401(k) Plan began accepting Roth contributions in April 2006. The NYCE IRA was established in November 2006.

Statistics by plan as of December 31, 2019 are included in the table below:

Plan Type	Eligible	Active Accounts	Payout Accounts	Average Mo Contribution
457	411,372	149,461	24,009	\$61,206,604.17
- Pre-Tax only		88.69%		
- Roth only		2.48%		
- Both		8.83%		
401(k)	430,681	50,471	4,279	\$16,672,679.69
- Pre-Tax only		73.58%		
- Roth only		9.62%		
- Both		16.80%		
NYCE IRA	430,681 +	5105	788	N/A
- Traditional	spousal			
- Roth (7/1/07)	component			
401(a)	666*	3022	41	N/A

*Eligible in calendar year 2019.

Voya Financial (“Voya”) is presently the Plan’s Recordkeeper. Voya performs the recordkeeping for the Plan and is responsible for the maintenance of account records for each participant. Voya values participants’ accounts on a daily basis and issues statements to participants on a quarterly basis. Voya recordkeeps monies that have been contributed to the Plan through automatic payroll deductions (the NYCE IRA only accepts checks) and rollovers and allocates the funds among the various investment options that are available in the Plan in accordance with participants’ directions. Participants have the option of changing their investment allocations and transferring monies among investment options at any time, subject to Plan rules.

The Plan’s master global custodian is presently Bank of New York Mellon (“Master Custodian”) who is responsible for the custody of all Plan assets, the striking of the daily NAV for all the Plan funds and the settlement of all trades.

The Master Custodian provides the following services:

- Custody
- Daily Valuation/unitization
- Securities Settlement
- Income Collection
- Accounting and reporting
- Performance Measurement
- Investment Guidelines' Compliance Monitoring
- Commission Recapture Compliance Monitoring
- Maintains the Plan's Pre-Arranged Portfolios in accordance with an established glide path.

The following are the basic provisions of the Plan:

Plan Year End
December 31

Valuation Basis and Frequency

Investment options: daily, in both units and dollars.

Participants' accounts: daily, by aggregating the value of each participant's separate interests, if any, in each investment option.

Participant Statements

Participants receive notification, via e-mail, that their quarterly statements are available for viewing and download by accessing their on-line account. Participants can elect to receive written quarterly statements. Interim statements can be requested through the Web site. Account access is available continuously through the telephone voice response system and Web site.

Eligibility

Employees of the City of New York (Mayorality agencies) and the following entities are eligible to participate in both the 457 Plan, 401(k) Plan and the NYCE IRA:

- (1) Department of Education
- (2) New York City School Construction Authority
- (3) New York City Housing Authority
- (4) NYC Health + Hospitals
- (5) The New York City Municipal Water Finance Authority
- (6) The New York City Teachers' Retirement System
- (7) The New York City Employees' Retirement System

Employees of the City University of New York community colleges are eligible to participate in the 401(k) Plan and NYCE IRA only.

Employees of the Transit Authority and the Cultural Institutions and Libraries are not eligible for participation in the Plan.

Only employees of the City of New York, specified in the 401(a) Plan document, who are subject to collective bargaining and receive an employer contribution, are eligible to participate in the 401(a) Plan.

Commencement of Deferrals

Deferrals begin in the month following enrollment via paper form or the Web site. The NYCE IRA does not offer contributions via payroll deductions; contributions to the NYCE IRA are made by check, money order or through a rollover at the discretion of the participant.

Contributions

1% to 75% of a participant's compensation to the Plan, in increments of 0.5%.

Minimum contribution is 1% per pay period.

Maximum contribution amount of \$19,500 (\$26,000 for participants over age 50) for the 457 Plan - pre-tax and Roth combined in calendar year 2020. In addition, the same amount may be contributed to the 401(k) Plan - pre-tax and Roth combined in calendar year 2020.

Maximum contribution amount is \$6,000 (\$7,000 for employees over age 50) to the NYCE IRA - traditional and Roth combined in calendar year 2020.

Under the 457 plan, the Plan offers Deferred Acceleration for Retirement (DAR) for those participants who have underutilized 457 deferrals. Annual contribution limit is doubled for each of the three (3) calendar years before reaching "Normal Retirement Age." Additional "over age 50" contribution is not included when calculating underutilized deferrals and cannot be used in the same year(s) DAR is used.

Changes in Contribution Rate

Effective as of the first day of any payroll period with 30 days' prior notice. Participants may suspend contributions as of the first day of any payroll period with 30 days' prior notice. Contributions to the NYCE IRA are currently made by personal check, money order or through a rollover, at the discretion of the participant.

Employer Contributions

The amount of the employer contribution to the 401(a) Plan is determined by labor agreements and subject to an agreed upon annual employee contribution to the 457 Plan. The 401(a) Plan will be utilized only for employer contributions.

Investment Options:

As of December 31, 2019 twenty funds were provided:

Investment Options	December 31, 2019 Balance: 457 Plan	December 31, 2019 Balance: 401k Plan	December 31, 2019 Balance: IRA	December 31, 2019 Balance: 401a
STABLE INCOME FUND	\$4,519,198,449.54	\$ 614,105,775.32	\$ 161,883,162.45	\$ 2,473,900.39
BOND INDEX FUND	\$405,130,222.49	\$ 91,591,311.23	\$ 10,503,922.71	\$ 269,862.96
EQUITY INDEX FUND	\$5,635,444,728.17	\$ 476,083,317.29	\$ 68,902,431.20	\$ 11,226,006.39
GLOBALLY SOCIALLY RESPONSIBLE	\$431,378,328.63	\$ 52,468,836.06	\$ 4,558,294.57	\$ 594,679.88
MID-CAP EQUITY INDEX FUND	\$910,820,950.31	\$ 185,882,083.47	\$ 15,364,724.38	\$ 1,278,270.21
INTERNATIONAL EQUITY FUND	\$747,170,042.65	\$ 117,076,303.77	\$ 9,755,253.44	\$ 1,352,056.76
SMALL CAP EQUITY FUND	\$2,847,897,883.84	\$ 255,496,724.01	\$ 26,182,126.24	\$ 6,747,459.42
STATIC ALLOCATION FUND	\$219,028,358.30	\$ 54,867,210.59	\$ 17,247,474.48	\$ 140,186.44
2010 FUND	\$155,265,556.05	\$ 48,439,357.50	\$ 5,218,102.21	\$ 111,730.44
2015 FUND	\$593,257,146.79	\$ 120,112,391.99	\$ 10,379,133.09	\$ 689,240.41
2020 FUND	\$364,049,228.76	\$ 100,119,927.48	\$ 17,698,060.36	\$ 420,018.98
2025 FUND	\$851,344,755.62	\$ 196,928,449.71	\$ 15,502,974.36	\$ 961,570.75
2030 FUND	\$428,102,248.48	\$ 122,189,953.36	\$ 13,258,137.49	\$ 358,437.62
2035 FUND	\$351,471,513.34	\$ 113,045,793.59	\$ 8,334,489.75	\$ 396,933.73
2040 FUND	\$263,864,205.48	\$ 86,061,297.41	\$ 5,878,352.20	\$ 190,449.31
2045 FUND	\$332,818,162.39	\$ 104,836,142.28	\$ 6,657,833.37	\$ 363,767.02
2050 FUND	\$225,416,531.23	\$ 62,948,487.48	\$ 3,437,488.70	\$ 193,223.75
2055 FUND	\$174,912,998.95	\$ 44,465,530.02	\$ 3,280,354.41	\$ 16,816.27
2060 FUND	\$148.34			
SELF-DIRECTED BROKERAGE OPTION	\$18,261,797.18	\$5,634,856.56		
Total value of Plan assets:	\$ 19,456,571,459.36	\$ 2,846,718,892.56	\$ 404,042,315.41	\$ 27,784,610.73

The Self-Directed Brokerage Option (SDBO) offers participants the opportunity to invest among more than 15,000 mutual funds and ETFs. Participants are restricted to moving no more than 20% of their total account balance to the SDBO. TD Ameritrade administers the SDBO.

Allocations among Investment Options

Participants may allocate contributions among investment options in multiples of 1% for future contributions. Investment allocation changes are effective the next business day. There is no restriction on the number of times a participant may make an investment allocation change.

Transfers among Investment Options

Participants may transfer multiples of 1% of existing balances between investment options. Participants can also indicate a dollar amount to be transferred between investment options on the Web site. There is no restriction on the number of times a participant may transfer existing balances, except that once a participant transfers assets into another of the Plan funds, those same assets will be subject to a 2% redemption fee, if removed prior to 32 days. Transfers between investment options made by participants no later than 4:00 P.M. Eastern Time are effective that business day. Transfers between investment options made by participants after 4:00 P.M. Eastern Time are effective the next business day.

Distributions/Withdrawals

Participants in the 457 Plan may receive a distribution of their accounts upon severance of service with the City. Participants may postpone distribution until the later of reaching age 72 or severance from service with the City. Participants contributing to the Roth 457 must be 59½ years or older and have established the account for at least five (5) years in order to qualify for a tax-free distribution; otherwise participants become subject to applicable income taxes on the earnings. 457 Plan participants are eligible to receive an in-service distribution upon reaching age 72 or if the Board determines that an unforeseeable emergency has occurred, as defined in the Internal Revenue Code. There is no minimum withdrawal for an emergency and no repayment required. In addition, the 457 Plan allows participants to take in-service loans in accordance with IRC §72(p). Furthermore, 457 Plan participants' accounts that meet the IRC conditions for distribution of Small Accounts (De Minimis) may be distributed. Otherwise, participants may not withdraw from their accounts while still employed by the City. Participants may, however, use 457 funds to purchase permissive service credits in a qualified pension system.

Participants in the 401(k) Plan may receive distribution of their accounts upon severance of service with the City or upon the reaching of age 59½. Distributions prior to age 59½ are subject to an early withdrawal penalty. Participants may postpone distribution until the later of reaching age 72 or severance from service to the City. Additionally, 401(k) Plan participants may be able to receive funds during service with the City, if proof of a heavy financial burden is presented to the Board pursuant to the IRC definition. In addition, the 401(k) Plan allows participants to take in-service loans in accordance with IRC §72(p). Participants contributing to the Roth 401(k) must be 59½ years or older and have established the account for at least five (5) years in order to qualify for a tax-free distribution; otherwise participants become subject to an IRS 10% early withdrawal penalty and applicable income taxes on the earnings. Participants may use 401(k) funds to purchase permissive service credits in a qualified pension system.

Distributions from the 401(a) Plan are expected to follow those of the 401(k) Plan, except with the absence of in-service loans and hardships.

Withdrawals from the NYCE IRA are available at the request of the employee. Withdrawals prior to age 59½ are subject to an early withdrawal penalty. Employees with a NYCE Traditional IRA may postpone withdrawals until reaching age 72. Employees with a NYCE Roth IRA are not required to take Required Minimum Distributions.

Distribution Methods

- a) Lump sum
- b) Periodic payments: monthly, quarterly, semi-annually, or annually
- c) Amount certain
- d) Amount certain with balance in periodic payments

Distribution Valuation

Distributions from the 457 Plan and the 401(k) Plan are processed no sooner than forty-five (45) days after a participant's severance from City service. However, if a participant has already been severed for at least forty-five (45) days as of the date of distribution request, the processing time is approximately thirty (30) days. Distributions are taken proportionately from the investment vehicles, unless otherwise specified by the participant. NYCE IRA withdrawals are processed within ten (10) days of participant's request. Web withdrawals are available for lump sum and amount certain payments from the NYCE IRA only. Taxes are withheld in accordance with applicable federal regulations. The Recordkeeper issues distribution checks/EFTs along with corresponding tax statements.

Participants may request loans from both the 457 Plan and the 401(k) Plan. Participants are allowed one loan per twelve (12) months, not to exceed two loans per plan. The minimum loan amount is \$2,500 and the maximum is the lesser of 50% of the account balance or \$50,000 in combined employer loans. The terms of the loans are from one to five years. The highest outstanding loan balances for the last twelve (12) months must be coordinated with all City defined contribution plans and defined benefit plans.

Transfers and Rollovers

The 457 Plan accepts transfers only from other IRC §457 plans. The 401(k) Plan accepts rollovers from other eligible retirement plans, union annuities and traditional Individual Retirement Accounts (IRAs). The 401(k) Plan maintains a special account specifically for rollovers from City pension systems and union annuities. Rollovers from the 401(k) Plan, the 457 Plan, the 401(a) Plan and the NYCE IRA may be made to another eligible retirement plan or IRA. The NYCE IRA accepts rollovers from other eligible retirement plans and IRAs. Participants may also perform in-service plan rollovers from the pre-tax 457 to the Roth 457 or the pre-tax 401(k) to the Roth 401(k), subject to applicable income taxes.

Participant Quarterly Fees

Participants are currently assessed a quarterly fee of \$20.00 for participation in all Plan programs (if a participant has multiple accounts (457, 401(k), NYCE IRA), a single \$20 administrative fee is charged). The fee is deducted proportionately from all investment options in which the participant is invested and is shown on the individual participant's quarterly statement as such. In addition, each of the investment options offered by the Plan includes a .04% administrative fee into the daily NAV along with the investment management fees.

In-service loans taken from the 457 or 401(k) plan are assessed an origination fee of \$50 and a quarterly maintenance fee of \$8.75.

Participants who maintain balances in the SDB account with TD Ameritrade are assessed an additional annual fee of \$50 by the Recordkeeper.

Plan Amendments

The City of New York reserves the right to amend the existing Plan provisions, including, but not limited to, the areas of contributions, investment options, transfer privileges, and distribution rights.

D. RFP TIMETABLE

RELEASE DATE OF THE RFP:	03/18/20
A PRE-PROPOSAL CONFERENCE WILL NOT BE HELD	
THE AGENCY CANNOT ENSURE A RESPONSE TO INQUIRIES RECEIVED BY THE AGENCY LATER THAN	05/14/20
ALL PROPOSALS MUST BE SUBMITTED NO LATER THAN 4:30 P.M. Eastern Time ON [PROPOSAL SUBMISSION DEADLINE]:	05/28/20
ALL PROPOSERS MUST COMPLETE 2020 CUSTODY QUESTIONNAIRE:	05/28/20
THE PROJECTED DATE FOR SELECTION OF FINALISTS:	07/16/20
THE PROJECTED DATE FOR NOTIFICATION OF FINALISTS:	08/19/20
THE PROJECTED DATE FOR ORAL PRESENTATIONS:	09/17/20
THE PROJECTED CONTRACT AWARD DATE IS ON OR ABOUT:	12/02/20
THE PROJECTED DATE OF AWARD NOTIFICATION IS ON OR ABOUT:	12/09/20
THE PROJECTED CONTRACT START DATE IS ON OR ABOUT:	01/01/22

SECTION II

A. SCOPE OF WORK

New York City Deferred Compensation Board (“Board”) acting through the New York City Office of Labor Relations, as the designated administrator, is seeking proposals in response to this request for proposals (“RFP”) from vendors to provide master custodial services for the New York City Deferred Compensation Plan (“Plan”).

Voya Financial, the Plan’s third-party administrator (TPA) provides the individual participants with information about their accounts. The successful proposer will not be required to maintain individual participant account records. The TPA also maintains a customer service center and voice response capability for inquiries and transactions. Therefore, there is no requirement that the successful proposer provide these services.

The successful proposer shall be required to enter into an agreement with the Plan that shall constitute a group trust under Revenue Ruling 81-100, 1981-1, CB 326 and Revenue Ruling 2004-67, 2004-28, IRB 28. The NYCE IRA constitutes a single trust separate from a trust that includes the 401(k) Plan, 401(a) Plan and 457 Plan. The successful proposer must provide the Plan with the ability to commingle the 401(k) Plan, the 401(a) Plan, the 457 Plan, and the NYCE IRA assets for custody purposes only.

The Plan, in coordination with the Custodian, has prepared the Custodial Operating Procedures Manual (Exhibit I). The Procedures Manual sets forth the services the custodian shall provide and includes additional information about the structure and composition of the investment options, daily processing flows and investment accounting and compliance requirements. Additional information concerning transaction volumes, global asset holdings, and other assumptions that should be used for the purpose of preparing your fee proposal is provided in Exhibit II. Please review and become familiar with the Procedures Manual with respect to the trust structure, disbursements, trading, cash management, accounting and reporting, and other requirements.

The custodian must be able to perform all of the following services:

- Domestic and global custody
- Daily valuation and unitization
- Securities Settlement
- Income Collection
- Corporate action and class action processing
- Accounting and reporting
- Foreign exchange execution
- Tax reclaims
- Investment guideline compliance monitoring
- Lock box services

Proposers should have:

- ability to provide custody and custody-related services for a defined contribution group trust in a daily operating environment, including asset safekeeping and valuation, settlement, asset administration, fund accounting, and reporting.
- proven experience providing custody and custody-related services for defined contribution plans using separately managed accounts and complex unitized structures.

- ability to take the lead in establishing processing protocols and systems interfaces with the Plan's recordkeeper.
- demonstrated commitment to the custody business, as evidenced by business strategies that involve continued development of systems, products and services.
- the ability and technical capability to ensure accurate pricing of marketable and non-marketable securities and calculation of income accruals/expenses on a daily basis.
- the ability to incorporate custody-related fees and other expenses in each investment option NAV.
- timely and accurate accounting and reporting information, both hard-copy and via a Web-based online application.
- the ability to provide customizable on-line investment guideline compliance monitoring services.
- strong short-term investment fund (STIF) management capabilities.
- experienced and responsive client service, with one point of contact.
- the ability to provide a futures broker

Powers of the Custodian

The custodian shall be authorized and empowered to:

- Hold assets in the name of the custodian, which may include entering into depository arrangements for the safekeeping of records relevant to the ownership of such assets with any entity or entities as the custodian may choose.
- Hold the assets of the custodial accounts in such investment vehicles as directed by the Plan or a duly appointed service provider, including annuity or insurance contracts issued by licensed insurance companies;
- The custodian shall have no duty or responsibility to determine the appropriateness of any Plan investment, or to cause such investments to be changed. The Plan shall be responsible to determine whether state law authorizes the Plan and the investments directed by it.
- Custodian will allow the TPA to make transfers among investment vehicles or disbursements from the custodial accounts as directed by the Plan or, if applicable, by a Plan service provider.
- Delegate to Plan-authorized service providers such ministerial and other non-discretionary duties as it sees fit and to rely upon such information furnished by such service provider. The custodian shall not employ or delegate duties to any agent other than persons on its regular payroll without prior written approval from the Plan.
- Pay taxes of any and all kinds levied or assessed against the custodial accounts as directed by the Plan.
- Delegate to Plan-authorized service providers ministerial duties arising out of any subsequent agreement. In no event shall Custodian delegate to any Plan authorized service provider the right to hold title to the assets of the Plan or custodial accounts.
- Make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any other instruments that may be necessary or appropriate to carry out the custodianship duties and powers.
- Hold uninvested such cash funds as directed by the Plan to meet the anticipated cash requirements of the Plan from time to time and to deposit the same or any part thereof, either separately or together with other funds under the control of the custodian, in its own deposit department or to deposit the same in its name as custodian in such other depositories as selected by the Plan.
- After obtaining consent from the Plan to do so, institute, prosecute, maintain, or defend any proceeding at law or in equity concerning the custodial accounts or the assets thereof, at the sole cost and expense of the custodial accounts, and to compromise, settle, and adjust any claims and liabilities asserted against or in favor of the custodial accounts or of the custodian; but the custodian shall be under no duty or obligation to institute, maintain, or defend any action, suit, or

other proceeding unless it shall have been indemnified to its satisfaction against any and all loss, cost, expense, and liability it may sustain or anticipate by reasons thereof.

- Retain any funds or property subject to any dispute without liability for the payment of interest, and to decline to make payment or delivery thereof until final adjudication is made by a court of competent jurisdiction.

B. CONTENTS OF PROPOSAL

The questions below should be answered in addition to those asked on the Mercer Global Custody Questionnaire:

1. PROPOSING ORGANIZATION

Provide the following information regarding your firm's organizational and ownership information:

- a. Provide a brief history of your organization, the businesses in which it engages and the services it provides.
- b. Provide the name, address, telephone, and e-mail address of the firm's representative to contact regarding all contractual and technical matters concerning the firm's proposal.
- c. Provide the address of the firm's main corporate office, and of all other offices that will be directly involved in servicing the Plans.
- d. Briefly discuss your experience providing the services outlined in this RFP for clients similar in size and service needs to the Plans.
- e. Are the services being quoted provided under a joint venture arrangement? If so, describe the arrangement, its terms and conditions and whether your company and the other companies have been involved in similar joint ventures in the past. How will you control the quality of the services provided by subcontractors and/or other affiliates?
- f. List over the last five years, all organizational changes in its business structure, whether through an acquisition or divestiture, or through an alliance arrangement.
- g. In the last five (5) years, has your organization undergone a change in senior management? If so, describe the change in detail.
- h. Provide a statement of your company's strategic commitment to the Public Sector line of business and any documentation or evidence to support this commitment.
- i. A representative list of clients, particularly public sector employers, including at least three references. *Public deferred contribution clients with unitized separately managed accounts are preferred.*
- j. Is your company licensed to conduct business in the State of New York? If not, attach an opinion of counsel giving his or her opinion as to whether her or she anticipates any difficulties in obtaining all necessary licenses prior to the effective date of the contract.
- k. Please provide an organizational chart listing the names of the persons in your organization who would be assigned to this project and information on their qualifications and experience.
- l. Provide the number of governmental defined contribution clients gained and lost during the last two years.
- m. Provide a brief description of the number of employees within your company (limited to the company that will provide custodial services), including a description of the number of employees broken out by major departments. Identify the physical location of these employees.
- n. Describe your organization's unique strengths and any additional relevant organizational information.
- o. In the past five years, have you ever been denied a license to do business, a license as an agent or broker, or any other insurance license? If so, please state the date of the denial, the license denied, the state in which the license was denied, the reason given for denial of the license, whether you

- have had a bona fide change of ownership or management since your license was denied and whether you have eliminated the cause for which the license was denied.
- p. In the past five years, have you ever had a license to do business been revoked or suspended? Have you ever been reprimanded by a licensing agency? If you answered "yes" to either of the two previous questions, please state the date, the license involved, the state involved, the disciplinary action taken, the reason given for the disciplinary action, whether you have had a bona fide change of management since the revocation, suspension or reprimand and whether you have eliminated the cause for the revocation, suspension or reprimand.
 - q. Has your institution's contract as a custodian for any employee benefits program ever been terminated early or not renewed? If so, how many in the last three years, by whom and under what circumstances? If your contract was terminated early or not renewed, provide the circumstances as to why and the name and telephone number of the chief contact person from the contracting organization.
 - r. Has your company or its officers in the past four years settled, lost, or been involved in any litigation or regulatory action related to their administration of any employee benefits program involving allegations of fraudulent or negligent misrepresentations, breach of fiduciary duty, violations of licensing laws or allegations of criminal activity by the company or its agent(s)? (The Proposer need not list employer/employee termination disputes.) If so, please briefly describe the case(s) and provide the title of the case, the jurisdiction in which the case was heard and the case's court number.
 - s. Is there any pending or anticipated litigation or regulatory action against your company or its officers related to the administration of a retirement plan alleging fraud, negligent misrepresentations, breach of fiduciary duty, violations of licensing laws or allegations of criminal activity by the company or its agent(s)? (The Proposer need not list employer/employee termination disputes.) If so, please append as "Attachment F" to your proposal an opinion of counsel describing the pending litigation and the company's defense to the allegations. If there is no such litigation, please note in your Table of Contents for Attachments that "Attachment F" is inapplicable to you.
 - t. Describe any pending or anticipated agreements to merge or sell your institution.
 - u. Have you ever filed a petition or have you been petitioned into bankruptcy or insolvency, or have you ever made any assignment for the benefit of, or composition with your creditors, or have you ever been under guardianship or other legal disability? If so, please provide complete details.

Information on the investment structure, transaction processing environment, and service requirements has been provided in Exhibit I and Exhibit II to assist you in responding to the RFP.

2. CLIENT SERVICE:

- a. Describe how your administrative and client service functions are organized. Include a detailed discussion of how your firm interfaces with recordkeepers.
- b. Discuss your experience working in a daily-defined contribution environment. Identify the specific record keepers with which your firm interacts as custodian for daily valued defined contribution plans, including the plan's current record keeper.

Recordkeeper	Number of Clients	Automated Data Feed?
<i>Name</i>	<i>#</i>	<i>Yes/No – describe if Yes</i>

Recordkeeper	Number of Clients	Automated Data Feed?

c. Include each member of the client service team in the following table, and include a brief biography for each individual (add rows if necessary).

Name	Role in servicing client	Location	Years experience in industry	Years experience with firm

d. Provide the following client information for each client service team member presented above.

Team Member	Total clients (#)	DC clients (#)	Avg. Asset size (\$MM)	Largest DC Client	# of clients w/ unitized sep. accts.

e. Complete the following table regarding your firm’s custody client base.

	2019	2018	2017
Total custody assets under administration			
Total number of custody clients (#)			
Market value of master trust assets under administration			
Number of master trust clients (#)			
Market value of defined contribution assets under administration (\$MM)			
Number of defined contribution clients (#)			
Number of defined contribution clients with unitized separate accounts (#)			
Largest public DC client			
Median public DC client			
Average public DC client			

3. ACCOUNTING AND REPORTING

- a. Are you capable of providing the necessary accounting and reporting in accordance with the Custodial Operating Procedures Manual? If not, describe any technical limitations or other concerns about the Plan's requirements.
- b. Provide information about your accounting and reporting:
 - On what basis do you provide account information: cash, modified cash, full accrual, LIFO, FIFO, average cost, tax lot accounting, trade date, settlement date, book value, combination (i.e. trade dates with full accruals) or other?
 - How soon after month-end will audited accounting reports be available?
 - Attach a sample hard copy accounting report with each proposal.

4. DAILY VALUATION/UNITIZATION and NAV CALCULATIONS

- a. Are you capable of providing the necessary daily valuation and NAV calculations in accordance with the Custodial Operating Procedures Manual?
- b. In addition to a general overview, please provide the information requested below. Note: if you utilize an external vendor to provide daily valuation/unitization, please respond to the following questions to reflect the capability of the entity providing this service for you.
 - Where are your fund accounting operations located?
 - For how long have you provided daily NAV calculation services for DC plans that utilize separately managed accounts?
 - What accounting system(s) do you utilize to provide NAV calculation services? Do you utilize proprietary systems or are your systems purchased/leased from an external vendor?
 - What time of day do you commit to releasing your daily NAV calculation in ET?
- c. Describe your data collection process for securities pricing information. How do you ensure accurate pricing information?
- d. Describe your processes and controls for monitoring NAV processing and reporting to plan sponsors. Discuss your materiality threshold guidelines for NAV reprocessing.
- e. Describe your protocols for dealing with NAV errors/breaks under the following scenarios:
 - Due to record keeper error
 - Due to custodian error (valuation, corporate action, etc.)
- f. Has your firm been involved in any litigation related to your NAV calculation services in the past 2 years where your firm has been found liable? If so, please provide a description of the situation(s) and any subsequent actions taken to modify your processing and/or internal controls environment.
- g. What contractual provisions are in place with respect to client losses incurred as a result of incorrect NAV calculations?

5. COMPLIANCE MONITORING

Are you capable of providing compliance monitoring in accordance with the Custodial Operating Procedures Manual?

6. Intentionally Deleted

7. LOCK BOX SERVICES

Are you capable of providing lock box services in accordance with the Custodial Operating Procedures Manual?

8. FUTURES BROKER

- a) Does your firm have a relationship with a futures broker? What review process was used to identify this futures broker? Explain in detail.
- b) How long has this futures broker relationship existed? How long has the futures broker been registered with the Commodity Futures Trading Commission?
- f) List the broker's futures traders and their years of trading experience.

9. CONVERSION SCHEDULE

Please provide a detailed conversion schedule assuming a January 1, 2022 transition, specifying the responsibilities of each party involved: the Plan, Recordkeeper, investment managers, the prior custodian(s) and your firm.

10. Please indicate through which mechanism your company first learned of this procurement opportunity:

- Agency Mailing
- Deferred Compensation Plan Website
- Pension & Investments Magazine
- City Record
- State Register
- PBBS - Internet
- Other Source- _____

11. CYBERSECURITY

- 1. Describe your cybersecurity policies and procedures deployed by your firm.
- 2. Is your cybersecurity audited by outside auditors? If so, how frequently? Please provide examples of your test results over the last three (3) years.
- 3. What are your firm's client response plan and notification procedures in the event of a security breach?
- 4. How do you defend against malware?

SECTION III: PROPOSAL EVALUATION PROCEDURES

1. Selection Committee

The Selection Committee will be comprised of a minimum of six (6) representatives of the Deferred Compensation Board who are well suited to evaluate the components of this RFP.

2. Minimum Qualification Requirements

The following Minimum Qualification Requirements have been established for this procurement:

- 2.1 The Proposer must be duly licensed in the State of New York to conduct such business and provide such services as are described in the RFP, in conformance with the Rules and Regulations of the New York State Deferred Compensation Board (“State Regulations”).
- 2.2 The Proposer must be a bank, which is authorized to receive and custody assets, which will be treated as amounts contributed under Sections 457, 401 and 408 of the Internal Revenue Code.
- 2.3 The Proposer must represent and warrant that: (i) it is not in arrears to the City of New York upon any debt or contract; (ii) that Proposer has not been declared not responsible, or disqualified, by any agency of the City of New York or State of New York; and (iii) that there are no proceedings pending relating to the responsibility or qualification of the Proposer to receive public contracts.
- 2.4 The Proposer must agree to enter into an agreement with the Plan that shall constitute a group trust under Revenue Ruling 81-100, 1981-1, CB 326 and Revenue Ruling 2004-67, 2004-28, IRB 28.

3. Preferred Qualifications

Proposers are advised that the Plan will likely award the contract resulting from this solicitation to an entity that possess the following Preferred Qualifications. The failure of a Proposer to document in its proposal package that the Proposer possesses these Preferred Qualifications will not result in the rejection of that proposal as non-responsive. However, entities failing to explicitly document that they possess such Preferred Qualifications are highly unlikely to be awarded a contract. Proposers should carefully consider the agency’s expectations in this regard before investing their time in the preparation and submission of a proposal.

The Proposer for master custody services should:

- 3.1 Have had, as of December 31, 2019, at least five years of experience providing master custodial services for defined contribution plans with assets greater than \$10 billion.
- 3.2 Have had, as of December 31, 2019, at least five years of experience providing daily valuation, multi-level NAV calculations and unitization services for large defined contribution plans.
- 3.3 Have had, as of December 31, 2019, at least \$1 trillion in total custody assets under administration and management of a proprietary global subcustody network for at least 5 years.
- 3.4 Have the demonstrated ability to provide master custody services including custody, daily valuation/unitizations, securities settlement, income collection, accounting and reporting, and compliance monitoring in accordance with the Custodial Operating Procedures Manual.

4. Selection Criteria

The criteria for determining technical merit, in descending order of relative weighting, are:

- 4.1 The ability to provide master custody and custody-related services in accordance with the Custodial Operating Procedures Manual. – **45 points**
- 4.2 Overall experience (including the number of years) and stability of the Proposer with large employers' benefits programs providing master custody services for defined contribution plans with similar needs. – **25 points**
- 4.3 The key personnel of the Proposer who will be dedicated to this account, including the number of years the indicated persons have been in their present positions providing support directly to comparable plan sponsors. – **15 points**
- 4.4 The proposing organization's financial stability. – **15 points**

5. Required Provisions of the Contract Arising from this RFP

The following are provisions required in the contract resulting from this RFP. If the Proposer objects to any of the following provisions, its objection to the provision must be specifically set forth in the Proposal. Failure by the Proposer to raise specific objections to the following provisions shall be deemed as the Proposer's unconditional acceptance of these provisions specifically as set forth herein.

- 5.1 In the event of a malfunction of any Vendor system which results in an error, delay or mistake affecting any of the services to be provided by the Vendor under the terms of this Agreement that is not due to external causes beyond its control, Vendor shall at its expense correct such error or mistake thereby making the Plan whole, including but not limited to any gains that would have been realized in the Plan's custody accounts. The terms of this subsection is in addition to all other remedies set forth in this Agreement or otherwise allowed by law.
- 5.2 The terms and conditions of this Agreement shall include all the terms and conditions set forth herein, including attachments hereto, and the General Provisions Governing Contracts for Consultants, Professional and Technical Services, annexed hereto as Appendix A and made a part of this Agreement as if fully set forth herein. In addition, Vendor and the Plan agree that this Agreement shall be subject to the Rules and Regulations of the New York State Deferred Compensation Board ("State Regulations") and are made a part of this Agreement as if fully set forth herein. Further, Vendor and the New York City Deferred Compensation Plan (the "Plan") agree that this Agreement shall be subject to the RFP and Vendor's proposal, dated _____, all of which are made a part of this Agreement as if fully set forth herein. In the event of any express or implied conflict between any provisions of this Agreement, the following order of priority shall govern: (1) the body of this Agreement shall govern; (2) thereafter, the State Regulations shall govern; (3) thereafter, the Plan Documents shall govern unless said other provision is more favorable to the Plan and is not prohibited by the Plan; thereafter Vendor's proposal shall govern and (5) Appendix A shall govern unless said other provision is more favorable to the Plan and is not prohibited by Appendix A.
- 5.3 Authorization to do business in the State New York: Vendor represents and warrants that it is duly licensed or qualified to conduct business of the nature contemplated by the contract, and is in good standing in the State of New York, and has the power and authority to enter into this contract and to carry out the transactions contemplated hereby. Vendor further represents

and warrants: (i) that it is not in arrears to the City of New York upon any debt or contract; (ii) that Vendor has not been declared not responsible, or disqualified, by any agency of the City of New York or State of New York; and (iii) that there are no proceedings pending relating to the responsibility or qualification of the Vendor to receive public contracts and is in compliance with Local Law 34.

5.4 Indemnification:

In addition to the Vendor's obligations pursuant to Article 8 of Appendix A, the Vendor shall be liable for and shall defend, indemnify, and hold harmless the Plan, OLR and the City, their officers, employees, fiduciaries, trustees, administrators, and agents, other than the Vendor, its officers, employees, fiduciaries, trustees, administrators, agents, affiliates, and subcontractors ("Indemnified Parties"), for all losses, liabilities, damages, settlements and related expenses, including reasonable attorneys' fees and investigation, collection and litigation costs, and any other losses described in Sections 8.03 and 8.04 of Appendix A (collectively, "Losses"), which arise out of or result from the following acts or omissions by Vendor, its officers, employees, fiduciaries, trustees, administrators, agents, affiliates or subcontractors:

- (1) failure to discharge its duties under the Agreement; or
- (2) violation of any provision of the Agreement or applicable law; or
- (3) improper or incorrect discharge of its duties under the Agreement, including but not limited to fraud, embezzlement, theft, bribery, forgery, falsification, or destruction of records; or
- (4) reckless or negligent acts or omissions; or
- (5) willful or intentional misconduct; or
- (6) any other acts for which Vendor is obligated to defend and indemnify the Indemnified Parties pursuant to Article 8 of Appendix A, except to the extent that the Losses arise out of or result from any of the acts or omissions described in Section 6.3(1) through (6) above committed by any of the Indemnified Parties.

The City will provide Vendor with notice of the commencement by any third party of any action regarding a claim for which it will seek defense and indemnification under this Agreement. Upon the Vendor's assumption of the defense, the City reserves the right to participate in such defense. The City reserves all legal rights of set-off from amounts due to Vendor under this Agreement up to the amount of any Losses.

Please note that the Plan does not intend for the above indemnification clause to be reciprocal. No vendor will be entitled to include a provision in the contract providing indemnification rights to the vendor.

5.5 Termination of Agreement: In addition to the rights and remedies set forth in Appendix A,

(1)(a) if the Vendor fails to fulfill any of the terms of this Agreement in a timely manner and to the satisfaction of the Plan, including any breach of a material term or condition of this Agreement or a material misrepresentation to the Plan, the Plan shall have the right to terminate this Agreement upon thirty (30) days prior written notice of such termination; and

(b) upon the occurrence of any of the following events, the Plan shall have the right to terminate this Agreement immediately:

- (i) the filing by or against the Vendor of request or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as a bankrupt, relief as a debtor or other relief under the bankruptcy, insolvency or similar laws of the United

States or any state or territory thereof or any foreign jurisdiction, now or hereafter in effect;

(ii) the making of any general assignment by the Vendor for the benefit of creditors;

(iv) the appointment of a receiver or trustee for Vendor or for any asset of Vendor including without limitation, the appointment or taking possession by a "custodian," as defined in the Federal Bankruptcy Code; or

(v) the Vendor engages in negligence, recklessness, misrepresentation, fraud or other willful or intentional misconduct in its performance of any service required herein.

(2) notwithstanding any other termination provision of this Agreement, the City may terminate this Agreement upon providing thirty (30) days written notice, if it is determined by the City that termination of the contract is in the best interest of the City.

(3) if the Plan terminates this Agreement for cause, the Plan may award a new contract to another contractor and the Vendor shall be responsible for all damages arising from its breach of this Agreement, as well as all costs incurred in re-letting the contract, including actual attorneys' fees and expenses.

(4) in the event that funds are not appropriated or made available to the Plan for the continuation of the services described herein in any of the years succeeding the first, this contract shall terminate automatically. Such termination, however, shall not affect either the Plan's rights or the Vendor's rights under this termination provision.

Please note that the City does not intend for the above termination rights to be reciprocal. No Vendor will be entitled to include a provision in the contract providing termination rights to the Vendor.

5.6 Assignment: Rights or obligations under this Agreement may not be assigned or delegated by Vendor without the prior written consent of the Plan. Any permissible assignment or delegation under this Agreement shall accrue to the benefit of and shall be enforceable against successors and assigns.

5.7 Waiver: No waiver of any of the provisions of this Agreement shall be binding upon any party hereto unless in writing and signed by said party or its duly authorized representative. No failure on the part of the Plan to exercise any right or remedy hereunder, whether before or after the happening of a default, shall constitute a waiver of such default, any future default or any other default.

5.8 Insurance:

5.8(1) Vendor shall maintain adequate professional liability insurance in an amount not less than ten (\$10,000,000) million dollars to protect against any loss. Vendor shall maintain bonding in an amount of not less than twenty-five (\$25,000,000) million dollars to protect against any loss resulting from fraud or dishonesty by Vendor or its employees, officers or agents. Such insurance and/or bonding shall be obtained from an organization duly authorized and licensed to provide such bonding in the State of New York or otherwise agreed to by the Plan.

5.8(2) Vendor agrees that all insurance and bonding shall remain in full force and effect during the term of the Agreement. If any insurance policy is terminated for any reason, Vendor agrees to notify the City immediately of said termination and agrees to obtain

another policy and/or bonding for the same type of coverage. Upon execution of the Agreement, Vendor shall provide evidence of bonding and insurance on an annual basis.

- 5.9 Entire Agreement: The Agreement represents the entire understanding of the parties with respect to the subject matter hereof. No representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any party, which are not set forth expressly in this Agreement. This Agreement may not be amended, modified or supplemented at any time whatsoever unless such amendment, modification or supplementation is reduced to writing executed by all parties hereto.
- 5.10 New York Law: The validity, performance, construction and effect of this Agreement shall be governed by the laws of the State of New York applicable to contracts entered into to be fully performed entirely therein.
- 5.11 Successors and Assigns: This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.
- 5.12 Venue and Jurisdiction: The Vendor hereby submits to the jurisdiction of the Supreme Court of the State of New York, New York County and agrees with the Plan that personal jurisdiction and venue over this Agreement shall rest with the Supreme Court of the State of New York, New York County and agrees with the Plan that personal jurisdiction and venue over this Agreement shall rest with the Supreme Court of the State of New York, New York County for purposes of any action related to this Agreement or the enforcement of same. The Vendor hereby waives personal service by personal delivery and agrees that service of process may be made by post-paid certified mail directed to Vendor at Vendor's address set forth at the address recited in the preamble hereto or at such address as may be designated in writing by Vendor to be effective with the same effect as though personally served.
- 5.13 Severability: In the event that any provision of this Agreement is illegal, invalid against public policy or unenforceable for any reason, the remainder of this Agreement shall nonetheless remain in full force and effect.
- 5.14 Receipt of Data: All materials supplied by Vendor and in connection with services to be rendered in connection with this Agreement including videos, booklets, reports, audits, posters, announcements and other educational material (the "Contract Products") shall be and remain at all times the sole and exclusive property of the Plan.

No Contract Products may be used, copied, modified, reproduced, or otherwise used by the Vendor for purposes unrelated to this Agreement without the prior written approval of the Plan.

Notwithstanding any other provision of this Agreement, in the event that Vendor breaches any of the provisions contained in this section, the Vendor agrees and shall: (i) remit to the Plan any and all monies, royalties or other remuneration, without limitation, received directly or indirectly as a result of the unauthorized use, sale or publication of material deemed under this Agreement to be property exclusively of the Plan; (ii) publish, at no cost to the Plan, retractions, notices or other items deemed appropriate and necessary by the Plan in order to establish publicly the Plan's exclusive right to the property; (iii) assign to the Plan, at no cost to the Plan, any copyrights or other contract rights secured by the Vendor in violation of this section; and (iv) take such additional

steps as may be deemed necessary and appropriate by the Plan in order to restore the Plan to its rightful position as owner of the Contract Products.

- 5.15 Future Plan Transition Rights: In the event that the Plan subsequently transfers some or all of the responsibilities to another vendor, the Vendor shall agree to supply the successor vendor with any other records deemed necessary by the Plan at no cost, fee or penalty to the Plan. The Vendor shall make every effort to cooperate with the successor(s) and the Plan in order to facilitate the transition.
- 5.16 Damages: Except as otherwise provided in this Agreement, the City may assess as liquidated damages, and not as a penalty, the amount of \$150 per item for each day or any part thereof that each item of the services described in this Agreement is not provided in a timely manner to the City by Vendor. Such liquidated damages may be deducted from any amounts due and owing to Vendor, or at the City's option, Vendor shall pay such amounts to the City. Damages as outlined in this provision shall not be the sole contractual remedy available to the City.
- 5.17 Additional Services: From time to time, the Board may decide to seek services from the Vendor on a special project basis ("Additional Services"). The Vendor agrees to consider such requests from the Board and, provided that the requirements for the Additional Services are within the scope of Vendor's professional practice and a fair and reasonable fee for such services can be agreed upon, Vendor will deliver the requested services.
- 5.18 Communications Materials: Vendor shall at the Plan's sole discretion review all applicable employee communications/educational materials and provide appropriate recommendations and suggestions as needed. There shall be no cost or fee to the Plan associated with the services described herein.
- 5.19 Work Products: The contents, but not the format, of all reports, statements and other materials or data produced pursuant to the Agreement shall be the sole property of the Plan. The Plan shall have the sole right to copyright the contents of such items, with the exception of those items marked "confidential" in the Vendor's proposal. If the Vendor fails to fulfill any of the terms of the Agreement in a timely fashion and upon the due date of any assignment or upon the termination of this Agreement, Vendor agrees to maintain the records necessary to produce all reports referenced herein and agrees that all records shall be the property of the Plan and that the Plan shall be provided with a copy of such records in hard copy within ten (10) days after the effective date of the expiration or termination at no cost or fee to the Plan. The Vendor shall also provide the Plan with all related computer tapes, discs, and programs at no cost to the Plan.
- 5.20 Confidentiality: All information obtained in connection with any services performed by the Vendor with respect to the Plan shall be confidential and the Vendor shall not use any such information for any purpose not directly related to the administration of the Plan or the investment of the participant's assets. In addition, the Vendor shall not use any information obtained by reason of its appointment to provide services with respect to the Plan to solicit or otherwise induce any person to invest in, purchase, utilize or act in any other manner regarding any products or services made available by the Vendor, except as permitted by the Agreement.

5.21 Key Employees:

(1) The Plan reserves the right to identify and designate certain employees of the Vendor as Key Employees, who should be at least a corporate level Senior Relationship Manager as well as a day-to-day Senior Account Manager, and to communicate the names of such Key Employees in writing to the Vendor. The Vendor shall not unreasonably withhold its Agreement with the Plan's identification and designation of such Key Employees. Except as otherwise provided herein, the Vendor agrees that such Key Employees shall continue any assignment under this Agreement until such assignment is completed.

(2) If the Vendor wishes to remove a Key Employee from an assignment prior to commencement of an assignment or during an assignment, Vendor shall first consult with and seek the consent of the Plan. If such Key Employee is removed, Vendor shall provide a replacement with similar or better qualifications. Upon the Plan's approval, the replacement shall be considered a Key Employee under this Agreement. Vendor shall ensure that there is a smooth transition, including ensuring that the departing Key Employee appropriately trains and instructs the replacement Key Employee. If the Plan does not consent to the removal of a Key Employee, which consent shall not unreasonably be withheld, or if Vendor and the Plan cannot agree on a replacement, the Plan shall have the option to: (a) insist that the Key Employee continue the assignment to satisfactory completion; or (b) terminate the Agreement.

(3) In the event that a Key Employee ceases work or intends to cease work due to events beyond Vendor's control, including death, disability, illness, resignation or any other reason deemed acceptable by the Plan, Vendor shall provide written notification thereof to the Plan within one business day after such event and shall within five (5) business days, arrange for the interview of potential replacements with similar or better qualifications. Upon the Plan's approval, the replacement shall be considered a Key Employee under this Agreement. If Vendor and the Plan cannot agree on a replacement, the Plan may terminate the Agreement.

(4) Any employee of the Vendor performing services in fulfillment of this Agreement who, in the opinion of the Plan, is uncooperative or incompetent shall be reassigned at the request of the Plan. The Vendor shall have a reasonable time frame, not to exceed thirty (30) days, in which to assign another employee of acceptable technical experience and skills.

5.22 Fiduciary Acknowledgments: Vendor shall be responsible as a fiduciary with respect to all matters for which it has assumed or will assume responsibility to the Plan. Vendor shall furnish Proxy Voting services to the Plan pursuant to the provisions of this Agreement.

5.23 Reports: Upon request, Vendor shall, at its expense, provide periodic presentations to the Board. In addition, upon request, Vendor shall, at its sole expense, attend periodic meetings of the Board.

5.24 Inspection of Records: The Plan and their duly appointed and authorized representatives shall have access to and the right to examine directly pertinent books, documents, papers and records of the Vendor relating to this contract until six (6) years after the final payment has been made. The Vendor also agrees that the representatives of the Plan shall have access to and the right to examine, during the course of the contract, all offices and physical facilities at which work in fulfillment of the contract is being performed. The Vendor agrees to incorporate this clause into any agreement with subcontractors.

5.25 Transition Responsibilities Upon Termination

Upon notice expiration or termination of the Agreement, the Vendor shall cooperate with the Plan to assist in an orderly transfer of the administrative responsibilities and records to the successful vendor. Specifically, the Vendor will provide the information and services stated in this section.

In the event the Plan elects to contract with a new provider, the Proposer will fully cooperate with the Plan and the new provider in making the transition. The Proposer will provide any and all documents and computer files as described in this RFP and generally assist the new provider and the Plan in learning the content of such documents and files, or otherwise as will be mutually agreed upon between the Proposer and Plan.

Vendor agrees to provide new provider with file descriptions and narratives for all input and output. The Vendor agrees to provide all information that resides in the Proposer's computer files relating to Plan custodial accounts.

6. Notification of Selection

The contract between the Plan and the successful Vendor shall contain the provisions set forth above and Appendix A and based on the specific requirements of this RFP and the successful Vendor's treatment thereof as contained in its proposal, as well as general provisions governing all Plan contracts.

If no agreement is reached within a reasonable amount of time of the commencement of negotiations, the Plan reserves the right to terminate negotiations and select another proposal, to issue a new RFP, or take other action consistent with the Plan's best interests. By issuing this RFP, the Board is not obligated to award a contract.

7. Role of Price in the Selection Process

Price will be considered subsequent to the determination of technical merit. The Agency intends to award the contract(s) to the Proposer(s) whose proposal is determined to be most advantageous to the Plan, taking into account both technical merit and cost.

8. Best and Final Offers (BAFO)

The Plan reserves the right to request best and final offers from Proposers with respect to the technical proposal, price proposal, or both.

9. Amended Ratings

Initial ratings may be amended by the Selection Committee based on oral presentations given and/or best and final offers received.

10. Assignment

The Plan reserves the right to consent in writing to any assignment of any proposal submitted in response to this RFP. Any permissible assignment or delegation under this RFP and any certain proposal shall accrue to the benefit of and shall be enforceable against successors and assigns.

Vendor cannot transfer, convey, or assign the proposal submitted, in whole or in part, unless Vendor obtains prior written consent from the Plan.

11. Charter Section 312(a) Certification

The Agency has determined that the contract(s) to be awarded through this RFP will not directly result in the displacement of any New York City employee.

12. Additional Services

The Board reserves the right, pursuant to the RFP, to seek additional services from the selected Vendor. The selected Vendor agrees to consider such requests from the Board, and provided that the services are within the selected Vendor's professional practice and a fair and reasonable fee for such services can be agreed upon, the selected Vendor shall deliver such additional services.

SECTION IV: PROPOSAL SUBMISSION PROCEDURES

PROPOSAL PACKAGE REQUIREMENTS

These instructions provide an overview of the manner in which proposals shall be submitted as well as a listing of the required components of the proposal, including component name, where in the proposal the component is to be placed, and the reason for its submission.

GENERAL:

- 1) The original hard copy of both the technical proposal and the price proposal should each be clearly marked “Original” and bear all required original signatures, and should be delivered to the location stated in the RFP by no later than the time and date specified in the RFP. Pages must be paginated and submitted in binder format. In addition, all of the proposal documents must be provided on a flash drive, clearly labeled with the Proposer’s name and PIN, comprised of the original technical proposal and the original price proposal, as separate PDFs and any other required or related documents. Please note that the flash drive will be retained by the Plan and not returned to the Proposer.
- 2) The proposal should be in a sealed carton clearly marked and labeled as required by the RFP. If more than one carton is required, each carton should be clearly numbered (e.g., Carton #1 of 2, Carton #2 of 2, etc.).
- 3) There should be five sealed inner packages, which should be clearly marked and labeled as follows:
 - a. **“Technical Proposal”** should include the original copy of the Letter of Transmittal, the Proposal Submission Form, the Acknowledgement of Addenda Form and the Technical Proposal. Please do not make any reference to the proposed price in the Technical Proposal.
 - b. **“Mercer Global Custody Database Questionnaire Response”** should include the original copy of the Mercer Global Custody Database Questionnaire Response.
 - c. **“Flash Drive”** should enclose a flash drive, containing a copy of the technical proposal the price proposal, and any other required documents.
 - d. **“Doing Business Data Form”** should consist of the original copy of the Doing Business Data Form.
 - e. **“Price Proposal”** should consist of the original copy of the Price Proposal.

NOTE: Nothing stated herein shall preclude the Agency from requesting additional information and/or clarification and/or additional documentation in support of any assertion made by any Proposer. By submission of a proposal, the Proposer agrees to provide such in a timely manner. In certain circumstances, the Agency may be unable to make a determination of the responsiveness of a proposal in the absence of such information. A proposal cannot be evaluated for technical merit unless it is determined to be responsive.

The proposal package is to contain the following:

- Proposers are advised that there is no page limitation for proposals, but are advised to use discretion in the amount of information they submit.
- Proposers are cautioned to include their complete return address on the outer envelope or wrapper enclosing any materials submitted in response to this RFP. Such outer envelope or wrapper should be addressed as follows:

New York City Deferred Compensation Plan/NYCE IRA
22 Cortlandt Street, 28th Floor
New York, New York 10007
Attention: Georgette Gestely, Director
Request for Proposals for Master Custody Services
214200000456

- Proposals are due by 4:30 P.M. Eastern Time on May 28, 2020
- Hand-carried proposals may be delivered to the above address ONLY between the hours of 9:00 A.M. and 4:30 P.M Eastern Time, Mondays through Fridays, excluding holidays observed by the Agency.

1. Letter of Transmittal

A transmittal letter, on the Proposer’s business stationery, shall accompany the response. This letter must be signed by an individual authorized to bind the Proposer to all statements contained in the response, including those regarding services and fees. The letter shall contain, but not be limited to, the following information:

- 1.1 Name of the Proposing Organization, date of submission, and subject of the RFP: “Request for Proposals for Master Custody Services PIN 214200000456”
- 1.2 The Proposer’s legal status (i.e., corporation, partnership, etc.), date and place of organization and/or incorporation, and the state(s) in which it is licensed to do business.
- 1.3 A statement indicating the names of all entities related to the Proposer including, but not limited to, all companies, parent company, subsidiaries and affiliated entities and the relationships between each of the entities and the Proposer.
- 1.4 A statement including the names of all the principals and members of the Proposer.
- 1.5 The location of the Proposer’s headquarters.
- 1.6 The name, title, address, telephone number, email address and facsimile number of the person authorized to discuss the proposal with the Plan.
- 1.7 A clear and unequivocal statement to the effect that the Proposer meets the following minimum qualifications: (1) the Proposer is duly licensed in the State of New York to conduct such business and provide such services as are described in the RFP; (2) the Proposer must be a bank, which is authorized to receive and custody assets, which will be treated as amounts contributed under Sections 457, 401 and 408 of the Internal Revenue Code; (3) the Proposer is: (i) not in arrears to the City of New York upon any debt or contract; (ii) the Proposer has not been declared not responsible, or disqualified, by any agency of the City of New York or State of New York; and (iii) that there are no

proceedings pending relating to the responsibility or qualification of the Proposer to receive public contracts; and (4) the Proposer must agree to enter into an agreement with the Plan that shall constitute a group trust under Revenue Ruling 81-100, 1981-1, CB 326 and Revenue Ruling 2004-67, 2004-28, IRB 28. **The Proposer must also affirmatively state whether or not they meet all of the Preferred Qualifications.**

- 1.8 The Proposer must assert in writing that it will conduct any and all activities related to any contract that may be awarded as a result of this RFP in strict conformity with any and all applicable City of New York, State of New York and federal laws, rules, regulations and provisions governing such matters. Such statement shall be made in this Section 1.8 of the Letter of Transmittal.
 - 1.9 Confirmation that the proposal being submitted by the Proposer is in conformity with the specifications contained in this RFP.
 - 1.10 **Confirmation of the Proposer's acceptance of the contract provisions, or specifically state any exceptions that the Proposer might have thereto, as stated in Section III(5).**
 - 1.11 The Proposer's narrative with respect to any confidentiality issues with regard to its proposal package.
 - 1.12 Statement of Qualification, which includes at least three business and financial references, a copy of the most recent certified audit, latest annual reports, a list of similar work performed, identifying current status and other pertinent records.
 - 1.13 **Confirmation that Vendor has read Appendix A, the MacBride Principles and the Rules and Regulations of the New York State Deferred Compensation Board and acknowledges and unconditionally agrees to all the terms set forth in the aforementioned documents, without exception.**
 - 1.14 Confirmation of the Proposer's completion of the Doing Business Data Form and inclusion into the proposal.
 - 1.15 Proposers must also submit an organization outline or chart identifying the names and titles of account team members, the reporting relationships within the account and a resume or summary for each project team member, including past performance on similar projects or qualifications.
2. Proposal Submission Form
- 2.1 The Proposal Submission Form contains Proposer identifying information, subcontractor identifying information and a checklist indicating the contents of the proposal package as required by this RFP.
 - 2.2 The Proposal Submission Form requests that Proposers supply their Employer Identification Number (EIN) and that of any subcontractors. Where there is no EIN, provision of a Social Security number is voluntary and failure to do so will not disqualify a Proposer from being awarded a contract.

3. Acknowledgment of Addenda

The Acknowledgment of the Addenda Form serves as a Proposer's acknowledgment of the receipt of addenda that may have been posted on the Web site prior to the Proposal Submission Deadline.

4. Technical Proposal

4.1 The Technical Proposal is a narrative that addresses the scope of work, the requirements of the RFP, the proposed approach to the work, the schedule of work, and any other information called for by this RFP which the Proposer deems relevant.

4.2 Proposers must provide a copy of their most recent audited financial statements and latest annual report in the Technical Proposal package.

4.3 Proposers shall organize the Technical Proposal under the headings highlighted below, with the indicated information provided under each heading:

Section 4.3.1 of the proposal shall provide a narrative describing the custodian's experience providing master custodial services for large defined contribution plans.

Section 4.3.2 of the proposal shall describe the Proposer's demonstrated ability to provide custody, daily valuation/unitizations, multi-level NAV calculations, securities settlement, income collection, accounting and reporting, and compliance monitoring in accordance with the Custodial Operating Procedures Manual. Proposers must explicitly state any deviations in their abilities they have with the Procedures Manual.

Section 4.3.3 of the proposal shall be a narrative describing the functions of the key personnel of the Proposer who will be dedicated to this account.

Section 4.3.4 of the proposal shall be a narrative describing the Proposer's overall experience with a large employers' defined contribution plans, including the legal, financial and policy framework of such programs, as documented by the size and number of such relationships.

Proposers may submit charts, graphs, and other illustrative exhibits as part of their proposals provided that they are clearly marked with respect to the portion of the Technical Proposal in support of which they are provided. Proposers shall not submit promotional material, or brochures without clearly linking such material to a specific part of their proposal.

5. Price Proposal

5.1 The Price Proposal is a presentation of the Proposer's total offering price, including the estimated fee for providing each component of the required goods or services for the contract term. The Price Proposal shall be submitted under a separately sealed and clearly marked envelope.

5.2 Proposers shall submit their Price Proposal in the format prescribed in Attachment A hereto.

6. Statement of Qualification

The Statement of Qualification must include business and financial references, a copy of the most recent certified audit, latest annual report, a list of similar work performed identifying current status and any other pertinent records.

SECTION V: GENERAL INFORMATION OF THIS RFP

1. Status of Information

The New York City Deferred Compensation Plan (“Plan”) and the New York City Deferred Compensation Board (“Board”) shall not be bound by any oral or written information concerning this solicitation released prior to the issuance of this Request for Proposals (“RFP”).

2. Authorized Agency Contact Person

The Authorized Agency Contact Person for this RFP is Georgette Gestely, Director.

3. Proposer Inquiries

All inquiries regarding this RFP must be addressed to the Authorized Agency Contact Person. Those submitting proposals are advised that the Plan cannot ensure a response to inquiries received later than ten (10) days prior to the Proposal Submission Deadline. If you have any questions regarding this RFP, please email them to the attention of Georgette Gestely, Director/Agency Authorized Contact Person for this solicitation, at RPretax@nyceplans.org. The subject line of the email must contain the name of the RFP and the PIN number. Please do not attach any files; please include your questions in the body of the email only.

4. Communication with the Plan

Proposers are advised that from the date this RFP is issued until the award of the contract, NO contact with Agency personnel related to this RFP is permitted, except as may be authorized by the designated Authorized Agency Contact Person.

5. Addenda

5.1 The Plan will issue responses to inquiries and any other corrections or amendments it deems necessary in written addenda posted to the Plan’s Web site prior to the Proposal Submission Deadline. **Proposers are reminded to check the Web site periodically for any such addenda.**

5.3 Proposers should not rely on any representations, statements, or explanations other than those made in this RFP or in a formal addendum.

5.4 It is each Proposer’s responsibility to ensure that they review all addenda posted on the Web site. Proposers are required to acknowledge in their proposal submissions the number of addenda reviewed as part of their proposal. All Proposers are urged to visit the Plan’s Web site to ensure that the addenda have been reviewed: <https://www1.nyc.gov/site/olr/about/about-rfp.page>

5.5 Proposer shall submit its best price considering that the Board may not ask for best and final offers.

6. Site Visits

The Plan reserves the right to perform one or more site visits to, or surveys of, the offices or facilities of any Proposer that may come under consideration for the award of a contract.

7. Modified Proposals

A Proposer may submit a modified proposal to replace all or any portion of a previously submitted proposal up until the Proposal Submission Deadline and, if applicable, up until the deadline for submission of Best and Final Offers. The Proposer must clearly indicate which part of its proposal is modified in its new submission. The Selection Committee will only consider the latest version of the proposal or, if applicable, the latest version of the Best and Final Offer.

8. Withdrawal of Proposals

8.1 Proposal terms shall be irrevocable until a contract is awarded.

8.2 A proposal may be withdrawn in writing only: (1) prior to the Proposal Submission Deadline; and (2) only if a letter of withdrawal is received by the Authorized Agency Contact Person prior to the Proposal Submission Deadline.

9. Late Proposals, Late Modifications and Late Withdrawals

9.1 Proposals received after the Proposal Submission Deadline are late and will not be considered. Proposers are responsible for ensuring that their proposals are received in a timely fashion.

9.2 Modifications received after the Proposal Due Date are late and will not be considered except that a late modification of a successful proposal that makes its terms more favorable to the City shall be considered at any time it is received.

9.3 Letters of withdrawal received after the Proposal Submission Deadline will **not** be considered.

10. Costs Incurred By Proposers

The Plan shall not be liable for any costs incurred by Proposers in the preparation of proposals or oral presentations or for any work performed in connection therewith or for any costs incurred in the negotiation or completion of the contract arising out of this solicitation.

11. Negotiations

11.1 The Plan may award a contract on the basis of proposals received, without discussions. Therefore, each proposal should contain the Proposers' best terms from a financial and technical standpoint.

11.2 The Plan may negotiate with one or more Proposers and no Proposer shall have any rights against the Plan or Board arising from such negotiations or any invitation to negotiate.

12. The Plan reserves the right to request that Proposers provide additional services other than those specifically set forth in this RFP. Those additional services shall be deemed under and subject to this RFP.

13. Proposers' Acceptance of Appendices and Riders

Submission of a proposal indicates to the Plan that the Proposer has read carefully the following City of New York appendices and riders and can enter into an agreement governed thereby. Section 1.13 of the Letter of Transmittal to be submitted, shall state the Proposer's unconditional acceptance of the terms set forth in the appendices and riders thereof:

- ◆ Appendix A for the New York City Deferred Compensation Plan: The General Provisions Governing Contracts for Consultants, Professional and Technical Services. The version included with this RFP is the current version of the General Provisions Governing Contracts for Consultants, Professional and Technical Services. However, the New York City Law Department may revise the General Provisions Governing Contracts for Consultants, Professional and Technical Services from time to time. Any contract entered into as a result of this solicitation will include the most recent version of the General Provisions Governing Contracts for Consultants, Professional and Technical Services, which may differ from the version enclosed with this RFP.
- ◆ MacBride Principles Provisions for New York City Contractors
- ◆ Rules and Regulations of the New York State Deferred Compensation Board

14. Contract Award

14.1 The Plan reserves the right to award the contract to a vendor other than the Proposer presenting the best performance.

14.2 The contract resulting from this RFP will be awarded to the qualified Proposer(s) whose proposal(s) the Plan believes will be the most advantageous. Any proposed award will be subject to all required approvals.

14.3 In addition, the contract award shall be subject to the applicable provisions of federal, state and local laws and executive orders requiring affirmative action and equal employment opportunity.

15. RFP Postponement/Cancellation

The Plan reserves the right to postpone or cancel this RFP, in whole or in part, and to reject all proposals.

16. Prompt Payment Policy

16.1 It is the policy of the City of New York to process contract payments efficiently and expeditiously so as to assure payment in a timely manner to firms and organizations who do business with the City.

16.2 A contractor must submit a proper invoice to receive payment, except where the contract provides for payment at pre-determined intervals without having to submit an invoice for each scheduled payment.

17. Confidential/Proprietary Information

17.1 Proposers should specifically identify those portions of their proposal considered confidential, proprietary information or trade secrets and provide any justification as to why the Plan should not disclose such material upon request.

17.2 Such confidential/proprietary information must be easily separable from the non-confidential sections of the proposal.

18. Proposers' Errors/Omissions

The Plan will not be responsible for errors or omissions made in any Proposer's proposal.

19. Rules and Regulations of the New York State Deferred Compensation Board

The Rules and Regulations of the New York State Deferred Compensation Board govern this procurement. In the event of a direct or indirect conflict between the Rules and Regulations of the New York State Deferred Compensation Board and any provisions hereof, the Rules and Regulations of the New York State Deferred Compensation Board shall govern. In addition, the contract to be entered into as a result of this solicitation will include certain provisions arising out of the Rules and Regulations of the New York State Deferred Compensation Board.

SECTION VI: GENERAL PROVISIONS OF THIS RFP

A. CONDITIONS

Proposers are advised to become familiar with all conditions, instructions, and specifications governing this RFP. Once a proposal has been accepted, failure to have read all the conditions, instructions and specifications of this RFP shall not be cause for a Proposer to request additional compensation.

B. INITIAL CONTRACT TERM AND RENEWALS

The contract resulting from this solicitation is expected to commence on or about January 1, 2022.

The initial contract term is for a period of five (5) years. The Board, at its sole discretion, shall have the option to renew the contract for a further five (5) years. The Agreement will not exceed the limitations as set forth by the New York State Deferred Compensation Board.

C. UNACCEPTABLE PROPOSALS

No proposal will be accepted from, or contract awarded to, any person, firm or corporation that is in arrears to the City of New York upon any debt or contract; is a defaulter, as surety or otherwise, upon any obligation to the City of New York; has been declared not responsible, or disqualified, by any agency of the City of New York or State of New York; or has any proceeding pending relating to the responsibility or qualification of the Proposer to receive public contracts.

The Plan will only consider proposals submitted directly by product providers, not by third party intermediaries. A proposal submitted by or through a third party intermediary will not be considered for award.

In addition, preference will be given to Proposers who do not subcontract performance of any part of the services to be provided. The Plan reserves the right to reject any Proposer who proposes to subcontract any aspect of the services described in this RFP.

D. WRITTEN PROPOSALS

The submission of a written proposal will constitute a binding offer to perform said services.

E. SELECTION OF PROPOSER AND CONTRACT NEGOTIATION

Any objections to the standard contract terms discussed in Section IV(5), Required Provisions of the Contract Resulting from this RFP, must be raised in the Letter of Transmittal. Proposers are urged to read Section IV of this RFP carefully. However, if the objections to the contract terms are not raised in the Letter of Transmittal, no negotiation of the standard terms discussed in Section IV(5), Required Provisions of the Contract Resulting from this RFP, will be permitted.

F. RIGHTS RESERVED BY THE PLAN

The Plan reserves the right to:

1. Amend or cancel the RFP after its release;
2. Reject any and all proposals, in whole or in part, submitted in response to this RFP at its discretion;
3. Waive or modify minor irregularities in proposals after prior notification to the Proposer;
4. Reject any proposal that sets forth fees that the Plan deems to be unreasonable or that is not in the specified format;
5. Negotiate with one or more Proposers, concurrently or sequentially, as the Plan determines; however, Proposers should submit their best proposals at the outset since negotiations may not take place and no Proposer shall have any rights against the City arising from the invitation to negotiate or negotiations pursuant to it;
6. Terminate the contract with the selected Proposer upon ten (10) days' written notice or contract, up to the time of cancellation.
7. Accept a proposal that has been assigned from one vendor to another provided that the Plan agrees and the new vendor meets all of the qualifications set forth herein.

G. NEWS RELEASE

The Proposer must not at any time release any news or make any statements to the public, press or other media relating to this RFP, the resulting contract or any performance thereunder.

H. OTHER INFORMATION

Proposals submitted become the property of the City of New York. By submitting a proposal, the Proposer agrees not to make any claims for or have any right to damages because of any misunderstanding, misrepresentation, or lack of information.

The Proposer shall neither solicit nor accept from any investment provider any commissions, service fees, or any other form of compensation for work performed under, or related to, this contract without disclosure to the Plan of the amount and details of such arrangement. Prior to the acceptance of any commissions, service fees or any other form of compensation as set forth above, the Plan must first approve the arrangement. In the event that the Proposer does receive commissions, service fees or other compensation from any investment provided for work performed under the contract without the approval and knowledge of the Plan, such compensation shall be the property of the City and the Proposer shall remit the full amount of such compensation to the Plan within two (2) days of receipt without limiting any other legal rights the Plan may have. Nothing in this paragraph shall be construed to prohibit the Proposer from accepting compensation from investment providers for work performed under any other contract.

SECTION VII: ADDITIONAL REQUIRED PROVISIONS OF THE CONTRACT(S) RESULTING FROM THIS RFP

Submission of a proposal indicates to the Plan that the Proposer has read, understands and accepts that the following terms will govern the contract to be entered into between the Plan and the successful Proposer:

- 1) The Rules and Regulations of the New York State Deferred Compensation Board govern this procurement and will become part of the final contract governing this procurement. A copy of these rules and regulations can be downloaded from the Plan's Web site at: <https://www1.nyc.gov/site/olr/about/about-rfp.page>
- 2) The RFP and the successful Proposer's proposal will become part of the final contract and will be incorporated into the contract by reference.
- 3) The Plan's General Provisions Governing Contracts for Consultants, Professional and Technical Services (Appendix A for the New York City Deferred Compensation Plan) will become part of the final contract. The current version of the General Provisions Governing Contracts for Consultants, Professional and Technical Services can be downloaded at the Plan's Web site. However, the New York City Law Department may, from time to time, revise the General Provisions Governing Contracts for Consultants, Professional and Technical Services, and any contract entered into as a result of this solicitation will include the latest version of the General Provisions Governing Contracts for Consultants, Professional and Technical Services, which may differ from the version enclosed with this RFP.

**NEW YORK CITY DEFERRED COPENSAION PLAN
PROPOSAL SUBMISSION FORM**

Master Custody Services
(RFP TITLE)

21420000456
(PIN)

PROPOSER IDENTIFYING INFORMATION

PROPOSER NAME: _____
EMPLOYER IDENTIFICATION NUMBER (EIN) # _____
(IF NO EIN, PLEASE PROVIDE SS#)*
SOCIAL SECURITY NUMBER (SSN) # _____

STREET ADDRESS _____
CITY, STATE, ZIP CODE _____

CONTACT PERSON _____ PHONE # _____
FAX # _____
E-MAIL ADDRESS: _____

SUB-CONTRACTOR(S) IDENTIFYING INFORMATION (IF APPLICABLE)

SUB-CONTRACTOR NAME: _____
EMPLOYER IDENTIFICATION NUMBER (EIN) # _____
(IF NO EIN, PLEASE PROVIDE SS#)*
SOCIAL SECURITY NUMBER (SSN) # _____

STREET ADDRESS _____
CITY, STATE, ZIP CODE _____

CONTACT PERSON _____ PHONE # _____
FAX # _____
E-MAIL ADDRESS: _____

PROPOSAL PACKAGE CONTENTS

(EACH ITEM BELOW MUST BE INCLUDED IN YOUR PROPOSAL PACKAGE)

- | | |
|---------------------------------|------------------------------------|
| _____ LETTER OF TRANSMITTAL | _____ TECHNICAL PROPOSAL |
| _____ PROPOSAL SUBMISSION FORM | _____ PRICE PROPOSAL |
| _____ ACKNOWLEDGMENT OF ADDENDA | _____ AUDITED FINANCIAL STATEMENTS |

* UNDER THE FEDERAL PRIVACY ACT, THE FURNISHING OF SOCIAL SECURITY NUMBERS IS VOLUNTARY. FAILURE TO PROVIDE A SSN WILL NOT DISQUALIFY A PROPOSER OR SUB-CONTRACTOR FROM BEING AWARDED A CONTRACT.

ACKNOWLEDGMENT OF ADDENDA FORM

RFP TITLE: Master Custody Services

PIN: 214200000456

DIRECTIONS: COMPLETE PART I OR PART II, WHICHEVER IS APPLICABLE.

PART I: LISTED BELOW ARE THE DATES OF ISSUE FOR EACH ADDENDUM RECEIVED BY PROPOSER WITH RESPECT TO THIS RFP:

ADDENDUM # 1, DATED _____, 20 ____

ADDENDUM # 2, DATED _____, 20 ____

ADDENDUM # 3, DATED _____, 20 ____

ADDENDUM # 4, DATED _____, 20 ____

ADDENDUM # 5, DATED _____, 20 ____

ADDENDUM # 6, DATED _____, 20 ____

ADDENDUM # 7, DATED _____, 20 ____

ADDENDUM # 8, DATED _____, 20 ____

ADDENDUM # 9, DATED _____, 20 ____

ADDENDUM #10, DATED _____, 20 ____

ADDENDUM #11, DATED _____, 20 ____

ADDENDUM #12, DATED _____, 20 ____

PART II _____ NO ADDENDUM WAS RECEIVED IN CONNECTION WITH THIS RFP.

ORGANIZATION: _____

BY (PRINT NAME): _____

SIGNATURE _____

ATTACHMENT A

PRICE PROPOSAL FORM

Custodial Account Services Fee Proposal

Fee Schedule

In addition to completing the fee schedule below, you must also provide a pro forma annual fee calculation based on the assumptions made throughout the RFP.

	<u>Fee</u>
Transition/conversion fees	
Account transition/conversion charges	\$ _____
Set-up charges for establishing data interfaces with Voya Financial (recordkeeper) for NAV transmissions	\$ _____
Set-up charges for establishing cash accounts for disbursements and trading	\$ _____
Set-up charges for establishing data interfaces to transmit performance measurement data to an external consultant	\$ _____
Other implementation or set-up fees (itemize)	\$ _____
 Fund accounting fees (daily valuation)	
Per separately managed portfolio	\$ _____
Per “blended” Core Fund option	\$ _____
Per “blended” Pre-Arranged fund option	\$ _____
 Account structure fees (daily valuation)	
Per domestic separate account	\$ _____
Per commingled fund/mutual fund/line item	\$ _____
Per global (non-U.S.) separate account	\$ _____
Per REIT fund	\$ _____
Per cash account (STIF to be managed by custodian)	\$ _____
 Account structure fees (monthly valued synthetic GIC portfolios – no unitization required)	
Per domestic separate account	\$ _____
Per commingled fund/mutual fund/line item	\$ _____
 Master trust accounting fees	
One group trust comprising three (3) plans	\$ _____

Fee

Basis point fees based on market value (daily valuation)

Domestic (U.S.) separate account assets	bps
Commingled fund/mutual fund/line item assets	bps
Global (non-U.S.) separate account assets(if separate account is added later)	Attach Schedule

Basis point fees based on market value (monthly valued synthetic GIC portfolios – no unitization required)

Domestic (U.S.) separate account assets	bps
Commingled fund/mutual fund/line item assets	bps

Activity/transaction fees

Per domestic security transaction through depository (e.g., DTC/PTC)	\$
Per domestic security transaction OTC	\$
Per non U.S. security transaction	Attach Global Schedule
Per commingled/mutual fund transaction	\$
Per dividend payment	\$
Per corporate action (voluntary)	\$
Per proxy notification/processing - domestic	\$
Per proxy notification/processing - global	Attach Global Schedule
Per principal paydown	\$
Per outgoing wire transfer	\$
Per incoming wire transfer	\$
Per foreign exchange transaction (executed in-house)	\$
Per foreign exchange transaction (executed by third party)	\$

Compliance monitoring fees

Set-up and training	\$
Base charge per portfolio annum	\$
On-line access fees	\$
Other fees	

Cash management fees

STIF assets – provide prospectuses for proposed vehicles	bps
--	-----

Fee

Other fees

- Overdraft charges (daylight overdraft)
- Overdraft charges (overnight overdraft)
- Fees for developing automated transaction feed with record keeper
- Fee per daily NAV transmission
- Fee Structure/Commissions for Futures broker

Attach separate schedule itemizing any and all charges not included above.

Custody fee guarantee _____ yrs
Period in years for which this fee schedule is guaranteed _____ yrs

BASE TERM 5 YEAR FEE ESTIMATE	TOTAL ANNUAL FEE PROPOSED* (Dollar Amount)
January 1, 2022 – December 31, 2022	
January 1, 2023 – December 31, 2023	
January 1, 2024 – December 31, 2024	
January 1, 2025 – December 31, 2025	
January 1, 2026 – December 31, 2026	
TOTAL:	

RENEWAL TERM 5 YEAR FEE ESTIMATE	TOTAL ANNUAL FEE PROPOSED* (Dollar Amount)
January 1, 2027 – December 31, 2027	
January 1, 2028 – December 31, 2028	
January 1, 2029 – December 31, 2029	
January 1, 2030 – December 31, 2030	
January 1, 2031 – December 31, 2031	
TOTAL:	

*The fee proposed for Custodial Account Services shall cover all fees and expenses for the custodial account, including the cost for the Administration, Portfolio, Demand Deposit Account, and Transaction Charges necessary and required for the establishment and operation of a custodial account for the New York City Deferred Compensation Plan, as specified.