

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

January 29, 2010

You are invited to submit a proposal in accordance with the requirements of this Request for Proposal (RFP). This RFP is being offered by the South Carolina Retirement Systems.

Responses [one (1) original, ten (10) paper copies, and one CD] must be submitted to South Carolina Retirement Systems by April 2, 2010. Additionally, a PDF format should be emailed to: dc@summitstrategies.com. Company and promotional materials should be bound separately. Facsimile transmissions of responses will not be accepted.

Responses should be sent to:

Peggy G. Boykin, CPA, Director
c/o Joyce G. McDonald
South Carolina Retirement Systems
Fontaine Business Center
202 Arbor Lake Drive
Columbia, SC 29223

Written questions, if any, must be submitted by **February 12, 2010** and may be emailed to Joyce G. McDonald at jmcdonald@retirement.sc.gov with "State ORP RFP 2010" indicated in the subject line. Responses will be posted on the SC Retirement Systems web site at www.retirement.sc.gov.

RFP Schedule

RFP Issued	January 29, 2010
Vendor(s) Questions Due	February 12, 2010
SC Retirement Systems Response to Questions Issued	February 22, 2010
Proposals Due	April 2, 2010
Vendor(s) Selection	To Be Announced
Contract Period Begins	July 1, 2010

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**SOUTH CAROLINA RETIREMENT SYSTEMS
REQUEST FOR PROPOSAL FOR THE STATE OPTIONAL RETIREMENT PROGRAM
(STATE ORP)**

TABLE OF CONTENTS

1. PROCEDURES FOR SUBMISSION
 - 1.1 OVERVIEW
 - 1.2 BACKGROUND
 - 1.3 PROPOSAL SCHEDULE
 - 1.4 VENDOR(S) QUESTIONS ABOUT THE RFP
 - 1.5 PROPOSALS
 - 1.6 SUBMITTING PRIVILEGED/CONFIDENTIAL AND TRADE SECRET INFORMATION
 - 1.7 ORAL PRESENTATION
 - 1.8 ACCEPTANCE OF PROPOSAL INTERPRETATIONS
 - 1.9 PROPOSAL INTERPRETATIONS AND ADDENDA
 - 1.10 ECONOMY OF PREPARATION
 - 1.11 COST LIABILITY
 - 1.12 MINIMUM QUALIFICATIONS
 - 1.13 SELECTION CRITERIA
 - 1.14 BID RECEIPT
 - 1.15 RIGHT OF REJECTION OR ACCEPTANCE
 - 1.16 ADDITIONAL INFORMATION
 - 1.17 CONTRACT NEGOTIATIONS
 - 1.18 CONFLICT OF INTEREST
 - 1.19 CONTRACT TERM
 - 1.20 STATE CONTRACT PROVISIONS
 - 1.21 ACCOUNTING RECORDS
 - 1.22 CONFIDENTIALITY
 - 1.23 CANCELLATION
 - 1.24 DELEGATION AND/OR ASSIGNMENT
2. BACKGROUND AND SCOPE OF SERVICES
 - 2.1 BACKGROUND
 - 2.2 ELIGIBILITY AND PARTICIPATION
 - 2.3 CONTRIBUTIONS
 - 2.4 PAYOUTS UNDER THE PLAN
 - 2.5 PLAN DOCUMENT
3. PARTICIPANT COMMUNICATION SERVICES AND INITIAL ELECTION PERIOD
4. ADMINISTRATION & RECORD KEEPING SERVICES
 - 4.1 PARTICIPANT SERVICES
 - 4.2 RECORD KEEPING
 - 4.3 DISTRIBUTIONS
 - 4.4 REPORTING
 - 4.5 AUDIT EXPENSE

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

5. INVESTMENTS

- 5.1 INVESTMENT STRUCTURE
- 5.2 PLAN COMPLIANCE
- 5.3 DUE DILIGENCE

6. ADMINISTRATION AND INVESTMENT SERVICES QUESTIONNAIRE AND FEES

- 6.1 TRANSMITTAL LETTER
- 6.2 GENERAL
- 6.3 PARTICIPANT COMMUNICATION SERVICES
- 6.4 RECORD KEEPING SERVICES
- 6.5 ADMINISTRATION
- 6.6 CUSTODIAL TRUSTEE SERVICES
- 6.7 INVESTMENT MANAGEMENT SERVICES
- 6.8 ADMINISTRATION FEES
- 6.9 OTHER

7. CONTRACTUAL REQUIREMENTS

8. SPECIAL INSTRUCTIONS

- EXHIBIT I: SOUTH CAROLINA STATE ORP DEFINED CONTRIBUTION PLAN
GENERAL INFORMATION ON PROPOSED INVESTMENT PRODUCTS
(name, class, expenses, etc.)
- EXHIBIT II: SOUTH CAROLINA STATE ORP DEFINED CONTRIBUTION PLAN
HISTORICAL RETURNS OF PROPOSED INVESTMENT PRODUCTS (one
page for annual and one for average 1,3,5 & 10 years)
- EXHIBIT III: FIRST PAGE OF VENDOR'S PROPOSAL
- EXHIBIT IV: RESUME(S) OF THE STATE'S DAY-TO-DAY CONTACT(S) FOR YOUR
COMPANY
- EXHIBIT V: COMPREHENSIVE AND DETAILED DESCRIPTION OF THE STABLE
VALUE/FIXED INTEREST OPTION BEING PROPOSED BY THE VENDOR
(includes annuity contract, prospectus, etc. as applicable)

SC RETIREMENT SYSTEMS PUBLICATIONS AVAILABLE ON OUR WEBSITE:

www.retirement.sc.gov/ORP

**SOUTH CAROLINA RETIREMENT SYSTEMS
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2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

SECTION 1 – PROCEDURES FOR SUBMISSION

1.1 Overview

Effective July 1, 2000, the State of South Carolina enacted legislation establishing an Optional Retirement Program (State ORP) – a defined contribution plan. The plan was implemented and made available to public school (kindergarten through grade twelve) teachers, specialists, coordinators, and administrators, hired on or after June 30, 2000. Since that time eligibility rules for the plan have been expanded to include most new employees hired by public schools or state agencies. At June 30, 2009, there were approximately 33,722 participants with \$605 million invested in the SC State ORP program.

The names of current investment providers for the SC State ORP, the investment products being offered by each investment provider with quarterly performance data, the withdrawal restrictions on investment products, investment fees and expense information, retirement plan publications, and benefit comparison calculator are published on the Internet at the following web address: www.retirement.sc.gov/ORP. There are approximately 84 State agencies in South Carolina most of which use the same payroll system as the Office of the Comptroller General. There are approximately 139 school districts, technical colleges and higher education institutions which generally use independent payroll systems.

The State ORP is the sole subject of this RFP. The purpose of this RFP is to obtain proposals for participant communication, administration, record keeping and investment management services for the State ORP defined contribution plan. Subsequent sections of this RFP describe the services that are being requested.

1.2 Background

The South Carolina Retirement Systems is presently responsible for the following defined benefit retirement plans:

South Carolina Retirement System, Police Officers Retirement System, Retirement System for Members of the General Assembly, Retirement System for Judges and Solicitors and Retirement System for National Guard are defined benefit plans and provide benefits under separate chapters of the South Carolina Code.

South Carolina Retirement Systems (SCRS)

The South Carolina Retirement Systems (SCRS) is the retirement plan for state employees and employees of counties, cities and school districts who have elected to participate. SCRS has approximately 202,322 active members and 107,519 retirees/beneficiaries. Investments total approximately \$20,441,000. All participants in the State ORP must be eligible for membership in the SCRS.

Governing Authority:

The Budget and Control Board of the State of South Carolina

The South Carolina Retirement Systems is a Division of the South Carolina Budget and Control Board which provides its members with retirement, disability, and survivor benefits. The benefit programs administered by the Retirement Systems are governmental plans and are administered as qualified plans pursuant to section 401(a) of the Internal Revenue Code. The Board of Trustees is the South Carolina Budget and Control Board which is comprised of the Governor, State Treasurer, Comptroller General, Chairman of the Senate Finance Committee and Chairman of the House Ways and Means Committee.

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2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
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The SC Budget and Control Board appoints an Executive Director of the Budget and Control Board. With the approval of the Board, the Executive Director appoints the Director of the South Carolina Retirement Systems who is responsible for the daily operations of the Systems. Under the direction of the Director of the South Carolina Retirement Systems, the daily administration of the benefit programs offered by the Systems is delegated to the Systems' staff. The staff is located at 202 Arbor Lake Drive in Columbia, South Carolina.

1.3 Proposal Schedule

The proposal schedule is shown on page one.

1.4 Vendor(s) Questions About The RFP

A pre-bid meeting is not scheduled. Questions concerning the specifications contained herein are to be submitted in writing via email by the date and time shown in the Proposal Schedule to: jmcdonald@retirement.sc.gov. All questions are to be put in writing and the SC Retirement Systems or its representative will respond to all interested parties who have asked questions or have been notified of this RFP via our public website at www.retirement.sc.gov.

1.5 Proposals

To be considered, the bidder must submit a COMPLETE response to the RFP. Your response may not be FAXED. The response must be valid for a period of at least 120 days from the due date for responses to this RFP. However, the rates quoted in the PRICE PROPOSAL remain firm for the duration of the prospective contract.

1.6 Submitting Privileged/Confidential and Trade Secret Information

All Offers must visibly mark each part of their proposal which they consider to contain privileged and confidential information, or Trade Secrets, as set forth herein, and include a separate, redacted copy of the proposal.

OVERVIEW: Under the South Carolina Freedom of Information Act (FOIA) certain documents an offeror submits to the panel may be subject to public disclosure. All references are to the South Carolina Code of Laws which is available on the internet at: www.scstatehouse.gov/code/t09c009.htm. Offerors are urged to become familiar with FOIA (Title 30, chapter 4 of the code) and the Trade Secrets Act (Title 39, Chapter 8).

Privileged and confidential information as defined in S. C. Code Ann. § 11-35-410 is "information in specific detail not customarily released to the general public, the release of which might cause harm to the competitive position of the party supplying the information." The examples of such information provided in the statute are:

- (1) Customer lists;
- (2) Design recommendations and identification of prospective problem areas under an RFP;
- (3) Design concepts, including methods and procedures; and
- (4) Biographical data on key employees of the bidder

Evaluative documents, prior to award, such as inter- or intra-agency memoranda containing technical evaluations and recommendations are exempted so long as the contract award does not expressly adopt or incorporate the inter- or intra-agency memoranda reflecting the pre-award deliberations.

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A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

INSTRUCTIONS:

For every document offeror submits in response to or with regard to this solicitation or request, offeror must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that offeror contends contains information that is exempt from public disclosure because it either is (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged and confidential as that phrase is defined in S. C. Code Ann. § 11-35-410.

For every document offeror submits in response to or with regard to this trade solicitation or request, offeror must separately mark with the words "TRADE SECRET" every page, or portion thereof, that offeror contends contains trade secret as that term is defined by Section 39-8-20 of the Trade Secrets Act.

All markings must be conspicuous; use bold color, underlining, or some other method in order to conspicuously distinguish the mark from other text. Do not mark your entire response (bid proposal, quote, etc) as confidential or trade secret! If your response, or any part thereof, is improperly marked as confidential or trade secret, your response may be determined to be nonresponsive. If only portions of a page are subject to some protection, do not mark the entire page.

1.7 Oral Presentation

SC Retirement Systems may request oral presentations.

1.8 Acceptance Of Proposal Interpretations

The contents of this RFP and the proposal will become contractual obligations, if a contract ensues. Failure of the successful bidder to accept these obligations may result in cancellation of the award. The Retirement Systems further reserves the right to interview the key personnel assigned by the successful bidder to this project and to recommend reassignment of personnel deemed unsatisfactory. The Retirement Systems reserves the right to approve subcontractors for this project and to require primary contractors to replace subcontractors who are found to be unacceptable.

1.9 Proposal Interpretations and Addenda

Any change or interpretation of this RFP will be sent by the SC Retirement Systems to each firm and any such changes or interpretations shall become a part of the RFP for incorporation into any contract awarded pursuant to this RFP.

1.10 Economy of Preparation

The proposal should be brief, prepared simply and economically, providing a straightforward, concise description of the bidder's ability to meet the requirements of the RFP. Fancy bindings, colored displays, promotional material, etc., will receive no evaluation credit. Emphasis should be on completeness and clarity of content. Your response is limited to 75 pages, excluding exhibits.

1.11 Cost Liability

SC Retirement Systems assumes no responsibility or liability for costs incurred by the contractor prior to the signing of any contract resulting from this request. Total liability of SC Retirement Systems is limited to the terms and conditions of this RFP and any resulting contract.

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2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

1.12 Minimum Qualifications

The vendor(s) must currently provide comprehensive defined contribution 401(a), 401(k), or 457 retirement plan administration, record keeping and/or investment management services to at least 10 plans sponsors covering at least 25,000 participants as of 12/31/09. If the vendor(s) does not satisfy these criteria for the administration record keeping or investment management portion of these services, **do not** submit a proposal for services. If a company that does not satisfy the above criteria submits a proposal, it will not be reviewed or considered.

1.13 Selection Criteria

Responses to this RFP will be evaluated based upon the following factors as presented in the bidder's response to this RFP.

- The ability of the bidding vendor to meet the terms of the RFP and the vendor's experience in providing services similar to that described in the RFP.
- Qualifications of the staff assigned to the SC Retirement Systems' account including sponsor representatives and participant representatives. SC Retirement Systems may require that the appropriate individuals be interviewed.
- Education and communication services provided to participants in the plan.
- Record keeping, administration, and custodial trustee services.
- The quality and performance of investment products proposed. The SC State ORP has a contract with Summit Strategies Group to provide investment consulting services. Summit Strategies Group will be providing assistance in evaluating the responses to this RFP. In addition, the State ORP has a published Investment Policy available on the Internet at www.retirement.sc.gov/orp/orppolicy.pdf. The investment products proposed must meet the selection criteria outlined in the SC State ORP Investment Policy. Vendors that propose investment products which do not meet the requirements of the SC State ORP Investment Policy will be considered nonresponsive.
- Fees and other compensation to cover the vendor's costs as stated in the vendor's proposal will be paid to the vendor(s) through fully disclosed charges to participant's investment accounts. Fees and compensation will be an important factor in the evaluation process. SC Retirement Systems, however, is not required to select the lowest cost bidder.

1.14 Bid Receipt

Proposals must be received on or before the date specified in the Proposal Schedule. **One** original and **Ten** paper copies of your proposal, **along with a copy on computer disk/CD** that is compatible with Microsoft Word, must be sent to:

Peggy G. Boykin, Director
c/o Joyce G. McDonald
South Carolina Retirement Systems
Fontaine Business Center
202 Arbor Lake Drive
Columbia, SC 29223

One PDF copy should be sent to:
dc@summitstrategies.com

Bidders are responsible for timely delivery of their proposal. **Proposals which are received by the SC Retirement Systems after the specified due date and time will not be considered.**

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2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

1.15 Right of Rejection Or Acceptance

Notwithstanding any other provisions of this RFP, SC Retirement Systems reserves the right to reject any and all proposals.

1.16 Additional Information

SC Retirement Systems reserves the right to request additional information from any or all proposers to assist in the evaluation process.

1.17 Contract Negotiations

After a review of the proposals, possible oral presentations, and site visits, SC Retirement Systems will enter into negotiations with the vendor(s). Those negotiations could include all aspects of services and fees. It is requested that the **price proposal** include fees for all proposed services.

1.18 Conflict of Interest

The vendor(s) and its agents are prohibited from directly soliciting employees of the State, or using any information obtained under this contract for services to directly solicit employees with respect to any product or service of the company that is not part of the services covered in the contract.

1.19 Contract Term

It is the intent of the SC Retirement Systems to enter into a contract for a period of three years with, at the SC Retirement System's option, 2 one-year renewals subject to negotiation of the terms, conditions and costs.

1.20 State Contract Provisions

This RFP includes customary State Contract provisions that will be required of the contractor. However, the SC Retirement Systems reserves the right to further negotiate the terms and conditions of the contract with the selected vendor(s).

1.21 Accounting Records

The vendor(s) will be required to maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting. Financial and accounting records, including individual account balance records and information concerning the State's plan shall be made available upon request to the SC Retirement Systems or its designees at any time during the contract period and any extension thereof, and for three (3) years from expiration date of the contract or extension thereof.

1.22 Confidentiality

The contractor shall instruct its employees and the employees of any subcontractor to keep as confidential, information concerning the State's employees, as well as any information which may be specifically classified as confidential by the SC Retirement Systems. At the SC Retirement Systems' request, the contractor or any subcontractor(s) and each of their employees may be required to sign confidentiality statements prior to beginning or continuing work on the contract.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

All copies of information developed by the contractor in connection with the contract, are the property of, and will be returned to the SC Retirement Systems. The contractor will not reveal or disclose either information or findings concerning this contract to anyone who does not have a substantial need-to-know and who has not been expressly authorized in writing by the SC Retirement Systems to receive the information/findings. Contractors must ensure that all safeguards and proper procedures are implemented to protect confidential information.

1.23 Cancellation

Cancellation of the contract by SC Retirement Systems may be for any or no reason upon sixty (60) days written notice to the contractor. The contract may also be canceled due to default by the contractor. Default is defined as the failure of the contractor to fulfill the obligations of this contract. In case of cancellation due to default by the contractor, the State may procure the articles or services from other sources and hold the contractor responsible for any excess costs occasioned thereby.

1.24 Delegation and/or Assignment

The contractor shall not delegate any duties under this contract to a subcontractor, other than a subcontractor named in the bid unless SC Retirement Systems has given written consent to the delegation. The primary contractor may not assign the right to receive money due under the contract without the prior written consent of SC Retirement Systems.

SECTION 2 – BACKGROUND AND SCOPE OF SERVICES

2.1 Background

The Legislature of the State of South Carolina adopted legislation in 2000 to establish an Optional Retirement Program (State ORP). The plan was implemented effective July 1, 2000. The plan is a defined contribution retirement plan, a qualified profit sharing plan under Section 401(a) of the Internal Revenue Code (IRC). The plan is not subject to the requirements of ERISA or those sections of the IRC not applicable to governmental plans. A copy of the current State ORP legislation is available at www.scstatehouse.gov/code/t09c009.htm.

2.2 Eligibility and Participation

Eligibility is limited to new employees and the criteria are defined in the State ORP legislation. A publication titled "Select Your Retirement Plan" which contrasts the State ORP defined contribution plan with the SCRS defined benefit plan is available on the Internet at www.retirement.sc.gov/publications/select.pdf.

2.3 Contributions

Employee-Mandatory

All eligible employees electing to participate in the State ORP defined contribution plan are required to make a pre-tax contribution equal to the contribution required in the SCRS defined benefit plan (See SC Code of Laws Section 9-20-50). This required contribution amount is currently 6.50%. This contribution is deemed to be "picked up" by the State under Section 414(h)(2) of the Internal Revenue code, therefore is not taxable to the employee until distributed.

Employer-Basic

The employer contribution to the participant's account in the SC State ORP is 5.00% of total pay (See SC code of Laws Section 9-20-50)

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

Frequency

Contributions will be made at the close of each pay period. The pay periods may vary based on the particular employer's payroll system.

2.4 Payouts Under the Plan

The SC State ORP plan will rely on the successful bidder(s) to offer payouts under the plan. The State desires that employees have a full range of payout options to include annuities, lump sum distributions, partial distributions, and periodic withdrawals from which to choose.

2.5 Plan Document

The vendor must state that the vendor can and will comply with the SC State ORP Plan Document www.retirement.sc.gov/orp/orpplandocument.pdf. The State ORP Plan Document may be amended at any time without the consent of the vendor(s).

SECTION 3 – PARTICIPANT COMMUNICATION SERVICES AND INITIAL ELECTION PERIOD

SC Retirement Systems recognizes the importance of clear, comprehensive and impartial communication so that employees can make a fully informed decision in choosing the appropriate plan. Your company's response will be evaluated on its ability to provide comprehensive education services on a cost-effective basis.

- a. In accordance with § 9-20-40, all eligible employees shall elect either to join the SC Retirement System or to participate in the State ORP within thirty days after hire date. If an employee fails to make the initial election within the required time, the employee is considered to have elected membership in the SC Retirement System. A State ORP participant who accepts an additional concurrent position with an employer participating in the South Carolina Retirement Systems must enroll in the State ORP for the second position if the second position is eligible to participate in the State ORP.
- b. An eligible employee electing to participate in the State ORP assumes all investment risk. The election to participate in the State ORP is irrevocable except as set forth in subsection (B). A State ORP participant may irrevocably elect to join SC Retirement System during any open enrollment period after the first annual anniversary but before the fifth annual anniversary of the person's initial enrollment in the State ORP.
- c. The selected vendor(s) must be prepared to ensure that eligible employees choosing them as their investment provider are fully educated and informed of all of the differences between the defined benefit and defined contribution plans and the consequences of their election.
- d. SC Retirement Systems will require that the selected company(ies) design, print, and where necessary, mail all written materials on investment offerings and vendor enrollment forms needed to fully communicate vendor's investment offerings and enrollment procedures to State ORP participants. In addition the selected company(ies) is required to provide the same material on the Internet in an easily downloadable format.
- e. The company will also be responsible for fully understanding all terms, conditions, and features of both the current SC Retirement Systems defined benefit plan and the State ORP defined contribution plan.
- f. In describing your company's marketing plan, your response should fully describe any additional communication enhancements that your company will provide.
- g. All communication materials prepared by the company, including all forms and computer software programs, must be approved by SC Retirement Systems prior to use by the company.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

SECTION 4 – ADMINISTRATION & RECORD KEEPING SERVICES

4.1 Participant Services

1. The company must staff a toll-free customer service line that will provide access to benefit service representatives. The benefit service representatives must be able to answer all participant questions about the defined contribution plan, its features and operation. This would include providing information on the investments offered and their performance. The representatives must be able to assist employees in all areas of the defined contribution plan participation including making investment allocation changes or transfers, obtaining account balance information, and initiating benefit payments. A toll free 800 number with 24-hour voice response capabilities is a mandatory service. An adequate number of participant service representatives must also be available to provide service over the telephone during reasonable hours. Please note, it is required that service representatives must be available to provide services to plan participants without touch-tone telephone service.

The company must provide secured Internet access to account information for participants. The company may use links to the SC Retirement Systems website for distribution of our publications to its participants.

2. Enhancements to customer self-service and associated technological upgrades are planned by SC Retirement Systems. Therefore the company must be able to support such changes as they are implemented over the next few years. These customer service enhancements will enable SCRS members to access their personal and retirement account information in a single-view and make changes to their personal information and accounts as necessary via SCRS' online, self- service portal. The purpose of these enhancements is to provide SCRS members with a single point of contact for all retirement services through SC Retirement Systems.

SC Retirement Systems is planning to use a standards-based, service-oriented architecture to implement these upcoming enhancements. The following list includes, but is not limited to, the types of services that the company must be ready to support through the period covered under the contract resulting from this RFP.

- a. The company provides a link via the SC Retirement Systems' web site for access to a members' personal and account data so as to enable SC Retirement Systems to provide a single view to its members via its online self-service portal.
- b. The company makes the data resulting from transactions conducted directly between member and the company available to SC Retirement Systems electronically via web services in a reasonable time frame. This enables SC Retirement Systems to have full visibility into member activity while most transactions are conducted without SC Retirement Systems involvement. An example of this is when a member submits a change of address form to the company; the company makes this transaction data available to SC Retirement Systems.
- c. Electronic data exchange between the company and SC Retirement Systems, due to the sensitive nature of this data, the exchange must be conducted securely, with appropriate authentication and authorization.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

4.2 Record Keeping

The selected company(ies) will be required to maintain records associated with a participant's account including, but not limited to, beneficiary, address, investment election and account balance information, including contributions, earnings, administration costs, if any, and any other information necessary for the proper administration of a participant's account.

The services required by SC Retirement Systems would include processing the deposit of the participant contributions to their accounts according to the investment election currently on record with your company. At the end of each pay period, the employer will provide a listing of participants and their contributions to the company and will forward the contribution to the vendor(s). The SC ORP is planning to implement a uniform remittance file to be used by all covered employees. Selected companies must agree to accept participant information in this format. Contributions must be credited to participant accounts the day of receipt. Company record keeping systems must maintain separate accounting for the following: employee contributions, employer contributions, and rollovers into the plan. The company will also be required to make changes to investment elections and effect transfers of existing account balances. Daily record keeping is required. The company will be required to mail quarterly account statements directly to participants at their home address unless online statement access is selected by the participant.

4.3 Distributions

The company will be required to assist employees who are terminating employment or are eligible for distributions, to elect whether they wish to take distribution from the plan, what form the distribution will take, and make a direct rollover to an IRA or other qualified plan, if the participant so elects. The company must provide a range of payout options that may be selected by these participants to include lump sums, partial distribution, systematic withdrawals and annuity payments. The company must handle all tax withholding and reporting and required notices.

4.4 Reporting

The company will be required to provide quarterly and annual reports to SC Retirement Systems and its representatives including cash flow information, fund statistics and participant information.

4.5 Audit Expense

The Vendor(s) shall be responsible for its proportionate share of the cost for an annual audit of the plan.

Section 5 – Investments

5.1 Investment Structure

SC Retirement Systems is looking for a provider(s) to fully support a participant directed defined contribution plan offering an investment structure with a limited number of investment offerings. The investment options may be both in-house and outside alliances, and shall offer adequate diversification opportunities, competitive returns and reasonable expense levels. The approved asset classes, number of investment products, qualifying criteria and monitoring process are detailed in the SC State ORP Investment Policy.

SC Retirement Systems requires that participants have flexibility to transfer between any and all of the investment products at their discretion.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

SC Retirement Systems requires that no withdrawal or transfer fee of any kind may be charged against the State ORP participant's account in the event the participant chooses to irrevocably elect to join the South Carolina Retirement System's defined benefit plan during any open enrollment period after the first annual anniversary, but before the fifth annual anniversary of the participant's initial enrollment in the State ORP.

5.2 Plan Compliance

The State ORP Plan Document is available at www.retirement.sc.gov/orp/orpplandocument.pdf. The company(ies) selected to provide services will be responsible for complying with the State ORP Plan Document. State ORP, though not legally required to do so under state law, chooses to follow the spirit of 404 (c) compliance. It is expected that vendors will comply. In addition, a representative of the company must be available to attend periodic plan administration committee meetings and be prepared to report on the current status of the plan and its activities as handled by the company. As applicable, the company will also be required to provide trust services for plan assets.

5.3 Due Diligence

The SC Retirement Systems retains the right to complete due diligence procedures on any investment product offered by a contractor in the SC State ORP. The due diligence procedures include, but are not limited to: meetings with the investment manager of any investment product offered in the State ORP. The contractor may not impede or thwart any efforts by the SC Retirement Systems to meet with the investment manager(s) of any investment product offered in the State ORP. The contractor may not impose a requirement or contractor approval or authorization to permit the SC Retirement Systems to meet with investment managers or for completing due diligence procedures.

SECTION 6 – ADMINISTRATIVE AND INVESTMENT SERVICES QUESTIONNAIRE AND FEES

6.1 Transmittal Letter

In providing your company's responses to the questions below, you should restate each question in bold face type with your response directly below. If your company is selected, your company's proposal, and consequently your response to the following questions will be incorporated as part of the contract between your company and the SC Retirement Systems.

6.2 General

1. Complete "First Page of Vendor's Proposal" included as Exhibit III and include as the first page of your response.
2. Fully identify exceptions you have to the terms and conditions outlined in this RFP. If you are unable to provide any of the specific services outlined in the scope of services for which you are bidding, fully identify them here.
3. State whether or not your company can meet the requirements of this RFP including all requirements for implementation as of July 1, 2010.
4. State whether or not your company meets the applicable minimum qualifications criteria indicated in Section 1.12 of this RFP, state the name and address of your company. Provide the name, title, address, telephone and FAX numbers, and email address of the contact person from your company whom SC Retirement Systems should contact with questions regarding your response.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

5. Give a brief history of your company. Detail your current ownership structure along with any ownership changes that have occurred in the last three years.
6. Describe your joint venture relationships (i.e., financial strength ratings from Moody, Standard and Poor, et al.).
7. Is your company a subsidiary or affiliate of another company? Give full disclosure of all direct or indirect ownership and type of relationship with affiliate companies.
8. Is the package of services being quoted to be provided under a joint venture arrangement? If yes, describe the arrangement, its terms and conditions and whether your company and other companies have been involved in similar joint ventures in the past.
9. Will any services be subcontracted to another company? If yes, fully describe these services and the stability, background and qualification of the company that will provide the services.
10. Describe any pending agreements to merge or sell your company.
11. Has your company ever filed a petition, been petitioned into bankruptcy or insolvency, or ever made any assignment for the benefit of your creditors? If so, provide complete details.
12. Has your company been involved in litigation in the last five years or is there any pending litigation arising out of your performance or participation in a defined contribution plan (exclude routine interpleaded actions, garnishments and similar routine matters involving participants and beneficiaries that do not reflect on your performance or your contract)? If so, please describe.
13. Has your company cited or threatened with citation within the last five years by any federal or state regulators for violations of any state or federal law? If your answer is yes, describe fully.
14. In the last three years, has your company had a contract terminated by a client for performance or otherwise? If so, by whom and under what circumstances? Provide the name and telephone number of each client that has terminated your company's services in the last three years.
15. Is your company licensed to conduct business in the State of South Carolina? If not, attach an opinion of counsel giving his or her opinion as to whether he or she anticipates any difficulties in obtaining all necessary licenses prior to the effective date of the contract.
16. Do all your products and services comply with all federal and State of South Carolina regulations? If not, specify.
17. Is your company licensed to conduct business in all states? If not, specify in which state(s) your company is not licensed to conduct business.
18. Identify your company's planned presence in the State of South Carolina including physical locations, marketing efforts and/or service efforts in the State.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

19. In the past five years, has your company been denied a license to do business, a license as an agent or broker, or any other insurance license? If so, give details.
20. In the past five years, has your company had a license to do business, an agent/broker license or any other insurance license revoked or suspended?
21. Has your company ever been reprimanded by a licensing agency? If so, describe fully.
22. From what location would this account be serviced?
23. Who would be the SC Retirement Systems' day-to-day contact?
24. Provide the names and biographies of key staff who would be assigned to the SC Retirement Systems account as Exhibit IV.
25. For **defined contribution 401(a), 401(k), or 457 plans**, provide the following information as of December 31, 2009.

a. For how many plan sponsors does your company provide comprehensive defined contribution 401(a), 401(k) or 457 retirement plan administration, record keeping and/or investment management services?	
b. For how many plan participants does your company provide comprehensive defined contribution 401(a), 401(k) or 457 retirement plan administration, record keeping and/or investment management services?	
c. Does your company provide comprehensive defined contribution retirement plan administration, record keeping and/or investment management services for any Governmental 401(a) defined contribution plans? If yes, how many?	
d. What is the total value in dollars of the investment products for which your company provides comprehensive defined contribution 401(a), 401(k) or 457 retirement plan administration, record keeping and/or investment management services?	
e. Please list the ten largest plans for which you provide comprehensive defined contribution 401(a), 401(k) or 457 retirement plan administration. Please show the number of participants and total dollars invested for each of the ten plans.	

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

26. Provide five client references most like the South Carolina State ORP and include the following:

Client Name
Contact Name and Title
Telephone Number
Number of Participants
Period of Relationship

27. List any public sector plans you have assisted in the communication and/or implementation of a defined contribution plan as a replacement or option to a defined benefit plan. Describe the circumstances of your engagement.

6.3 Participant Communication Services

1. Describe your company's ability to present to participants an analysis of the consequences of the participant's election to participate in the SC State ORP. Describe these individual sessions and what communication materials you would use.
2. Describe your educational programs for participants to assist them in making investment decisions. Describe the tools and counseling you would provide to participants to assist them with making asset allocation decisions.
3. Do you offer participants comprehensive one-on-one financial planning? If so, please describe the financial planning services you offer and the related fee structure. What is the minimum training you require for your financial planners? What is the minimum professional certification you require for your financial planners? Are the financial planners your employees? If the financial planners are not your employees, please describe the relationship.

6.4 Record Keeping Services

1. Describe your company's record keeping system:
 - a. When were these systems developed?
 - b. Are they proprietary systems developed by your organization or purchased? If purchased, who are the vendors? Have the systems been recently upgraded or enhanced? Are any major enhancements scheduled over the next two years?
 - c. Are changes to your record keeping systems completed by outside vendors or internal systems professionals? How are the changes made?
 - d. If you developed a new system in the future, would our plan be converted to the new system at no extra charge?
 - e. Briefly describe your:
 - Hardware platform(s) used to support your record keeping services
 - Operating System
 - Network communications
 - Telecommunications/remote access capability
 - f. Briefly describe how you procure your hardware and software, i.e., own/rent/lease. Is it shared or dedicated?
 - g. Briefly describe your upgrade strategy and requirements.
 - h. What is your backup process? Do you have a disaster recovery plan? If so, please describe. When was it last successfully tested?

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

- i. Has the main record keeping and back-up computer system failed? If so, please describe what happened and how you can ensure this will not happen in the future.
 - j. How often, and for how long has your system been down during business hours in the last 12 months?
2. Does your organization charge clients for system modifications required by legislative changes?
3. Do you maintain investment elections and calculate fund splits?
4. Can your system monitor Revenue Code §415 limits? Briefly describe how best to coordinate limits testing for State ORP participants that also participate in the State's voluntary deferred compensation 401(k) and 457 plans. Will you monitor Internal Revenue Code §415 limits for participants in the SC State ORP?
5. Does the system accommodate federal withholding calculations? Does the system accommodate state withholding plan transfers and minimum distributions? Describe the distribution process to include direct rollovers and minimum distributions. How are distribution notices communicated?
6. Can and will you prepare Form 1099s? If not, how do you propose to complete this process?
7. Describe the reports and the timing of the reports that are furnished to the plan sponsor and participants. To what extent can these reports be customized? Provide sample reports, including participant statements. When will participant statements be mailed following each period end date? Provide your company's statement accuracy percentage, i.e., the percentage of statements that are not mailed on the normal mail date because of an unresolved discrepancy.
8. Do you require contribution and employee data to be in a standard format? What disruptions/delays result from special requests/formats?
9. Do you foresee any specific problems incorporating the SC State ORP plan into your record keeping system? If so, describe in detail.
10. Please describe the edits and reasonableness checks your system will perform on contribution data.
11. How often do you reconcile trust assets to participant's records?
12. Do you ensure that the plan is in balance on a daily basis, if so, how?
13. Do you maintain beneficiary information?
14. Can your systems accommodate multiple payrolls, multiple timing schedules, etc? Do you have another client with multiple payrolls and multiple timing schedules? If so, please provide the names of two of your clients with these system issues.
15. What controls are in place to ensure that participant transactions are in accordance with the provisions of the Plan Document?

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

16. Will you accept participant forms to enact changes? If not, in what format do you require that this information be provided?

6.5 Administration

1. Which of these administrative services do you provide? Please describe your services in detail, including the hours the service is available, the type of transactions that can be initiated using the service, and the number of plans currently using the service.

a) Voice response system; b) On-line Internet Access; c) Live operators

2. Toll free "800" telephone access:

- a) Do you provide a toll free "800" telephone access number to plan participants?
- b) Does the "800" number utilize a voice response system or a human operator?
- c) What days/hours is an operator available (Eastern Standard Time)?
- d) What days/hours is the voice response system available (Eastern Standard Time)?
- e) How many defined contribution plans use your "800" number and voice response capabilities? How many participants does this represent?
- f) Would the following functions be considered standard features to your telephone access service and your on-line internet service?

Function	Telephone Access Service Yes	On-Line Internet Service No
Information, e.g. plan provisions		
Investment fund		
Account Balances		
Current Participant Information		
Change of Address or status		
Reallocation of existing account balances		
Withdrawals/disbursements		
PIN code change		
Beneficiary designation		
Confirmation letter of any change		

3. Provide representative samples of employee aids for using your voice response system (i.e., brochures, maps, or other materials).

6.6 Custodial Trustee Services

- 1. Will you act as or provide availability to trustee services?
- 2. Will you work with an independent trustee?

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

3. If you provide trustee services, what are your fiduciary responsibilities?
4. Describe "checks and balances" employed in your trust accounting system.
5. Will you provide trustee services for outside investment funds? If so, please describe.
6. Can you process all distribution checks within 10 days from receipt of request?
7. Do you process individual state tax withholdings?
8. Do you have an electronic link with the investment managers for updating participant accounts on the record keeping system? Please explain your daily updating process.

6.7 Investment Management Services

1. Discuss your organization's ability to provide investment vehicles for the State ORP defined contribution plan.
2. How long have you been providing investment services in this market?
3. If you propose a Stable Value or Fixed Interest product, provide a comprehensive and detailed description of the product(s) you are proposing for the State ORP as Exhibit V.
4. Will you provide quarterly performance reporting to the SC Retirement Systems in the format requested as shown in Exhibits I and II?
5. Please furnish all information requested in Exhibits using the format provided. When completing Exhibits I and II, please be certain to provide the fund's official name (including share class) to allow us to obtain additional information on the funds through outside services.
6. Please submit one copy of the prospectus for each investment product being offered in your proposed investment structure.
7. Do any of the recommended funds have withdrawal or transfer provisions? If so, please describe any fees that may be charged. Describe investment transfer policies and costs in detail.
8. Does your organization offer self-directed brokerage accounts? If so, please describe the program and any fees associated with the administration of the brokerage accounts.
9. Can your record keeping computer systems monitor plan participant trading to meet fund requirements on excessive trading and market timing? If so, will you provide this service for the fee quoted?
10. Can your systems accommodate the record keeping requirements in charging redemption fees imposed by a fund for excessive trading? If so, will you provide this service for the fee quoted.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

6.8 Administration Fees

1. What is your fee proposal, if any, for all proposed services indicating basis points or dollars, total fees, and per capita charge(s)?
2. For each investment offering, please list in Exhibit I, all fees to the participant including, but not limited to, front load, sales charges, 12b-1, mortality fees, contract maintenance fees, rear load or contingent deferred sales charges and withdrawal fees.
3. What are your start-up/implementation costs and the termination costs, if any?
4. For how long will you guarantee fees?
5. What are the factors you consider in determining future increases and when they will occur?
6. If you offer an alliance relationship, please identify as "offset" to fees.
7. What processes do you have to review fees and reduce them when appropriate?

6.9 Other

1. A State ORP participant may irrevocably elect to join the South Carolina Retirement System during any open enrollment period after the first annual anniversary, but before the fifth anniversary of the person's initial enrollment in the State ORP. The State ORP participant shall become a member of the South Carolina Retirement System on the first of April following the participant's election to join the South Carolina Retirement System. Does the vendor agree to permit rollovers or plan-to-plan transfers from the SC State ORP defined contribution plan to the SCRS defined benefit plan **without any fee, penalty or restriction**, including all fixed income investments, during the window that participants have during the first five years participation in the defined contribution plan?
2. A State ORP participant may irrevocably elect to join the South Carolina Retirement System during any open enrollment period after the first annual anniversary, but before the fifth annual anniversary of the person's initial enrollment in the State ORP. The State ORP participant shall become a member of the South Carolina Retirement System effective on the first of April following the participant's election to join the South Carolina Retirement system. Will you be willing to **waive the maximum fixed annuity transfer restriction** (if you have one) as it relates to participants' election into the defined benefit plan?
3. Does the vendor understand that there is an annual window for participants to change vendors?
4. Does the vendor agree to no transfer charges or fee if a participant moves his/her investments to another vendor?
5. It is not acceptable to offer equities through mutual funds or annuity products with withdrawal costs, backend loads or any other withdrawal fees. Does each of the investment options you are proposing comply with this limitation?

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

6. Do you offer a single life annuity payout option that pays a fixed dollar amount each month/year? If so, how much would the annual payout (net of fees and expenses) be for a participant age 60 that chose to use \$100,000 of the participant's current investments equities and bonds to purchase your single life annuity on December 31, 2009? Please show the amount that would be paid with no minimum guaranteed payout period. Also, please show the amount that would be paid out if there was a minimum payout period of ten years. Please show the name of the company that would be issuing the annuity and that company's rating by AM Best. Please provide another example of the same information, but assume the participant chose to purchase the annuity one year earlier on December 31, 2008.
7. Do you offer a fix period annuity payout option that pays a fixed dollar amount each month/year for a set number of years? If so, how much would the annual payout (net of all fees and expenses) be for a participant that chose to use \$100,000 of the participant's current investments in equities and bonds to purchase on December 31, 2009, your fixed period annuity with a ten year guaranteed payout period and another example using a twenty year guaranteed payout period? Please show the name of the company that would be issuing the annuity and that company's rating by AM Best. Please provide another example of the same information, but assume the participant chose to purchase the annuity one year earlier on December 31, 2008.
8. Do you offer a variable annuity payout option? If so, please describe your variable annuity payout option. Please quote any expenses or mortality and expense charges associated with your variable annuity payout option.
9. Do you publish a brochure on your annuity payout options? If yes, please include a copy with your response.
10. Will you have personnel on site each year for multiple and frequent educational/marketing meetings? Do you agree to provide this service with no additional fee?
11. Does the vendor agree to comply with the SC State ORP Investment Policy (www.retirement.sc.gov/orp/orppolicy.pdf) and the associated performance review of the investment products you offer?
12. The SC Retirement Systems may determine that one or more of the investment options proposed by the vendor is unacceptable for the State ORP. Does the vendor agree to delete any such fund offering from the funds being proposed?
13. The SC Retirement Systems may determine that an additional fund should be offered to participants. In this event, does the vendor agree to propose an additional fund for approval by the SC Retirement Systems?
14. Do you certify that the investment products you propose in Exhibit I meet the criteria of the SC State ORP Investment Policy? A copy of the SC State ORP Investment Policy is at www.retirement.sc.gov/orp/orppolicy.pdf. Do not include information on your proposed Stable Value/Fixed Interest option in Exhibit I.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

15. Will you act as a Trustee? If not, whom do you propose? What is the cost?
16. Are there a minimum number of participants that you need in order to consider being a vendor?
17. Explain your fee proposal. Are these fees contingent on any minimum participant or asset levels?
18. Have you reviewed the SC State ORP Plan Document)? Do you agree to comply with the SC State ORP Plan Document www.retirement.sc.gov/orp/orpplandocument.pdf?
19. With regard to administering any Qualified Domestic Relations Orders (QDRO), the successful vendor(s) will become Designated Service Providers (DSP) as defined in the Plan Document. Pursuant to the Plan Document, the Plan Administrator intends to assign the task of approving QDROs to the DSP. Do you agree to approve and administer QDROs in accordance with the Internal Revenue Code and any other procedures that may be established by the Plan Administrator?
20. Do you have a program to identify plan participants that invest their entire account balance in a single investment product? If yes, describe the process you follow to help educate those participants regarding asset allocation and the controls you have in place to ensure those particular participants investing in a single investment product have made an informed decision.
21. Do you have the ability to provide a weighted average return of all plan participants enrolled in the plan?
22. Are you including lifecycle funds in your proposal for the State ORP? If not, how do you propose to address or handle that segment of the population of participants who prefer not to monitor their asset allocation?
23. The SC Retirement Systems computer systems use an employer identification number that is a five-digit number that includes two positions after the decimal (###.##). The purpose of this number is to identify each employer participating in the system and for tracking contributions and service. Some employees may have more than one employer at the same time. To assist in resolving reconciliation and service questions, the SC Retirement Systems employer code should be included with the contribution transactions recorded on the vendors' computer files. Can you include the SC Retirement Systems employer code in your computer record layout for each contribution transaction? Will you provide this service at no charge to the plan or participants?
24. The South Carolina Retirement Systems tracks individual data on State Optional Retirement plan (State ORP) participants. From the employers, we record detail wage and vendor information by Social Security Number (SSN) via employer quarterly reports, similar to the data already required for SCRS and PORS members.

Once each year in July, the State ORP vendors must provide the South Carolina Retirement Systems a computer file on CD of all SC State ORP participants in the vendor's database that have made contributions within the 90 days preceding June 30th. The purpose of this file is to assist the South Carolina Retirement Systems in comparing State ORP vendor data with SC Retirement Systems State ORP data and to confirm completeness and accuracy.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

Field Name	Type Field	Field Length	Description
Vendor Name	A	10	Name of SC State ORP vendor submitting detail data for our Client Employment File
Process Date	N	8	Date this file was Created by Vendor (YYYYMMDD)
Social Security Number	N	9	SSN – used on all SCRS files. Use leading zeros for those less than 9 digits (for example: 012345678)
Employer Code	N	5	5-digit SC Retirement System employer code (A file of SC State ORP Employers will be provided – For our Client Employment & Account Master Files
Last Name	A	25	Member's Last Name – For Client file. Report in capital letters.
First Name	A	18	Member's First Name – For Client file. Report in capital letters.
Suffix	A	3	Member's Suffix – For Client file Values: DDS, DVM, I, II,III,IV,JR.MD.PHD.SR,V,VI,VII
DOB	N	8	Employee's Date of Birth (YYYYMMDD format)-for Client file
SEX	A	1	For SC Retirement System client file. M-male, F-female Blank if unknown
Street Address 1	A	30	First line of street address – Client address file. Report in capital letters; no special characters
Street Address 2	A	30	Second line of street address (if applicable) – Client Address file. Report in capital letters; no special characters
City	A	18	Client address file. Report in capital letters
State	A	2	Client address file. Report in capital letters
Zip code	N	9	Client address file – use trailing zeros for 5-digit codes (292120000)
Date of First Remittance or Hire Date	N	8	Used by us to establish a date of employment under SC State ORP. May be a payroll end date or month end date, depending on reporting frequency. Account Master EDOM, Date of Employment on Client Employment file. (YYYYMMDD format)

Do not include decimals, periods, or other special characters and represent all alphabetic characters as Upper case.

If you are chosen as an investment provider, do you agree to provide this computer file with the above record layout in July of each year? If yes, is this service included in your quoted fees?

25. The SC Retirement Systems website has an Internet based benefit comparison calculator. Its purpose is to assist employees in making a choice between the traditional SCRS defined benefit plan and the SC State ORP defined contribution plan. This computer program is designed to help employees estimate and compare the retirement benefit they might receive from either of these two state retirement plans. The website address for this benefit comparison calculator follows: www.retirement.sc.gov/orpcalc/input.asp. Please review this benefit comparison calculator. If you are chosen as one of the investment providers and if you are counseling new employees that are making a decision as to which of the two retirement plans to choose, do you agree to advise those new employees how to find this benefit comparison calculator on the Internet? If the employees request your assistance, do you agree to assist employees in using this benefit comparison calculator?

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

26. The SC Retirement Systems may determine that investment product being offered to participants in the SC State ORP should no longer be offered and should be closed. In that event, the SC Retirement Systems will direct that the fund be closed and that the monies in the closed investment product be mapped to a replacement fund or other fund. The SC State ORP Investment Policy provides more information on closing and mapping funds. If directed by the SC Retirement Systems, do you agree to close any investment product you are offering to participants in the SC State ORP and to map those funds as directed by the SC Retirement Systems?
27. In the event that the contract between the SC Retirement Systems and an investment provider is canceled or not renewed, then money invested in participant accounts would have to be transferred as directed by the SC Retirement Systems to the State ORP vendor(s) with an ongoing contract (s) with SC Retirement Systems. Those monies would be mapped to the accounts in the portfolio of the new/replacement vendor(s) as directed by the SC Retirement Systems. If your company is selected to provide investment products and record keeping services for State ORP participants, and subsequently your contract is cancelled or not renewed, do you agree to transfer participant monies to the SC Retirement Systems designed State ORP investment provider/vendor(s) with no fee or charge to the plan and no fee or charge to participant's accounts? If not, please explain.
28. Do you plan to limit your liability under any contract that may be awarded under this RFP? If so, please describe.
29. Will you agree to offer your services under this contract at a fee that is no higher than the lowest fees you charge any of the other plans you service which have a similar level of complexity?
30. If you agree to provide the lowest fee at the beginning of the contract and later provide a lower fee to another plan, will you reduce our fee to equal this lower fee?

Contractual Requirements

- 7.1.0 **FORCE MAJEURE:** The Contractor shall not be liable for any excess costs if failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not restricted to acts of God or of the public enemy, acts of the Governments in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the contractor and subcontractor, and without the fault or negligence of either of them the contractor shall not be liable for any excess costs for failure to perform, unless the supplies of services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the contractor to meet the required delivery schedule.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

- 7.2.0 SOUTH CAROLINA GOVERNING LAW CLAUSE: The agreement and any dispute, claim or controversy relating to the Agreement shall, in all respects, be interpreted, construed, enforced and governed by and shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Contractor agrees that any act by the Government regarding the Agreement is not a waiver of either the Government's sovereign immunity or the Government's immunity under the Eleventh Amendment of the United State's Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, or relating to, or contemplated by the solicitation. The parties expressly agree that the UN Convention on the International Sale of Goods shall not apply to this agreement.
- 7.3.0 OFFEROR QUALIFICATION: Offeror must, upon request of the SC Retirement Systems, furnish satisfactory evidence of its ability to furnish products or services in accordance with the terms and conditions of this proposal. The South Carolina retirement System reserves the right to make the final determination as to the offeror's ability to provide the services requested herein.
- 7.4.0 OFFEROR RESPONSIBILITY: Each offeror shall fully acquaint himself with conditions relating to the scope and restrictions attending the execution of the work under the conditions of this proposal. It is expected that this will sometimes require on-site observation. The failure of omissions of an offeror to acquaint himself with existing conditions shall in no way relieve him of any obligation with respect to this proposal or to the contract.
- 7.5.0 AFFIRMATIVE ACTION: The contractor will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of the handicapped, and concerning the treatment of all employees, without regard or discrimination by reason of race, color, religion, sex, national origin or physical handicap. The following are incorporated herein by reference: 41 C.F.R 60-1.4, 60-250.4 and 60-741.4.
- 7.6.0 PRIME CONTRACTOR RESPONSIBILTIES: The contractor will be required to assume sole responsibility for the complete effort as required by this RFP. The SC Retirement Systems will consider the contractor to be the sole point of contact with regard to contractual matters.
- 7.7.0 SUBCONTRACTING: If any part of the work covered by this RFP is to be subcontracted, the contractor shall identify the subcontracting organization and the contractual arrangements made therewith. All subcontractors must be approved by the SC Retirement Systems. The successful offeror will also furnish the corporate or company name and the names of the officers of any subcontractors engaged by the offeror.
- 7.8.0 OWNERSHIP OF MATERIAL: Ownership of all data, material and documentation originated and prepared for the SC Retirement Systems pursuant to this contract shall belong exclusively to the SC Retirement systems.
- 7.9.0 INDEMNIFICATION: The State of South Carolina, its officers, agents, and employees, shall be held harmless from liability from any claims, damages and actions of any nature arising from a resultant contract, provided that such liability is not attributable to negligence on the part of the using agency of failure of the using agency to comply with the offer as outlined in the offeror's proposal.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

- 7.10.0 PURCHASING LIABILITY: The resulting contract is between the agency and the successful offeror and the SC Retirement Systems bears no liability for any damages that any party may incur in the execution or enforcement of the contract.
- 7.11.0 CONTRACT AMENDMENTS: Amendments to any contract between the agency and the contractor must be reviewed and approved by the SC Retirement Systems.
- 7.12.0 ASSIGNMENT: No contract or its provisions may be assigned, sublet, or transferred without the written consent of the SC Retirement Systems.
- 7.13.0 RECORDS RETENTION & RIGHT TO AUDIT: The SC Retirement Systems shall have the right to audit the books and records of the contractor as they pertain to this contract, both independent or, and pursuant to, S.C. Code Section 11-35-2220. Such books and records shall be maintained for a period of three (3) years from the date of final payment under the contract. The SC Retirement Systems may conduct, or have conducted, performance audits of the contractor. The SC Retirement Systems may conduct or have conducted, audits of specific requirements of this bid as determined necessary by the SC Retirement Systems. Pertaining to all audits, contractor shall make available to the SC Retirement Systems, access to its computer files containing the history of contract performance and all other documents related to the audit. Additionally, any software used by the contractor shall be made available for auditing purposes at no cost to the SC Retirement Systems.

SPECIAL INSTRUCTIONS

- 8.1.0 UNSUCCESSFUL OFFERORS: Offers not awarded a contract under this solicitation, may request return of their proposals within thirty (30) days after notification of award if mailed. All cost of returns will be paid by the Offeror. If Federal Express, UPS or other shipping number is not received with request, all materials will be destroyed.
- 8.2.0 PREPARATION OF PROPOSAL:
- 8.3.1 All proposals should be complete and carefully worded and must convey all of the information requested by the SC Retirement Systems. If significant errors are found in the offeror's proposal, or if the proposal fails to conform to essential requirements of the RFP, the SC Retirement Systems and the SC Retirement Systems, alone, will be the judge as to whether variance is significant enough to reject the proposal.
- 8.3.2 Each copy of the proposal should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in a single volume.
- 8.3.3 If your proposal includes any comment over and above the specific information requested in our Request for Information, you are to include this information as a separate appendix to your proposal.
- 8.3.0 DISCUSSION/NEGOTIATION: By submission of a proposal, offeror agrees that during the period following issuance of a proposal and prior to final award of contract, offeror shall not discuss this Procurement with any party, except employees of the SC Retirement systems or its designees.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SC BUDGET AND CONTROL BOARD
2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL
RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN**

8.4.0 AMENDMENTS:

8.4.1 VERBAL COMMENTS OR DISCUSSIONS BY THE SC RETIREMENT SYSTEMS RELATIVE TO THIS SOLICITATION CANNOT ADD, DELETE OR MODIFY ANY WRITTEN PROVISION. ANY ALTERATION MUST BE IN THE FORM OF A WRITTEN AMENDMENT TO ALL OFFERORS.

8.4.2 If it becomes necessary to revise any part of the RFP, an amendment will be provided to all eligible offerors.

8.5.0 ORAL PRESENTATIONS: Offerors may be requested to make oral presentations of their proposals to the SC Retirement Systems. Such presentations provide an opportunity for the offerors to clarify their proposals and to ensure a thorough understanding.

8.6.0 AWARD: Award(s) resulting from this request shall be awarded to the responsive and able Offeror(s) whose proposal is determined to be most advantageous to the SC Retirement Systems, taking into consideration the overall response and price when required, and the evaluation factors set forth herein; however, the right is reserved to reject any and all proposals received and in all cases, the SC Retirement Systems will be the sole judge as to whether an offeror's proposal has or has not satisfactorily met the requirements of this RFP.

8.7.0 RIGHT OF NON/COMMITMENT OR REJECTION: This solicitation does not commit the SC Retirement Systems to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for the articles of goods or services. The SC Retirement Systems reserves the right to accept or reject any or all proposals received as a result of this request, or to cancel in part or in its entirety, this proposal if it is in the best interest of the SC Retirement Systems to do so.

8.8.0 DISCUSSIONS WITH RESPONSIVE OFFERORS: Discussions may be conducted with responsive offerors who submit proposals for the purpose of clarification to assure full understanding of the requirements of the request for proposals. All offerors, whose proposals, in the procuring agency's sole judgment, needing clarification shall be accorded such an opportunity.

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD**

2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN

Exhibit III

Please complete this page and submit as the first page of your proposal.

First Page of Vendor's Proposal

Proposal for the South Carolina State ORP 2010

Date: _____

Our company submits the following proposal as an investment product provider for the South Carolina State ORP including providing the necessary record keeping, administration and education to the participants that may choose our company.

Company Name

Street Address

City, State, Zip Code

Name

Title

Signature

Telephone Number

Fax Number

E-mail Address

**SOUTH CAROLINA RETIREMENT SYSTEMS
A DIVISION OF THE SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD**

2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN

Exhibit IV

PROVIDE YOUR RESUME(S) OF THE STATE'S DAY TO DAY CONTACT(S) FOR YOUR COMPANY.

Include Resume(s) Here

SOUTH CAROLINA RETIREMENT SYSTEMS

A DIVISION OF THE SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD

2010 REQUEST FOR PROPOSAL FOR INVESTMENT PROVIDERS FOR SC STATE OPTIONAL RETIREMENT PROGRAM (STATE ORP) DEFINED CONTRIBUTION PLAN

Exhibit V

**PROVIDE A COMPREHENSIVE AND DETAILED DESCRIPTION OF THE STABLE VALUE OR FIXED INTEREST PRODUCT YOU ARE PROPOSING FOR THE STATE ORP
(includes annuity contract, prospectus, etc. as applicable)**