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GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

REQUEST FOR PROPOSALS

for

**INVESTMENT MANAGEMENT and PLAN
ADMINISTRATION SERVICES**

related to the

**401(a) DEFINED CONTRIBUTION PLAN
457 DEFERRED COMPENSATION PLAN and
WELFARE BENEFIT PLAN**

RFP No. GGRF-028-06

Packet No.:	
Issue Date:	
Issued By:	

Deadlines:

Pre-Proposal Submission of Questions: Friday, October 13, 2006

Submission of Proposals: Monday, November 6, 2006

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I. GENERAL INFORMATION

A. Introduction.

The Board of Trustees of the Government of Guam Retirement Fund ("Retirement Fund" or "GGRF" or "Purchasing Agency") wishes to receive proposals to provide investment management and plan administration services relating to the aspects of the Defined Contribution Retirement System (DCRS) and the 457 Deferred Compensation Plan of the Government of Guam Retirement Fund. In addition, the offeror will also be responsible for benefit administration services for the Welfare Benefit Plan for the DCRS Plan as described in detail in Section IV, Scope of Work.

The Board currently is comprised of seven (7) trustees: Joe T. San Agustin, Chairman; Wilfred P. Leon Guerrero, Ed.D, Vice-Chairman; James J. Taylor, Ph.D, Secretary; Gerard A. Cruz, Treasurer; Anthony C. Blaz, George A. Santos, and Katherine T.E. Taitano. The Director of the Retirement Fund is Paula M. Blas. The Board administers three retirement plans for government employees. The first plan is a defined benefit plan established in 1951. The second plan is a defined contribution plan established in 1995. The third plan is a deferred compensation plan established in 1998. The services to be provided to the Retirement Fund concern the Defined Contribution Retirement System (DCRS), the Deferred Compensation Plan (457 Plan) and the Welfare Benefit Plan for the DCRS Plan. The enabling statute is codified at Title 4, Chapter 8, Articles 2, 3 & 4 of the Guam Code Annotated.

The Defined Contribution Plan currently covers approximately 8,700 participants. The Defined Benefit Plan was closed to new membership upon the creation of the Defined Contribution Retirement System, which became the single retirement program for all new employees whose employment commenced on or after October 1, 1995.

The Deferred Compensation Plan is optional for DB and DC members and currently covers approximately 570 participants.

Total value of DCRS assets under the services to be performed total roughly \$126.5 million and total value of 457 Plan assets under the services to be performed total roughly \$6.4 million (as of December 31, 2005). Annual contributions to the investment portfolio are expected to be roughly \$19 million. Annual disbursement and expenses are expected to be approximately \$6.7 million. A comprehensive summary describing the membership of the Defined Contribution Retirement System (DCRS) and 457 Deferred Compensation Plan is contained in the most recent annual plan review from Great West Retirement Services.

B. General Authority.

The competitive selection procedures for the procurement of professional services are governed by the Guam Procurement Law codified at Title 5, Chapter 5 of the Guam Code Annotated ("GCA"), as amended; the Guam Procurement Regulations promulgated in Title 2, Division 4 of the Guam Administrative Rules and Regulations ("GAR"), as amended, and the Administrative Adjudication Act codified at Title 5, Chapter 9 of the Guam Code Annotated, as amended. Copies of the foregoing statutes and regulations are available from the Purchasing Agency, and are incorporated into this solicitation and the contract to be awarded hereunder, by reference herein.

C. Purchasing Agency.

This Request for Proposal (RFP) is issued by the Government of Guam Retirement Fund, an agency of the Government of Guam. GGRF shall act as Purchasing Agency for the purpose of procuring, on its own behalf, the professional services described in the Scope of Work, pursuant to its written determination that the professional services to be procured are in accordance with GAR § 3114(c)(1)-(4).

D. Due Dates for Submission of Questions, Proposals, and/or Protests.

1. Pre-Proposal Submission of Questions.

Potential offerors who received the RFP packet may submit written questions to the Purchasing Agency on or before Friday, October 13, 2006. Questions may be emailed to dliulloa@ggrf.com. Oral statements made by the Purchasing Agency or its agents are not binding on the Purchasing Agency under this RFP. On or before Tuesday, October 24, 2006, the Purchasing Agency shall provide its responses to the written questions (without reference to the source of the questions) to all potential offerors who received the RFP.

2. Submission of Proposals.

No later than **5:00 p.m., Monday, November 6, 2006**, local Guam time, one (1) original and ten (10) copies of the written proposal must be received by the head of the Purchasing Agency (The Director of GGRF) at the following address:

Paula M. Blas
Director
Government of Guam Retirement Fund
424 Route 8
Maite, Guam 96910

Telephone: (671) 475-8900/01
Facsimile: (671) 475-8922

Proposals received subsequent to that time shall not be considered. Business hours of the Retirement Fund for the purposes of this RFP are from 8:00 a.m. to 5:00p.m. Monday through Friday, with the exception of official Government of Guam holidays.

3. Submission of Protest.

Protests under this RFP shall be served on the head of the Purchasing Agency (the Director of GGRF) at the above address by obtaining written and dated acknowledgement of receipt no later than fourteen (14) days from the date on which the protestor should have known of the facts giving rise to the protest. Protests received after that date shall not be considered.

II. GENERAL PROCEDURES

A. Receipt and Handling of Proposals.

In accordance with GAR § 3114(h)(1), proposals and modifications shall be time-stamped upon receipt and held in a secure place until the established due date. Proposals shall not be opened publicly nor disclosed to unauthorized persons, but shall be opened in the presence of two or more procurement officials as designated by the head of the Purchasing Agency. A Register of Proposals shall be established which shall include for all proposals, the name of each offeror, the number of modifications received, if any, and a description sufficient to identify the services offered. The Register of Proposals shall be opened to public inspection only after the award of the contract. Proposals of offerors who are not awarded the contract shall not be opened to public inspection.

B. Nondisclosure of Data.

In accordance with GAR § 3114(h)(2), offerors may identify trade secrets and other proprietary data contained in their proposals. If the offeror selected for award has requested, in writing, the nondisclosure of trade secrets and other proprietary data so identified, the head of the Purchasing Agency conducting the procurement or his designee shall examine the request in the proposal to determine its validity prior to entering negotiations. If the parties do not agree as to the disclosure of data in the contract, the head of the Purchasing Agency conducting the procurement or his designee shall inform the offeror in writing what portion of the proposal will be disclosed and that, unless the offeror withdraws the proposal or protests pursuant to 5 GCA Chapter 5, Article 9 (Legal and Contractual Remedies), the proposal will be so disclosed.

C. Discussions.

In accordance with GAR § 3114(i)(1), the Selection Panel (described in Section VI.B. of this RFP) shall evaluate all proposals submitted and may, but shall not be required to, conduct discussions with any offeror. The purposes of such discussions shall be to: (1) determine in greater detail such offeror's qualifications; and (2) explore with the offeror the scope and nature of the required services, the offeror's proposed method of performance, and the relative utility of alternative methods of approach. Discussions shall not disclose any information derived from proposals submitted by other offerors. In accordance with GAR § 3114(i)(2), information derived from the proposals shall not be disclosed until after the award of the proposed contract has been made. In accordance with GAR § 3116(b), the information contained in the proposal or furnished in connection with an inquiry with respect to the responsibility of the offeror shall not be disclosed outside the Purchasing Agency without prior written consent of the offeror. The proposal of the offeror awarded the contract shall be opened to public inspection except as otherwise provided in the contract. Proposals of offerors who are not awarded the contract shall not be opened to public inspection.

D. Modification or Withdrawal of Proposals.

Proposals may be modified or withdrawn by offerors at any time prior to the conclusion of discussions, in accordance with GAR § 3114(i)(3).

E. Minor Informalities.

GGRF reserves the right to waive any minor informalities in proposals received, or have them corrected by the offeror in accordance with applicable regulations.

F. Selection of the Best Qualified Offerors.

After conclusion of validation of qualifications, evaluation and discussion as provided in GAR § 3114(i), the head of the Purchasing Agency or his designee shall select, in the order of their respective qualification ranking, no fewer than three acceptable offerors (or such lesser number if less than three acceptable proposals were received) deemed to be the best qualified to provide the required services.

G. Submission of Cost or Pricing Data.

Pursuant to GAR § 3114(k), the offeror determined to be the best qualified may be required to submit cost or pricing data to the head of the Purchasing Agency at a time specified prior to the commencement of negotiations in accordance with GAR 3118 (Cost or Pricing Data). Unless the contract price falls under an exception set forth in GAR § 3118(b)(2), the offeror or contractor shall certify that the cost or pricing data is accurate, complete, and current, using a form of certificate substantially set forth in GAR § 3118(e).

The offeror deemed to be the best qualified may be asked to provide cost or pricing data for the services in two formats: (1) a bundled format (DCRS Plan services, 457 Plan services and Welfare Benefit Plan administration); and (2) an unbundled format (separate cost or pricing data for the DCRS Plan services, the 457 Plan services and Welfare Benefit Plan administration). The offeror must enclose the cost or pricing data in a separate sealed envelope marked "Fee Schedule". Only one sealed envelope with the offeror's proposed fees should be submitted.

H. Right to Inspection.

Prior to the issuance of a contract, GGRF may at reasonable times, inspect the part of the plant or place of business of the firm making the proposal or of any contractor or subcontractor which is related to the performance of any contract awarded or to be awarded by GGRF, in accordance with GAR § 3123. After the award of the contract, GGRF may continue at reasonable time, inspect such premises.

I. Negotiation and Award of Contract.

The head of the Purchasing Agency or his designee shall negotiate a contract with the best qualified offeror for the required services at compensation determined in writing to be fair and reasonable. The elements of negotiation shall be directed at the requirements set forth in GAR § 3114(l)(2).

In accordance with GAR § 3114(l)(3), if compensation, contract requirements, and contract documents can be agreed upon with the best qualified offeror, the contract shall be awarded to that offeror. Written notice of the award shall be public information and made a part of the contract file. In accordance with GAR § 3114(1)(4), if compensation, contract requirements, or contract documents cannot be agreed upon with the best qualified offeror, a written record stating the reasons therefore shall be placed in the file and the head of the Purchasing Agency shall advise such offeror of the termination of negotiations which shall be confirmed by written notice within three (3) days. Upon failure to negotiate a contract with the best qualified offeror, the head of the Purchasing Agency or his designee may enter into negotiations with the next most qualified offeror. If compensation, contract requirements, or contract documents can be agreed upon, then the contract shall be awarded to that offeror, in accordance with GAR § 3114(l)(4)(B). If negotiations again fail, negotiations shall be terminated as provided in GAR § 3114(l)(4)(A) and commence with the next qualified offeror. If negotiations fail with all of the offerors initially selected as the best qualified offerors, offers may be resolicited or additional offerors may be selected based on original, acceptable submissions in the order of their respective qualification ranking and negotiations may continue in accordance with GAR § 3114(l)(4) until an agreement is reached and the contract awarded.

J. Memorandum of Evaluation and Negotiation.

At the conclusion of negotiations resulting in the award of the contract, the head of the Purchasing Agency or his designee shall prepare a memorandum setting forth the basis of the award, including how the evaluation factors stated in the Request for Proposals were applied to determine the best qualified offerors, and the principal elements of the negotiations including the significant considerations relating to price and the other terms of the contract. In accordance with GAR § 3114(m), all memoranda shall be included in the contract file and be available for public inspection. Written notice of award shall be public information and made a part of the contract file.

K. Cancellation or Revision of Request for Proposal.

This Request for Proposal may be canceled, or any and all proposals may be rejected in whole or in part as may be pursuant to GAR § 3115, when it is in the best interest of the

Retirement Fund or the Territory of Guam ("Territory"). Additionally, in accordance with GAR § 9105, if prior to award it is determined that a solicitation or proposed award of a contract is in violation of the law, then the solicitation or proposed award shall be canceled or revised to comply with the law. The reasons therefore shall be made part of the contract file.

L. Rejection of Individual Proposals.

Any offer submitted in response to this Request for Proposal may be rejected in whole or in part when it is in the best interests of GGRF or the Territory, in accordance with GAR § 3115(e). Reasons for rejecting proposals include but are not limited to: (1) the business that submitted the proposals is non-responsive as determined under GAR § 3116; (2) the proposal ultimately fails to meet the announced requirements of the Retirement Fund in some material respect; or (3) the proposed price is clearly unreasonable. Upon request, unsuccessful offerors shall be advised of the reasons for rejection.

When proposals are rejected, or a solicitation canceled after proposals are received, the proposals which have been opened shall be retained in the procurement file, or if unopened, returned to the offerors upon request, or otherwise disposed of pursuant to GAR § 3115(g).

M. Notice of Prohibition against Gratuities (5 GCA § 5630(a) and GAR § 11107(a)).

It shall be a breach of ethical standards for any person to offer, give, or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore.

N. Notice of Prohibition against Kickbacks (5 GCA § 5630(b) and GAR § 11107(b)).

It shall be a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement of the award of a subcontract or order. It shall also be a breach of ethical standards for any payment, gratuity, or offer of employment to be made by anyone to an employee of the Government of Guam as and inducement for the award of this contract.

III. TERMS AND CONDITIONS TO BE INCLUDED IN CONTRACT

The contract entered into by and between the Purchasing Agency and the contractor shall include the following mandatory terms and conditions:

A. Type, Duration and Effective Date of Contract.

The professional services procured hereunder may be a multi-term contract in accordance with GAR § 3121 et. seq. The Procurement Officer has determined that the use of a multi-term contract is required, because furnishing of long-term services are required to meet the needs of the Retirement Fund and the Territory. A multi-term contract will serve the best interests of GGRF, and the Territory by encouraging effective competition or otherwise, promoting economies in GGRF, and Territory procurement. Offerors are directed to the provisions of GAR § 3121(e)(1), the terms of which are incorporated herein by reference. The contract shall take effect upon the signing of the contract by all the required parties.

Pursuant to 4 GCA § 8145(c)(5), the term of the contract shall be for a minimum of 3 years with the option to extend, and shall be subject to modification or termination as provided below and by procurement regulations. At the time of renewal, fees and expenses may be renegotiated.

The contract between the Purchasing Agency and the contractor shall be entered into conditionally subject to the requirement that at least eight (8) weeks from the date of the award, or within such extended time period, if any, as the Board in its discretion may allow, and in all events prior to the successful offeror commencing work hereunder, the successful offeror shall be duly registered as an Investment Advisor pursuant to the provisions of the Guam Uniform Securities Act (Title 22, Chapter 46, Article 2 of the Guam Code Annotated), and a copy of the registration notification issued to the successful offeror by the office of the Administrator of the Guam Uniform Securities Act shall be provided to the Purchasing Agent. If the contractor has not complied with this registration requirement within the time period provided, or within such extended time period, if any, as the Board in its discretion may allow, then upon written notice from the Purchasing Agent to the contractor, the contract shall be terminated for all purposes and the contractor shall have no further rights hereunder.

B. Responsibilities of Awarded Offeror.

The awarded offeror shall be responsible for the professional technical accuracy of all work done under the contract. The awarded offeror shall agree to devote his, her or its reasonable efforts to the duties and responsibilities under the contract. The awarded offeror shall perform the duties and responsibilities under the contract in a professional and competent manner in accord with acceptable standards for the offeror's profession.

C. Assignment and Subcontracting.

The contract may not be assigned without the prior written approval of the GGRF Board of Trustees. Because of the nature of the work, the awarded offeror may not subcontract any part of the services required under the contract without the prior written approval of the GGRF Board of Trustees.

D. Independent Contractor Status.

The offeror understands that if an award is made, the offeror's relationship with the Retirement Fund and the government is as an independent consultant or contractor, and not as an employee of the Retirement Fund or the government.

E. Scope of Contract.

The resulting contract between the chosen offeror and the Retirement Fund shall supersede any and all other prior agreements, either oral or written, between the parties and shall contain all the covenants and agreements between the parties with respect to the employment of the offeror as an independent consultant.

F. Termination of Contract.

1. Termination for Convenience pursuant to GAR § 6101(10).

- a. Termination. The Purchasing Agent may, when the interest of the Retirement Fund or the Territory so require, terminate this contract in whole or in part, for the convenience of GGRF or the Territory. The Purchasing Agent shall give written notice of the termination to the contractor specifying the part of the contract terminated and when

termination becomes effective.

- b. Contractor's Obligations. The contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the contractor will stop work to the extent specified.

G. Contract Disputes:

5 GCA § 5427 is applicable to controversies between the Retirement Fund or the Territory and a contractor, which arise under, or by virtue of, a contract between them. This includes without limitation controversies based upon breach of contract, mistake, misrepresentation, or other cause for contract modification, reformation, or rescission. The word *controversy* is meant to be broad and all-encompassing. It includes the full spectrum of disagreements from pricing of routine contract changes to claims of breach of contract.

All controversies between GGRF, or the Territory, and the contractor which arise under, or are by virtue of, this contract and which are not resolved by mutual agreement, shall be decided by the head of the Purchasing Agency in writing, within 60 days after written request by the contractor for a final decision concerning the controversy; provided, however, that if the head of the Purchasing Agency does not issue a written decision, within 60 days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the contractor may proceed as if an adverse decision had been received. The head of the Purchasing Agency shall immediately furnish a copy of the decision to the contractor, by certified mail, return receipt requested, or by any other method that provides evidence of receipt, including (1) a description of the controversy; (2) a reference to pertinent contract provisions; (3) a statement of the factual areas of agreement or disagreement; (4) a statement of the head of the Purchasing Agency's decision, with supporting rationale; and a paragraph substantially as follows:

This is the final decision of the Purchasing Agency. You may obtain judicial review of this decision by bringing an action in the Superior Court of Guam.

Any such decision shall be final and conclusive, unless fraudulent, or the contractor brings an action seeking judicial review of the decision in the Superior Court of Guam. The contractor shall comply with any decision of the Purchasing Agency and proceed diligently with performance of the contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, the contract; provided, however, that in any event the contractor shall proceed diligently with the performance of the contract where the head of the Purchasing Agency has made a written determination that continuation of work under the contract is essential to the public health and safety.

H. Contract Remedies:

(1) Remedies pursuant to GAR § 9101.

Any dispute arising under or out of this contract is subject to the provisions of Chapter 9 (Legal and Contractual Remedies) of the Guam Procurement Regulations (GAR chapter 9).

(2) Interest Payable on Claims pursuant to GAR § 9103(f)(1) and 5 GCA § 5475.

Pursuant to GAR § 9103(f)(1) and 5 GCA § 5475 of the Guam Procurement Act, interest on amounts ultimately determined to be due to a contractor or GGRF shall be payable at the statutory rate applicable to judgments from the date the claim arose through the date of decision or judgment, whichever is later.

IV. SCOPE OF WORK

A. The Board of Trustees of the Retirement Fund wishes to retain investment management and plan administrative services to assist the Board in administering the Defined Contribution Retirement System (DCRS) and the 457 Deferred Compensation Plan. The following represents a list of tasks to be carried out by the third party administrator selected. While extensive, it is to be understood that this list is not limited to the items listed below.

1. Client Service and Quality Assurance

- Provide client and participant satisfaction as measured by an annual survey of plan participants.
- Provide policies and procedures to ensure plan administration integrity and accuracy.
- Periodically review current procedure for supervising, monitoring, measuring and evaluating plan's performance; and periodically make recommendations for improvement to GGRF management and trustees.
- Recommend to GGRF management and trustees revisions, if necessary, of procedures to monitor and measure performance.
- Periodically review local and federal laws and regulations pertaining to the Plans and Plans' qualification. Ensure that the plan follows appropriate law and regulation.

2. Recordkeeping and Administration

- Provide daily administrative needs for the plans.
- Provide recordkeeping and administration for all plan participants.
- Ability to handle transfers/exchanges for plan participants, employer, and plan contributions.
- Provide administrative procedures and policies manual to the Fund.

3. Plan Contributions

- Allocate to and invest plan contributions.
- Review transactions to ensure accuracy and minimize transaction errors.
- Identify and handle forfeitures.

4. Regulatory Services

- a. Review current plans and services and provide testing to ensure integrity and compliance with regulatory and legislative changes.
- b. Provide assistance with plan documentation design and summary plan description.

5. Reporting

- Periodically review quality, relevance and timeliness of current reports. Make recommendations on improving the reports.
- Provide both quarterly reports and an annual report of the plan's performance.
- Provide participants with printed quarterly statements.
- Upon request, provide specific or more frequent report formats or services.

6. Communication and Education

- Conduct or arrange to have conducted, group presentations for employees to explain the plans.
- Provide quarterly communication and education programs for present, new and

- prospective plans' participants.
- Provide monthly orientation and training for new plan participants regarding asset allocation.
- Provide education tools that would help individual plan participants with financial planning.
- Provide annuity estimation comparisons for members deciding whether to transfer from the Defined Benefit Plan to the Defined Contribution Retirement System.
- Attend periodic Retirement Fund Board of Trustees' meetings and report on the plan's current status and activities.
- Develop and carry out a plan to encourage employees to significantly reduce the amount invested in any *stable value fund*. Quarterly review with GGRF management and Trustees the success of the plan.
- Certify in the proposal and annually to the GGRF Trustees that there are no situations where it may be to the benefit of the company to maintain a proportionally large *stable value fund* of a similar kind of fund.
- Annually review with GGRF management and Trustees, data on how a typical set of employees are investing their funds as well as the amounts they may be expected to have at retirement after 5, 10, 15, and 20 years.

7. Systems Capabilities and Hardware

- Review and update, if necessary, current system capabilities and hardware to maintain current and future growth of the plan.
- Ensure that a disaster recovery plan is in place and frequently tested. Such testing is to be carried out at least quarterly.
- Maintain plan sponsor and participant history on the system.
- Address changes to the plan as legislatively mandated.
- Provide necessary hardware to provide communication and on-line access to Plan participant records.
- Annually review with GGRF management and Trustees needed changes to systems capabilities and hardware.

8. Investments

- May be asked to make recommendations to the GGRF Trustees regarding investment options for participants in accordance with the DCRS and 457 Deferred Compensation Plans.
- Quarterly and annually review and present to management and the Board the performance of the investment options provided in the DCRS and 457 Deferred Compensation plans.

9. Advisory Services

- Provide options for advisory services for plan participants.

10. Transition/Conversion

- Provide a transition/conversion plan for the DCRS and 457 Deferred Compensation plans.
- Provide communication to all participants regarding transition/conversion.

11. Trustee Services

- Provide, if necessary, trustee services.

B. In addition, The Board of Trustees of the Retirement Fund wishes to receive proposals for plan administration services to assist the Board in administering the Welfare Benefit Plan for the Defined Contribution Retirement System.

1. Client Service and Administration

- Provide technical assistance in reviewing and preparing the necessary documentation for welfare benefits on behalf of the DCRS participant.
- Act as a liaison between the third party provider and DCRS participant.

V. PROPOSAL REQUIREMENTS

A. Cover Letter

A cover letter, which shall be an integral part of the proposal, shall be signed by the individual who is authorized to bind the offeror contractually. The cover letter shall include the following statements or information:

1. The signer (whose title or position is indicated) is authorized to bind the offeror contractually.
2. The offeror's name, address, and telephone and facsimile numbers.
3. The offeror's location of principal place of business and, if different, the place of performance of the proposed contract.
4. A statement expressing the offeror's willingness to perform the duties described within the RFP.
5. Name, title, email and street address, telephone and facsimile numbers of the person(s) and/or offeror(s) primarily responsible for the investment management services and plan administration services to be performed within the RFP.
6. The offeror's federal employer identification number (EIN).
7. A statement that the person(s) or offeror(s) providing the investment management services under the RFP is a registered Investment Advisor under the Investment Advisor Act of 1940.
8. The person(s) or offeror(s) providing the investment management services under the RFP warrants that they/it has completed, obtained, and performed all registrations, filings, approvals, authorizations, consents, or examinations required by governments and governmental authorities necessary to provide the services being offered under their/its proposal currently being submitted to GGRF.
9. The person(s) or offeror(s) providing the investment management services under the RFP warrants that they/it meet all of the minimum qualifications applicable to the person, firm under the RFP as is more particularly outlined herein in Part V.(B).

B. Statement Regarding Minimum Qualifications

Immediately after the cover letter, include a statement from your company attesting to the adherence and compliance with the minimum requirements of this RFP. Any responses not

meeting these specifications may be considered, at the sole discretion of the GGRF, as non-responsive.

Minimum Requirements.

1. The firm must have at least five (5) years experience administering employee directed Defined Contribution Plans (i.e. 401 and 457 plans) and must be currently providing single provider administration services to a minimum of 3 public or private pension plans.
2. The firm must have at least three (3) years recordkeeping experience for approximately 5,000 participants.
3. During the contract period it is expected that the firm would be able to provide a seamless recordkeeping solution that would be easily used by participants and not adversely impact participants in any of the funds.
4. Upon award of the contract, the successful firm must be duly qualified to conduct business in the Territory of Guam.
5. Any contract entered into by the GGRF must stipulate that there will be no front-end charges, and no back-end charges or market value adjustments (MVA) of any kind. In addition, there will be no liquidity restrictions or penalties on participant transfers or withdrawals, with the possible exception of stable value fund provisions and/or mutual fund specific short-term trading fees.
6. In the proposal the firm must accurately and fully disclose all fund expenses and revenue sharing arrangements associated with all funds made available to the GGRF. This includes the provision of 12b-1 fees and any other fees or kickbacks that would be provided by a fund to the firm selected. Such an affirmation will subsequently be made annually in writing by the firm chosen. Firms must also disclose whether the firm or any related company has a proprietary interest in any of the funds being proposed.
7. The firm must be able to administer a fund line-up of investment options that are in compliance with the Plan's Investment Policy Statement for the length of the contract.
8. The firm is required to have knowledge of and comply with all applicable Guam laws and federal laws and regulations regarding governmental retirement plans and investment options. All laws of Guam, whether substantive or procedural, shall apply to this contract, and all statutory, charter, and ordinance provisions that are applicable to public contracts in the GGRF shall be followed with respect to this contract.
9. The firm must demonstrate that it is SEC (Securities Exchange Commission) registered or is exempt from registration, and if it is exempt from registration, it must provide the nature of the exemption.
10. The terms outlined in this RFP must be guaranteed up to and through the negotiation of the final contract.
11. The firm must identify in writing any legal or other problems that it has with the SEC or any other regulatory agency. If any such problem should arise subsequently, the firm is obligated to inform GGRF management and the Trustees.

C. Disclosures Required by Procurement Statute and Regulations.

In accordance with Guam Procurement Law, the following representations and disclosures shall be conspicuously set forth in all proposals and contracts:

1. Disclosure of Major Shareholders (5 GCA § 5233).

As a condition of bidding, any partnership, sole proprietorship or corporation doing business with the government of Guam shall submit an affidavit executed under oath that lists the name and address of any person who has held more than ten percent (10%) of the outstanding interest or shares in said partnership, sole proprietorship or corporation at any time during the twelve (12) month period immediately preceding submission of a bid. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation, which have been held by each such person during the twelve (12) month period. In addition, the affidavit shall contain the name and address of any person who has received or is entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid for the bidder and shall also contain the amounts of any such commission, gratuity or other compensation. The affidavit shall be open and available to the public for inspection and copying.

2. Representation regarding Gratuities and Kickbacks (GAR § 11107(e)).

The bidder, offeror, or contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set forth in GAR 11107 (Gratuities and Kickbacks).

3. Prospective Representation regarding Contingent Fees (GAR § 11108(f)).

The Prospective Contractor represents as a part of such contractor's bid or proposal that such contractor has/has not (identify applicable word or words) retained any person or agency on a percentage, commission, or other contingent arrangement to solicit or secure this contract pursuant to 5 GCA § 5631 and GAR § 11108(f).

4. Certification of Independent Price Determination (GAR § 3126).

The undersigned bidder or offeror certifies that the price submitted was independently arrived at without collusion.

5. Representation regarding Ethical Standards for Government Employees and Former Government Employees (GAR § 11103(b)).

The offeror represents that it has not knowingly influenced and promises that it will not knowingly influence a government employee to breach any of the ethical standards set forth in 5 GCA Chapter 5 Article 11 (Ethics in Public Contracting) of the

D. Contents of Proposals

The offeror's response to the items mentioned in Subsections A, B, C and D of this Section V together shall be considered the offeror's proposal. Proposals should be prepared simply and economically, providing a straightforward, concise description of the offeror's ability to fulfill the requirements of the proposal. In order to ensure a uniform review process and to obtain the maximum degree of comparability, the Purchasing Agency requests that the contents of the proposal be organized and submitted in the following manner, format, and order unless otherwise stated. **Questions and answers must be submitted in numerical order.**

**DEFINED CONTRIBUTION PLAN (DCRS) and
457 DEFERRED COMPENSATION PLAN QUESTIONS**

Keep responses clear and concise. Questions that are marked with a (Yes/No) response only require a description if requested. If no description is requested, these questions will be recorded as a yes/no response only, and no additional consideration will be given. **Proposals that do not follow this question sequence and do not number their responses will not be considered.**

Responses to the following questions should be based on a consolidated, single-vendor plan with all assets and functions for the plans residing with your company.

Organization and History

1. Provide the legal name of the responding organization and its address, telephone number, fax number, and company internet web address. Provide the mailing address if different.
2. Provide the name(s), title(s), address(es), e-mail address, telephone and fax number(s) of the individual(s) responsible for responding to this request.
3. Provide a brief overview of your company and history of your organization including an organizational chart of your retirement plan operations. Describe any parent/subsidiary/affiliate relationships.
4. Are you currently participating in any alliances or joint marketing efforts? If so, please describe in detail. Include information on any discussions or pending agreements to merge or sell any part of your organization.
5. Indicate how many years your company has been active in the defined contribution business, i.e. 457, 401(a), etc. (Indicate the period of time for each service, if different, such as investment management for X years, recordkeeping for Y years, trustee services for Z years.)
6. Indicate the total value of assets in all defined contribution and deferred compensation plans for which you provide recordkeeping services.
7. What is the total number of participants in all defined contribution and deferred compensation plans for which you provide recordkeeping services?
8. How many public sector 401 defined contribution and 457 deferred compensation plans does your company currently administer?
9. Provide a breakdown of the number of clients you service by plan type as a percentage of

your total business.

10. Has your organization ever been petitioned into bankruptcy or insolvency? (Yes/No) If yes, explain.
11. Provide your most recent audited financial statement. If the proposing firm is an insurance company provide your claims paying ability ratings from Standard & Poors, Moody's and/or Fitch. If rated by some other service, provide the rating and rating criteria.
12. Are there any current or pending litigation or regulatory actions against the firm as a result of improper trading practices? (Yes/No) If yes, explain.
13. Has your organization or your local service representatives been cited, or reprimanded by any regulatory agency within the past ten (10) years? (Yes/No) If yes, describe.
14. Describe any other litigation, in the past ten (10) years or pending, against your organization or local service representatives resulting from its current or past involvement with any defined contribution, deferred compensation or public/private pension plan.
15. Does your firm have any affiliations with or endorsements from any public or private organizations? (Yes/No) If yes, describe the relationship, and be sure to include a description of whether or not there is a monetary relationship.

Client Service / Quality Assurance

16. Describe the team that would deal directly with us during the transition and on an ongoing basis. Indicate staff size, experience and turnover rates. Provide a curriculum vitae for each person that will be substantially involved with the work of the firm at GGRF.
17. Describe your staff's qualification and experience in providing consulting services for the following areas:
 - a) DB/DC Plan and 457 Deferred Compensation Plan Design
 - b) Plan Documents and Filing
 - c) Investment Selection and Analysis
 - d) Recordkeeping Analysis
 - e) Participant Communication Services
 - f) DB/DC Choice Participant Education Services
18. Describe your staffs' experience in working with public sector defined contribution and deferred compensation plans.
19. What is the average number of clients managed by the plan administrator for plans of this size?
20. What type of training is required for new employees before they work on client plans? Do you require any special licensing or training for local service personnel?
21. How many of your employees work on defined contribution and deferred compensation plans? Provide breakdown by functional area.
22. What are your client retention statistics for each of the last three years?
23. For those who left, what percentage left due to issues pertaining to services provided by your organization?

24. What is the average client relationship duration?
25. Describe your organization's commitment to quality and your philosophy/approach to client services.
26. Describe your procedures for monitoring
 - a) client satisfaction
 - b) participant satisfaction
27. Describe your service/timing standards.
28. Do you guarantee service performance? If so, describe how you carry out such a guarantee.
29. What checks and balances do you have in place to assure plan administration integrity and accuracy including participant account data?

Recordkeeping / Administration

30. Briefly, describe the type of recordkeeping system used by your organization. List the reports you provide specifically to plan sponsors.
31. Do you provide one main contact person for the daily administrative needs of this plan? If so, who would that person be?
32. Are you willing to provide GGRF with customized enrollment, change, transfer and withdrawal forms at no additional cost?
33. Do you provide daily valuation? Describe in detail how your system allocates earnings.
34. What methods of data transmission of records and reports are available?
35. Describe in detail how your system processes contributions.
36. Describe in detail, including timing, how your system processes withdrawals (i.e. in-service and hardship withdrawals).
37. Describe in detail, including timing, how your system processes:
 - a. lump-sum distributions
 - b. systematic payments/installments
 - c. annuities
 - d. rollovers to another plan or an IRA
 - e. required minimum distributions
38. What options are available to terminated/retired participants? Can funds be kept under the plans? What participant options are provided, that are not owned by the firm or any related company.
39. Describe in detail how your system processes transfers/exchanges (including frequency/limitations). Are confirmations sent?
40. Describe your process and methods of reallocation (percent and/or dollar).

41. Can employer and employee contributions be tracked separately?
42. What checks and balances do you have in place to ensure transactional integrity?
43. Do you provide an administration manual?
44. Will you keep records on non-proprietary investment vehicles? Describe the process and systems used.
45. How are participant and employer complaints handled?
46. Describe in detail your system's vesting capability. How many different schedules can your system support?
47. Describe in detail how your system handles Federal and State tax reporting (i.e. Form 1099R, W-2). Do you provide tax form preparation and filing
48. Describe in detail how you administer Qualified Domestic Relations Orders (QDROs).
49. Describe your training program for our staff, you would provide as part of the transition from the current provider.
50. What other administrative services do you provide?
51. Indicate what other administrative functions GGRF must retain, assuming we maximize the use of your administrative services (i.e. QDRO review, QDRO approval, emergency distribution review, etc.)

Plan Contributions

52. Describe the capabilities of your company's system with respect to the following items:
 - a) Payroll information
 - b) Forfeiture processing
53. Does your company require data be sent in a specific format (tape, disk, telephone transfer, etc.)? If yes, describe.
54. Can you accommodate multiple payrolls? What is the maximum number of payrolls you can accommodate?
55. How do you monitor contribution maximums?
56. Describe your procedures for ensuring that plans are in balance on a daily basis? Do you use share or unit accounting for daily valuations? Does the daily valuation accounting involve estimations? If so, how often are accounts reconciled?
57. Upon receipt of plan contributions, how quickly would money be allocated to and invested in the investment funds? Provide a detailed timeline of contribution processing and the requirements that you will impose on the Government of Guam Retirement Fund. Provide the same information for participant elections for transfers of funds between available investment options.
58. Describe your organization's procedures for correcting contributions and investment transfers when they are made in error. If an erroneous contribution, transfer is due to your

organization's error, will your organization make the member whole at the organization's expense?

59. Describe how errors are handled through your recordkeeping system for contributions (both over and under).
60. Is this error-handling process manual or can corrections be performed on the recordkeeping system?
61. How do you process retroactive adjustments to participants' accounts and negative contributions?
62. Describe how your organization proposes to handle forfeitures. Do you have a preference for handling these forfeitures?
63. Will you provide local annual reviews for participants?
64. Are you willing to indemnify and hold the GGRF harmless from any legal claims, and action arising out of the education activities to administration of the plan in compliance with related plan fiduciary compliance requirements under state and federal law? If no, explain.

Regulatory Services

65. Describe your capabilities for the following:
 - a) Discrimination Testing ADP/ACP: 401(k) and 401(m)
 - b) Annual addition limitations (100%/\$40,000 limits): 415(c) and 457
 - c) Monitoring of elective deferrals: (402(g))
 - d) Top-heavy testing: (416(c))
 - e) Identifying HCE's: 401(a)17
 - f) Coverage testing for controlled groups: 410(b)
66. How do you address violations for any of the testing covered in question 1?
67. Can you assist us in the following areas of plan(s) documentation design? If so, how?
 - a) Customized plan document
 - b) Prototype plan document
 - c) Customized Summary Plan Description (SPD)
 - d) Prototype SPD
 - e) Qualification submission
68. What fiduciary responsibility does your organization assume?
69. Will you provide legal assistance and direction to ensure the Plans operate in compliance?
70. Will you provide comprehensive training for GGRF personnel and Plan Trustees with regard to:
 - Legal and regulatory requirements?
 - Fiduciary issues?
71. How do you keep Plan Sponsors informed and updated on any regulatory and legislative changes?

72. How will you ensure that our plan remains in compliance?
73. How do you ensure that your recordkeeping system is in compliance with all regulations?
74. Describe any past or pending litigation with your company, within the last 5 years, relating to the services you are proposing.

Reporting

75. Describe the standard reporting package that you would provide us as well as the medium(s) used (provide samples).
76. Describe any customized or ad hoc reporting capabilities including Internet capabilities. Are there any additional costs to the plan sponsor associated with ad hoc reporting?
77. Do plan reports specify the source of contributions, transfers and withdrawals?
78. Do contribution reports distinguish between new enrollees, and employees who have decreased or increased their contributions?
79. Describe your standard participant level statements and documents (provide samples).
80. Describe your customization capabilities for participant level statements.
81. Can reports/statements be produced on other media? Describe.
82. What is the standard time frame for providing each report after the reporting period ends?

Voice Response System (VRS), Internet Access and Call Center

Voice Response System

83. Describe the services available through your voice response system. What are the hours of operation?
84. How are voice response transactions processed? How are such transactions documented? Are confirmations sent?
85. Describe how data is secured within the system (i.e., PIN, audit trail, confirmations).
86. Are there any transactions that cannot be processed through the voice response system?
87. Is the menu easy for participants to use? Does it include "help" information? Describe the structure in detail.
88. Can a participant elect to move from the VRS to a service representative? When and what services are available?
89. How often is the data on the VRS updated? How does the VRS interface with the recordkeeping system?

Internet Access

90. Describe the account services and transaction capabilities available through your participant website.
91. How are website transactions processed and documented?
92. Are there any transactions that cannot be processed through your website?
93. Describe how data is secured within the system (i.e., PIN, audit trail, confirmations).
94. Describe the level of customization available for clients using your internet services.
95. What are the standard hours of account access and transactional availability?
96. If a participant elects to move from the website to a call center service representative, describe the interface between the website and the service representative.
97. How often is the data on the website updated? How does the website interface with the recordkeeping system?
98. Identify your website account access and transactional availability statistics (average availability per month as a percentage)

Call Center

99. Identify your toll-free service center standards. Include for each of the last three calendar quarters, statistics related to actual performance:
 - a. Number of calls
 - b. Average length of calls
 - c. Average response time
 - d. Percentage of calls requiring follow-up
 - e. Call abort rate
 - f. Percentage of incoming calls totally handled via VRS versus toll-free live service center representative assistance
 - g. Percentage of service requests handled via website versus call center and VRS
100. What training is provided to toll-free service center representatives before they are allowed to handle incoming calls?
101. Do you monitor and/or tape toll-free calls?
102. What are your case management procedures for calls that have service issues?
103. What information is available to toll-free service representatives to allow them to effectively answer participant questions?

Communication and Education

104. Briefly describe your background and experience in providing communication and education programs.
105. Identify the key elements provided as part of a standard communication and education program package included in your proposal. Provide examples of your experience, in

addressing the issue of participant diversification.

106. Identify non-standard elements to a communication and education program you may provide for an additional charge.
107. Describe separately your initial and on-going communication and education program (including printed material, visits, training, etc.). If the program is tailored to a specific plan sponsor need, identify the critical issues to be determined in designing such a program.
108. Can promotional and educational material be customized?
109. Do you provide personnel resources as part of both the initial and on-going communication and education program?
110. Do you provide communication and education material in a foreign language? If so, what language(s) and what material?
111. Do you create all of your communication and education material in-house or through third-parties?
112. Describe the process you use to help plan sponsors measure the effectiveness of employee education efforts.
113. Does your organization provide any services (i.e., personal questionnaires, software) that would help individual participants with financial planning? Describe any electronic education tools you provide, both software-based and web-based.
114. Describe your position on providing investment advice to participants. What fiduciary responsibility do you assume if advice is provided?
115. If advice is offered, is it in-house or via a third party? Describe your process, mode and scope of advice.
116. Describe education tools or programs designed to support IRA rollovers and/or retirement distributions.
117. Provide samples of initial enrollment and on-going communication and education materials.

Advisory Services

118. If you offer participant advisory services, who provides it, and how are plan sponsors indemnified by the advice?
119. If you offer a Managed Account service, how does your offering comply with the Department of Labor Opinion 2001-01A. We understand that we are not subject to ERISA.
120. How are your advisory services delivered? How do participants access the service? What materials and ongoing services are provided?
121. How are your advisory services integrated with your record keeping platform?
122. Describe the degree to which you tailor your advice services to different types of investors.
123. Does your investment advisory service produce asset allocation recommendations or

recommendations of specific funds?

124. Does your investment advisory service take into account a participant's assets outside the 401(a) and 457 Plan?
125. Describe each component of the information and advice provided for the following:
 - a) asset allocation;
 - b) time horizons and risk profiles;
 - c) future retirement income needs;
 - d) assessing the impact of different asset allocations on retirement income.
126. Are financial representatives available to discuss the advisory plan and recommended investments with participants on a one-on-one basis? If so, how often?
127. Fully describe the financial representative's compensation structure.

Systems Capabilities and Hardware

128. Describe the hardware platform and software system you use to record keep and administer defined contribution and deferred compensation plans.
129. Was the software developed internally, leased, or bought from another provider? Who has the ultimate responsibility/authority to make sure the software remains current with laws, regulations, client needs, etc.?
130. How often is the system upgraded?
131. What system enhancements do you have planned over the next three years for:
 - a) Core recordkeeping system
 - b) Service technology
132. Describe your documented disaster recovery plan. How often do you test your recovery system?
133. Describe your maintenance and backup procedures including daily backups, retention timetable and off-site backup storage approach. Where are your off-site backup facilities located?
134. Describe the method of maintaining plan sponsor and participant history on the system.
135. Describe the valuation methods offered by your system.
136. Are internal controls of your recordkeeping system audited by an independent accounting firm on an annual or more frequent basis? If so, provide a copy of the most recent report.
137. Does the system allow for plan sponsor customization, limits such as:
 - a) transfer frequency
 - b) minimum/maximum contribution percentages
 - c) withdrawal frequency
 - d) investment election changes
 - e) tracking participant demographics

f) other

138. Describe your system's maximum limits with regards to the following:

- a) investment funds
- b) money types
- c) loans
- d) transfers
- e) other

139. Provide ongoing transaction layouts if specific layouts are required.

Investments

140. Discuss your organization's ability to provide investment vehicles for defined contribution plans. Be sure to disclose if you are providing these vehicles in-house or through external managers.

141. To the extent we wish to comply with 404(c), how can you assist us?

142. How long have you been providing investment services?

143. Identify the number and types of investment vehicles you would make available to us. Provide two separate sample lists of proposed funds based on the GGRF DCRS Investment Policy Statement (IPS). One of the lists should not include any proprietary funds. Your second list may include proprietary funds, however these funds should be fully disclosed and costs associated with the proposed fund should be made clear.

144. For each investment vehicle identified above, provide:

- a) the inception date,
- b) the name of the investment/portfolio manager,
- c) biography of the manager,
- d) the investment vehicle objective,
- e) the investment philosophy,
- f) the expense structure (including any and all loads, load waivers, management fees, other expenses, 12b-1 fees, fee subsidies, etc.),
- g) the comparative index(s) used by the manager, and
- h) withdrawal provisions (including restrictions on transfers).
- i) the most recent Morningstar report.

145. For each investment vehicle, provide the annualized return for the 1, 3, 5 and 10 year (or since inception) periods ending on the last calendar quarter.

146. For each investment vehicle, provide the standard deviation.

147. For each balanced asset allocation and/or life style investment vehicle, provide the asset breakdown by cash, stocks, and bonds as of the last three calendar quarters.

148. For each income investment vehicle, provide the average maturity, average duration, average yield, and average quality as of the latest 3 calendar quarters.

149. For the stable value investment with guaranteed interest, describe the current and minimum interest rate guarantees, how interest is credited, and the frequency of rate

changes. Furthermore, provide the make-up of the underlying portfolio including asset type, grade and percentage breakdown. Be sure to identify what company is responsible for the management of the fund and whether or not your company benefits in any way from the use of such a fund. Identify all costs for the operation of such a fund and all rebates to your company that may result from the use of the fund.

150. For the pooled stable value investment vehicle, provide the structure of the portfolio by sector and maturity distribution. Also provide the credit quality, credit quality minimum guarantee, average quality, average maturity, modified duration, liquidity percentage, and yield to maturity.
151. For each investment vehicle, articulate the investment strategy used by the manager to add value to benchmark(s) identified.
152. For each investment vehicle, identify the total defined contribution assets under management as of the end of each of the last 3 calendar years.
153. Does your organization offer a self-directed brokerage window as a potential investment option? Fully describe the service and fees associated with the administration of the brokerage accounts.
154. If you have any additional information you would like to provide on the investment vehicles identified above, do so as an appendix to your responses.

Transition / Conversion

155. Provide an outline of your transition plan for the GGRF's Defined Contribution and Deferred Compensation plans. Include a timeline that describes necessary actions, responsible parties and target completion dates.
156. Provide a one page outline of your plan for communicating the transition to participants.
157. How will new investment options be communicated to participants? Will participants be able to keep previous investments that are not part of the current mix proposed?
158. Do you have a communication plan for former GGRF employees?
159. Quantify your on-site personnel commitment for the conversion. Include the number of group and individual meetings you will conduct.
160. How will you handle accounts already in distribution?
161. How will emergency distribution request be handled during the transition?
162. Briefly explain the blackout period and what participants can/can't do during this period. How long do you anticipate this blackout period lasting?
163. Will participant assets be out of the market at anytime during the transition?
164. Are you willing to schedule the blackout period to occur over a weekend?

Trustee Services

165. Will you allow us to self-trustee the plan?

166. If not, will you act as or provide availability to trustee services?
167. Will you work with an independent trustee?
168. If you provide Trustee Services, what are your fiduciary responsibilities?
169. Describe "checks and balances" employed in your trust accounting system.
170. Will you trustee outside investment funds?
171. What is your turn-around time on check issuance?
172. Do you process individual state tax withholding?
173. Do you provide information to plan participants regarding options on distributions?
174. Do you have a limit on the number of checks/wires available to participants who rollover their distributions?
175. Do you provide consolidated year-end ERISA reports for 5500 filings?
176. Do you maintain all loan documentation (i.e., promissory notes) as part of your files?
177. Is your trust accounting system integrated with your recordkeeping system?

Expenses

178. What are the start-up costs and the termination costs?
179. For how long will you guarantee specific expenses?
180. What are the factors you consider in determining future increases and when they are to occur?
181. Are there additional charges made at the time of plan changes we initiate or are the result of changes in legislation? Address the differences between the use of a prototype plan and the use of an individually designed plan.
182. Describe what plan consulting services are included and related hourly charges and out-of-pocket expenses.
183. How are expenses adjusted if a sizable number of participants are added or removed from the plan (such as either acquisition or divestiture or partial plan termination)?
184. Do you offer any expense arrangement whereby we share in your firm's upside potential as participants and plan assets increase over time?
185. If you offer an alliance relationship, identify any "offset" to expenses.
186. In addition to the expense schedule, identify any other service or activity not covered on the "Service Activity" listing, i.e., postage, handling, supplies, servicing commissions, etc. Be specific.

Cost Structure

187. Provide cost or pricing data under separate sealed cover (section II.G). Provide fee summary services for the following services under separate sealed cover (section II.G) :

- Plan set-up/Installation
- Per Participant Recordkeeping Fee
- Custodial Trustee Fees
- Trustee Fee Outside Investments
- Self-directed Brokerage Services
- Managed Account Services
- Financial Investment Advisory Services
- Check Processing
- 1099R Forms
- Postage
- Hardship Qualifications
- QDRO Qualifications
- Wire Fees
- Confirmation Statements
- Participant Statements
- Voice Response Services
- Customer Service Center
- Internet Services
- Automatic Enrollment Services
- On-line Services:
- Set-up/ongoing and software
- Employee Communication and Education
- Generic enrollment materials
- Customized enrollment materials
- Awareness materials (posters, tents, etc.)
- Audio tapes
- Video tapes
- Generic periodic newsletter
- Customized periodic newsletter
- Retirement planning tools
- Pre-retirement planning tools
- Investment education materials
- Other (be specific)

References

188. Provide 3 references of current clients who have similar plan demographics. Provide client name, contact name, address, phone number, services provided, and year they became a client.
189. Provide 3 references of plan transitions and former clients who had similar plan demographics. At least 1 of the 3 should have left within the last year. Provide clients' name, contact name, address, phone number, services provided, year they became a client, the year they ceased to be a client, and the reason(s). In addition, include any situations where you elected not to bid.

Questions Relating to DB/DC Choice Plans

Questions no. 190 – 213 refer to DB/DC member transfer situations and allowances. Each year between March and May government of Guam DB members have the opportunity to transfer to the DC plan. This

transfer election occurs only once with a DB member and is considered a permanent transfer.

190. How many implementations involving a choice between retirement plans has your organization conducted during the past five years involving 1,000 or more eligible participants in the government market?
191. State the names of the ten largest plans (based on number of participant accounts) that you administer and the dates that you began administering each.
192. Describe the capabilities your organization has to provide comparisons of projected benefits from DB and DC plans for participants. What software or other systems do you use for such projections?
193. Describe the DB/DC choice modeling software you use, and how it would be applicable to the Guam DCRS plan.
194. Does your modeling tool allow members to save various scenarios based on different assumptions?
195. Discuss all the capabilities of your organization's software modeling tool, including assisting members in:
 - a) Understanding investment theories and concepts
 - b) Determining their appropriate asset allocation
 - c) Selecting (or changing) investment options
 - d) Making wise distribution option decisions
196. Does any independent third party review the DB/DC projected illustration format?
197. Describe at least two implementations involving a choice between retirement plans your organization has conducted, and how the ongoing communications are handled after implementation.
198. Describe your software component for helping a participant determine a reasonable and adequate income replacement for retirement. What parameters does your model include? Do you have a component that addresses the special circumstances and needs of minorities and women? How do you address the possibility that some DC Plans participants may outlive their retirement benefits?
199. Fully list all subcontractors or partners who will provide services as a part of your bid if the actual bidding company does not directly provide all referenced services.
200. Indicate the office building and office space where you will work.

Questions Relating to Ongoing Education Services

201. How many individual Defined Contribution (DC) and Deferred Compensation plan participant accounts are on your existing recordkeeping system? If you are the successful record keeper for the GGRF Defined Contribution and Deferred Compensation Plans, what percent of your business will be attributable to the GGRF Plan?
202. Name the individual who will have overall account management responsibilities for the DC and Deferred Compensation Plans. Provide the resume of this individual, including his or

her qualifications, experience, number of years with your organization, and primary work location. Describe the duties and responsibilities that this individual will have.

203. What other governmental plans and/or DB/DC choice retirement plans has this individual been responsible for in the past?
204. If your organization is proposing to provide a member newsletter, describe what information this newsletter will contain and provide a sample. Indicate whether you can customize this newsletter by inserting additional information authorized by GGRF. Describe the requirements and limitations you will impose and if there is an extra cost associated with inserting this information.
205. When a participant joins the DC and/or Deferred Compensation plan, they have previously received illustrations of estimated account accumulation based upon reasonable scenarios. In order to help participants compare their actual progress vs. the original illustrations, can you provide personalized rates of return on member account statements? If so, how are these rates calculated? Show an example of how a personal rate of return is illustrated on your participant statement.
206. Describe your approach for educating and assisting members in defining their level of risk tolerance and long-term savings goals, and matching those elements with appropriate investment options within the DC and Deferred Compensation Plans. Describe how you assist members in constructing portfolios with appropriate levels of diversification within the risk parameters they are comfortable with. How are pre-mixed (life cycle) portfolios incorporated?
207. Describe how you intend to conduct group education seminars and individual counseling support services for the DC and Deferred Compensation Plans. Provide a description of the topics to be covered and your organization's ability to provide the necessary information in a clear and accurate manner. Provide samples of all materials you intend to use.
208. Describe how you will approach the importance of participating in the 457 Deferred Compensation Plan.
209. Explain how the group seminars will differ in approach – between those dedicated to the choice education or those dedicated to investment education.
210. How do you educate participants on:
 - a) How to determine the appropriate level of risk for their retirement portfolio.
 - b) The difference between active and passive management strategies.
 - c) The importance of diversification.
 - d) The role of balanced or pre-mixed funds in a participant's retirement portfolio.
 - e) How fund performance is measured and evaluated.
211. Indicate the number of each type of seminar you propose to conduct for the DC and Deferred Compensation Plans.
212. Provide a sample communication plan that you believe might be appropriate for the communication consulting services described in this RFP.
213. Have your education services ever received an award for excellence or high accomplishment? Describe the awards you have received, including the name of the client and what organization bestowed the award.

Other Questions

214. How many plans do you work with that have more than 15 payroll centers? Note that the GGRF Plan has 19 payroll centers and the recordkeeper will be responsible for processing payroll contributions and reconciling the payroll from all 19 centers. Describe how you currently handle the payroll contributions processing for another governmental or corporate client with more than 15 payroll centers.
215. Describe any presence your organization currently has in Guam. Do you intend to expand or create a presence in Guam should your firm be selected to provide the requested services? Include any business operations of your organization, any affiliates or subsidiary organizations, or any organizations that you are partnering with to provide the requested services.

WELFARE BENEFIT PLAN

The GGRF currently contracts with a third party provider to provide the welfare benefits (i.e. survivor death and pre-retirement disability) for Defined Contribution Plan participants. The Third-Party Administrator for the Defined Contribution Plan may be charged with the following administrative functions:

- a. Compute service vesting as required by the third party providing welfare benefits.
 - b. Provide contribution history on a participant as requested by the third party provider.
 - c. Respond to participant and employer questions and provide guidance about survivor death and pre-retirement disability benefits offered by the third party provider.
 - d. Coordinate documentation and submission of necessary documents to third party provider.
 - e. May serve as a liaison between third party provider, participant and employer in processing of pre-retirement disability coverage.
216. List your firm's experiences in administering (ancillary) welfare benefits.
217. Provide a statement expressing your firm's willingness to perform the administrative functions described above.

VI. EVALUATION AND SELECTION PROCEDURES

A. Minimum Qualifications

Proposing offerors shall satisfy the minimum requirements as outlined in section V.(B) Statement Regarding Minimum Qualifications. In addition, offerors must submit its full form ADV (Part I and II) with its applications to GGRF.

B. Selection Panel.

Proposals submitted may be evaluated by a selection panel consisting of the following:

- Retirement Fund Management and Board of Trustees

The selection panel may request additional technical assistance from other sources, which may assist in reviewing (not evaluating) the responses for completeness and compliance with technical requirements.

C. Evaluation Factors.

All proposals found to be in compliance with the mandatory and material requirements of this solicitation shall be evaluated based upon technical merits and price. The following factors shall be used to evaluate each proposal:

1. The plan for performing the required services. (.15)
2. Ability to administer the plan and benefits administration process in a cost-effective manner. (.15)
3. Breadth and depth of experience, specialized training and industry recognition of professional staff. (.15)
4. Ability to be responsive and accessible to the Retirement Fund and to DCRS and Deferred Compensation plan participants. (.10)
5. Knowledge of legislative, operational and legal aspects of Guam public pensions funds, as well as federal laws pertinent to the investment management and plan administration of the DCRS and Deferred Compensation plan. (.10)
6. Ability to improve participant satisfaction and benefits administration services received from the Retirement Fund. (.10)
7. Educational resources and ability to provide ongoing training. (.10)
8. Record of past performance of similar work. (.10)
9. Other factors. (.05)
10. Based on the factors above, the proposals will be initially evaluated. Then the price proposals will be opened and the price proposals will be incorporated into the evaluation effort. The price proposal will count for 40% of this evaluation and the technical merits will count for 60% of this evaluation. Based on the combination of the scores assigned from the technical merit and pricing, the GGRF will enter into negotiations with the company with the highest combined score. If these negotiations do not result in a successful contract, then the GGRF will enter into negotiations with the next highest ranked company.

D. Selection

Selection of the Best Qualified Offeror is described in Section II (General Procedures).

The contract will be conditionally awarded to the successful offeror subject to the requirement that within eight (8) weeks from the date of the award, or within such extended time period, if any, as the Board in its discretion may allow, and in all events prior to the successful offeror commencing work hereunder, the successful offeror shall be duly registered as an Investment Advisor pursuant to the provisions of the Guam Uniform Securities Act (Title 22, Chapter 46, Article 2 of the Guam Code Annotated), and a copy of the registration notification issued to the successful offeror by the office of the Administrator of the Guam Uniform Securities Act shall be provided to the Purchasing Agent. In addition, the successful offeror shall be duly registered to conduct business on Guam.

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\$169,000
 Newly Renovated!

IN THE SUPERIOR COURT OF GUAM
 DANTE C. LUNGCAY, Plaintiff,
 vs.
 LORENA S. LUNGCAY, Defendant.
 DOMESTIC CASE NO. DM 0613-08
SUMMONS
 TO THE ABOVE-NAMED DEFENDANT:
 LORENA S. LUNGCAY
 Daang Amaya Brgy. 3
 Tuzza, Cavita P.O. District
 YOU ARE HEREBY SUMMONED and directed to file with this Court and to serve upon Nelson J. Xu, Esq., L.A. BAUMANN & ASSOCIATES, Suite 903, Pacific News Building, 238 Archishop Flores Street, Magaña, Guam, a written answer to the Complaint which is herewith served upon you, within thirty (30) days after service of this Summons upon you exclusive of the day of service, if you fail to do so, judgment by default will be taken against you for the relief demanded in the Complaint.
 RICHARD B. MARTINEZ
 Clerk of Court
 By: Ryan T. Balseguda
 Deputy Clerk

The Westin Resort Guam
Is seeking reliable, dedicated, and career-oriented individuals to fill positions:

Café' Kalachucha Outlet Manager
 We are currently seeking a CREATIVE and Highly MOTIVATED individual with strong leadership skills. Must have 3 years experience in Hotel F&B Management.

Sous Chef
 2 years experience, must have good leadership skills and computer knowledge

We offer the following benefits:
 Competitive Salary, Medical, Dental, Life Insurance, 401k, Vacation, Sick Leave, Holiday Pay, Room Discounts, Fuel Discounts, etc.
 Applicants are welcome to apply & submit their applications at the Westin Security Office located in the loading dock area.

GUAM POWER AUTHORITY
 ATURIDAT I KERTRESADAT GAUHAN
 P.O. BOX 2977 • HAGATNA, GUAM U.S.A. 96932-2977

JOB ANNOUNCEMENTS OPEN TO ESTABLISH A LIST

The Guam Power Authority is seeking interested applicants for the following positions:

Electric Power System Dispatcher I, II	Plant Electrician I, II
Electric Relay Technician I, II	Plant Instrument Technician I
Engineer I	Plant Maintenance Mechanic I, II
Engineer II (Civil, Mechanical, Environmental)	Plant Maintenance Welder III
Engineer II	Plant Operator I, II, III
Engineer II (Mechanical)	Plant Shift Supervisor
Engineer III	Plant Shift Maintenance Worker I, II
Engineer III (Civil, Electrical, Mechanical)	Plant Water Technician I, II
High Voltage Cable Splicer, Elec. I, II	Power Systems Control Superintendent
Internal Auditor	Special Projects Engineer
Line Electrician I, II	Substation Electrician I, II
Mechanic I, II	Trouble Dispatcher

WHERE TO APPLY:
 Interested applicants may call or visit the Human Resources Division at the GPA Main Office Building at 1911 RL 16 Harmon, Guam 96911, 671-648-3035/3038 between 8:00 a.m. and 5:00 p.m. Monday to Friday, excluding holidays for additional information and to receive an application for employment - Form A. You may also visit www.guampowerauthority.com to obtain the job announcement and the application for employment - Form A.

This notice is paid for by Guam Power Authority revenue funds.
 GPA is an equal opportunity and affirmative action employer.
 /s/ JOAQUIN C. FLORES, P.E., General Manager

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OUTRIGGER GUAM RESORT
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We invite you to send your resume and 1 or application for Human Resources Director Guam Resort on Mondays, Wednesdays and Fridays between the hours of 9:00AM-NOON and 2:00PM-4:00PM

1288 PALE SAN VITORIS ROAD TAMUNING, GUAM 96913
 OR EMAIL TO: hrdirector@outtrigger.com or hrdirector@ohana.com

For more information check out our website at www.outtrigger.com or call our JOBS HOTLINE Operator at 671-647-6713

POSITIONS OPEN

DIRECTOR OF HUMAN RESOURCES
 To manage the day-to-day operations in employee recruiting, training, counseling and recognition. Position involves planning, implementing and maintaining employee programs in consultation with company goals and values.

MINIMUM QUALIFICATIONS:

- Five years working experience as HR Director
- Bachelor's Degree in Human Resources Management or Business Administration (or related field)
- HR Management Certification (SHRM or AHA)
- Strong working experience in Wage & Benefits Administration, HR Law, Training & Development, and Employee Recruitment/Retention
- Excellent oral and written communication skills
- Ability to multitask
- Proficient in Microsoft Office

ONLY CANDIDATES WHO MEET THE REQUIREMENTS WILL BE CONTACTED.

HUMAN RESOURCES CLERK
 (Temporary position until 12/23/06)
 The right individual ...

- Able to perform administrative tasks in typing, filing
- Well-organized
- Proficient in Microsoft Word & Excel
- Possess good communication skills
- Team oriented

APPLICATIONS AVAILABLE AT THE SECURITY AND HUMAN RESOURCES OFFICES

Guam's oldest financial institution is looking for dynamic and motivated individuals to join our family.

BankPacific

Loan Operations Specialist (Full Time)
 This position requires a minimum of two years of least account maintenance and account reconciliation using AS400 computer systems. The candidates applying for this position should also have experience with residential, auto, and/or commercial loan documentation, boarding and loan funding and should possess basic personal computer skills. A college degree in business or related field is desired but not required.

CPC Support Clerk (Full Time)
 This position must have a high school diploma or G.E.D. The candidates applying for this position will be responsible to receive, file, and reconcile all cancelled checks and prepare routine cycle statements for distribution to customers. Responsibilities further include batching, balancing, researching, and resolving operational process delays. Experience in bank computer spreadsheets and word processing is a plus.

Information Technology Specialist I (Part Time)
 This position requires a minimum of one year personal computer network based systems and/or data processing environment. The candidates applying for this position will be responsible for working with staff members to identify and define required PC service levels. Perform scheduled on-site services for branching maintenance, diagnostic resolutions for various PC problems, reinstallation of operating hardware and software solutions, including off-site repair as needed.

Interested applicants for the above position should submit their resumes to: hrdirector@bankpac.com or by regular mail: A/P Human Resources Office, BankPacific Ltd, 151 Agaña Avenue, Hagatna, GUAM 96910. Qualified applicants will be contacted to complete an application for further consideration. Applications will be accepted until the position is filled.

www.bankpac.com

Feltr P. Camacho
 Governor

Kateo S. Moylan
 Lt. Governor

GOVERNMENT OF GUAM
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 Maite, Guam 96910
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 Fax No.: 671.475.8922

REQUEST FOR PROPOSALS
 for Investment Management and Plan Administration Services
RFP No. GGRF-028-06

The Board of Trustees of the Government of Guam Retirement Fund (the "Board") seeks proposals from firms qualified to provide investment management and plan administration services relating to the aspects of the 401(a) Defined Contribution Retirement System (DCRS); the 457 Deferred Compensation Plan of the Government of Guam Retirement Fund; and the Welfare Benefit Plan. The total value of assets under the services to be performed total approximately \$133,000,000 (as of September 30, 2005). The Board desires a qualified firm to assist the Board in matters related to providing services such as client service and quality assurance, recordkeeping and administration, regulatory services, reporting, communication and education, investments, and trustee services.

The RFP will be issued on Thursday, September 28, 2006. Potential offerors may submit written questions on or before Friday, October 13, 2006. Responses to the written questions will be made on or before Tuesday, October 24, 2006. Submission of proposals will be due by 5:00 p.m. (Guam local time) on or before Monday, November 6, 2006.

All interested persons, firms or corporations are requested to obtain copies of RFP No. GGRF-028-06 at the Director's Office of the Government of Guam Retirement Fund, 424 Route 8, Maite, Guam 96910 or by e-mailing Debbie I. Vilos, Administrative Assistant, at dvilos@ggrf.com. Proposals must be received by 5:00 p.m. on or before the due date to be considered for evaluation.

/s/ PAULA M. BLAS, Director

This ad is paid with government funds by the Government of Guam Retirement Fund.

9078000
 November 28, 2006 guampgh.com

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Government of Guam Retirement Fund
Responses to Questions relating to RFP No. GGRF-028-06
October 23, 2006

1. Who is your current plan provider and why are you not satisfied with them?
2. Who currently is providing services to the Fund? Is any relationship required to be maintained?
3. Who is the current incumbent providing service? How long has the incumbent been providing services to Guam?

Responses to Questions 1-3: In exercising due diligence, GGRF is conducting the search for a Third Party Administrator (TPA) for the Defined Contribution and Welfare Benefit plans. There should be no inference of dissatisfaction with the current plan provider.

The current plan provider for the Defined Contribution Retirement System (DCRS) and the 457 Deferred Compensation Plan is Great West Retirement Services (GWRS). They have been the Third Party Administrators for the DCRS since August 1996 and for the 457 Deferred Compensation Plan since February 1999. In the event a new TPA is selected, no relationship is required to be maintained by the new TPA with the former TPA.

4. Could I request for copies of the plan documents for the DCP, 457 and Welfare Benefit Plans? Would this be available via email?
5. Could I request for a soft copy of the RFP No. GGRF-028-06?
6. We would like to request for a copy of the updated Plan Documents and IPS for 401(a) and 457 plans.
7. We would like to request for the Welfare Benefit Plan Document.

Responses to Questions 4-7: Copies of the plan documents for the DCRS and 457 and Welfare Benefit Plans are attached and included with this response. A soft copy of the RFP is also attached for your convenience.

8. What is the annual expense charged by the current vendor? Are the current fees borne by the participants, the plan, or the sponsor?
9. Would there be a surrender charge if Great West Life is replaced? If so, what is the surrender charge or surrender charge percentage?

Responses to Question 8-9: The annual expenses for the plan charged by Great West Retirement Services is approximately \$312,106.00 as of 09.30.05.

Recordkeeping fees at a rate of \$54.08 per year per participant are paid out of the employee and employer contributions, and investment fees are deducted out of investment returns. None of the current mutual funds offered charge a surrender charge.

10. Are 12b-1 and shareholder servicing fees rebated back to the plan, if so at what rate?

Response to Question 10: 100% of all 12b-1 fees are rebated back to GGRF.

11. What is the expected time frame for implementation?
12. Do you require multilingual VRU, call center?
13. What are the hours of operation you would require for the call center (please state in EST)?
14. Do you require the incumbent to establish an office and personnel in Guam if selected?

Responses to Questions 11-14: Expected time frame for implementation will be within 120 days upon the execution of the contract with the TPA. Due to the time difference between Guam and the U.S., GGRF, at a minimum, expects the TPA to provide service in English and during GGRF normal business hours 8 a.m. to 5 p.m. Mondays to Fridays (Guam time). Offerors are responsible for making their own time adjustments. GGRF has found that the physical presence and a staffed office maintained by the TPA assist in ensuring that the plan is efficiently administered.

15. Are there any special services that Guam would like to see outside the scope of this RFP?

Response to Question 15: At this time, there are no special services that GGRF is seeking other than what is contained in the RFP.

16. Please provide the comprehensive summary describing the membership of the Defined Contribution Retirement System (DCRS) and 457 Deferred Compensation Plan contained in the most recent annual plan review from Great West Retirement Services.
17. How many active participants?
18. How many terminated participants – not in current pay status?
19. How many terminated participants – currently in pay status?

20. Does data come consolidated or does it flow to the provider by department, location, etc.?

Responses to Questions 16-20: The most recent comprehensive summary for year ending December 31, 2005 is attached for your convenience. This summary provides participant and investment information for the Defined Contribution plans. There are currently 18 payroll systems and data is provided by the payroll center to the provider. With the exception of two agencies, payroll is handled in-house.

21. Please provide us with the Investment Policy Line-up.
22. Please provide us with the current Fund Line-up.
23. What types of investments are currently in the plans?
24. Regarding the current investments in the 401(a) and 457 plans:
- (a) How much money is in each current fund?
 - (b) How many participants in each current Fund?
 - (c) How many employees are 100% invested in Stable Value Fund?
 - (d) What are the current default investment procedures?
 - (e) How many terminated employees in plan?

Responses to Questions 21-24: The Fund's Investment Policy line-up and the current Fund Line-up are the same as adopted by the GGRF Board of Trustees. These funds are listed in the Investment Options at a Glance (IOAG) as of September 30, 2006, which is attached as part of our response.

GGRF Board of Trustees adopted an Investment Policy Statement for the Defined Contribution plan. A copy of the IPS is attached as part of this response. The types of investments in the plans are: Fixed, Funds of Funds, Large Cap, Mid Cap, Small Cap, Balanced, International, and Bond.

Regarding the current investments in the 401(a) and 457 plans and participant information, refer to the attached Plan Review for GGRF for the period ending December 31, 2005, which I am attaching as part of this response. The current default fund is determined by the GGRF Board of Trustees and the total number of employees who are 100% invested in Stable Value Fund is not readily available at this time.

25. Regarding Question 19 in the RFP. "What is the average number of clients managed by the plan administrator for plans of this size?" Please explain in more detail what is being asked.

Response to Question 25: For plans you service with assets of approximately \$149.3 million what is the average number of participants in those plans.

26. Regarding Question 66 in the RFP. "How do you address violations for any of the testing covered in question 1?" Is Question 65 being referred to instead of Question 1?

Response to Question 26: This is referring to Question 65 instead of Question 1.

27. Regarding Question 189 in the RFP. "Provide 3 references of plan transitions and former clients who had similar plan demographics. At least 1 of the 3 should have left within the last year. Provide clients' name, contact name, address, phone number, services provided, year they became a client, the year they ceased to be a client, and the reason(s). In addition, include any situations where you elected not to bid." We have not lost an organizational retirement plan to another recordkeeper in over 5 years. How should we respond to this question if it is still necessary for us to provide a response?

Response to Question 27: If the question does not apply to your organization, please indicate "not applicable".

28. Regarding Question 152 in the RFP. "For each investment vehicle, identify the total defined contribution assets under management as of the end of each of the last 3 calendar years." Please clarify what is being asked in this question – the total amount each fund has in DC money or the total assets our company has with each of these funds that has to do with DC plans?

Response to Question 28: Provide the total defined contribution assets you manage for each fund as of the end of each calendar year for 2005, 2004 and 2003.

29. Regarding Question 209. "Explain how the group seminars will differ in approach – between those dedicated to the choice education or those dedicated to investment education." Is this referring to 457 plan training or DB to DC plan conversion training?

30. Can you describe the onsite education that are provided for employees? Do vendor representatives meet with employees?

Responses to Questions 29-30: The group seminars applies to all training you provide to the plan. GGRF expects the TPA to provide representatives to conduct the education program for all participants. Currently, new employee orientation meetings are conducted at least once a month at the Retirement Fund. The Retirement Fund requires that on-site education/enrollment is conducted at each site (agency sites) at least once a year.

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