

**COURT ORDER
2019-0457**



RFP No. 2018-065-6758 Request for Proposal for 457(b) Deferred Compensation Plan -
Contract Execution

On a motion made by Commissioner Dr. Theresa M. Daniel, District 1, and seconded by Commissioner John Wiley Price, District 3, the following order was passed and adopted by the Commissioners Court of Dallas County, State of Texas:

BRIEFING DATE: 5/7/2019
FUNDING SOURCE: N/A

Be it resolved and ordered that the Dallas County Commissioners Court does hereby authorize and approve the attached contract agreement between Dallas County and Nationwide Insurance in connection with RFP No. 2018-065-6758 Request for Proposal for 457(b) Deferred Compensation Plan and authorizes the County Judge to execute contract with signatures on behalf of Dallas County effective Court Order

Done in open court May 7, 2019, by the following vote:

IN FAVOR: Honorable Clay Lewis Jenkins, County Judge
Commissioner Dr. Theresa M. Daniel, District 1
Commissioner J.J. Koch, District 2
Commissioner John Wiley Price, District 3
Commissioner Dr. Elba Garcia, District 4

OPPOSED: None
ABSTAINED: None
ABSENT: None

Recommended by: Charles Price
Originating Department: Purchasing

COMMISSIONERS COURT BRIEFING



DATE: 5/7/2019

SUBMITTING DEPARTMENT: Purchasing

THROUGH:

SUBJECT: RFP No. 2018-065-6758 Request for Proposal for 457(b) Deferred Compensation Plan - Contract Execution

BACKGROUND:

Dallas County provides 457(b) Deferred Compensation for any and all participating employees in Dallas County.

For several years, Dallas County Treasurers Office has utilized an Interlocal agreement to secure the vendor that has provided 457(b) plan to employees.

On November 19, 2018 in accordance with Commissioner Court Order 2018-1191 the Dallas County Purchasing Department requested, advertised and received eight(8) response to RFP No. 2018-065-6758 Request for Proposal for 457(b) Deferred Compensation Plan.

The Purchasing Department conducted initial evaluations of all proposal submitted using the following scoring criteria listed in the proposal.

- Fee Information to Employees- 0-15pts
- Firms Strength, Compliance, and Experience- 0-30pts
- Questionnaire- 0-30pts
- Financial Stability- 0-10pts
- Small Business Enterprise- 0-15pts

All evaluations were done by an evaluation committee comprised of the following departments: Treasurers Office, Court Administration, Human Resources, Audit Department and Small Business Enterprise.

After initial evaluations and scoring, the Purchasing department shortlisted the top two (2) firms; Variable Annuity Life and Nationwide Insurance.

The Purchasing Department conducted interviews and presentations of from both vendors and allowed the evaluation committee to review and evaluate.

Based on evaluation committee scores and evaluation, the committee has recommended Nationwide Insurance as the highest ranked firm and considered for contracting.

The purpose of this briefing is to execute drafted contract document.

RECOMMENDED BY:	Purchasing	PREPARED BY:	Charles Price
		APPROVED BY DEPT HEAD:	Charles Price

OPERATIONAL IMPACT:

Dallas County currently has over 2000 employees utilizing 457(b) deferred compensation plan. The primary goals of this contract is to secure the service of a qualified firm to not only entice more participants but to offer quality funds that service a diverse employee population rather than a large quantity of funds, provide robust online transactions and information capabilities, and plan for an orderly and timely transaction of assets and services.

FINANCIAL IMPACT:

There is no cost to the County for this service however; Dallas County Purchasing Department in concert with the Dallas County Treasurer has negotiated the following:

1. Open Architecture universe of over 12,000 options which includes low cost institutional shares.
2. 9 basis points on all plan assets which is a reduction from 30 basis points in previous agreement.
3. Enhancement of 3.5% floor for 2019-2020, 3% floor for 2021

All implementation is industry best practice such as: fee equalization, low cost institutional shares, and transparency to all participants.

The aforementioned portfolio represents the most aggressive and best among Texas Counties.

LEGAL IMPACT:

Dallas County District Attorney's Office-Civil Division has reviewed all documentation and enhanced negotiations and has approved the contract to form.

PROJECT SCHEDULE:

The term of the contract is an initial five(5) years commencing upon the date of execution by Commissioner Court with three(3) additional one(1) year periods.

SBE PARTICIPATION:

The recommended vendor, Nationwide, is a non-SBE firm.

Nationwide will be performing 100% of the contract, however they did not provide the required documentation of their good faith effort to reach the full aspirational goal

Total SBE Participation = 0%

ADMINISTRATIVE PLAN COMPLIANCE:

The RFP and Contract supports Vision Plan 1 of Dallas County Administrative plan; Dallas County is operationally a model governmental entity. Services provided will assist Dallas County employees with planning for their future and ultimate retirement.

RECOMMENDATION:

Authorize and approve the attached contract agreement between Dallas County and Nationwide Insurance in connection with RFP No. 2018-065-6758 Request for Proposal for 457(b) Deferred Compensation Plan and authorizes the County Judge to execute contract with signatures on behalf of Dallas County effective Court Order.

AGREEMENT

RFP NUMBER 2018-065-6758

BETWEEN

DALLAS COUNTY, TEXAS

AND

NATIONWIDE RETIREMENT SOLUTIONS, INC.

This Agreement is made and entered into by and between the Dallas County, Texas, ("County") a political subdivision of the State of Texas acting by and through the Dallas County Commissioners Court and Nationwide Retirement Solutions, Inc. ("Contractor") with a place of business at 10 West Nationwide Blvd., Columbus, OH 43215. Both County and Contractor are sometimes referred to as "Party", or collectively as "Parties."

WITNESSETH:

WHEREAS, County issued RFP No. 2018-065-6758 Request for Proposal for 457(b) Deferred Compensation Plan ("RFP");

WHEREAS, Contractor responded to RFP; and

WHEREAS, Contractor responded and represented that its proposed services shall meet or exceed the requirements and specifications of the RFP; and

WHEREAS, Contractor represents that it has the experience and holds all necessary permits, licenses and certificates to practice and perform the services and desires to perform the services covered in this Agreement; and

WHEREAS, County desires to retain a qualified and experienced Contractor to provide a 457(b) Deferred Compensation Plan, hereinafter, referred to as the "Project"; and

WHEREAS, County has selected Contractor as the highest ranked firm for County RFP No. 2018-065-6758;

NOW THEREFORE, in consideration of the terms, conditions, covenants, and performance of the scope of work and services contained herein, as attached and made a part hereof, County and Contractor mutually agree as follows;

1. INCORPORATED DOCUMENTS

The following documents are incorporated by reference as if fully reproduced herein:

Scope of Services attached as Exhibit A;
Contractor's Title VI Assurances and Compliance attached as Exhibit B;
Contractor's Small Business Enterprise (SBE) and Hub Participation Report attached as Exhibit C;
County's RFP No. 2018-065-6758 attached as Exhibit D;
Contractor's response to the RFP attached as Exhibit E; and
Pricing Delivery Information attached as Exhibit F.

2. ORDER OF PRECEDENCE

In the event of any conflict or inconsistency between or among the provisions of this Agreement between the County and Contractor or any incorporated or referenced document or any exhibit, attachment, or associated document, such conflict or inconsistency shall be resolved in the following order of precedence: (1) this Agreement; (2) Exhibit A; (3) Exhibit F; (4) Exhibit D; (5) Exhibit E; (6) Exhibit B; and (7) Exhibit C.

3. DESIGNATION

The County designates Contractor as the County's non-discretionary provider of Administrative Services for the Project in accordance with the terms of this Agreement.

4. APPOINTMENTS AND RESPONSIBILITIES

County:

The County is responsible for maintaining the Project and for maintaining the tax-qualified status of the Project. The County represents and warrants that the Project has been properly adopted and established in accordance with any applicable state or local laws or regulations governing the County's ability to sponsor the Project. The County warrants that the Project was established, and will be maintained by the County, in accordance with the provisions of Section 457(b) of the Internal Revenue Code of 1986, as amended ("Code"). The County further acknowledges and agrees the County is an eligible governmental employer as defined by Section 457(e)(1)(A) of the Code.

The County hereby appoints the Contractor to act as the County's provider of administrative services for the Project. Any duties or services not specifically described herein as being provided by the Contractor are the responsibility of the County, unless specifically delegated to Contractor in the Plan Document.

Contractor:

The Contractor will serve the County, in a non-fiduciary capacity, as the provider of administrative services for the County with respect to the Project. The Contractor does not exercise any discretionary control or authority over the Project or the assets of the Project, and this Agreement does not require Contractor to do so. The Contractor agrees to perform all administrative services for the County with respect to the Project as described in this Agreement. This Agreement does

not require, nor shall this Agreement be construed as requiring, Contractor to provide investment, legal or tax advice to the County or the participants of the Project.

5. CONTRACT TERM

The initial term of this Agreement shall be for five (5) years, commencing upon the date of execution by Dallas County Commissioners Court ("Effective Date"), unless terminated earlier under any provision hereof. This Agreement may be renewed unilaterally by County by providing written notice thereof for up to three (3) additional one (1) year periods based on existing terms, conditions, Contractor's performance, pricing, and fiscal year funding availability, as evidenced by formal written approval of the Commissioners Court and Contractor (collectively the "Term"). Upon expiration of the initial term or any renewal thereof, if authorized by County, this Agreement may be extended unilaterally by County for up to two (2) months upon written notice to Contractor with the same terms and conditions as the initial contract.

6. DESCRIPTION OF PROJECT

County and Contractor agree the Project is to provide a 457(b) Deferred Compensation Plan for Dallas County.

7. SCOPE OF SERVICES AND WORK

The scope of the project is to provide a 457(b) Deferred Compensation Plan in accordance with: 1) Exhibit A; and 2) Contractor's Response to the RFP, which is attached as Exhibit E.

8. COMPENSATION

All compensation contemplated and to be paid to Contractor under the terms of this agreement shall be pursuant to Exhibit F. Under no circumstances shall Dallas County bear responsibility for direct compensation to Contractor.

9. SMALL BUSINESS ENTERPRISE PARTICIPATION

9.1 Contractor agrees to comply with the provisions of the Small Business Specifications contained in Exhibit D. Contractor, if subcontracting portions of the work or services herein, agrees to allocate work or services to sub-consultants or sub-contractors which are Small Business Enterprise (SBE), Disadvantaged Business Enterprise (DBE) and/or Historically Underutilized Business (HUB) firms in accordance with Exhibit C ("hereinafter "Participation Plan"). No changes to the Participation Plan may be made unless approved in writing by Dallas County Office of Small Business Enterprises. During the performance of all work or services under this Agreement, Contractor and its agents shall comply with all SBE, DBE, and HUB policies of Dallas County. The information shall be identified per firm, discipline, and participation. During the Term of this Agreement, Dallas County will require information from the Contractor, and may conduct audits, to assure that the Participation Plan is being followed.

9.2 With each Contractor request for payment, the Contractor shall report their actual payment

and compliance Plan Participation information to:

Dallas County Office of Small Business Enterprises
411 Elm St., 2nd Floor
Dallas, Texas 75202

Dallas County Purchasing Department and Dallas County Small Business Enterprises Office has implemented a web-based, vendor/contractor tracking and reporting system (B2Gnow) to streamline the current manual process of tracking payments to all tiers of subcontractors/sub-consultants. Contractor will report all payments and other requested information into the new system.

9.3 Should Contractor propose the deletion of a SBE, DBE, or HUB classified or certified subcontractor from its employ, the Contractor shall substitute a subcontractor of like classification or certification, and if Contractor is unable to substitute a subcontractor of like classification, Contractor shall provide Dallas County Office of Minority and Women Owned Business Enterprises with documentation of its best efforts to acquire the services of a SBE, DBE, and/or HUB replacement firm.

9.4 Changes to the List of Subcontractors must be reviewed and approved by the Dallas County Office of Small Business Enterprises prior to any changes being made. In addition, Contractor shall notify the Dallas County Office of Small Business Enterprises if the percentage of Plan Participation declines or falls below the level of participation represented in this Agreement. Contractor shall promptly notify the Dallas County Office of Small Business Enterprises within ten (10) days and obtain a listing of other certified Small Business Enterprise (SBE), Disadvantaged Business Enterprise (DBE) and/or Historically Underutilized Business (HUB) firms to meet the commitment amount.

10. ASSURANCES

10.1 Contractor agrees to establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.

10.2 Contractor assures that neither it nor its employees, volunteers, agents or officers providing services directly to the County as outlined in this Agreement shall receive personal benefits, commission, consideration, or gains in performance of the work or services outlined in this Agreement beyond their normal compensation. Furthermore, Contractor agrees to disclose prior to commencement of a particular assignment any material or financial interests that it or a third party may have in the work or services required under this Agreement.

10.3 Contractor assures that funds received pursuant to this Agreement will not be used for lobbying the Texas legislature or any governmental agency in connection with a particular contract.

10.4 Contractor shall pay all subcontractors and consultant in a timely manner. County shall

have no liability to any subcontractors in the event Contractor does not pay or delays payment to any subcontractors. At termination or expiration of this Agreement, Contractor shall deliver to County an affidavit of all bills paid. Final payment shall be contingent upon receipt of such affidavits as resolution of all accounting for which County is or may be liable under this Agreement.

10.5 Under Section 231.006, Texas Family Code, Contractor certifies to County that the owner(s) of at least a 25% interest in the organization is not delinquent in any child support obligation that renders him/her ineligible to receive payment under the terms of this Agreement. Contractor hereby acknowledges that this Agreement may be terminated and payment may be withheld if this Certification is inaccurate.

10.6 Contractor certifies that neither it nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Agreement by any Federal department or agency.

10.7 Best Efforts to Minimize Costs to County Constituents and Taxpayers: Contractor shall use its best efforts to complete each assigned task in as economical a manner as possible and to minimize any charges incurred in connection therewith to the maximum extent possible, consistent with Contractor's other obligations under this Agreement.

10.8 Failure to comply with any of these assurances or any other requirements specified within this Agreement will put Contractor in default and material breach of this Agreement and may result, at the sole discretion of County, in the disallowance of funds and the withholding of future awards, in addition to any other remedies permitted by law.

10.9 Governmental Consent: Contractor warrants that no consent, approval, or withholding of objection is required from any governmental authority with respect to the entering into or the performance of this Agreement.

10.10 Corporate Good Standing: Contractor represents and warrants that it: (i) is a corporation duly incorporated, validly existing and in good standing; (ii) has all requisite corporate power and authority to execute, deliver and perform its obligations hereunder; (iii) is duly licensed, authorized or qualified to do business and is in good standing in every jurisdiction in which a license, authorization or qualification is required for the ownership or leasing of its assets or the transaction of business of the character transacted by it except when the failure to be so licensed, authorized or qualified would not have a material adverse effect on Contractor's ability to fulfill its obligations hereunder.

11. CONTRACTOR'S PROFESSIONAL WARRANTIES

11.1 No Actions, Suits, or Proceedings: Contractor warrants that there are no actions, suits, or proceedings, pending or threatened, that will have a material adverse effect on Contractor's ability to fulfill its obligations under this Agreement. Contractor further warrants that it will notify County immediately if Contractor becomes aware of any action, suit, or proceeding, pending or threatened, which will have a material adverse effect on Contractor's ability to fulfill the

obligations under this Agreement.

11.2 Warranty of Contractor's Capability: Contractor warrants that it is financially capable of fulfilling all requirements of this Agreement and that Contractor is a validly organized entity that has the authority to enter into this Contract. Contractor warrants that it is not prohibited by any loan, contract, financing arrangement, trade covenant, or similar restriction from entering into this Agreement.

11.3 Professional Quality: Contractor warrants to County that all equipment, materials, work, and services will be of professional quality conforming to generally accepted practices, and that all services provided under this Agreement will be performed in a manner consistent with that degree of care, qualification and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. If there are no applicable or recognized professional standards in the applicable area or areas of expertise required to perform such work or services, then Contractor will perform all services in a good and professional manner that meets County's goals and objectives as stated herein as well as otherwise adds value to or improves the performance of County's expectations, objectives, and purposes as stated in this Agreement. Any work or service that is determined by County to be less than professional quality will be corrected immediately and without charge to County. This warranty extends for ninety (90) business days past termination or expiration of this Agreement. This warranty is limited to rework of the unsatisfactory service or product without change to the original specifications and without regard to the amount of the effort expended on the original service or work product.

11.4 Collusion: Contractor expressly certifies that, based upon information and belief, following due inquiry of other employees, officers, and agents of Contractor, that Contractor deems appropriate under the circumstances, neither the Contractor nor its employees or associates has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competition in conjunction with the competitive bidding process for this Agreement or this Agreement itself.

11.5 Sectarian Activity: Contractor expressly warrants and certifies that no funds under this Agreement are used either directly or indirectly, in the support of any religious or anti-religious activity, worship, or instruction.

12. REPORTING

12.1 Reporting. Contractor agrees to submit all required documentation and reports on a timely basis and in accordance with the specified time frames pursuant to this Agreement. Penalties for delinquent reporting may include withholding of payments until such time all reports are received, cancellation or termination of this Agreement with no obligation to pay for undocumented work or services, or both.

12.2 Access to Records. Contractor agrees that County, or any of its duly authorized representatives, has the right of timely and unrestricted access to any books, documents, papers, reports, or other records of Contractor that are pertinent to the fulfillment of the requirements of this Agreement, in order to make audit, examinations, excerpts, transcripts, and copies of such

documents. This right also includes timely and reasonable access to Contractor's personnel for the purpose of reviewing, interviewing, evaluating, and monitoring related to such documents. All such items shall be furnished to the requesting party in Dallas County, Texas within a reasonable time.

12.3 Ownership. Contractor agrees that all information, findings, reports, data, and supporting documentation that relates to the work or services provided hereunder shall remain the property of County.

12.4 Adequacy of Records. If the Contractor's books, records, and other documents relevant to this Agreement are not sufficient to support and document that allowable work or services were provided to County, Contractor shall reimburse County for the services not so adequately supported and documented. If any audit reveals any material deviation from this Agreement and specification requirements, any misrepresentation, or any overcharge to the County, the County will be entitled to recover damages, as well as the cost of the audit.

12.5 Audit. The Dallas County Auditor, its assigns, a Federal agency, a State agency, or any other governmental entity approved by County shall have the unrestricted right to audit all data or documents related to this Agreement. Such data shall be furnished in Dallas County, Texas at a mutually convenient time within a reasonable time. Should County determine it reasonably necessary, Contractor shall make all of its records, books, and documents reasonably related to this Agreement available to authorized County personnel, at reasonable times and within reasonable periods, for inspection or auditing purposes or to substantiate the provisions of services under this Agreement.

12.6 Availability and Retention of Records. All financial books, records, statistical and management books and records pertaining to the work or services delivered and all financial books, records, statistical and management books and records shall be available for examination and audit by County, Federal, State or the County's duly authorized representatives for a period of not less than four (4) years after final payment of the Contractor's fee expenses under the Agreement or until all pending County, State, and Federal audits are completed, whichever is later. All records related to this Agreement must be kept in a single location, either at Contractor's principle place of business or its place of business where the work or services are performed. Nothing herein, is intended to prevent Contractor from following its record retention and destruction policies which have been provided to the County.

13. CONFIDENTIALITY AND OPEN RECORDS ACT

13.1 Contractor shall not disclose privileged or confidential communications or information acquired in the course of the performance of the work or services under this Agreement, unless authorized by law. Contractor agrees to adhere to all confidentiality requirements, as applicable, for the work and services performed for County under this Agreement, including but not limited to regulatory and self-regulatory inquiries and examinations.

13.2 Public Information Act. The Parties acknowledge and agree that County is subject, as a matter of law, to TEX. GOV'T CODE ANN. § 552 (Vernon 1994), also known as the "Texas

Public Information Act" (hereinafter "Public Information Act"). Notwithstanding any other provision, the Parties agree that in the event that any provision of this Agreement, or other documents related to this Agreement, including, but not limited to, any exhibit, attachment, amendment, addendum, or other incorporated document, is in conflict with the Public Information Act, such provision shall be of no force or effect. Furthermore, it is expressly acknowledged and agreed that the County, County Commissioners Court, County Judge, Elected County Officials, County Department Heads and County Employees (hereinafter "County Requestors") may request advice, decisions and opinions of the Attorney General of the State of Texas in regard to the application of the Public Information Act to any software, hardware, firmware, or any part thereof, or other equipment or item, data or information, or any other thing or item furnished to or in the possession or knowledge of County. It is further acknowledged and agreed that the County Requestors have the right and obligation by law to rely on the advice, decisions, and opinions of the Texas Attorney General. Contractor hereby releases the County Requestors from any and all liability or obligation of any type, kind or nature regarding any disclosure of any software, hardware, firmware, or any part thereof, or other equipment or item, data or information, or any other thing or item furnished by Contractor or in the possession or knowledge of the County that is determined by County or in reliance on any advice, decision or opinion of the Texas Attorney General to be available to the public or any persons.

13.3 To the extent permitted by the Public Information Act, the Parties agree to keep confidential (and store in a secure area with limited access) and will not copy, publish, sell, exchange, disclose, or provide to others or use any information, documents or data, provided to or disclosed to the other party, or any information related to this Agreement, other than performing each party's obligations under this Agreement. However, this the Parties expressly agree that this Agreement and all its incorporated attachments and exhibits shall be public information.

13.4 Confidential or Proprietary Marking. Any information or documents Contractor uses in the performance of the work or services provided under this Agreement that Contractor considers confidential or proprietary or that contains trade secrets must be clearly marked accordingly. This marking must be explicit as to the designated information. The designation, however, may not necessarily guarantee the non-release of the documents or information under the Texas Public Information Act or otherwise required by law.

14. INDEMNIFICATION

TO THE FULLEST EXTENT PERMITTED BY LAW CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND COUNTY, AND ALL OF ITS ELECTED OFFICIALS, OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY OR DEATH OF ANY PERSON, OR PROPERTY DAMAGE, INCLUDING LOSS OF USE OF PROPERTY, ARISING OR ALLEGED TO ARISE OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR CONTRACTOR'S PERFORMANCE OF THE WORK, SERVICES, OR OTHER ACTIVITIES OF CONTRACTOR, BUT ONLY TO THE EXTENT CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF CONTRACTOR OR

ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR MAY BE LIABLE DURING THE TERM OF THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING, TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND COUNTY, AND ALL OF ITS ELECTED OFFICIALS, OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES (THE "INDEMNITEES"), FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY TO, OR SICKNESS, DISEASE OR DEATH OF, ANY EMPLOYEE, AGENT OR REPRESENTATIVE OF CONTRACTOR OR ANY OF ITS SUBCONTRACTORS, REGARDLESS OF WHETHER SUCH CLAIM, DAMAGE, LOSS OR EXPENSE IS CAUSED, OR IS ALLEGED TO BE CAUSED, IN WHOLE OR IN PART BY THE NEGLIGENCE OF ANY INDEMNITEE, IT BEING THE EXPRESSED INTENT OF COUNTY AND CONTRACTOR THAT IN SUCH EVENT THE CONTRACTOR IS TO INDEMNIFY, HOLD HARMLESS AND DEFEND THE INDEMNITEES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, WHETHER IT IS OR IS ALLEGED TO BE THE SOLE OR CONCURRING CAUSE OF THE BODILY INJURY, SICKNESS, DISEASE OR DEATH OF CONTRACTOR'S EMPLOYEE OR THE EMPLOYEE OF ANY OF ITS SUBCONTRACTORS DURING THE TERM OF THIS AGREEMENT. THE INDEMNIFICATION OBLIGATIONS UNDER THIS PARAGRAPH SHALL NOT BE LIMITED BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR CONTRACTOR UNDER WORKERS COMPENSATION ACTS, DISABILITY BENEFIT ACTS OR OTHER EMPLOYEE BENEFIT ACTS.

IT IS MUTUALLY UNDERSTOOD AND AGREED THAT THE ASSUMPTION OF LIABILITIES AND INDEMNIFICATION PROVIDED FOR IN THIS AGREEMENT SHALL INDEFINITELY SURVIVE ANY EXPIRATION, COMPLETION, OR TERMINATION OF THIS AGREEMENT. IN THE EVENT CONTRACTOR AND COUNTY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY WILL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE COUNTY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

APPROVAL AND ACCEPTANCE OF CONTRACTOR'S SERVICES BY COUNTY SHALL NOT CONSTITUTE NOR BE DEEMED A RELEASE OF THE RESPONSIBILITY AND LIABILITY OF CONTRACTOR FOR THE ACCURACY AND COMPETENCY OF THEIR SERVICES; NOR SHALL SUCH APPROVAL AND ACCEPTANCE BE DEEMED TO BE AN ASSUMPTION OF SUCH RESPONSIBILITY BY THE COUNTY FOR ANY DEFECT, ERROR OR OMISSION IN THE SERVICES PERFORMED BY CONTRACTOR IN THIS REGARD. CONTRACTOR SHALL DEFEND, HOLD HARMLESS, AND INDEMNIFY THE COUNTY FOR DAMAGES RESULTING FROM SUCH DEFECTS, ERRORS, OR OMISSIONS.

NO INDEMNIFICATION BY COUNTY: CONTRACTOR ACKNOWLEDGES AND AGREES THAT COUNTY DOES NOT HAVE THE ABILITY UNDER ARTICLE XI, SECTION 7 OF THE TEXAS CONSTITUTION TO INDEMNIFY CONTRACTOR OR ANY OTHER THIRD PARTY FOR DAMAGES ARISING UNDER THIS AGREEMENT.

SURVIVAL: THESE PROVISIONS SHALL SURVIVE COMPLETION, SUSPENSION, TERMINATION, EXPIRATION OR CANCELLATION OF THIS AGREEMENT, OR ANY DETERMINATION THAT THIS AGREEMENT OR ANY PORTION HEREOF IS VOID, VOIDABLE, INVALID OR UNENFORCEABLE.

15. INSURANCE

15.1 Without limiting any of the other obligations or liabilities, Contractor at its own expense shall purchase and maintain the minimum insurance and limits as will protect them from claims set forth below which may arise out of or result from the Contractor's operations under this Agreement, whether such operations are carried out by the Contractor, by any consultant, subcontractor, or by anyone directly or indirectly employed by Contractor or any subcontractor, or by anyone for whose acts any of them may be liable. Contractor is solely responsible for payment of all deductibles and retentions associated with the claims filed. Contractor agrees that the insurance requirements specified herein do not reduce the liability Contractor has assumed in any indemnification or hold harmless section of this Agreement.

15.2 As a condition precedent to commencement of any work or services, within ten (10) calendar days after the Effective Date of the Contract, Contractor shall furnish, to the Dallas County Purchasing Agent (at the same address given below under this Insurance heading) the following minimum insurance coverage that show County as the certificate holder and covers the period of the Term of this Agreement and any renewals:

15.2.1 Workers' Compensation Insurance: That meets the statutory requirements of the Texas Workers' Compensation Act, or if self-insured, then Contractor must provide to County evidence of a certificate issued by the Workers' Compensation Commission approving such self-insurance. If Contractor has no employee (as defined by the Texas Workers' Compensation Act), Contractor shall provide County with a sworn Affidavit stating that there is no employee in lieu of a Certificate of Insurance. In the event that any work is sublet, Contractor shall require the subcontractors to similarly provide Workers' Compensation Insurance for all of the subcontractors' employees unless such employees are afforded protection by Contractor. Contractor shall bear the burden of all workers compensation coverage for all of its subcontractors and the subcontractors' employees who do not have workers' compensation coverage. Contractor also represents that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with an appropriate insurance carrier, or in the case of self-insurance, with the Texas Workers' Compensation Commission. Providing false or misleading information may subject Contractor to administrative penalties, criminal penalties, civil penalties or other civil actions.

Types of Coverage

Limits of Liability

Workers' Compensation

Statutory

Employer's Liability

Bodily injury by Accident

\$500,000.00 Each Accident

Bodily injury by Disease

\$500,000.00 Each Employee

Bodily injury by Disease

\$500,000.00 Policy Limit

Policies under this Section shall apply to State of Texas and include the following endorsements in favor of Dallas County:

- a. Waiver of Subrogation
- b. Thirty (30) day Notice of Cancellation

15.2.2 Commercial General Liability Insurance: Contractor shall maintain Commercial General Liability or Broad Form Comprehensive General Liability (including a Broad Form CGL endorsement) Insurance coverage for the following: (a) Premises Operations; (b) Independent Contractors or Consultants; (c) Products and Completed Operations; (d) Personal injury; (e) Contractual Liability; (f) Broad form property damage, to include fire legal liability. Such insurance shall carry in an amount not less than One Million and 00/100 (\$1,000,000.00) for bodily injury (including death), property damage, and blanket contractual coverage per occurrence with a general aggregate of Two Million and 00/100 (\$2,000,000.00) and products and completed operations aggregate of Two Million and 00/100 (\$2,000,000.00).

Policies under this Section shall apply to State of Texas and include the following endorsements in favor of Dallas County:

- a. Waiver of Subrogation
- b. Additional Insureds as their interests pertain to this Agreement: Dallas County and its elected and appointed boards, officers, officials, agents, representatives, directors, employees and volunteers.

15.2.3 Umbrella Liability: Dallas County shall be named Additional Insured on primary/non-contributory basis. Coverage in an amount not less than One Million and No Cents (\$1,000,000.00) per occurrence.

15.2.4 Automobile Liability Insurance: Contractor shall maintain Automobile Liability Insurance covering all owned, hired and non-owned automobiles used in connection with work with limits not less than Five Hundred Thousand and 00/100 (\$500,000.00) each accident or combined single limit. The policy shall include coverage for bodily injury and broad form property damage.

15.2.5 Commercial Crime Insurance: Commercial crime insurance in a minimum amount of One Million Dollars and No Cents (\$1,000,000.00) that shall cover losses arising from

or due to, without limitation, employee dishonesty, theft, disappearance and destruction, premises burglary, computer fraud, robbery, and safe burglary of monies or securities.

15.2.6. Electronic and Computer Crime Insurance: Electronic and computer crime insurance in a minimum amount of One Million Dollars and No Cents (\$1,000,000.00) that shall cover losses arising from or due to, without limitation, an unauthorized person or entity's fraudulent input, modification, destruction, introduction of a virus, transfer, and/or access to/from the vendor or computer system.

15.2.7. Professional Liability (Errors and Omissions Insurance: Contractor shall indemnify County for damages resulting from defects, errors or omissions and shall secure, pay for and maintain, in full force and effect, during the term of this Agreement and any subsequent extensions hereto and thereafter for an additional five (5) years from the effective date of cancellation, termination or expiration of this Agreement or any subsequent extensions hereto, sufficient errors and omissions insurance in a minimum amount of Five Hundred Thousand and No Cents (\$500,000.00) per occurrence with certificates of insurance evidencing such coverage to be provided to County. Such certificates of insurance shall specifically name County as a loss payee.

15.2.8 Should the County exercise any Agreement extension option for additional Agreement terms, it will be Contractor's responsibility to have the Surety Company provide County with confirmation of the existing bond or provide a new bond, if applicable:

- Except Workers Compensation and Professional Liability, name Dallas County and its elected and appointed boards, officers, officials, agents, representatives, directors, employees and volunteers as additional insured(s) (as the interest of each insured may appear) as to all applicable coverage.
- All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of the contract is satisfactorily completed and formally accepted.

15.2.9 All insurance coverage shall be on a per occurrence basis, if coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Agreement and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. The coverage shall be continuous for the duration of the Agreement and for not less than three (3) years following the end of the Agreement. Coverage, including renewals, shall have the same retroactive date as the original policy applicable to the Agreement.

15.2.10 Contractor shall be solely responsible for the deductible and/or self-insured retention.

15.2.11 Contractor insurance policies will be written on a primary basis and be non-contributory with any other insurance coverages and/or self-insurance carried by Dallas County.

15.2.12 Provide for thirty (30) days' notice to County for cancellation, non-renewal or material change.

15.2.13 Provide for endorsement that the "other insurance" clause shall not apply to County where County is the additional insured on the policy.

15.2.14 Provide notice to the County of any material changes to policy.

15.2.15 Contractor agrees to waive subrogation against Dallas County, its officers and employees for injuries, including death, property damage or any other loss.

15.2.16 Default/Cumulative Rights/ Mitigation. It is not a waiver of default if the non-defaulting party fails to immediately declare a default or delays in taking any action. The rights and remedies provided by this Agreement are cumulative, and either Party's use of any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the Parties may have by law, statute, ordinance or otherwise. Contractor has a duty to mitigate damages.

15.2.17 Approval and acceptance of Contractor's services or work by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor for the accuracy and competency of Contractor's Services or Work; nor shall such approval and acceptance be deemed to be an assumption of such responsibility by County for any defect, error or omission in the services performed by Contractor in this regard.

15.2.18 Contractor shall provide that all provisions of this contract concerning liability, duty and standard of care, shall be underwritten by contractual liability coverage sufficient to include obligation within applicable policies.

15.2.19 Contractor and their freight contractors must be prepared to show coverage verification prior to entering upon County premises.

15.2.20 Failure to comply with lawful requirements or adequate liability requirements may result in delay of payments, subject to the orders of the Commissioners Court, not to exceed a period of up to two years from the termination of the contract, or cancellation of the contract or both (Dallas County Commissioners Court Order 2003-1792, September 30, 2003).

15.3 Contractor agrees that, with respect to the above referenced insurance, all insurance contracts/policies will contain the following required provisions:

15.3.1 Except Workers Compensation and Professional Liability, name Dallas County and its elected and appointed boards, officers, officials, agents, representatives, directors, employees and volunteers as additional insured(s) (as the interest of each insured may appear) as to all applicable coverage.

15.3.2 Thirty (30) days' notice to the County for cancellation, non-renewal or material change.

15.3.3 Provide for endorsement that the "other insurance" clause shall not apply to Dallas County where County is the additional insured on the policy

15.3.4 Contractor agrees to waive subrogation against Dallas County, its officers and employees for injuries, including death, property damage or any other loss.

15.3.5 Approval and acceptance of Contractor's services by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor for the accuracy and competency of Contractor's Services; nor shall such approval and acceptance be deemed to be an assumption of such responsibility by the County for any defect, error or omission in the services performed by Contractor in this regard.

15.3.6 Contractor shall provide that all provisions of this contract concerning liability, duty and standard of care, shall be underwritten by contractual liability coverage sufficient to include obligation within applicable policies.

15.3.7 Contractor agrees that the insurance requirements specified herein do not reduce the liability vendor/contractor has assumed in any indemnification/hold harmless section of the contract.

Vendors and/or their freight contractors must be prepared to show coverage verification prior to entering upon Dallas County premises.

Failure to comply with lawful requirements or adequate liability requirements may result in delay of payments, subject to the orders of the Commissioners Court, not to exceed a period of up to two years from the termination of this Agreement, or cancellation of this Agreement or both (Court Order 2003-1792, September 30, 2003).

15.4 Insurance Certificates: The certificates of insurance shall list County as the certificate holder. Any and all copies of Certificates of Insurance shall reference any applicable (Request for Proposal number, Commissioners Court Order Number, or contract number for which the insurance is being supplied. All insurance policies or duly executed certificates for the same required to be carried by Contractor under this Agreement, together with satisfactory evidence of the payment of the premium thereof, shall be delivered to the: **Dallas County Purchasing Agent located at 900 Jackson Street, 6th Floor, Suite 680, Dallas, Texas 75202** within ten (10) calendar days of execution or renewal of this Agreement and upon renewals or material changes of such policies, but not less than fifteen (15) calendar days prior to the expiration of the term of such coverage, or such non-delivery shall constitute a default of this Agreement subject to immediate termination at County's sole discretion.

15.5 All insurance required to be carried by Contractor or subcontractors under this Agreement shall be acceptable to the County in form and content, in its sole discretion. All policies shall be issued by an insurance company acceptable and satisfactory to County and authorized to do

business in the State of Texas. Acceptance of or the verification of insurance by County shall not relieve or decrease the liability of Contractor.

15.6 Minimum insurance is a condition precedent to any work or services performed under this Agreement and for the entire Term of this Agreement, including any renewal or extension. In addition to any and all other remedies County may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, or such insurance lapses, is reduced below minimum requirements or is prematurely terminated for any reason, County shall have the right to:

15.6.1 Order Contractor to stop work hereunder, which shall not constitute a Suspension of Work and Services;

15.6.2 Withhold any payment(s) which become due to Contractor until Contractor demonstrates compliance with the requirements and assurance and proof acceptable to County that there is no liability to County for failure to provide such required insurance;

15.6.3 At its sole discretion, declare a material breach of this Agreement, which, at County's discretion, may result in:

15.6.3.1 Termination of this Agreement

15.6.3.2 Demand on any bond, as applicable;

15.6.3.3 The right of the County to complete this Agreement by contracting with the "next low proposal." Contractor will be fully liable for the difference between the original Agreement price and the actual price paid, which amount is payable to County by Contractor on demand; or

15.6.3.4 Obtain such insurance and deduct from the payments to Contractor the expense of obtaining such insurance and the cost of insurance premiums. However, neither Contractor nor any third party shall have any recourse against the County for payment of any premiums or assessment for any deductibles, or payment of any amount that would have been payable by any such insurance, as all such liability, cost, expense, premiums and deductibles are the sole responsibility and risk of Contractor; and

15.6.3.5 Obtain such insurance and deduct from the payments to Contractor the expense of obtaining such insurance and the cost of insurance premiums. However, neither Contractor nor any third party shall have any recourse against County for payment of any premiums or assessment for any deductibles, or payment of any amount that would have been payable by any such insurance, as all such liability, cost, expense, premiums and deductibles are the sole responsibility and risk of the Contractor; and

15.6.3.6 Any combination of the above

15.6.4 Any combination of the above in Section 15.6.

15.7 Contractor shall promptly advise County in writing of any claim or demand, against County or Contractor, known to Contractor related to or arising out of Contractor's activities under this Agreement.

15.8 Approval, disapproval or failure to act by the County regarding any insurance supplied by Contractor shall not relieve Contractor of full responsibility or liability for damages and accidents as set forth herein. Neither shall bankruptcy, insolvency or denial of liability by any insurance company exonerate the Contractor from liability.

15.9 Acceptance of the work or services, or failure to act by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor, its employees, associates, agents or subcontractors for the accuracy and competency of their work or services; nor shall such acceptance be deemed an assumption of responsibility or liability by County for any defect in the work or services performed by Contractor, its employees, subcontractors, and agents.

15.10 Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work or services covered under this Agreement.

15.11 Survival: The provisions of this Section shall survive completion, suspension, termination or expiration of this Agreement, or any determination that this Agreement or any portion hereof is void, voidable, invalid or unenforceable.

15.12 Insurance Lapse: Pursuant to Section 94.73 of the Dallas County Code, in the event Contractor fails to maintain insurance as required by this Agreement, Contractor shall immediately cure such lapse in insurance coverage at Contractor's sole expense, and pay County in full for all costs and expenses incurred by County under this Agreement as a result of such failure to maintain insurance by Contractor, including costs and reasonable attorney's fees relating to County's attempt to cure such lapse in insurance coverage. Such costs and attorney's fees, not to exceed One Thousand Five Hundred Dollars and 00/100 dollars (\$1,500.00), shall be automatically deducted from monies or payments owed to Contractor by County. Moreover, the County shall retain five percent (5%) of the value of the Agreement that shall be placed into an account from monies or payments owed to Contractor by County to cover County's potential exposure to liability during the period of such lapse. The retainage shall be held by County until six (6) months after the Term of the Agreement has ended or has otherwise been terminated, cancelled, or expired and shall be released if no claims are received or lawsuits filed against County for any matter that should have been covered by the required insurance.

15.12.1 **CONTRACTOR FURTHER AGREES TO INDEMNIFY COUNTY FOR ANY PENALTIES, FINES, JURY AWARDS, COURT COSTS, LITIGATION EXPENSES, AND ATTORNEYS' FEES INCURRED BY COUNTY DUE TO CONTRACTOR'S FAILURE TO MAINTAIN THE REQUIRED INSURANCE AT ALL TIMES DURING THE TERM OF THE AGREEMENT.** Contractor after proper

notice, at its own expense with legal counsel of County's choice, will defend and hold County harmless in any claim or action against County that occurred as a direct or indirect result of Contractor's failure to maintain insurance at all times during the Term of the Agreement. Without waiving any rights under Sovereign Immunity, the County shall cooperate with and may monitor Contractor in the defense of any claim, action, or proceeding and will, if appropriate, make employees available as Contractor may reasonably request with regard to such defense, subject to the reimbursement by Contractor of all costs and expenses occasioned by the County's cooperation in such defense. Contractor agrees not to settle any such claim without the County's consent, which consent will not be unreasonably withheld or delayed.

16. TERMINATION

The Parties may terminate this Agreement for the following:

16.1 Termination for Convenience: County may terminate the Agreement for convenience after the first anniversary of the execution of this Agreement. County shall exercise its termination option by delivering to Contractor written notice of such termination identifying the termination date which shall be at least ninety (90) days after the date of such notice. In connection with any such termination County shall have no liability to Contractor for amounts in excess of the normal charges through the date of termination. After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall: (i) Stop work under this Agreement not less than forty-five (45) days from the date of the County's notice of termination to the extent specified in such notice, and (ii) complete performance of such part of the work and services as shall not have been terminated by such notice.

If County determines that Contractor's actions contribute to the curtailment of an essential service or pose an immediate threat to life, health or property, County may terminate this Agreement immediately without penalty upon issuing either oral or written notice to Contractor and with opportunity to cure. In no event shall County be liable for costs incurred by Contractor as a result of the termination or any loss of profits on the resulting order or portion thereof so terminated.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and other materials (collectively referred to as "materials") prepared by Contractor for use by County under this Agreement shall become the property of County and shall be promptly delivered to County within ninety (90) days.

Contractor shall have the right to terminate this Agreement for convenience with one hundred twenty (120) days written notice to County.

Such notice of termination shall be by registered or certified mail, return receipt requested, and will be deemed given upon receipt of such notice by the other party.

16.2 Termination for Insolvency: County shall have the option to terminate this Agreement in its entirety if Contractor: (i) becomes insolvent or is unable to meet its debts as they mature; (ii) files a voluntary petition in bankruptcy or seeks reorganization or to effect a plan or other

arrangement with creditors; (iii) files an answer or other pleading admitting, or fails to deny or contest, the material allegations of an involuntary petition filed against it pursuant to any applicable statute relating to bankruptcy or reorganization; (iv) is adjudicated bankrupt or shall make an assignment for the benefit of its creditors generally; (v) applies for, consents to or acquiesces in the appointment of any receiver or trustee for all or a substantial part of its property any such receiver or trustee appointed is not discharged within thirty (30) days after date of such appointment.

16.3 Termination for Default or Non-Performance: County shall have the option to terminate this Agreement, for cause: (i) for a material breach or non-performance of this Agreement by Contractor that is not cured by Contractor within sixty (60) days of the date on which County provides written notice of breach; (ii) for a material breach of this Agreement by Contractor that is not reasonably subject to cure within sixty (60) days after its occurrence; or (iii) if it is determined by County, that there exists a plurality of non-material breaches by Contractor that have a material adverse impact on the work or services provided under this Agreement. In the event that County terminates this Agreement in whole or in part as provided herein, the County may procure, upon such terms and in such manner as County may deem appropriate, goods and services similar to those so terminated. Contractor shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and services. If a failure described in this Section 16.13 is not cured to the County's satisfaction within sixty (60) days from the time of receipt of such notice as described in this Section 16.3, the County shall have the right to terminate immediately without the requirement of further notice. If, after notice of termination under the provisions of this clause, it is determined for any reason that the Contractor was not in default under this provisions of this clause, the County has the option to make its notice of termination pursuant to the Termination for Convenience clause in Section 16.1 above and the rights and obligations of the Parties would be in accordance with that provision.

16.3.1 In the event this Agreement is prematurely terminated due to breach, non-performance or withdrawal by the Contractor, County reserves the right to seek monetary restitution (to include but not limited to; withholding of monies owed) from the Contractor to cover costs for interim services or to cover the difference of a higher cost (difference between termination Contractor's rate and new company's rate) beginning from the date of Contractor's termination through the Agreement expiration date. In the event civil suit is filed to enforce this provision, County will seek its attorney's fees and cost of suit from the Contractor. In addition and as authorized by Commissioners Court, vendors terminated for non-performance will be disbarred from award consideration on future County solicitation for a minimum period of thirteen (13) months.

16.3.2 Notice and Right to Cure. If the Contractor breaches the Agreement, and the County in its sole discretion determines that the breach is curable, then the County will provide the Contractor with written notice of the breach and a time period (not less than 40 60 days) to cure the Breach. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches or if the County determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

16.4 Termination for Lack of Funding. In the event that funds, in whole or in part, are not available to begin or to continue this Agreement at the level of services specified, the County may immediately terminate or amend this Agreement. The County shall not be obligated to pay for any services rendered after the Contractor has received written notice of termination pursuant to this section.

17. NOTICES

Any and all notices, correspondence, requests demands and other communications contemplated, called for, permitted, or required to be given under this Agreement shall be in writing, except through the course of the Parties' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by U.S. certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the Parties hereto may designate by written notice from time to time in compliance with this Section.

Contractor:

Eric Stevenson
Vice President, Retirement Plans Sales
Nationwide Retirement Solutions, Inc.

Dallas County:

Pauline Medrano
Dallas County Treasurer
1201 Elm Street, 23rd Floor, Suite 2300-A
Dallas, Texas 75270

w/copies to:

Michael Frosch
Director of Purchasing
Dallas County Purchasing Department
900 Jackson Street, 6th Floor, Suite 680
Dallas, Texas 75202

Chong Choe
Assistant District Attorney
Dallas County District Attorney's Office
Administration Building
411 Elm Street, 5th Floor
Dallas, Texas 75202

18. SEVERABILITY

If any provision of this Agreement is construed to be illegal or invalid, this will not affect the legality or validity of any of the other provisions in this Agreement. The illegal or invalid provision

will be deemed stricken and deleted, but all other provisions shall continue and be given effect as if the illegal or invalid provisions had never been incorporated.

19. SOVEREIGN IMMUNITY

This Agreement is expressly made subject to County's Sovereign Immunity, Title 5 of the Texas Civil Practices and Remedies Code, and all applicable federal and state law. The parties expressly agree that no provision of this Agreement is in any way intended to constitute a waiver of any immunities from suit or from liability that the County has by operation of law. Nothing in this Agreement is intended to benefit any third party beneficiary.

20. AMENDMENTS

No modification, amendment, novation, renewal or other alteration of this Agreement shall be effective unless mutually agreed upon in writing and executed by the Parties hereto and approved by Dallas County Commissioners Court.

Notwithstanding the above, if Contractor determines that an amendment to this Agreement is necessary that affects more than one plan sponsor and this change is communicated in writing to all affected plan sponsors, Contractor reserves the right to implement the amendment on a prospective basis for any plan whose plan sponsor fails to respond to the request for written approval of the amendment in a timely fashion. The County hereby approves all such amendments unless a proper and timely response is made but in no even greater than ninety (90) days to Contractor in regard to any Agreement modification communicated to the County.

21. GOVERNING LAW AND VENUE

The validity and interpretation of this Agreement, and the rights and obligations of the Parties hereunder, shall be governed by and construed in accordance with the laws of the State of Texas. This Agreement is performable and enforceable in Dallas County, Texas where the principal office of County is located and the federal and state courts physically located in Dallas County shall be the sole and exclusive venue for any litigation, special proceeding, or other proceeding as between the Parties that may be brought, or arise out of, in connection with, or by reason of this Agreement.

22. COMPLIANCE WITH LAWS

In providing work and services required by this Agreement, Contractor must observe and comply with all applicable federal, State, and local statutes, ordinances, rules, regulations, licenses, legal certifications, or inspections required for the work or services, facilities, equipment, or materials, and all applicable federal, state, and local statutes, ordinances, rules, and regulations related to Contractor's performance of the Services required by this Agreement.

23. CHANGE IN THE LAW

Any alteration, addition or deletion to the terms of this Agreement which are required by changes

in federal or state law are automatically incorporated herein without written amendment to this Agreement and shall be effective on the date designated by said law.

24. PERMITS AND LICENSES

Contractor shall secure and pay for all fees for all necessary statutory and regulatory authorizations, permits, approvals, certifications, licenses, and insurance required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations that are required in order to perform the work or services stated in Agreement. Contractor shall maintain these licenses and permits in effect for the Term of this Agreement and any renewals. Contractor will notify County immediately of loss or suspension of any such licenses and permits. Failure to maintain a required license or permit may result in immediate termination of this Agreement.

25. WAIVER

Failure of any party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of this Agreement, any part hereof, or the right of the party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

26. DEFAULT, CUMULATIVE RIGHTS, AND MITIGATION

It is not a waiver of default if the non-defaulting Party fails to immediately declare a default or delays in taking any action.

The rights and remedies provided by this Agreement are cumulative, and either Party's use of any right or remedy will not preclude or waive its right to use any other remedy at law or in equity. These rights and remedies are in addition to any other rights the Parties may have by law, statute, ordinance or otherwise. Parties have a duty to mitigate damages.

27. INDEPENDENT CONTRACTOR

Contractor, including its agents or employees, agree Contractor is an independent contractor and not an agent, servant, joint enterpriser, joint venture or employee of the County, and is responsible for its own acts, forbearance, negligence and deeds, and for those of its agents or employees in conjunction with the performance of work and services covered under this Agreement.

28. SUBCONTRACTING

Contractor may not enter into agreements with subcontractors or consultants for delivery of the designated work and services outlined in this Agreement without prior written consent of the County, which consent shall not be unreasonably withheld. The costs of all subcontracted services are included in the fees paid herein. Subcontracts or Consulting agreements, if any, entered into by the Contractor will be in writing and subject to all requirements herein. Contractor agrees that Contractor is solely responsible to County for the performance of this Agreement. Contractor shall

pay all subcontractors and consultants in a timely manner. County shall have the right to prohibit Contractor from using any subcontractor or consultant.

29. ASSIGNMENT

Contractor assures that it will not transfer or assign its interest in this Agreement without prior written consent of County. Contractor understands that in the event that all or substantially all of Contractor's assets are acquired by another entity, Contractor is still obligated to fulfill the terms and conditions of this Agreement. County approval to transfer or assign Contractor's interest in this Agreement to an entity that acquires all or substantially all of Contractor's assets is subject to formal approval by the Dallas County Commissioners Court.

30. AUTHORIZED PERSONS

The County will furnish a list to Contractor (and from time to time whenever there are changes therein) of the individuals authorized to transmit instruction to Contractor concerning the Project and/or assets in the account, and written direction regarding the form of such instructions.

31. THIRD PARTIES

The obligations of each Party to this Agreement shall inure solely to the benefit of the other Party, and no other person or entity shall be a third party beneficiary of this Agreement or have any right to enforce any obligation created or established under this Agreement.

32. CONFLICT OF INTEREST

No County official or employee shall have any financial interest, direct or indirect, in any contract with the County or be financially interested, directly or indirectly, in the sale to the County of any land, materials, supplies or services, except on behalf of the County as an official or employee. Any violation of this Section, with knowledge, expresses or implied, of the person or corporation contracting with the County shall render this Agreement involved voidable by the Commissioners Court of Dallas County. It is the responsibility of Contractor during all phases of this Agreement to notify the County in writing of any potential conflict of interest. Contractor covenants that neither it nor any member of its corporation presently has any interest or shall acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of this Agreement. Contractor further covenants that in the performance of this Agreement no person having such interest shall be employed or appointed by Contractor.

33. ANTI-KICKBACK

Contractor hereby certifies that it will comply with all applicable "Anti-Kickback" Laws (including (18 USC 874) as supplemented in Department of Labor regulations (29 CFR, Part 3), and shall insert appropriate provisions in all subcontracts covering work under this Agreement.

34. PROHIBITION ON POLITICAL ACTIVITY

None of the funds provided under this Agreement shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure. This prohibition shall not be construed to prevent the Parties' compliance with the Texas Public Information Act. No funds provided under this Agreement may be used directly or indirectly to hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government, the State of Texas, or the government of the United States. None of the funds provided under this Agreement shall be paid to any official or employee who violates any of the provisions of this Section.

35. FORCE MAJEURE

Neither Party hereto shall be held responsible for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character ("force majeure occurrence"). Contractor shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.

36. FAIR LABOR STANDARDS

CONTRACTOR SHALL MAKE ALL EFFORTS TO COMPLY WITH ALL APPLICABLE PROVISIONS OF THE FEDERAL FAIR LABOR STANDARDS ACT FOR WORK PERFORMED BY CONTRACTOR'S EMPLOYEES.

37. TITLE VI ASSUARANCES AND COMPLIANCE

Contractor agrees to comply with its Title VI assurances contained in Exhibit B to this Agreement.

38. TAXES

The County, as a county of the State of Texas, is exempted from the payment of Texas state and local sales, excise, and use taxes pursuant to Texas Tax Code § 151.309, and shall therefore not be liable or responsible to Contractor for the payment of such taxes under this Agreement. The fees paid to Contractor pursuant to this Agreement are inclusive of any applicable sales, use, personal property or other taxes attributable to periods on or after the applicable Effective Date of this Agreement and based upon or measured by Contractor's cost in acquiring or providing products or services and related materials and supplies furnished or used by Contractor in performing its obligations hereunder, including all personal property and use taxes, if any, due on equipment or software owned by Contractor. Contractor accepts full and exclusive liability for the payment of any and all contributions or taxes for Social Security, Workers' Compensation Insurance, Unemployment Insurance, or Retirement Benefits, Pensions, or annuities now or hereafter imposed under any state or federal laws which are measured by the wages, salaries, or other remuneration pay to persons employed by Contractor for work performed under the terms of this Agreement **AND AGREES TO INDEMNIFY AND SAVE HARMLESS THE COUNTY FROM ANY SUCH CONTRIBUTION OR TAXES OR LIABILITY.**

39. AUTHORITY TO TRANSACT BUSINESS IN THE STATE OF TEXAS

Contractor agrees, represents, and warrants it currently has the legal authority to transact business in the State of Texas as a domestic corporation. Contractor shall maintain the legal authority to transact business in the State of Texas for the Term of this Agreement. Contractor shall provide proof of Contractor's current registration status from the Texas Secretary of State and the Comptroller for the State of Texas.

40. FISCAL FUNDING/NON-APPROPRIATION CLAUSE

Notwithstanding any provisions contained herein, the obligations of the County under this Agreement are expressly contingent upon the availability of funding for each item and obligation contained herein for the Term of the Agreement and any extensions thereto. Contractor shall have no right of action against County in the event County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding or non-appropriation for any item or obligation from any source utilized to fund this Agreement or failure to budget or authorize funding for this Agreement during the current or future fiscal years. In the event that County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding, non-appropriation or if funds become unavailable, County, at its sole discretion, may provide funds from a separate source or may terminate this Agreement by written notice to Contractor at the earliest possible time pursuant to Section 16 above.

41. FEDERAL FUNDED PROJECT

If this Agreement is funded in part by either the State of Texas or the federal government, Contractor agrees to timely comply, without additional cost or expense to County, unless otherwise specified herein, with any applicable statute, rule, regulation, grant, contract provision or other state or federal law, rule, regulation, or other similar restriction that imposes additional or greater requirements than stated herein and that is directly applicable to the work or services rendered under the terms of this Agreement.

42. PREVENTION OF FRAUD AND ABUSE

Contractor shall establish, maintain and utilize internal management procedures sufficient to provide for the proper, effective management of all activities funded under this Agreement. Any known or suspected incident of fraud or program abuse involving Contractor's employees or agents shall be reported immediately to the County by Contractor. Moreover, Contractor warrants to be not listed on a local, county, state or federal consolidated list of debarred, suspended and ineligible contractors and grantees. Contractor and County agree that every person who, as part of their employment, receives, disburses, handles or has access to funds collected pursuant to this Agreement does not participate in accounting or operating functions that would permit them to conceal accounting records and the misuse of said funds. Contractor shall, upon notice by County, refund expenditures of the Contractor that are contrary to this Agreement and deemed inappropriate by the County.

43. OWNERSHIP OF DOCUMENTS

Contractor agrees that all findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Contractor or any of its subcontractors for use by County in the course of performance of this Agreement, shall be and remain the sole property of County without restriction, reservation or qualification. Contractor agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of County. Contractor shall deliver to County any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other project related items as requested by County or its authorized representative, at no additional cost to the County. Contractor may retain copies necessary for record keeping, documentation and all such other business purposes related to the Agreement. This provision does not limit Contractor's ability to comply with properly submitted requests or subpoenas from legal, regulatory or self-regulatory bodies charged with overseeing insurance, retirement plans or securities entities.

44. TRANSITION SERVICES REQUIRED OF CONTRACTOR

Upon notice of termination or expiration of this Agreement, the County shall immediately have the right to audit any and all records of Contractor relating to this Agreement. Moreover, upon the termination or expiration date of this Agreement, Contractor agrees to transition the services provided herein in a cooperative manner and provide anything requested from the County at no additional cost, including, but not limited to the following, upon date of termination or expiration: (i) All contract and services documentation, including all records, books and data reasonably related to this Agreement, maintained in accordance with Section 12 (Reporting) of this Agreement and identified in a complete, neat and orderly manner; (ii) A good faith pledge to cooperate with County upon transition of services to another contractor or County department providing the same or similar services; (iii) Records, books and data, including electronic data, in a format compatible within County's information technology capabilities, or in a format compatible with a succeeding contractor's information technology capabilities, as determined by County; (iv) Final accounting of all income derived from the Agreement; (v) Downloading and removal of all County information from Contractor's equipment and software; and (vi) Removal of Contractor's services without degradation or other adverse effect on County's system. This provision shall survive termination or cancellation of this Agreement.

45. USE OF AGREEMENT BY OTHER POLITICAL JURISDICTIONS

In accordance with Article 791.025 of the Texas Government Code, governmental agencies (local, state) may request to utilize the County's contract by executing an interlocal agreement with County to do so. Contractor agrees this Agreement may be extended, with the authorization of the Contractor, to others. If any other jurisdiction or political jurisdictions is authorized, their ordering of services or goods shall be at the prices, terms and conditions as this Agreement. The Contractor must deal directly with that jurisdiction or political subdivision concerning the placement of orders, services, issuance of purchase orders, contractual disputes, invoicing and payment. The County acts only as the "Contracting Agent" for these jurisdictions and political subdivisions. Failure to extend a contract to any jurisdiction will have no effect on this Agreement. Each participating jurisdiction and political subdivision has the option of executing a separate contract with the Contractor. Contracts entered into with them may contain general terms and conditions

unique to those jurisdictions and political subdivisions covering minority participation, non-discrimination, etc. If, when preparing such a contract, the general terms and conditions of a jurisdiction are unacceptable to the Contractor, the Contractor may withdraw its extension of the award to that jurisdiction. **THE COUNTY IS INDEMNIFIED AGAINST ANY AND ALL CLAIMS THAT MAY ARISE FROM INTERLOCAL AGREEMENTS ENTERED INTO BY THE CONTRACTOR AND BY ANOTHER JURISDICTION AS A RESULT OF ANY AWARD EXTENDED TO THAT JURISDICTION OR POLITICAL SUBDIVISION BY CONTRACTOR.**

46. NO BOYCOTT OF ISRAEL

Pursuant to Section 2270.002 of the Texas Government Code, Contractor verifies that it:

- a) Does not boycott Israel; and
- b) Will not boycott Israel during the term of this contract.

47. COUNTERPARTS, NUMBER/GENDER AND HEADINGS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Words of any gender used in this Agreement shall be held and construed to include any other gender. Any words in the singular shall include the plural and vice versa, unless the context clearly requires otherwise. Headings herein are for the convenience of reference only and shall not be considered in any interpretation of this Agreement.

48. VERBAL AGREEMENT

No verbal agreement or conversation with any officer, agent or employee of County either before, during or after the execution of this Agreement, shall affect or modify any of the terms of obligations herein contained, nor shall such verbal agreement or conversation entitle Contractor to any additional payment whatsoever under the terms of this Agreement. All changes to this shall be in writing and the form of a change order in supplemental amendment to the agreement, approved by the Dallas County Commissioners Court.

49. ENTIRE AGREEMENT

This Agreement supersedes all prior agreements, written or oral, between Contractor and County and will constitute the entire agreement and understanding between the Parties with respect to the subject matter of this Agreement. This Agreement and each of its provisions and Exhibits will be binding upon the Parties and may not be waived, modified, amended, or altered except by a writing signed by both Contractor and County with formal approval by the Dallas County Commissioners Court.

50. BINDING EFFECT

This Agreement and the respective rights and obligations of the Parties hereto shall inure to the benefit and be binding upon the successors and assigns of the Parties hereto, as well as the Parties

themselves.

51. PRIVACY OF CONTRACT

The County acknowledges and agrees that Contractor and Project participants shall have no privity of contract with each other with respect to this Agreement.

52. SIGNATORY WARRANTY

The person or persons signing and executing this Agreement on behalf of Contractor, or representing themselves as signing and executing this Agreement on behalf of Contractor, do hereby warrant and guarantee that he, she, or they have been duly authorized by Contractor to execute this Agreement on behalf of Contractor and to validly and legally bind Contractor to all terms, conditions and provisions herein set forth.

53. ACCEPTANCES

By their signatures below, the duly authorized representatives of County and Contractor accept the terms of this Agreement in full.

(Signatures begin on next page)

EXECUTED THIS
May

7th
2019.

DAY OF

DALLAS COUNTY

By: 

Clay Lewis Jenkins
Dallas County Judge

**NATIONWIDE RETIREMENT
SOLUTIONS, INC.**

By: 

Name: **DOUG BAER**
Title: **AVP OPERATIONS**

Recommended:

By: 

Pauline Medrano
Dallas County Treasurer

APPROVED AS TO FORM*:

JOHN CREUZOT
DISTRICT ATTORNEY

By: 

Chong Choe
Assistant District Attorney

* BY LAW, THE DALLAS COUNTY DISTRICT ATTORNEY'S OFFICE MAY ONLY ADVISE OR APPROVE CONTRACTS OR LEGAL DOCUMENTS ON BEHALF OF ITS CLIENTS. IT MAY NOT ADVISE OR APPROVE A CONTRACT OR LEGAL DOCUMENT ON BEHALF OF OTHER PARTIES. OUR REVIEW OF THIS DOCUMENT WAS CONDUCTED SOLELY FROM THE LEGAL PERSPECTIVE OF OUR CLIENT. OUR APPROVAL OF THIS DOCUMENT WAS OFFERED SOLELY FOR THE BENEFIT OF OUR CLIENT. OTHER PARTIES SHOULD NOT RELY ON THIS APPROVAL, AND SHOULD SEEK REVIEW AND APPROVAL BY THEIR OWN RESPECTIVE ATTORNEY(S).

EXHIBIT A
Scope of Services

SCOPE OF SERVICES

Contractor will provide the necessary 457(b) plan recordkeeping and administration, employee communication and education, custodial trustee/investment management, and employer education services in compliance with all pertinent IRS rules and regulations. The services will include, at a minimum, the following:

The primary objectives of this process include:

1. Attaining the lowest currently available participant cost for the requested products and services with no front or back-end loads, contingent deferred sales charges, market value adjustments or other surrender-related penalties on either a group or individual basis unless otherwise approved by the County.
2. Providing a menu of investment options that are appropriate for and satisfy the needs of a diverse participant base with varying levels of investment sophistication. The investment menu will include an option that provides for the safety of the invested principal with competitive current yields.
3. Providing effective participant education, enrollment, and other plan-related services from non-commissioned representative(s) assisted by a reliable toll-free customer service unit, a Voice Response Unit (VRU), and fully functional web-based services. While the Plan does not envision the need for "full-time" representatives, it is expected that on-site representatives will occasionally be necessary to provide the services requested during the term of the contract and shall make themselves reasonably available as requested by County.
4. Providing financial guarantees to the Plan that the proposed products and services will be delivered as proposed throughout the contract term.
5. That the successful proposer will absorb all costs associated with the implementation/transition to a new plan including all participant-related notification expenses and any MVA, CDSC, Short-term redemption or any other fee that might be assessed by the existing recordkeeping/investment provider(s) upon termination.
6. Recordkeeping and Administration
 - a. Processing payroll deductions on a recurring basis (semi-monthly or biweekly) and participant transactions on a daily basis
 - b. Internet services must include data encryption and a secured method for Dallas County to submit and receive payroll data as well as allow Dallas County authorized staff and auditors the ability to view participant demographic information and Plan activity
7. Employee Communication/Education and Tools
 - a. Employee access to plan information, and investment and retirement models via secure internet website and through call center interactions
 - b. Employee communication and investment education programs; supported by customer service representatives and comprehensive Internet services that provide participants with interactive financial and

retirement planning tools and software

8. Trustee/Custodial Compliance
9. Investment Management/Investment Options
 - a. Third Party Access or Directed Brokerage
 - b. Investment Advisory or Managed Accounts
 - c. Cash Management Products
10. Employer Education and Compliance
 - a. Transmission and receipt of contribution/payroll files
 - b. User-friendly Dallas County management website services
 - c. Plan compliance with current and future regulatory requirements including any participant notifications
 - d. Providing documentation for the annual plan audit

CONTRACTOR REQUIREMENTS

Authorized in the State of Texas

Each investment product must satisfy the applicable requirements of and meet Section 457(b) and 409A of the Code and all applicable Treasury regulations. Each responding vendor must be qualified to do business in the State of Texas as determined by the Texas Department of Insurance, the Texas State Securities Board, and any other applicable state or federal agency. All insurance vendors must certify that they are in compliance with the rules and regulations of the Texas Department of Insurance.

Registered by the SEC and/or the NASD

Contractor or its affiliates, as appropriate, are registered with the Securities and Exchange Commission (SEC) or National Association of Securities Dealers (NASD) or other regulatory entity as required by law.

Negligence and Penalties

Contractor affirms that neither it nor its affiliated companies responsible for providing services to the County under this Agreement, including any of its recommended investment managers, are under investigation, have been found negligent or otherwise in violation of any trading practices or other investment irregularities relating to its retirement plan administration which resulted in any monetary or nonmonetary penalty, censure, or any other resolution levied by the SEC or the NASD, or any other governmental or nongovernmental regulatory authority within the prior five (5) years as of the date of the execution of this Agreement.

Internal Controls and Audit Findings

Contractor will keep internal controls in place that ensure that the handling of all 457(b) Plan contributions, withdrawals, surrenders, inter-fund exchanges or transfers, or any other financial transaction relating to its administration of 457(b) Plan assets are in accordance with all applicable laws and regulations. Contractor warrants that an internal audit of those controls has been performed within the last 12 months, and that the audit found no violations of the Securities' Industry standard money management practices, and that no employee, consultant, or contractor was

terminated, reassigned, or otherwise disciplined as a result of the internal audit.

Emergency Preparedness Plan

Contractor will have in place an emergency preparedness plan assuring the continuity of operations in the event of a local or national emergency and that the plan has been successfully tested within the preceding 12-month period.

Privacy/Security Requirement

Contractor will comply with the following requirements with respect to all 457(b) Plan data and participant data:

- The applicable requirements of all federal programs concerning privacy and security;
- All applicable federal and state laws, rules, and regulations (including applicable provisions of the Gramm-Leach-Bliley Act);
- The County Use and Security Policy; and
- The Standards for Safekeeping Customer Information, 16 C.F.R. Part 314, keeping in mind the objectives of Section 314.3(b).

Data Integrity, Confidentiality, Accessibility, and Security

For the purpose of this RFP, Dallas County data is defined as any and all information owned by Dallas County - created, received from or on behalf of Dallas County, or accessed in the course of performing the services related to 457(b) Plans - of which collection, disclosure, protection, and disposition is governed by state law or regulation. This information includes, but is not limited to, any participant-specific information which may be provided by the County to vendors.

Contractor must, to the extent that it is commercially reasonable to do so, protect the integrity, confidentiality, appropriate accessibility, and security of County and participant data, and that the responding vendor shall establish, implement, and maintain all policies, procedures, safeguards, and measures necessary for Contractor to do so. Contractor must continually monitor its operations and take any commercially reasonable action necessary to protect County and participant data. At the request of the County or a participant, Contractor must agree to provide the County or the participant with a written summary of the policies, procedures, safeguards, and measures the responding vendor uses to safeguard confidential information.

Transmitted Electronic Data

Contractor must use all reasonable practices, protective measures, and security procedures necessary to protect all electronic data that is transmitted between County and the responding vendor by (but not limited to) electronic transmission or the physical delivery of electronically recorded data. Such protective measures shall include, but not be limited to, use of up-to-date antivirus software to guard against viruses, worms, trojan horses or other malware that may permit unauthorized access to data or may compromise the confidentiality, integrity or authorized accessibility of data or associated information systems of the other party.

Plan Documents

Contractor will provide the County with an Adoption Agreement and Plan Document

which has been designed to comply with the requirements of Section 457(b) of the Code. The Adoption Agreement and Plan Document will be prepared by Contractor at the direction of the County and with the understanding that it will be reviewed by the County and the County's tax and legal advisors prior to execution. Contractor does not provide tax or legal advice. County agrees to provide Contractor with executed copies of the Adoption Agreement and any other related Plan documentation as requested by Contractor.

When directed by the County, or at such other times as it may determine, Contractor will prepare and provide draft Plan amendments for review and approval by the County. Such Plan amendments may include changes required to keep the Plan Document in compliance with the Code as the result of changes in federal law that affect the Project. The County will remain responsible for the accuracy and timely adoption of any Plan amendments. The County is responsible for properly executing and retaining such documents and agrees to provide Contractor with executed copies of same.

Contractor will prepare the Adoption Agreement for review by the County utilizing information and representations provided by the County, which information and representations may include Project provisions found in the prior Plan documents not prepared by Contractor.

County acknowledges that:

- The accuracy and completeness of the information and representations in the Adoption Agreement prepared by Contractor, which determine the Project's provisions used by Contractor to administer the Project, are the sole responsibility of the County.
- Contractor does not review prior Plan documents to ensure that all required amendments or restatements were properly and timely made, or that any of the prior Project provisions are in compliance with applicable laws and regulations. The restatement of the County's Project onto a Contractor specimen Plan document does not retroactively correct any Plan documentary or operational errors that may have occurred prior to the date Administrative Services are provided by Contractor.

Services with Respect to Participant Accounts

- 1) Contractor will provide a secure Internet site that complies with applicable data protection and privacy laws. Using this site, participants may: (i) obtain information regarding their accounts, and (ii) conduct certain routine transactions with respect to their accounts. The County authorizes Contractor to honor instructions regarding such transactions that may be submitted by a participant using the secure Internet site. Contractor shall implement reasonable physical and technical safeguards to protect personal information made available on its Internet site. Such safeguards shall be no less rigorous than generally accepted industry practices.
- 2) Participants will have the unlimited ability to increase (within the limitations of Section 457(b) of the Code) or decrease contributions to the Project. All requests to increase or decrease contribution amounts will be processed by Contractor within five (5) Business Days of receipt of the request, but cannot be effective until the later of (1) the first of the calendar month following the month in which

the contribution change was requested, and (2) the date the contribution change can be processed by the County given County's payroll processing schedule.

- 3) Participants will have the ability to exchange existing account balances, in full or in part, and to redirect future contributions from one investment option offered by the Project to another on any Business Day, subject to Contractor policies and any applicable restrictions or penalties applied by the investment options.
- 4) Participants will receive consolidated quarterly statements detailing their account activity and account balances for the Project. Participants shall be informed that they must notify Contractor of any errors within forty-five (45) days of receipt of their statements or confirmation of their investments. Contractor will not be liable for any errors not reported within this time frame.
- 5) Contractor agrees to deliver account statements (by U.S. mail or electronically) to participants within thirty (30) calendar days after the end of each calendar quarter. This timeframe is contingent upon Contractor receiving fund returns from the mutual fund providers within four (4) Business Days after the end of each quarter.
- 6) Contractor agrees to provide reports to the County within thirty (30) days following the end of each calendar year quarterly reporting period (March 31, June 30, September 30, and December 31) summarizing the following:
 - a) All participant activity that transpired during the reporting period;
 - b) Total contributions allocated to each investment or insurance option under the Plan; and
 - c) Total withdrawals by participant. This report shall include the amount, type and date of withdrawal.

Contractor agrees to maintain, for a reasonable amount of time, but no less than three (3) years after the termination or expiration of this Agreement, the records necessary to produce any required reports. The County agrees that all related paper and electronic records shall remain the property of Contractor.

Distributions

- 1) Contractor shall make all distributions as directed by a Project participant or the County, in accordance with the plan document. All distributions will be made pro-rata from each of the participant's investment options and money sources unless directed otherwise by the participant. Participants are responsible for selecting a form of payment from those available under the terms of the Project and making all other elections regarding available distribution options, such as rollover elections.
- 2) Contractor shall furnish each participant, who has received a benefit payment, tax reporting forms in the manner and time prescribed by federal and state law. The County shall be responsible for all tax reporting requirements for periods prior to the effective date of this Agreement, or after the termination date of this Agreement, unless otherwise agreed to in writing by the parties to this Agreement.
- 3) To the extent required by federal and state law, Contractor will calculate and withhold from each benefit payment federal and state income taxes. Contractor will report such withholding to the federal and state governments as required by applicable law. The County shall be responsible for all tax reporting requirements for periods prior to the effective date of this Agreement, or after the termination date of this Agreement, unless otherwise agreed to in writing by the parties to this

Agreement.

- 4) Contractor will provide notice and a distribution form to each participant attaining age 70½ or older in the current calendar year. The notice will inform the participant that required minimum distributions must begin no later than the April 1 of the calendar year following the later of attainment of age 70½ or retirement. All required minimum distributions will be made in accordance with the plan document.
- 5) Contractor shall administer participant and beneficiary unclaimed property funds, including but not limited to uncashed distribution checks and death claims, in accordance with Contractor's standard unclaimed property procedures.

Notification of Changes

Contractor must notify the County of any changes to products / services offered, including fees and features 30 calendar days in advance.

Required Quarterly and Annual Report

Contractor must provide a report, on a quarterly and an annual basis, to the County that contains a comprehensive review of the investment options provided by that Contractor in the 457(b) Plans. The report will assess each investment options compliance with the criteria and identify any failure to meet the Quality Criteria identified herein, including a discussion of actions that will be taken to restore compliance or an explanation as to why compliance cannot be restored or should be delayed.

Menu of Options

Each mutual fund or variable annuity product proposal should include a menu of investment options from appropriate broad asset classes suitable for retirement portfolio construction and diversification. Contractor agrees to accept contributions to the Project for investment in the investment options selected for the Project by the County or other responsible fiduciary in its sole discretion and agreed to by Contractor. County agrees to accept the terms and conditions of the annuity contracts, mutual funds, and any other investment products selected for the Project after being provided with a copy of the same.

Contractor must assemble menu(s) that reflect the following objectives:

- The menu(s) should reflect broad diversification opportunities to accommodate a reasonable range of employee investment style preference. An investment menu would typically include: (1) asset allocation or lifecycle options appropriate for the employee seeking diversification plus maximum investment simplification through the use of a single investment option selection and; (2) a reasonable number of options from asset classes appropriate for the employee seeking to construct a more tailored investment portfolio without excessive complexity.
- Each option within a given menu shall be offered based upon its overall value as an investment option within its asset class category. Such value determination is a fluid process as it is expected that investment options may be deleted or added as part of an ongoing evaluation process. The value of an offered investment option will be based upon (a) return performance (both relative and absolute) measured over appropriate time spans, (b) overall

expense levels, (c) risk characteristics, (d) longevity, stability and experience of fund managers, (e) record of regulatory compliance, (f) consistency within asset style classification, and (g) any other appropriate consideration.

- Contractor certifies that the products offered by Contractor do not contain any new life insurance features. There shall be no front-end or back-end charges, annual, one-time or recurring fixed dollar fees, surrender or withdrawal charges, termination fees, etc. associated with any mutual fund or variable annuity investment product prior to annuitization, offered by a responding vendor for any 457(b) Plan. No withdrawal restrictions or fees may be assessed on participant transfers within variable annuity options or within a family of funds (excluding short-term redemption fees designed to discourage inappropriate trading practices, which must terminate within 90 days of initial investment), including transfers to other retirement vendors.

Permissible Charges

Certain recordkeeping, investment management, or administrative fees and mortality and expense risk charges, where appropriate, are permissible for investment options in the 457(b) Plans. Surrender fees are permissible with fixed asset products.

Fixed Annuities

Each fixed annuity investment product must provide for the protection of principal and a stated rate of return. The credited rate may vary on a monthly or quarterly basis. Ideally, a fixed annuity investment product will provide for a minimum rate of return for a specified period of time, e.g., duration of the contract, single calendar year, etc. The creditworthiness of the underlying investments in the fixed annuity product should be structured to minimize the possibility of loss of principal by participants.

Interest Crediting Specifications

If Contractor offers a fixed-interest rate annuity investment product (whether via a fixed annuity or via a fixed-interest rate option within a variable annuity), it shall describe the interest rate crediting procedures and shall also display such product's net return.

Credit Ratings Specifications

If Contractor offers a fixed annuity investment product, it shall affirm its credit ratings specifications by providing copies of all claims-paying ratings which it has received, whether voluntarily or involuntarily.

Stable Value Products

If Contractor provides a Stable Value product, the underlying investments of a Stable Value product should provide for the safety of participants' contributions.

Mutual Funds and Variable Annuity Separate Accounts

Investment options may consist of mutual funds and variable annuity separate accounts or a combination of both mutual funds and variable annuity separate accounts. Contractor may offer its proprietary variable annuity separate accounts or mutual funds and nonproprietary investment options provided that the options offered comply with all state and federal laws and regulations regarding the applicable retirement program and are appropriate for retirement programs of this

type.

Quality Criteria

Each investment option under this section is expected to meet the following criteria:

- Have at least five years of investment experience, or present other comparable indications of appropriate experience;
- Have a performance rank in the top first or second performance quartile of the asset class to which it is allocated as defined by Morningstar for either the five year period ending on September 30, 2017; and
- Have a total expense ratio, (i.e., the total of fund management fees, 12b-1 fees, annuity contract M&I fees and other expenses, less expense waivers) that is equal to or less than the asset category average as reported by Morningstar.
- The Morningstar asset class information used for investment option comparisons for option expenses and performance review shall assign options to either mutual fund or variable annuity subaccount data peer groupings (i.e., mutual fund options will be compared to other mutual fund options and variable annuity subaccounts will be compared to other variable annuity subaccounts).

Self-Directed Brokerage Accounts

Contractor may include a Self-Directed Brokerage Account (SDBA) for one or all of the retirement plans.

Participant Access Criteria

If Contractor offers a SDBA, it will secure from each participant who utilizes the SDBA a signed agreement that certifies that the participant understands that investment decisions within the SDBA are solely the participant's responsibility and that the participant holds the County and the County's institutions, employees, and contractors harmless for any investment made within the SDBA. A copy of the proposed hold-harmless agreement should be included with this response.

Permissible Investment Options

- Mutual Funds, Variable and Fixed Annuity Investment Options

Contractor will make available to participants who utilize the SDBA, mutual funds or variable annuity investment options that are not available through other investment options. Participants are not restricted from purchasing back-loaded mutual funds, but Contractor shall provide a list of no-load, no-transaction fee mutual fund options available through the SDBA. A list of all mutual fund and variable annuity investment options available should be included with the response. The listing should clearly indicate those options that are no-load, no-transaction fee options. Investment options purchased through the SDBA are not subject to the investment product standards set forth above.

- Individual Securities

Individual securities will not be offered for the 457(b) Plan

Expense Criteria

Contractor may charge an annual account fee and transaction fees to participants who utilize the SDBA.

Participant Service Models Desired

The following participant service models are desired to address the diverse investment advisory needs of County participants.

County Certification of Representatives for the System 457(b) Plans

All representatives must be properly licensed in the State of Texas to sell the investment products approved by the County. Before any representative (salaried, independent, or commissioned) is permitted to provide financial assistance to an employee of Dallas County, the representative must demonstrate an understanding of the following:

- Appropriate use of forms;
- Overall plan design;
- 457 (b) Plan policies and procedures
- Other requirements that may be added in the future.

Sales Solicitation

Contractor certifies that it will provide notification, education, and enrollment into the 457(b) Plans to each representative in compliance with the County's Board of Regents' *Rules and Regulations* relative to sales solicitation. Contractor additionally affirms and agrees that violations of these Regents' *Rules and Regulations* may result in sanctions by the County up to and including revocation of selection as a Contracting Vendor.

Salaried Representatives

Contractor is required to provide a sufficient number of salaried representatives that are dedicated to providing service to County employees. These representatives must be identified and available to provide assistance to the County benefits offices as well as employees at every institution by providing one-on-one meetings with employees to educate and advise them on the retirement plans and investment options on a vendor-neutral basis;

Every County institution must be assigned a representative that is identified as being a salaried representative, but a representative may be assigned to more than one institution. These representatives must be properly licensed to provide investment consultation and must be managed and supervised by Contractor.

Commissioned Sales Representatives

Commissioned sales representatives are permitted to assist in the distribution of a bundled variable annuity product. All representatives should be managed and supervised by Contractor.

Participant Enrollment Services

Contractor agrees to establish an account for each Project participant, beneficiary and alternate payee (for purposes of this Agreement only, herein referred to as "participants"). For each such account, Contractor will record and maintain the following information, provided Contractor is provided with the same:

- Name;
- Social Security number;
- Mailing address;
- Date of birth;
- Current investment allocation direction;
- Contributions allocated and invested;
- Investment transfers;
- Benefit payments;
- Current account balance;
- Transaction history since funding under the Agreement;
- Contributions since funding under the Agreement;
- Email address
- Beneficiary designation;
- Benefit tax withholding information; and
- Such other information as agreed upon by the County and Contractor.

Contractor will post and credit the amounts transmitted by the County to the accounts of Project participants in accordance with the latest instructions from participants or the County (as applicable) on file with Contractor, which instructions can include direction via electronic sources such as the website or the interactive voice response system.

Contractor agrees to process the enrollment of employees eligible to participate in the Project as determined by the County. Contractor also agrees to conduct enrollment meetings with County's employees in such number and manner as determined by the parties. The County agrees to allow and facilitate the periodic distribution of materials to Project participants at the time and in the manner determined by the County; provided however, that all reasonable expenses associated with such distribution shall be paid by Contractor. The County further agrees to allow and facilitate the periodic distribution to its employees of materials prepared by Contractor regarding products and services offered by Contractor, or its affiliates, which Contractor reasonably believes would be beneficial to such Project participants.

Plan Contributions

The County agrees to send all Project contributions to Contractor on a timely basis that is in compliance with all applicable legal requirements. Contractor agrees to post funds received as contributions to the Project in accordance with the separate funding agreements between the County and Contractor or any of its affiliates when received from the in good order by Contractor. The term "in good order," as used in this Agreement, means the receipt of required information by Contractor, in a form deemed reasonably acceptable to Contractor, with respect to the processing of a request or the completion of a task by Contractor that reasonably requires information from a third-party. More specifically, Project contributions and contribution allocation information must meet all of the following requirements in order to be deemed to be in good order:

- All records must include the correct and complete participant name, Social Security number, and the amount to be credited to the participant's account(s);

- The source of funds must be identified (e.g., 457(b) salary reduction, employer contribution);
- The Project name and Project number must be clearly identified;
- Both the participant allocation detail and the total contribution amount must be received, and these two totals must match each other; and
- All participants making or receiving a contribution must have an active account in the Project.

Funds may be sent by wire transfer, through an automated clearinghouse or by check in accordance with written instructions provided by Contractor. Failure to follow the written instructions provided by Contractor may result in delay of posting to participant accounts. All contribution allocation information with respect to participant accounts will be provided to Contractor in a mutually agreed upon format. Contractor must certify that it will deposit each participant's 457(b) Plan contributions into the accounts or funds designated by the participant effective on the same day that the contributions are received by Contractor in good order.

If Contractor makes a determination that the contribution or allocation detail is not in good order, Contractor shall notify the County of such determination upon discovery. After such notification, the parties will continue to try to resolve the not in good order status, but if resolution is not achieved, Contractor shall return the funds to the County within thirty (30) Business Days. Contractor will not be liable for any delay in posting if the County fails to send the funds representing contribution amounts or contribution allocation information in accordance with Contractor's instructions to the central processing site designated by Contractor, or for any delay in posting that results from the receipt of funds and/or contribution allocation that Contractor determines to be not in good order.

As used in this Agreement, the term "Business Day" means each Monday through Friday during the hours the New York Stock Exchange is open for business. No transactions can be completed on any Business Day after such time as the New York Stock Exchange closes.

The County shall, upon request, timely provide all information required by Contractor to perform its services to the Plan as described in this Agreement. The County shall be responsible for ensuring that the provided information is accurate and complete. Contractor shall be entitled to rely exclusively on the information provided by the County or the County's advisors, whether oral or in writing, and will have no responsibility to independently verify the accuracy of that information. The County acknowledges that inaccurate and/or late information could result in tax penalties and/or participant/beneficiary legal claims. Contractor assumes no responsibility for, and shall not have any liability for, any consequences that result from Contractor's inability to complete its work in the ordinary course of its business due to the failure of the County to provide accurate and timely information to Contractor.

The County is responsible for providing updated information regarding Project participants requested by Contractor that the County and Contractor mutually agree is necessary for Contractor to perform the Administrative Services to the County under this Agreement.

The County agrees to be responsible for all maximum deferral limit testing.

Internet-Based/Direct Service

Internet-based asset allocation tools must be provided by Contractor at no cost to the County or to participating employees who become clients of the responding vendor. These must include a tool that provides an independent portfolio analysis, along with unbiased recommendations on the various investment options offered by the responding vendor.

Return of Non-Vested System 457(b) Plan Contributions

Contractor certifies that it will return to County, upon request of County, the entire then balance of the account of a participant in the System 457(b) Plan in the event the participant does not meet the System 457(b) Plan vesting requirement as identified and communicated by the County to the Contractor.

Return of Non-Vested Prototype 457(b) Contributions

Contractor certifies that it will return to the adopting County institution, upon request of the adopting County institution, the entire then balance of the account of a participant in its Prototype 457(b) Plan in the event the participant does not meet the prototype 457(b) vesting requirement as identified and communicated by the County to the Contractor.

Confirmation of Contributions

Contractor certifies that it will provide at least quarterly a statement to participants that include a confirmation of receipt of 457(b) Plan contributions.

Confirmation of Funds Transfer

Contractor certifies that it will provide confirmation of each transaction, including transfers from one fund or investment or account to another fund or investment or account, immediately upon execution of such transaction. This confirmation must be submitted directly to the participant unless the participant specifically waives the provision of this confirmation in writing. The confirmation shall include all transfer information, including a statement of any applicable charges.

Required Reports

Contractor will provide a quarterly to each participant having a County retirement account(s) with Contractor, including accounts that are no longer receiving current contributions, containing the following information:

- Name and address of the participant;
- Identifying number;
- Total payments received during the reporting period;
- Expense charges during the reporting period;
- Net payments during the reporting period;
- Total value of account at the end of the reporting period; and
- Net cash surrender value of account at the end of the reporting period reflecting all potential charges against the account if it were surrendered for cash as of the last day of the reporting period.

The quarterly report for fixed and variable annuity accounts must contain the following additional information:

- Interest rate or rates paid on the account from the previous reporting period to the end of the current reporting period; and
- Where multilevel rates of interest were paid on an account, a breakdown showing the amount in the participant's account at each interest level, the amount of interest earned at each interest level, and the rates of interest. A Contracting Vendor may exclude the information required by this subparagraph concerning multilevel rates of interest from the annual report, but if this information is not provided on at least an annual basis, the Contracting Vendor must provide it at any time upon the participant's request.
- The annual report for variable annuity and custodial accounts must contain the following additional information:
 - Units of each fund or investment or account purchased during the reporting period;
 - Total units of each fund or investment in the account at the end of the reporting period; and
 - Value of unit of each fund or investment or account at the end of the reporting period.

Qualified Domestic Relations Orders (QDROs)

Contractor agrees to be solely responsible for determining whether a domestic relations order is qualified and payable for 457(b) Plans, and where applicable, as provided by federal or state law. The QDRO requirements for any 457(b) Plan not directly required by federal or state law should meet the requirements of federal law as close as possible.

Unforeseeable Emergency Withdrawals

If the Plan offers unforeseeable emergency withdrawals, the County instructs Contractor to process all unforeseeable emergency withdrawal requests received in good order, and in a manner satisfactory to Contractor. Withdrawals will only be permitted due to an unforeseeable emergency resulting in a severe financial hardship to the participant or beneficiary that cannot be alleviated by any other means available to the participant, in accordance with Contractor's standard unforeseeable emergency procedures. The County hereby approves the use of such standard unforeseeable emergency procedures to make these determinations.

Website

Contractor will create and maintain a website for and on behalf of the County for the use of its participants. Participants may access the website via the internet at www.dallascountycdc.com to review and make changes to their accounts. The website is the exclusive property of Contractor. The website is available twenty-four (24) hours a day, except for routine maintenance of the system.

Interactive Voice Response System

Contractor will provide an interactive voice response ("IVR") toll-free telephone number, which shall be operative twenty-four (24) hours per day, seven (7) days per week, except for routine maintenance of the system. Participants shall be able to conduct routine plan transactions and obtain account balance information through the IVR. The County authorizes Contractor to honor participant instructions, which

may be submitted using the toll-free number, either through the IVR or a live representative.

Customer Service

Contractor's customer service representatives will be available toll-free to answer participant questions and process applicable transactions between the hours of 7:00 a.m. and 10:00 p.m. Central Time each Monday through Friday, and between the hours of 8:00 a.m. and 5:00 p.m. Central Time each Saturday, with the exception of certain holidays as dictated by the New York Stock Exchange holiday trading schedule.

Remittance Processing Requirements

Contractor confirms that it has the administrative capability to accept the electronic transfer of retirement contributions and must agree to accept this information through the internet via a secured transmission process. For the System 457(b) plan, the retirement contributions will be sent from the System, and for the Prototype 457(b) Plan the retirement contributions will be sent from the County institutions.

Administrative Performance Requirements and Penalties

Contractor agrees to comply with the County requirements listed below. In addition, the County retains the option of using an audit firm of its choice to conduct periodic audits of any contracting vendor on behalf of the County to determine compliance with these and other standards. Representatives of the State Auditor's Office and the County Audit Office may also examine and audit Contractor's books, records, and documents related to work performed or contributions received, as described in the Sample Agreement. The results of any audit conducted by or on behalf of the County shall be used by the County to determine whether to reauthorize or recertify Contractor as a currently authorized vendor in addition to any other criteria adopted by the County for assessing vendor performance.

Complaints

County requirement: The average time for a Contractor to resolve or provide a remediation plan of County participants' complaints should not exceed 15 calendar days.

Processing of Financial Transactions

County Requirement: Contractor must process financial transactions, including hardship withdrawals, within three (3) days after receipt of the request in good order. Financial transactions do not include remittance processing.

Remittance Processing

County Requirement: Contractor must process remittances within 24 hours after receipt in good order, as defined in the Sample Agreement(s).

Responsibility to Correct Mistakes

Contractor confirms that if Contractor's designated representative delivers incorrect information or makes errors that result in any financial loss, Contractor shall rectify the error at Contractor's cost.

Reporting Requirements

The County may, from time to time, require Contractor to provide information

specific to the County for analysis. Contractor will cooperate with and act in good faith in working with the County staff and must be prepared to respond to these requests within the requested time period.

EXHIBIT B

Title VI Assurances and Compliance

TITLE VI ASSURANCES/COMPLIANCE

A. *Assurances*

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
2. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Nondiscrimination on the grounds of race, color, or national origin.

B. *Nondiscrimination Authorities*

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following nondiscrimination statutes and authorities to the extent applicable; including but not limited to:

Pertinent Nondiscrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 4 71, Section 4 7123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, subrecipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;

- The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

C. Representations/Warranties

The Contractor also makes the following representations and warranties to Dallas County:

1. It has taken the steps necessary to effectuate Title VI requirements.
2. Disadvantaged business enterprises are afforded equal opportunity to submit bids/proposals as sub-contractors or sub-consultants and will not be discriminated against on the grounds of race, color, sex, age, disability, religion, veteran status, or national origin in consideration of a selection or award.
3. Neither contractor or any subcontractors or sub-recipients that will participate in activities to be funded as a result of this contract/bid/solicitation, are listed on the debarred list due to violations of Title VI or VII of the Civil Rights Act of 1964, nor are any proposed parties to this contract, or any subcontract resulting therefrom, aware of any pending action which might result in such debarment or disqualification.

D. Title VI Complaints

Any person, contractor, or subcontractor who believes that they have been subjected to an unlawful discriminatory practice under Title VI will be notified of their right to file a formal complaint within one hundred eighty (180) days following the alleged discriminatory action or the date the person(s) became aware of the alleged act(s) of discrimination. Any such complaint must be filed in writing or in person with the Dallas County Title VI Coordinator:

Dallas County Human Resources
 c/o: Dallas County Director of Human Resources and Title VI Coordinator
 Renaissance Tower
 1201 Elm Street, 23rd Floor, Suite 2300-B
 Dallas, TX 75270
 (214) 653-7638 (phone)
 (214) 653-7608 (fax)

A copy of Dallas County Title VI Non-Discrimination Plan and Documents, and complaint forms, may be obtained at http://www.dallascounty.org/departments/HR/title_vi.html or at the address above.

A complainant may also contact the Federal Coordination and Compliance Office, Civil Rights Division at the Title VI Hotline: 888-TITLE-06 (888-848-5306) or send a letter to: U.S. Department of Justice Civil Rights Division Federal Coordination and Compliance Section, NWB 950 Pennsylvania Avenue, N.W. Washington, D.C. 20530. More information on Title VI is available from the Justice

Department online at www.justice.gov.

Contractor shall comply with all reasonable requests made in the course of an investigation of Title VI and these assurances by Dallas County, the Texas Department of Transportation, the US Department of Transportation, the US Department of Justice, or any other federal or state agency. Failure to comply with such reasonable requests will be deemed a breach of this contract/bid/solicitation.

E. Enforcement

The contractor affirmatively acknowledges that it will be subject to Title VI, and implementing regulations, and any enforcement measures therein. In addition to any enforcement action by Dallas County, the contractor acknowledges that the United States and the State of Texas has a right to seek judicial enforcement with regard to any matter arising under Title VI, including the assurances herein.

Contractor's Full Name:

DOUG BAER

Signature, Authorized Representative of Contractor



Date

4/4/19

Title

AUP OPERATIONS



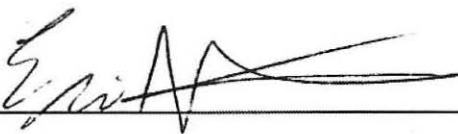
VOLUNTARY MORATORIUM ON CAMPAIGN CONTRIBUTIONS

In accordance with Dallas County's Transparency Policy, parties interested in responding to this RFP/RFQ are encouraged to sign this statement indicating your willingness to temporarily refrain from making any donation to any Dallas County elected official or candidate for office whose office (or potential office) has any involvement in the selection process for the associated contract during the pendency of the RFP/RFQ through thirty (30) days after the contract is awarded.

We hereby agree as stated;

Firm Name: Nationwide Retirement Solutions, Inc.

Signature and Title of Individual Authorized to Bind Company:



Title: VP, Retirement Plan Sales

Print Name: Eric Stevenson

Date: November 13, 2018

EXHIBIT C

SBE, HUB, and DBE Participation Plan



GOOD FAITH EFFORT PLAN

THE GOOD FAITH EFFORT PLAN IS REVIEWED BY THE DALLAS COUNTY OFFICE OF SMALL BUSINESS ENTERPRISE. THE SBE DIRECTOR OR DESIGNEE WILL EVALUATE THE "GOOD FAITH EFFORTS" OF A FIRM. THE GOOD FAITH EFFORT MUST BE APPROVED BY THE OFFICE OF SMALL BUSINESS OF ENTERPRISE PRIOR TO AWARD.

NAME OF PROJECT: RFP 2018-065-6758 Request for Proposal for 457(b) Deferred Compensation Plan

SECTION A - PRIME CONTRACTOR INFORMATION

NAME OF FIRM: Nationwide Retirement Solutions, Inc.

ADDRESS: 10 West Nationwide Blvd.

CITY: Columbus STATE: Ohio ZIP: 43215

CONTACT PERSON: Lou Moreno PHONE: (561) 213-2177

EMAIL ADDRESS: morenol@nationwide.com FAX: (877) 677-4329

IS YOUR FIRM CERTIFIED: NO X YES CERTIFICATION NUMBER: N/A

TYPE OF CERTIFICATION: SBE MBE WBE AABE HUB DBE

1. LIST ALL FIRMS TO BE UTILIZED ON THIS PROJECT/CONTRACT.

	SUBCONTRACTORS/SUPPLIERS	SCOPE OF WORK/SUPPLIES TO BE PERFORMED/PROVIDED BY THE FIRM	ESTIMATED CONTRACT AMOUNT ALLOCATED TO THE FIRM	IF FIRM IS CERTIFIED, LIST CERTIFICATION NUMBER <u>AND</u> ATTACH A COPY OF THE CERTIFICATION AFFIDAVIT
1.	NAME: ADDRESS:			
2.	NAME: ADDRESS:			
3.	NAME: ADDRESS:			
4.	NAME: ADDRESS:			
5.	NAME: ADDRESS:			
6.	NAME: ADDRESS:			

SECTION B – SBE COMMITMENTS

Solicitation # 2018-065-6758

THE SMALL BUSINESS ENTERPRISE (SBE) ASPIRATIONAL GOAL FOR THIS PROJECT IS 40%

1. THE UNDERSIGNED CONTRACTOR HAS SATISFIED THE REQUIREMENTS OF THE BID SPECIFICATIONS IN THE FOLLOWING MANNER (PLEASE CHECK THE APPROPRIATE SPACE):

_____ THE CONTRACTOR IS COMMITTED TO A MINIMUM OF 40 % SBE UTILIZATION ON THIS CONTRACT

_____ THE CONTRACTOR (IF UNABLE TO MEETING THE SBE GOAL OF 40 %) IS COMMITTED TO A MINIMUM OF _____ % SBE UTILIZATION ON THIS CONTRACT

MANDATORY PAYMENT REPORTING

DURING THE TERM OF THE CONTRACT, THE CONTRACTOR MUST REPORT THE ACTUAL PAYMENTS TO ALL THE SBE SUBCONTRACTORS ON A MONTHLY BASIS IN THE SPECIFIED TIME INTERVALS AND FORMAT PRESCRIBED BY DALLAS COUNTY. ANY UNJUSTIFIED FAILURE TO COMPLY WITH THE LEVELS OF SBE PARTICIPATION IDENTIFIED IN THE BID AND AFFIRMED IN THE GOOD FAITH EFFORT PLAN SHALL BE CONSIDERED A MATERIAL BREACH OF CONTRACT. DALLAS COUNTY RESERVES THE RIGHT, AT ANY TIME DURING THE TERM OF THE CONTRACT TO REQUEST ADDITIONAL INFORMATION, DOCUMENTATION OR VERIFICATION OF PAYMENTS MADE TO ALL SUBCONTRACTORS IN CONNECTION WITH THE CONTRACT. VERIFICATION OF AMOUNT BEING REPORTED MAY TAKE THE FORM OF REQUESTING COPIES OF CANCELED CHECKS PAID TO THE SBE PARTICIPANTS AND/OR CONFIRMATION INQUIRIES DIRECTLY TO SBE PARTICIPANTS. PROOF OF PAYMENTS, SUCH AS COPIES OF CANCELED CHECKS MUST PROPERLY IDENTIFY THE PROJECT NAME OR PROJECT NUMBER TO SUBSTANTIATE SBE PAYMENTS FOR THIS PROJECT.

2. NAME AND PHONE NUMBER OF PERSON APPOINTED TO COORDINATE AND ADMINISTER THE SBE REQUIREMENTS ON THIS PROJECT

NAME: Greg Russell

TITLE: Program Director, Nationwide Retirement Solutions

DIRECT PHONE: (470) 216-6872 EMAIL: russeg4@nationwide.com

➡ IF THE SBE GOAL WAS MET, PROCEED TO GOOD FAITH EFFORT AFFIRMATION FOUND ON PAGE 4

➡ IF THE SBE GOAL WAS NOT MET, PROCEED TO SECTION C – DOCUMENTATION OF GOOD FAITH EFFORTS FOUND ON PAGE

Solicitation # 2018-065-6758

3. SECTION C – DOCUMENTATION OF GOOD FAITH EFFORTS (TO BE FILLED OUT ONLY IF SBE ASPIRATIONAL GOAL WAS NOT ACHIEVED.)

1. LIST PRIMARY REASON(S) THE SBE GOAL WAS NOT ACHIEVED:

Nationwide has reached a tentative agreement with Bennett Printing Plus to provide services as detailed below.
 Nationwide's final contract with annual fees has not been finalized with Dallas County. Once the contract has been finalized, Nationwide is confident that a contract with Bennett for ~20-40% SBE utilization will be reached

2. LIST ALL FIRMS CONTACTED WITH SUBCONTRACTING/SUPPLY OPPORTUNITIES FOR THIS PROJECT THAT WILL NOT BE UTILIZED FOR THE CONTRACT BY CHOICE OF THE CONTRACTOR, SUBCONTRACTOR, AND/OR SUPPLIER. WRITTEN NOTICES TO FIRMS CONTACTED BY THE CONTRACTOR FOR SPECIFIC SCOPES OF WORK IDENTIFIED FOR SUBCONTRACTING/SUPPLY OPPORTUNITIES MUST BE PROVIDED TO SUBCONTRACTOR/SUPPLIERS NOT LESS THAN FIVE (5) BUSINESS DAYS PRIOR TO BID/PROPOSAL DUE DATE. THE FOLLOWING INFORMATION IS REQUIRED FOR ALL FIRMS WHAT WERE CONTACTED OF SUBCONTRACTING/SUPPLY OPPORTUNITIES. MAY USE ADDITIONAL SHEETS IF NEEDED.

	NAME & ADDRESS OF SUBCONTRACTOR(S)/SUPPLIER(S)	SCOPE OF WORK/SUPPLIES TO BE PERFORMED/PROVIDED BY THE FIRM	IS FIRM SBE CERTIFIED?	DATE OF WRITTEN NOTICE SENT & METHOD USED (FAX, LETTER, EMAIL, ETC.)	REASON AGREEMENT NOT REACHED
1.	NAME: Bennett Printing Plus (Connie Bennett, CEO/COO) ADDRESS: connie@bennetprintingplus.com	Marketing, printing, video, creative design	Yes	DATE: November 7, 2018 METHOD: Email	Tentative agreement reached pending contract with the County
2.	NAME: ADDRESS:			DATE: METHOD:	
3.	NAME: ADDRESS:			DATE: METHOD:	
4.	NAME: ADDRESS:			DATE: METHOD:	
5.	NAME: ADDRESS:			DATE: METHOD:	

IN ORDER TO VERIFY A CONTRACTOR'S GOOD FAITH EFFORTS, PLEASE PROVIDE COPIES OF ALL WRITTEN NOTICES TO ALL FIRMS OF CONTACTED BY THE CONTRACTOR FOR SPECIFIC SCOPES OF WORK IDENTIFIED IN RELATIONS TO THE SUBCONTRACTING/SUPPLY OPPORTUNITIES IN THE ABOVE NAMED PROJECT. COPIES OF SAID NOTICES MUST BE PROVIDED TO DALLAS COUNTY'S OFFICE OF SMALL BUSINESS ENTERPRISE WITHIN FIVE (5) BUSINESS DAYS AFTER THE BID/PROPOSAL IS DUE. SUCH NOTICES SHALL INCLUDE INFORMATION ON THE SCOPE OF WORK TO BE PERFORMED AND/OR SUPPLIES TO BE PROVIDED.

3. DID YOU ATTEND THE PRE-BID CONFERENCE SCHEDULED FOR THIS PROJECT? YES x NO _____4. LIST ALL LISTINGS, DIRECTORIES, CONTRACTOR ASSOCIATIONS, AND/OR ANY OTHER ASSOCIATIONS UTILIZED TO SOLICIT SBE SUBCONTRACTOR/SUPPLIERS. Nationwide utilized it's proprietary supplier management database to solicit SBE.

5. DISCUSS EFFORTS MADE TO DEFINE ADDITIONAL ELEMENTS OF THE WORK PROPOSED TO BE PERFORMED BY SBEs IN ORDER TO INCREASE THE

NAME	CONTACT PERSON	PHONE
Bennett Printing Plus	Connie Bennett, CEO/COO	(817) 966-4824
		()
		()

LIKELIHOOD OF ACHIEVING THE GOAL.

Bennett Printing Plus is certified with Dallas County through 2020 and has registered with Nationwide as a vendor.
If Dallas County awards Nationwide a contract, it is probable that Bennett Printing Plus will be utilized for services in 2019.

6. INDICATE ADVERTISEMENTS MEDIUMS USED FOR SOLICITING BIDS FROM SBEs (PLEASE ATTACH A COPY OF THE ADVERTISEMENTS).

Nationwide utilized it's proprietary supplier management database to solicit SBE.

Solicitation # 2018-065-6758



GOOD FAITH EFFORT

AFFIRMATION

I HEREBY AFFIRM THAT THE INFORMATION PROVIDED IN THIS GOOD FAITH EFFORT PLAN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE. I FURTHER UNDERSTAND AND AGREE THAT THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT/AGREEMENT.

NAME OF AUTHORIZED OFFICIAL: Eric Stevenson

TITLE: VP, Retirement Plan Sales

SIGNATURE: 

DATE: November 13, 2018

FOR USE ONLY BY THE OFFICE OF SMALL BUSINESS ENTERPRISE

GOOD FAITH EFFORT RECOMMENDATION:

APPROVED: _____ NOT APPROVED: _____

DATE: _____

SBE DIRECTOR: _____

Good Faith Effort Affirmation - Page 4 of 4

**GOOD FAITH EFFORT PLAN**

THE GOOD FAITH EFFORT PLAN IS REVIEWED BY THE DALLAS COUNTY OFFICE OF SMALL BUSINESS ENTERPRISE. THE SBE DIRECTOR OR DESIGNEE WILL EVALUATE THE "GOOD FAITH EFFORTS" OF A FIRM. THE GOOD FAITH EFFORT MUST BE APPROVED BY THE OFFICE OF SMALL BUSINESS OF ENTERPRISE PRIOR TO AWARD.

NAME OF PROJECT: RFP 2018-065-6758 Request for Proposal for 457(b) Deferred Compensation Plan

SECTION A – PRIME CONTRACTOR INFORMATION

NAME OF FIRM: Nationwide Retirement Solutions, Inc.

ADDRESS: 10 West Nationwide Blvd.

CITY: Columbus STATE: Ohio ZIP: 43215

CONTACT PERSON: Lou Moreno PHONE: (561) 213-2177

EMAIL ADDRESS: morenol@nationwide.com FAX: (877) 677-4329

IS YOUR FIRM CERTIFIED: NO X YES _____ CERTIFICATION NUMBER: N/A

TYPE OF CERTIFICATION: SBE _____ MBE _____ WBE _____ AABE _____ HUB _____ DBE _____

1. LIST ALL FIRMS TO BE UTILIZED ON THIS PROJECT/CONTRACT.

	SUBCONTRACTORS/SUPPLIERS	SCOPE OF WORK/SUPPLIES TO BE PERFORMED/PROVIDED BY THE FIRM	ESTIMATED CONTRACT AMOUNT ALLOCATED TO THE FIRM	IF FIRM IS CERTIFIED, LIST CERTIFICATION NUMBER <u>AND</u> ATTACH A COPY OF THE CERTIFICATION AFFIDAVIT
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6.	NAME: ADDRESS:			

SECTION B – SBE COMMITMENTS

Solicitation # 2018-065-6758

THE SMALL BUSINESS ENTERPRISE (SBE) ASPIRATIONAL GOAL FOR THIS PROJECT IS 40%

1. THE UNDERSIGNED CONTRACTOR HAS SATISFIED THE REQUIREMENTS OF THE BID SPECIFICATIONS IN THE FOLLOWING MANNER (PLEASE CHECK THE APPROPRIATE SPACE):

_____ THE CONTRACTOR IS COMMITTED TO A MINIMUM OF 40 % SBE UTILIZATION ON THIS CONTRACT

_____ THE CONTRACTOR (IF UNABLE TO MEETING THE SBE GOAL OF 40 %) IS COMMITTED TO A MINIMUM OF _____ % SBE UTILIZATION ON THIS CONTACT

MANDATORY PAYMENT REPORTING

DURING THE TERM OF THE CONTRACT, THE CONTRACTOR MUST REPORT THE ACTUAL PAYMENTS TO ALL THE SBE SUBCONTRACTORS ON A MONTHLY BASIS IN THE SPECIFIED TIME INTERVALS AND FORMAT PRESCRIBED BY DALLAS COUNTY. ANY UNJUSTIFIED FAILURE TO COMPLY WITH THE LEVELS OF SBE PARTICIPATION IDENTIFIED IN THE BID AND AFFIRMED IN THE GOOD FAITH EFFORT PLAN SHALL BE CONSIDERED A MATERIAL BREACH OF CONTRACT. DALLAS COUNTY RESERVES THE RIGHT, AT ANY TIME DURING THE TERM OF THE CONTRACT TO REQUEST ADDITIONAL INFORMATION, DOCUMENTATION OR VERIFICATION OF PAYMENTS MADE TO ALL SUBCONTRACTORS IN CONNECTION WITH THE CONTRACT. VERIFICATION OF AMOUNT BEING REPORTED MAY TAKE THE FORM OF REQUESTING COPIES OF CANCELED CHECKS PAID TO THE SBE PARTICIPANTS AND/OR CONFIRMATION INQUIRIES DIRECTLY TO SBE PARTICIPANTS. PROOF OF PAYMENTS, SUCH AS COPIES OF CANCELED CHECKS MUST PROPERLY IDENTIFY THE PROJECT NAME OR PROJECT NUMBER TO SUBSTANTIATE SBE PAYMENTS FOR THIS PROJECT.

2. NAME AND PHONE NUMBER OF PERSON APPOINTED TO COORDINATE AND ADMINISTER THE SBE REQUIREMENTS ON THIS PROJECT

NAME: Greg Russell

TITLE: Program Director, Nationwide Retirement Solutions

DIRECT PHONE: (470) 216-6872 EMAIL: russeg4@nationwide.com

➡ IF THE SBE GOAL WAS MET, PROCEED TO GOOD FAITH EFFORT AFFIRMATION FOUND ON PAGE 4

➡ IF THE SBE GOAL WAS NOT MET, PROCEED TO SECTION C – DOCUMENTATION OF GOOD FAITH EFFORTS FOUND ON PAGE

3. SECTION C – DOCUMENTATION OF GOOD FAITH EFFORTS (TO BE FILLED OUT ONLY IF SBE ASPIRATIONAL GOAL WAS NOT ACHIEVED.)

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 Nationwide's final contract with annual fees has not been finalized with Dallas County. Once the contract has been finalized, Nationwide is confident that a contract with Bennett for ~20-40% SBE utilization will be reached

2. LIST ALL FIRMS CONTACTED WITH SUBCONTRACTING/SUPPLY OPPORTUNITIES FOR THIS PROJECT THAT WILL NOT BE UTILIZED FOR THE CONTRACT BY CHOICE OF THE CONTRACTOR, SUBCONTRACTOR, AND/OR SUPPLIER. WRITTEN NOTICES TO FIRMS CONTACTED BY THE CONTRACTOR FOR SPECIFIC SCOPES OF WORK IDENTIFIED FOR SUBCONTRACTING/SUPPLY OPPORTUNITIES MUST BE PROVIDED TO SUBCONTRACTOR/SUPPLIERS NOT LESS THAN FIVE (5) BUSINESS DAYS PRIOR TO BID/PROPOSAL DUE DATE. THE FOLLOWING INFORMATION IS REQUIRED FOR ALL FIRMS WHAT WERE CONTACTED OF SUBCONTRACTING/SUPPLY OPPORTUNITIES.
- MAY USE ADDITIONAL SHEETS IF NEEDED.

	NAME & ADDRESS OF SUBCONTRACTOR(S)/SUPPLIER(S)	SCOPE OF WORK/SUPPLIES TO BE PERFORMED/PROVIDED BY THE FIRM	IS FIRM SBE CERTIFIED?	DATE OF WRITTEN NOTICE SENT & METHOD USED (FAX, LETTER, EMAIL, ETC.)	REASON AGREEMENT NOT REACHED
1.	NAME: Bennett Printing Plus (Connie Bennett, CEO/COO) ADDRESS: connie@bennettprintingplus.com	Marketing, printing, video, creative design	Yes	DATE: November 7, 2018 METHOD: Email	Tentative agreement reached pending contract with the County
2.	NAME: ADDRESS:			DATE: METHOD:	
3.	NAME: ADDRESS:			DATE: METHOD:	
4.	NAME: ADDRESS:			DATE: METHOD:	
5.	NAME: ADDRESS:			DATE: METHOD:	

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3. DID YOU ATTEND THE PRE-BID CONFERENCE SCHEDULED FOR THIS PROJECT? YES x NO _____
4. LIST ALL LISTINGS, DIRECTORIES, CONTRACTOR ASSOCIATIONS, AND/OR ANY OTHER ASSOCIATIONS UTILIZED TO SOLICIT SBE SUBCONTRACTOR/SUPPLIERS. Nationwide utilized it's proprietary supplier management database to solicit SBE.
5. DISCUSS EFFORTS MADE TO DEFINE ADDITIONAL ELEMENTS OF THE WORK PROPOSED TO BE PERFORMED BY SBES IN ORDER TO INCREASE THE

NAME	CONTACT PERSON	PHONE
Bennett Printing Plus	Connie Bennett, CEO/COO	(817) 966-4824
		()
		()

LIKELIHOOD OF ACHIEVING THE GOAL.

Bennett Printing Plus is certified with Dallas County through 2020 and has registered with Nationwide as a vendor.
 If Dallas County awards Nationwide a contract, it is probable that Bennett Printing Plus will be utilized for services in 2019.

6. INDICATE ADVERTISEMENTS MEDIUMS USED FOR SOLICITING BIDS FROM SBES (PLEASE ATTACH A COPY OF THE ADVERTISEMENTS).

Nationwide utilized it's proprietary supplier management database to solicit SBE.



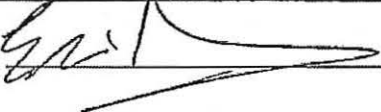
GOOD FAITH EFFORT

AFFIRMATION

I HEREBY AFFIRM THAT THE INFORMATION PROVIDED IN THIS GOOD FAITH EFFORT PLAN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE. I FURTHER UNDERSTAND AND AGREE THAT THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT/AGREEMENT.

NAME OF AUTHORIZED OFFICIAL: Eric Stevenson

TITLE: VP, Retirement Plan Sales

SIGNATURE: 

DATE: November 13, 2018

FOR USE ONLY BY THE OFFICE OF SMALL BUSINESS ENTERPRISE

GOOD FAITH EFFORT RECOMMENDATION:

APPROVED: _____ NOT APPROVED: _____

DATE: _____

SBE DIRECTOR: _____

From: Anekwe, Okwudili <ANEKWE01@nationwide.com>

Sent: Wednesday, November 7, 2018 8:04 AM

To: Connie Bennett

Cc: Justice, Joel; Wilson, Cristy S; Tiffeau, Frantz

Subject: Dallas County TX 457 (b) Deferred Compensation Plan RFP2018-065-6758

Hi Connie,

Thanks for taking my call a few minutes ago regarding the possibility of partnering with Nationwide on Dallas County's Deferred Compensation Plan RFP identified above.

Below are the two items I committed to send:

- On-line registration address with Nationwide's Supplier Diversity program - www.nationwide.com/sms Done
- Which of the following deliverables can you satisfy? All of them. Provide your price for each deliverable you can satisfy See attached and responses below in red

Print services:

1. 4 page bi-fold, full color, 8.5 x 11 brochure, quantity 1000 and 2000
Quote attached
2. 12 page, saddlestitch, full color 8.5 x 11 brochure, quantity 1000 and 2000
Quote attached

Creative services:

1. Collaborate on, create content for, produce and mail, quantity 1000 and 2000
Quote attached
 - one 7 x 10 postcard
 - one 3.5 w x 8.5 h 12 page, saddlestitch brochure, full color, quantity 1000 and 2000
Graphics collaboration and creation: \$ 75.00
Printing: I have to quote in a day or so as the size requires a custom trim and I need to get the cost to quote. Mailing pricing is the same response as stated on the postcard quote.

For video production:

1. 2-3 minute video, up to 3 local shoot locations, 2 cameras, and 1-2 featured speakers/interviewees. Include all producer/sound/etc. staffing, set-up, filming, and production costs. I have a strategic partner who is in need of additional information to provide a quote to me so I can provide a quote to you. Please let

me know if there is an opportunity to get the information to provide an adequate quote.

For promotional services:

1. A variety of items that are less than \$3 each that can accommodate 2 logos. I am a member of the Advertising Specialty Institute where most suppliers secure their products. I have accounts with several vendors, BICGraphics, Gemline, Blue Generation, DFS Business and several more. I can also open accounts with others as and if needed. So I am confident I can get items with two logos for less than \$3.00 each and still make a profit. Not sure if \$3.00 allows for shipping cost As with most things, it will depend on the quantity. Many suppliers have free shipping at certain spend levels. However, In the absence of that information, I can only provide this response.

I await your prompt response as promised via email or my mobile number (614-678-6890)

Thanks,

Didi Anekwe
614-677-5967 – Desk
614-678-6890

From: Connie Bennett [mailto:connie@bennettprintingplus.com]

Sent: Wednesday, November 07, 2018 5:00 PM

To: Anekwe, Okwudili <ANEKWE01@nationwide.com>

Cc: Justice, Joel <JUSTICJ1@nationwide.com>; Wilson, Cristy S <WILSOC21@nationwide.com>; Tiffeau, Frantz <f.tiffeau@nationwide.com>

Subject: [EXTERNAL] Re: Dallas County TX 457 (b) Deferred Compensation Plan RFP2018-065-6758

Nationwide Information Security Warning: This is an external email. Do not click on links or open attachments unless you trust the sender.

Didi, I am submitting quotes for some of the items and responses below in red. There is a lot of information and specs missing but I am responding to show my level of interest and responsiveness.

In addition, I assume the request for pricing, in the absence of specs, is to get a sense of my pricing. I can only assume that there will be many instances of requests for these type items over the course of the project as well as others.

Although the request is for quantities of 2000, my quote for 2500 is lower than my pricing for 2000. If when submitted, we submit that pricing for 2000, then we can do so. However, the 2500 provides a great value and more for the money. I think it would be competitive with other quotes for 2000.

Also, there is no information about shipping location(s), etc. that could affect the total cost, let alone postage options for mailing items, etc. And, if there is flexibility to counsel on specs to allow for cost savings, that could help the overall project and thus the profitability of the program.

If the information below is from the RFP and the time to submit questions has not expired, I'd like to ask some questions of the buyer. If we can get clarification on specifications, and have time for me to provide revised/updated quotes, I'd like to do so. If time has passed, any response from you/us to them would also contain some disclaimers, etc.

Please see my responses below in red and then take a look at my quotes attached. I'd like to discuss all of this and other information also.

There are also a few things I'd like to share about my business operation and plans that I am making for the first of next year. They are all positive!

I have paper samples and completed samples from current customers. I also have customers who would provide references!

So, please give me a call. I like to "present" my quotes. There is much to discuss. But, I hope this and my registration is a place to continue the conversation with the County and with Nationwide.

Thank you for the opportunity to partner with you on this project. I sincerely appreciate it.

PS. I just noticed a typo on the first spec of the bi-fold. It should be flat, 11" X 17". I need to recreate the document to replace it. So, I am sending the one that I have with this disclaimer and pledge to replace it tomorrow.

Best regards,

Connie Bennett, CEO/COO

Bennett Printing Plus

817-966-4824

www.bennettprintingplus.com

Promotional Products:

Member Advertising Specialty Institute: #137623

Apparel, bags, backpacks, caps links:

www.companycasuals.com/bennettprintingplus

www.sportswearcollection.com/bennettprintingplus

Member Arlington Black Chamber of Commerce

MBE/WBE Certified: North Central Texas Regional Certification Agency

State of Texas Historically Underutilized Business (HUB) Certified

EXHIBIT D

RFP No. 2018-065-6758



RFP 2018-065-6758

Request for Proposal ("RFP")

For 457 (b) DEFERRED COMPENSATION PLAN

**Pre-Proposal Conference
October 15, 2018 @ 1:00 p.m. (CT)
Dallas County Purchasing Department
900 Jackson Street, Suite 680
Dallas, Texas 75202**

**Submittal Location and Time
Proposal Due Date:
November 12, 2018 @ 2:00 p.m. (CT)
Dallas County Purchasing Department
900 Jackson Street, Suite 680
Dallas, Texas 75202**

NOTICE TO ALL PROPOSERS:

During the RFP process, firms shall not contact Dallas County ("County") staff. Additionally, firms and their employees of related companies as well as paid or unpaid personnel acting on their behalf shall not contact or participate in any type of contact outside County offices with County employees, including elected officials. Such contact may result in the vendor being disqualified. All contact must be coordinated through Tiffany Dales, Purchasing Buyer, for this procurement.

All questions regarding this RFP are to be submitted in writing to Tiffany Dales, Purchasing Buyer, with the Dallas County Purchasing Department via e-mail tiffany.dales@dallascounty.org. Please reference the RFP number on all correspondence to Dallas County.

All questions, comments and requests for clarification must reference the RFP number on all correspondence to County. Any oral communications shall be considered unofficial and non-binding.

Only written responses to written communication shall be considered official and binding upon County. County reserves the right, at its sole discretion, to determine appropriate and adequate responses to the written comments, questions, and requests for clarification.

All addendums and/or any other correspondence (general information, question and responses) to this RFP will be made available exclusively through County's website for retrieval. Proposers are solely responsible for frequently checking this website for updates to this RFP. Addendums to this RFP can be located at the following web address: <http://www.dallascounty.org/departments/purchasing/currentbids.php> (go to the appropriate RFP #, click on the appropriate hyperlink for viewing and/or downloading.)

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1.0 INTRODUCTION

Dallas County ("County") is soliciting competitive proposals from qualified Firms (herein after "Firm(s)" or "Respondent(s)") to provide deferred compensation recordkeeping/administration, communication/education, investment management, and custodial trustee services for the County 457(b) Plan (the "457 Plan" or "Plan") for its employees. The County will select only vendors for the System 457(b) Plans who provide vendor representatives that are available to deliver basic retirement program education and complex financial planning and wealth management

Dallas's primary goals for this RFP, with the assistance of the vendor, include:

1. Offer a diverse and competitive investment fund lineup at a reasonable cost;
2. Provide robust online transaction and information capabilities;
3. Participant education and communication of services to promote knowledgeable investment;
4. Provide a sound platform for encouraging growth of participation in the 457 Plan and high levels of contributions consistent with the participant's financial abilities and total financial objectives;
5. Determine the overall competitiveness of the Plan;
6. Plan for an orderly and timely transition of assets and services, if and as necessary.

2.0 DEFINITIONS

The following definitions are used throughout the RFP:

Request for Proposal: A document requesting an offer from vendors, which allows for negotiations after a proposal has been received and before award of the contract for goods and services procured in compliance with LOC. GOV'T CODE sections 262.0295 and 262.030.

Respondent/Proposer/Vendor/Bidder: Company, firm or individual submitting a proposal in response to this RFP.

Contractor: Respondent or Proposer awarded the contract

County: Dallas County

Purchasing: Dallas County Purchasing Department

County Treasurer Office: Dallas County Treasurer

State: State of Texas

3.0 PRE-PROPOSAL CONFERENCE

A Pre-Proposal Conference will be held on October 15, 2018, @1:00 p.m., Dallas County Purchasing Department 900 Jackson Street. Suite 680, Dallas, Texas. Attendance at the Pre-Submittal/Proposal Conference ("Conference") is voluntary and highly recommended, but is not mandatory.

The purpose of the Conference is to provide information regarding County's solicitation process and to address any questions and concerns regarding the services sought by County through this RFP.

All verbal responses to questions at the Conference are non-binding to County, only responses to written questions that are responded to by the Dallas County Purchasing Department in written communications will be official. Oral instructions or information concerning the RFP given by Dallas County staff or personnel will not bind Dallas County and should not be considered authoritative when assembling responses.

All questions and inquiries regarding the RFP must be submitted in writing to Tiffany Dales, Purchasing Buyer, via email at Tiffany.Dales@dallascounty.org. The deadline for all questions or inquiries is due on or before October 19, 10:00 am, Central Time (CT).

Email: tiffany.dales@dallascounty.org

Questions from all Proposers shall be answered with the responses made available exclusively through the Dallas County website for retrieval. Proposers are solely responsible for frequently checking this website for updates to this RFP.

All questions and answers will be posted and made available exclusively on the Dallas County Purchasing Department's website:

<http://www.dallascounty.org/department/purchasing/currentbids.php>

Proposers are solely responsible for frequently checking this website for updates and changes to this RFP.

Please reference the RFP Solicitation Number, Company Name, Representative Name and e-mail address on all written communication and correspondence to Dallas County.

4.0 ADMINISTRATIVE INFORMATION

4.1 INCORPORATION OF PROPOSAL

The contents of this RFP, and the selected Proposer's Response to the RFP, costs and any negotiated changes will be incorporated, in their entirety, into the future formal Contract.

4.2 COUNTY PROCUREMENT COORDINATOR

The point of contact for this RFP shall be:

Tiffany Dales, Purchasing Buyer
Dallas County Purchasing Department
900 Jackson Street. Suite 680
Dallas, Texas 75202
214 653-7763 (office)
tiffany.dales@dallascounty.org

The point of contact shall hereinafter be referred to as the County Procurement Coordinator.

4.3 COMMUNICATIONS REGARDING THE RFP

- 4.3.1 Upon release of this RFP and during the entire process, lobbyists, firms and their employees of related companies as well as paid or unpaid personnel acting on their behalf shall not contact any Evaluators, Evaluation Committee Member, County Employees, Department Heads, County Judge or Commissioners, Elected Officials or its Consultants for meeting, conferences, or discussions that are specifically related to this RFP.

Unauthorized contact of any type with any individual associated with Dallas County, including, but not limited to, Evaluators, Evaluation Committee Members, County Employees, Department Heads, the County Judge or Commissioners, Elected Officials or its Consultants may subject the Proposer to immediate disqualification from further consideration in the sole discretion of Dallas County.

- 4.3.2 All communication should be in writing to the County Procurement Coordinator. Any oral communication, amendment or interpretation that is not in writing shall not legally bind Dallas County. Only information supplied by the Dallas County Purchasing Department in writing or in this RFP should be used in preparing proposal responses.

- 4.3.3 **Written Questions and Inquiries:** All questions and inquiries pertaining to this RFP must be submitted in writing no later than October 19, 2018, before 10am, Central Time (CT), and must be directed via e-mail (tiffany.dales@dallascounty.org). Dallas County reserves the right to reject/not respond to any questions received after the October 19, 2018 @ 10am, Central Time (CT), deadline date. *Please reference the RFP Number, Company Name, Representative Name and e-mail address on all written communication and correspondence to Dallas County.*

Questions and Inquiries received after the due date and time will not be considered, unless they are determined, in Dallas County's sole discretion, to be critical to proper preparation of a response.

Proposers are responsible for insuring all answers to questions are reviewed prior to proposal submittal. Answers provided to posted questions address minor irregularities and are for clarification purposes only and do not revise or modify the specification requirements. Answers to questions that result in revisions to the specifications will be addressed by Addendum. No oral statement of any person shall modify or otherwise change, or affect the specifications.

- 4.3.4 Addendum and General Information

During the period provided for the preparation of proposals, County may issue addendums to this RFP. These addendum(s) will be numbered consecutively beginning with 1 and will be posted exclusively on the Dallas County website,

<http://www.dallascounty.org/departments/purchasing/currentbids.php>

These addendum(s) will be issued by County and will constitute a part of this RFP. Each Proposer is required to acknowledge receipt, sign and return each addendum with the proposal response. Failure of a Proposer to receive any addendum shall not release the Proposer from any obligations under this Proposal. Proposers are responsible for insuring all addendums are reviewed prior to proposal submittal. All responses to this RFP shall be prepared with full consideration of the addendum(s) issued prior to the proposal submission date.

Dallas County will not assure that every entity receiving an RFP will receive the addendum. All addendums shall become part of the contract documents, and all Proposers are bound by such addendum, whether or not received by the Proposer.

Dallas County will recognize only those responses to inquiries issued in writing by Dallas County in addendum form as binding modifications to this RFP. Any oral communication shall be considered unofficial and non-binding. Dallas County will not be responsible for explanations or interpretations of this RFP other than written addendums.

Dallas County reserves the right, at its sole discretion, to determine appropriate and adequate responses to the written comments, questions, and requests for clarification. County reserves the rights to reject/not respond to any questions received after the October 19, 2018, 10am, Central Time (CT), deadline date.

NOTE: All Addendums and General Information responses to this RFP will be made available exclusively through County's website for retrieval. Proposers are solely responsible for frequently checking this website for updates to this RFP. Addendums to this RFP can be located at the following web address:

<http://www.dallascounty.org/departments/purchasing/currentbids.php>

Download Instruction for rfq, rfps, bids, solicitations, addendums, and general information documents:

1. Go to: <http://www.dallascounty.org>
2. On the top header section click on "Departments," scroll down to locate and click on the Purchasing link
3. You are now at the Purchasing Department website
4. Navigate to the far left hand column to click on "Bidding Opportunities"
5. You can now download any solicitation, bid, rfq, rfp, addendums, and general information documentation available on the website by clicking on the corresponding hyperlink.

4.4 PROPOSAL ERRORS AND OMISSIONS

Due care and diligence has been used in the preparation of this information, and it is believed to be substantially correct to secure comparable Proposals. If a Proposer discovers any ambiguity, conflict, discrepancy, omission or other error in the RFP, he/she shall immediately notify the Dallas County Procurement Coordinator of such errors in writing and request modification or clarification of the document. Any modification made to this RFP will be issued as an addendum to the solicitation and will be posted on the Dallas County website:

<http://www.dallascounty.org/departments/purchasing/currentbids.php>

Any and all errors, omissions, or inconsistencies in the specifications are to be reported no later than October 19, 2018, 10am, Central Time (CT).

4.5 PROPOSAL WITHDRAWAL

A Proposer may withdraw its proposal at any time before the deadline for submitting qualifications and proposals by notifying the Dallas County Procurement Coordinator in writing of its withdrawal. The notice must be signed by the Proposer. The Proposer may thereafter submit a new or modified qualifications and proposals, provided that it is received at the Dallas County Purchasing Department, 900 Jackson St. Suite 680 Dallas, Texas no later than the proposal due date and time listed in the timeline of the RFP. Modifications offered in any other manner, oral or written, will not be considered. Qualifications and Proposals cannot be changed or withdrawn after the proposal due date and time listed in the timeline of the RFP.

4.6 REJECTION OF PROPOSALS

- 4.6.1 Dallas County reserves the right, at its sole discretion, to reject any and all proposals received in response to this RFP or to cancel this RFP in entirety as determined to be in the best interests of Dallas County.
- 4.6.2 Any proposal received which does not meet the requirements of this RFP, may be considered to be non-responsive, and the statement of qualification and proposal may be rejected. Proposers must comply with all of the terms of this RFP and all applicable Federal, State and Local laws and regulations.
- 4.6.3 Dallas County reserves the right, at its sole discretion, to waive any technicalities in proposals provided such action is in the best interest of Dallas County. Where Dallas County waives minor technicalities in proposal, such waiver does not modify the RFP requirements or excuse the Proposer from full compliance with the RFP. Notwithstanding any minor technicalities, Dallas County holds any Proposer to strict compliance with the RFP.

4.7 DISCLOSURE OF PROPOSAL CONTENT

- 4.7.1 Dallas County will not disclose any of the evaluation and selection processes until after the final contract is executed.
- 4.7.2 Ownership of materials: Any materials submitted to Dallas County shall become the property of County and will be subject to the Texas Public Information Act. All documents that you send to County will be subject to disclosure if requested by a member of the public. There are a very limited number of narrow exceptions to this disclosure requirement. Therefore, any proposal which contains language purporting to render all or significant portions of their proposal "Confidential", "Trade Secret" or "Proprietary", or fails to provide the exemption information required will be considered a public record in its entirety. Do not mark your entire proposal as "confidential".
- 4.7.3 Designation of information: All confidential, trade secret or proprietary information must be *clearly identified* by the Proposer prior to submission of the proposal.
- 4.7.4 Confidential information means information that (i) qualifies as trade secret or proprietary under the law; and (ii) is designated as confidential information as described below.
- 4.7.5 Information: The statement of qualifications and proposals are deemed to contain two types of information: (i) confidential information, also known as "proprietary information" or "trade secret information," which must be specifically designated by Proposer in the statement of qualifications and proposals; and (ii) non-confidential information, which is information not specifically designated as confidential information."
- 4.7.6 Management of Information: (i) All proposal information that is specifically designated by Proposer as *confidential information*, and meets the standard definition as such, including detail prices and cost information, shall be held in confidence during the evaluation process and thereafter to the extent authorized by law; (ii) Information **not** designated as confidential information may be discussed in open meetings throughout the entire RFP procurement process and thereafter and will be made available to the public subject to the Texas Public Information Act; and (iii) Dallas County will uphold the confidentiality of Proposer trade secrets to the extent authorized by law.
- 4.7.7 Duty of Confidentiality upon Proposer(s): Any information divulged publicly by any Proposer(s) (e.g., at an open meeting) shall, from that time forward, be deemed information that is not designated as confidential information. During all open meetings with the Commissioners Court, it is the duty of the Proposer(s) to (i) timely assert any

claim of confidentiality; and (ii) request confidential handling of any materials presented to the Commissioners Court during any open meeting.

5.0 EVALUATION PROCESS

5.1 EVALUATION PROCEDURES AND PROCESSES

- 5.1.1 Management and coordination of the evaluation process including all meetings, requests, and documentation will be handled by the Dallas County Purchasing Department Procurement Coordinator.
- 5.1.2 Evaluation Committee will be composed of various County departments.
- 5.1.3 Each RFP shall be evaluated for completeness and for compliance with the requirements of this RFP and will be independently evaluated by each Committee member.
- 5.1.4 Proposals which substantially deviate from the basic intent of the RFP will be eliminated.
- 5.1.5 If desired by the Evaluation Committee, written, site visits, and/or oral presentations to supplement the Proposal for the purpose of clarification from selected Proposer (s) may be requested. The time and place for oral presentations will be announced at a later date, if such a presentation is required.
- 5.1.6 Proposals will be assessed to determine the most comprehensive, competitive and best value solution for County.
- 5.1.7 Although price will be a factor in Proposal evaluation, it is specifically a consideration of secondary importance to the needs and selection criteria identified in the RFP.
- 5.1.8 County reserves the right to accept other than the lowest price Proposal.
- 5.1.9 All Proposers will be accorded fair and equal treatment.
- 5.1.10 Recommendation will made to Dallas County Commissioners Court to the firm evaluated to be most qualified, highest rated and offering the best value to County. Upon formal approval, a contract will be formally drafted and entered into with the selected firm.

5.2 EVALUATION AND SELECTION FACTORS

The Evaluation Committee will evaluate proposal on the criteria listed below. The objective is to enter into a future Contract with the best qualified Proposer(s) at the best price and value. Each category shall be weighted as follows:

Evaluation Criteria and Weights	Points
Factor 1: Pricing Information (Appendix 2)	0-15
Factor 2: Firm Strength, Compliance and Experience	0-30
Factor 3: Questionnaire (Appendix 1)	0-30
Factor 4: Financial Stability (Separate Envelope)	0-10
Factor 5: Small Business Enterprise (Separate Envelope)	0-15
Total Points	100

5.3 AWARD AND NEGOTIATION PROCESS

All proposals received by the specified deadline will be reviewed and evaluated consistently with the stated Evaluation and Selection Factors. Before the final evaluation and ranking of Proposals is complete, County, at its sole discretion, may request interviews, presentations, and/or site visits with Proposer(s) found to be among the most qualified. Proposals will be ranked based on final evaluation with a recommendation to begin negotiations with the Proposer that received the highest evaluation.

The Proposer awarded or chosen pursuant to the provisions of this section will not be based solely on price, but will include and be limited to evaluation criteria listed in the RFP. Upon completion of the evaluation process, the Evaluation Committee will make a recommendation to County Commissioners Court to award to the highest rated firm. Negotiations may or may not be conducted with the finalist(s); therefore, the Proposal submitted should contain Proposer's most favorable terms and conditions, since selection and award may be made without further discussion or need for clarification.

Any exceptions to the terms and conditions of the proposed Contract or the statements regarding Proposer's inability to comply with any of the provisions thereof are to be declared in the Proposer's proposal.

In the event that County cannot reach agreement with the selected firm by negotiation of a contract, Dallas County may formally end negotiations by written notification to the selected firm. Dallas County shall have the right, but not the obligation, to sequentially negotiate with the next most-qualified firm and will continue in this manner until either a contract is awarded or this Request for Proposal is canceled. Upon successful completion of negotiations, the results will be reduced to a written contract for the services to be rendered. Such contract may contain additional requirements from Dallas County.

Dallas County reserves the right to award to the highest ranked or multiple vendor whichever is advantages to Dallas County

All necessary contract documents will be prepared by the Dallas County District Attorney's Office and will be tailored specifically for this RFP. No contract shall be binding on County until it has been approved as to form by the Dallas County District Attorney's Office and executed by the Dallas County Commissioners Court. Dallas County will not be liable for, nor will it pay for, any amount of work commenced prior to the approval of the contract by the Dallas County Commissioners Court.

6.0 PREPARING AND SUBMITTING A PROPOSAL

6.1 PREPARATION COSTS

County shall not be responsible or liable for any costs directly or indirectly associated with the preparation, submittal, presentation, on-site interviews, demonstration/web presentation or other costs incurred by participating in this procurement process.

6.2 SUBMISSION

- 6.2.1 All responses must be sealed in a package clearly labeled/marked on the outside with the name of the firm submitting the response and the following information:

RFP No. 2018-065-6758

**Request for Proposal
For Dallas County 457 DEFERRED COMPENSATION PLAN
Must Be Delivered To:
Dallas County Purchasing Department
900 Jackson Street, Suite 680
Dallas, TX 75202**

Late RFP submissions will not be accepted. Dallas County is not responsible for delays in the delivery of mail by the U.S. Postal Services, FedEx, UPS, Private Couriers, or delivery by any other means. It is the sole responsibility of the Proposer to ensure that his/her proposal reaches the Dallas County Purchasing Department, 900 Jackson Street, Suite 680, Dallas, Texas, 75202, by the designated date and hour indicated on the Cover Page and/or addendum (when applicable),

Note: Please reference the RFP Number and Company Name on the outside of all sealed envelopes, packaging and/or boxes.

- 6.2.2 Any RFP received after the required due date and time shall be considered late, void, unacceptable and shall be returned unopened to Proposer upon request.

The time/date stamp clock in the Dallas County Purchasing Department shall be the official time of receipt.

- 6.2.3 Each Proposer must provide a total of two (2) paper hardcopies on the entire proposal including all data as outlined in the RFP. Within the paper hardcopies, the financial stability and SBE forms must be submitted in separate sealed envelope and labeled with the RFP number on the outside of the envelope. One copy (1) of the printed hardcopy (original) must be signed in blue ink. The original bound copy of the proposal is to be clearly marked as "original" on the outside cover and contain original signature of a person authorized to make a binding offer.

In addition, the Proposer must also provide five (5) individual labeled electronic versions of the entire/complete proposal and attachments **(excluding the financial stability information and the SBE form information)** on CD or USB Flash Drive

- 6.2.4 By submitting a Proposal, the Proposer represents that it has thoroughly examined and become familiar with the services required under this RFP and that it is capable of providing the services that will achieve County's task and objectives.
- 6.2.5 All Proposals shall be valid for a period of one hundred eighty (180) days after the Proposal submission deadline. The one hundred eighty (180) days may be extended by mutual agreement of all parties.
- 6.2.6 Dallas County reserves the right, at its sole discretion, to reject any and all offers received in response to this RFP or to cancel this RFP in its entirety if deemed by County to be in the best interests of County.

6.3 PROPOSAL FORMAT

- 6.3.1 The submitted Proposal should be specific and complete in every detail. It should be practical and should be prepared simply and economically, providing a straightforward, concise delineation of capabilities to satisfactorily perform the Contract being sought. Proposers are advised to organize their submissions to be as brief and succinct as possible while providing relevant information. The submission of irrelevant and superfluous information is discouraged.
- 6.3.2 Proposer must submit its Proposal in strict accordance with all requirements of this RFP, and an agreement to fully comply with the requirements must be stated in the Proposal. Deviations, clarifications and/or exceptions must be clearly identified and listed separately as alternative items for County's consideration.
- 6.3.3 The original proposal shall be prepared on standard 8-1/2" x 11" paper. All proposals shall be submitted as hard copy bound documents; each page shall be consecutively numbered and identified sequentially by section. Proposals must be tabbed and indexed in accordance with the information requested. Foldouts that contain charts, spreadsheets, and oversize exhibits are permissible. Tabs or other separators shall serve to divide major sections of the proposal. Narrative of propose shall not exceed 20 pages excluding required forms
- 6.3.4 In order to expedite the evaluation and comparison process, Dallas County requests that proposals be organized in accordance the format outlined below. Proposals that do not follow the specified formal outlined below, or fail to provide the required documentation, may receive lower scores. A table of contents shall be provided that identifies the consecutive page numbers where to find the various sections included in the proposal.

Each proposal shall organized in the manner describe below.

6.3.4.1 **Transmittal Letter**

- The Proposal must include a letter of transmittal attesting to its accuracy, signed by an individual legally authorized to bind the Proposer to representations in the response.
- The transmittal letter shall provide the name, address, telephone, e-mail address, and facsimile number of the Proposer along with the name, title, address, telephone number and fax number of the individual authorized to contractually bind the firm the company/firm and be signed by the authorized individual.

6.3.4.2 **Executive Summary**

Limited to three (3) pages: Include the type of services proposed, a summary containing highlights of the proposal, describing how the Proposer will meet the requirements of the RFP, including the Proposer's approach to providing the services described in this RFP; statement of the Proposer's understanding of the services required; and how the Proposer will ensure responsiveness to County staff and service and product requirements.

6.3.4.3 **Table of Contents**

A table of contents shall be provided that identifies the consecutive page numbers where to find the various sections included in the proposal.

6.3.4.4 **Background, Experience, Qualifications, and Expertise in providing the services as requested in the RFP to include but not limited to: (30 Points)**

- Proposal shall detail the organization structure and the name of the individual who will serve as organization's primary contact.
- Provide background information including principle place of business, length of existence, breadth of experience and expertise, management structure, and any other information that demonstrates relative qualifications and experience.
- Proposer should clearly demonstrate Proposer's qualifications to perform the activities described in the RFP.
- Describe demonstrated experience over the past five (5) years that qualified your firm/organization to perform services outlined in the RFP or similar work. Include at a minimum a description of scope of service performed; whether prime or subcontractor and the period of performance. Describe only relevant corporate experience and individual experience for personnel who will be actively engaged in the project. Do not include corporate experience unless personnel assigned to this project. Please give contact information(Name, Phone number and email address) of organization of like size services were performed for.*****Dallas County reserves the right to call for reference checks*****

Project Plan

- The vendor shall designate an individual as the project manager who will be the primary point of contact between Dallas County and the Vendor. He / She shall have the authority to represent the Vendor in all matters related to this RFP or resulting contract. If applicable, Project Manager is required to be on site during any equipment/construction installations or services rendered. Project Manager is to keep Dallas County fully informed of project progress, problems / resolutions

and modifications to schedule. The vendor's designation of Project Manager may be subject to the approval or rejection of the County.

- Outline how your firm will approach providing the services as outlined herein and how your firm will schedule key personnel availability. Describe the proposed methodology to perform the scope of services as contained herein. Provide work samples including up to, but not limited to; RFP process, time schedules, evaluation criteria, investment migration strategies, investment performance review procedures. Additionally, your proposal shall also include:

Quality Assurance Program/Quality Control Plan

Describe your company approach to quality assurance and quality control procedures for performing the services and requirements outlined in this RFP.

- Detail a description and information regarding the organization Quality Assurance Program

Customer Service

- Describe how the interaction between your company and County will take place to ensure that the services are performed and reported in an accurate and timely manner.
- Describe the company's approach to keeping customers informed of new products and services that comes available.

6.3.4.5 **Response to Questionnaire Forms (30 Points)**

6.3.4.6 **Financial Stability (10 Points)**

Provide any additional information deemed necessary by the Proposer believes to be pertinent but specifically requested elsewhere in the RFP including any value added services.

- Proposer will provide annual financial statements for the last five (5) calendar years for your organization. Independently audited statements are preferred. Statements should include the company's assets, liabilities, and net worth. At a minimum, include the Balance Sheet (Statement of Financial Positions), Income Statement (Statement of Operations – Profit and Loss Statement), Retained Earnings and Cash Flow Statement. Financial Statements will be kept confidential, if so stamped on each page.
- List all litigation or other legal proceedings, if any, in the last 5 years brought against your firm, or any of the firm's past or present owners, principal shareholders or stockholders, officers, agents or employees, that relates to or arises from a contract similar to this contract or the work contemplated under this contract. (The list should include the contractor as well as the product supplier.). Provide the style of the lawsuit or proceeding (name of parties and court or tribunal in which filed), nature of the claim, and resolution or current status.
- Dallas County reserves the right to request any other financial documentation in order to make a fair assessment of firms financial worthiness

6.3.4.7 **Pricing Information (Appendix 2) (15 Points)**

6.3.4.8 **Small Business Forms (Separate Envelope) (15 Points)**

6.3.4.9 **Proposal Exceptions**

Proposer shall identify and list all exceptions taken to any part or sections of the RFP. An "exception" is defined as the Proposer's inability or unwillingness to meet a term, condition, specification, or requirement in the manner specified in the RFP. All exceptions taken must be identified and explained in writing in your Proposal and must specifically reference the relevant section(s) of this RFP. Other than exceptions that are stated in compliance with this Section, each Proposal shall be deemed to agree to comply with all terms, conditions, specifications, and requirements of this RFP. If the Proposer provides an alternate solution when taking an exception to a requirement, the benefits of this alternative solution and impact, if any, on any part of the remainder of the Proposer's solution, must be described in detail.

Chapter 176 of the Texas Local Government Code requires that any proposer or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the proposer or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of County no later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed as defined in 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor. A copy of the law is available at:

<http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>.

By submitting a response to this request, the proposer represents that it is in compliance with the requirements of Chapter 176 of the Texas Local Government Code.

Note: All forms must be complete in their entirety and submitted as part of a Proposer's Proposal. Additionally, any information that needs to remain confidential shall be indicated by the vendor. All submittals are subject to the Public Information Act.

After open of proposal and before award Dallas County may require additional forms up to and including:

- *Non-Disclosure agreement*
- *1295 form*
- *W-9*
- *2270*

7.0 Small Business Enterprise (SBE) Program

Definitions.

- 7.1.1. The term "**Commercially Useful Function**" is defined as a business that is directly responsible for providing the supplies or services to Dallas County as required by the solicitation or request quotes, bids or proposals. A firm is considered to perform a commercially useful function when responsible for the execution of a distinct element of the work of a contract and carries out its responsibilities by actually performing, managing and supervising the work involved. A business that stocks sufficient quantities of supplies in direct inventory, held for sale or resale, to cover anticipated future demands for the suppliers is performing a commercially useful function.
- 7.1.2. A "**Contractor**" is defined as one who participates, through a contract or any other contractual agreement in a County funded contract opportunity for work, labor, services, supplies, equipment, materials, goods or any combination of the foregoing. For purposes of this Section, a Contractor is any individual, company, or other entity seeking to do work for

Dallas County regardless of the method used to procure the services or products, including by bid or solicitation. A Contractor includes but is not limited to a contractor, consultant, or vendor.

- 7.1.3. The term **"Director of Small Business Enterprises"** shall mean the Director of the County's Office of Small Business Enterprises and include his or her designee.
- 7.1.4. The term **"Contract Administration"** shall mean the County Purchasing Department and/or his or her designee.
- 7.1.5. The **"Contract Administration Supervisor"** shall mean the Purchasing Director and/or his or her designee.
- 7.1.6 **Equal Employment Opportunity Requirements.** It is the policy of Dallas County to ensure non-discrimination in the award and administration of contracts. The Contractor or Subcontractor shall not discriminate on the basis of race, color, national origin, disability, veteran status, religion, or sex in the performance of this contract.
- 7.1.7 **Good Faith Effort Plan.** The plan submitted with a Submittal detailing the Respondent's to achieve the set aspirational goal or documenting it Good Faith Efforts to meet the goals for all elements the Solicitation. A Good Faith Effort Plan must be submitted with a Submittal for any Dallas
- 7.1.8 **Metropolitan Statistical Area (MSA).** The Dallas County MSA includes the following counties: Dallas, Tarrant, Denton and Collin.
- 7.1.9 **Small Business Enterprises.** It is the policy of the County to support the growth and development of Small Business Enterprises ("SBEs") and ensure that SBEs have an equal opportunity to compete for and participate in Dallas County contracts. Thus, Dallas County Commissioners Court has created the Office of Small Business Enterprise to establish and oversee a Diversity Program to ensure that SBEs have an equal opportunity to compete for and participate in Dallas County contracts. It is Dallas County's intent to:
- Ensure nondiscrimination in the award and administration of Dallas County contracts;
 - Create a level playing field on which small businesses can compete fairly for Dallas County contracts; and
 - Ensure that only firms that attempt to meet the SBE good faith efforts are considered for applicable contract awards.

Consequently, the contractor shall carry out applicable requirements of the good faith effort in its proposal/bid hereunder and, if awarded the contract, the award and administration of the Contract.

7.2 SBE Goals, Good Faith Efforts and Eligibility.

The Director of Small Business Enterprises ("Director") and the Contract Administration Supervisor sets the annual SBE participation contracting/subcontracting aspirational SBE goals for each contract. The contracting/subcontracting goals for this contract will be based on meeting or exceeding the

minimum aspirational SBE goal of 40%, unless good cause exists for failing to meet the goal. The SBE aspirational goal is based on the total contract value.

NOTE: On January 1, 2018, Dallas County moved from an M/WBE Program to a Small Business Enterprise Program. The County will accept Minority Women Owned Business (M/WBE) and Disadvantage Business Enterprise (DBE) certifications for a one (1) year period ending December 31, 2018. For M/WBE/DBE certification to qualify for SBE recognition, between January 1, 2018 and December 31, 2018, the firm must be certified by one of the entities listed in subsection (a) and satisfy the requirements in subsection (b)-(c), and (f) below. The firm must also compete and sign an SBA Threshold Affidavit affirming the firm meets all of the afore-mentioned requirements to qualify and be recognized as a SBE by Dallas County.

The maximum number of points to be earned is 15 points. Self-performance and subcontracting may be used to achieve the aspirational goals and earn points.

To be eligible for points, firms (contractors and/or subcontractors):

- a) Must be certified as an SBE by one of the following County approved entities: North Texas Regional Certification Agency (NCTRCA), DFW Minority Supplier Development Council and/or the Women's Business Council of Southwest, at the time of the proposal/bid submission Other certifications are not acceptable;
- b) To qualify as an SBE firm, the firm's must gross revenues or number of employees averaged over the past three years must be equal to or below 20% of the Small Business Administrations (SBA) standards, and
- c) The SBE firm owner's personal net worth (PNW) must not exceed \$3.2 million;
- d) All SBE firms (contractors and/or sub-contractors) must compete and sign an affidavit affirming the firm meets all of the above mentioned requirements to qualify and be recognized as a SBE by Dallas County; and
- e) All eligible firms must also perform a commercially-useful function on the project and have a local presence in Dallas County Metropolitan Statistical Area (MSA) in order to be counted for SBE points. The MSA includes the following counties: Dallas, Tarrant, Denton and Collin.

7.3 Utilization Scoring

- a) SBE or certified Prime Contractor: **5 points**
- b) SBE or certified Sub-Contractor Scoring Method: **Up to 10 Points (by percentage) 40% Aspirational Goal**
 - Participation Percentage between 1% and 9.99% = **2 points**
 - Participation Percentage between 10% and 19.99% = **4 points**
 - Participation Percentage between 20% and 29.99% = **6 points**
 - Participation Percentage between 30% and 49.99% = **8 points**
 - Participation Percentage meeting or exceeding 40.00% = **10 Points**

The aspirational SBE or certified sub-contractor goal is expressed as a percentage of the total dollar amount of the contract going to SBE or certified Sub-Contractor for those areas which the Contractor

has sub-contracted or anticipates sub-contracting. The aspirational goal shall also apply to contract amendments that require work beyond the scope of services originally required to accomplish the project.

The Respondent agrees to employ good faith efforts through the award of subcontractors to eligible SBEs and certified firms to the fullest extent possible.

Dallas County's Good Faith Effort Plan (GEFP) will be used for scoring purposes based upon SBE and other eligible certified firm's participation. However, all subcontractors and/or supplier, whether certified or not, must be listed in the GFEP. The information provided in the GFEP Form will be utilized in the development of the final contract/agreement. The GFEP Form can be found on page 46. This form is required and considered part of the response to the RFP. **Should the Good Faith Effort Plan or any of the specified documents listed below be incomplete, not signed, and/or not submitted, the proposal/bid may be deem non-responsive.**

7.4 Each Contractor must include with its proposal/bid, the following documents:

- Completed and signed **Good Faith Effort Plan Form**, executed by an authorized representative;
- Completed and signed **Good Faith Effort Affirmation**, executed by an authorized representative;
- **If submitting as an SBE**, a completed, signed and notarized **SBE Threshold Affidavit**, executed by an authorized representative; and
- **A signed and executed form or letter from each SBE subcontractor identified in the Contractor's Good Faith Effort Plan of their intent to perform as a subcontractor.**
- **Provide copy of certification from one of the three certifying agencies referenced in Section 7.2(a).**

Note: All forms must be complete in their entirety and submitted as part of a Respondent's Proposal.

The County reserves the right to accept or reject any certified firm and in its sole discretion is not bound by the certifying bodies' determination if the County has a concern regarding the eligibility of the firm to meet SBE guidelines or standards. A Contractor whose proposed certified firm is rejected may contest in writing to the Office of Small Business Enterprises, in accordance with the SBE Policy. The denial of SBE certification by Business Enterprise is excluded from the Dallas County Purchasing Code of Ethics Protests Procedure and is exclusively governed by the appeal process set forth in the SBE Policy.

SBE Reporting. The Contractor and its subcontractors are required to electronically submit subcontractor payment information using the County's Subcontractor Payment Compliance System (SPCS), accessed through a link on the Dallas County SBE webpage. The Contractor and all subcontractors will be provided a unique log-in credential and password to access Subcontractor Payment Compliance System. Training on the use of the system will be provided by Dallas County's Office for Small Business Enterprises.

Contracting. If awarded the contract, the Contractor agrees to be bound to the policies and guidelines set forth in the County's SBE Policy, which may be incorporated into the contract. If a conflict exists

between the SBE section of the solicitation and the County SBE Policy, the language in the solicitation governs

8.0 INTENT

The goal of the County is to implement 457(b) Plans with the best possible investment options, while continuing to offer diverse, high-quality options appropriate for a wide range of employee retirement needs, goals and investment acumen. Responding vendors should focus on offering quality funds that service a diverse employee population rather than a large quantity of funds.

If the County determines that it will select vendors as the result of this RFP it may select any number of responding vendors determined by the County to be appropriate. Responding vendors may choose to respond with proposals to offer both mutual fund and annuity products, but this is not required. Proposals for one product should not be conditioned upon County's agreement to award a contract for products offered by a responding vendor in another proposal submitted by the responding vendor. If a vendor responds with proposals for multiple product types, the County is in no way obligated to select all proposals, but may instead select one or more product proposals and reject others.

9.0 FINANCIAL ENVIRONMENT OVERVIEW

The County of Dallas was incorporated in 1846 as a public corporation and political subdivision of the State of Texas. Dallas County has a current population of approximately 2.48 million.

10.0 CONTRACT TERMS

The County anticipates that the initial term of a contract resulting from this RFP will be Five (5) years. The County reserves the right to extend the contract for up to *three (3) additional one (1) year period(s)* at its sole option under the terms and conditions of this RFP, unless alternate terms are specified in the original contract or any contract for renewals/extensions.

Upon expiration of the initial term or any renewal thereof, if authorized by the County as above, the contract may be extended unilaterally by the County for an additional period of up to *two (2) months upon* notice to the Vendor/Consultant with the same terms and conditions as the initial contract including, but not limited to, quantities (prorated for such extension), prices, and delivery requirements.

11.0 SCOPE OF WORK MANDATORY REQUIREMENTS

INSURANCE REQUIREMENTS

During the term of the contract, or longer if required, Vendor/Consultant shall maintain, at its expense, Worker's Compensation, Disability and liability insurance policies of the types and minimum coverages specified in the enclosed contract template (e.g., Agreement for Vendor Services), as applicable. Certificates of insurance evidencing Vendor's/Consultant's compliance with these requirements shall be required prior to execution of the contract by the County. Award is conditional upon submission of insurance documents within the time specified in the Notice of Award. Failure to do so may result in disqualification of the Offeror as non-responsive and/or the County's retention of any Bid Security.

12.0 SCOPE OF WORK AND OTHER REQUIRED SERVICES

The Firm selected pursuant to this RFP will be expected to provide the necessary 457(b) plan recordkeeping and administration, employee communication and education, custodial trustee/investment management, and employer education services in compliance with all pertinent IRS rules and regulations. The services will include, at a minimum, the following:

The primary objectives of this process include:

1. Attaining the lowest possible participant cost for the requested products and services with no front or back-end loads, contingent deferred sales charges, market value adjustments or other surrender-related penalties on either a group or individual basis.
2. Providing a menu of investment options that are appropriate for and satisfy the needs of a diverse participant base with varying levels of investment sophistication. The investment menu will include an option that provides for the safety of the invested principal with competitive current yields.
3. Providing effective participant education, enrollment, and other plan-related services from non-commissioned representative(s) assisted by a reliable toll-free customer service unit, a Voice Response Unit (VRU), and fully functional web-based services. While the Plan does not envision the need for "full-time" representatives, it is expected that on-site representatives will occasionally be necessary to provide the services requested during the term of the contract.
4. Providing financial guarantees to the Plan that the proposed products and services will be delivered as proposed throughout the contract term.
5. That the successful proposer will absorb all costs associated with the implementation/transition to a new plan including all participant-related notification expenses and any MVA, CDSC, Short-term redemption or any other fee that might be assessed by the existing recordkeeping/investment provider(s) upon termination.
6. Recordkeeping and Administration
 - a. Processing payroll deductions on a recurring basis (semi-monthly or biweekly) and participant transactions on a daily basis
 - b. Internet services must include data encryption and a secured method for Dallas County to submit and receive payroll data as well as allow Dallas County authorized staff and auditors the ability to view participant demographic information and Plan activity
7. Employee Communication/Education and Tools
 - a. Employee access to plan information, and investment and retirement models via secure internet website and through call center interactions
 - b. Employee communication and investment education programs; supported by customer service representatives and comprehensive Internet services that provide participants with interactive financial and retirement planning tools and software
8. Trustee/Custodial Compliance
9. Investment Management/Investment Options
 - a. Third Party Access or Directed Brokerage
 - b. Investment Advisory or Managed Accounts
 - c. Cash Management Products
10. Employer Education and Compliance

- a. Transmission and receipt of contribution/payroll files
- b. User-friendly Dallas County management website services
- c. Plan compliance with current and future regulatory requirements including any participant notifications
- d. Providing documentation for the annual plan audit

VENDOR REQUIREMENTS

Authorized in the State of Texas

Each investment product must satisfy the applicable requirements of and meet Section 457(b) and 409A of the Code and all applicable Treasury regulations. Each responding vendor must be qualified to do business in the State of Texas as determined by the Texas Department of Insurance, the Texas State Securities Board, and any other applicable state or federal agency. All insurance vendors must certify that they are in compliance with the rules and regulations of the Texas Department of Insurance.

Registered by the SEC and/or the NASD

Every responding vendor must be registered with the Securities and Exchange Commission (SEC) or National Association of Securities Dealers (NASD) or other regulatory entity as required by law.

Negligence and Penalties

Each responding vendor must either (a) affirm that neither it nor its affiliated companies, including any of its recommended investment managers, are under investigation, have been found negligent or otherwise in violation of any trading practices or other investment irregularities relating to its retirement plan administration which resulted in any monetary or nonmonetary penalty, censure, or any other resolution levied by the SEC or the NASD, or any other governmental or nongovernmental regulatory authority; or (b) fully disclose in its response to this RFP the circumstances and status of such regulatory activities. Responding vendors that are licensed as insurance carriers must also disclose the existence, status and circumstances of any complaint, investigation or compliance action taken relating to its retirement insurance products or services.

Internal Controls and Audit Findings

Each responding vendor must affirm that it has internal controls in place that ensure that the handling of all 457(b) Plan contributions, withdrawals, surrenders, inter-fund exchanges or transfers, or any other financial transaction relating to its administration of 457(b) Plan assets are in accordance with all applicable laws and regulations. Each respondent must additionally warrant that an internal audit of those controls has been performed within the last 12 months, and that either (a) the audit found no violations of the Securities Industry standard money management practices, and that no employee, consultant, or contractor was terminated, reassigned, or otherwise disciplined as a result of the internal audit; or (b) fully disclose in the responding vendor's proposals to this RFP the circumstances and status of such violations

Emergency Preparedness Plan

Each responding vendor must affirm that it has in place an emergency preparedness plan assuring the continuity of operations in the event of a local or national emergency and that the plan has been successfully tested within the preceding 12-month period.

Privacy/Security Requirement

Each responding vendor must confirm that it will comply with the following requirements with respect to all 457(b) Plan data and participant data:

- The applicable requirements of all federal programs concerning privacy and security;

- All applicable federal and state laws, rules, and regulations (including applicable provisions of the Gramm-Leach-Bliley Act);
- The County Use and Security Policy; and
- The Standards for Safekeeping Customer Information, 16 C.F.R. Part 314, keeping in mind the objectives of Section 314.3(b).

Data Integrity, Confidentiality, Accessibility, and Security

For the purpose of this RFP, Dallas County data is defined as any and all information owned by Dallas County - created, received from or on behalf of Dallas County, or accessed in the course of performing the services related to 457(b) Plans - of which collection, disclosure, protection, and disposition is governed by state law or regulation. This information includes, but is not limited to, any participant-specific information which may be provided by the County to vendors.

Each responding vendor must confirm that it shall, to the extent that it is commercially reasonable to do so, protect the integrity, confidentiality, appropriate accessibility, and security of County and participant data, and that the responding vendor shall establish, implement, and maintain all policies, procedures, safeguards, and measures necessary for the responding vendor to do so. Each responding vendor must also confirm that it will continually monitor its operations and take any commercially reasonable action necessary to protect County and participant data. At the request of the County or a participant, each responding vendor must agree to provide the County or the participant with a written summary of the policies, procedures, safeguards, and measures the responding vendor uses to safeguard confidential information.

Transmitted Electronic Data

Each responding vendor must confirm that it will use all reasonable practices, protective measures, and security procedures necessary to protect all electronic data that is transmitted between County and the responding vendor by (but not limited to) electronic transmission or the physical delivery of electronically recorded data. Such protective measures shall include, but not be limited to, use of up-to-date REQUEST FOR antivirus software to guard against viruses, worms, trojan horses or other malware that may permit unauthorized access to data or may compromise the confidentiality, integrity or authorized accessibility of data or associated information systems of the other party.

Notification of Changes

Each responding vendor must confirm that it will notify the County of any changes to products / services offered, including fees and features 30 calendar days in advance.

Required Monthly Quarterly and Annual Report

Each responding vendor must provide a report, on a monthly, quarterly and an annual basis, to the County that contains a comprehensive review of the investment options provided by that responding vendor in the 457(b) Plans. The report will assess each investment options compliance with the criteria and identify any failure to meet the criteria, including a discussion of actions that will be taken to restore compliance or an explanation as to why compliance cannot be restored or should be delayed. A sample of monthly, quarterly, and annually report can be enclosed in the responding vendor's proposal.

Menu of Options

Each mutual fund or variable annuity product proposal should include a menu of investment options from appropriate broad asset classes suitable for retirement portfolio construction and diversification.

Each responding vendor must assemble menu(s) that reflect the following objectives:

- The menu(s) should reflect broad diversification opportunities to accommodate a reasonable range of employee investment style preference. An investment menu would

typically include: (1) asset allocation or lifecycle options appropriate for the employee seeking diversification plus maximum investment simplification through the use of a single investment option selection and; (2) a reasonable number of options from asset classes appropriate for the employee seeking to construct a more tailored investment portfolio without excessive complexity.

- Each option within a given menu shall be offered based upon its overall value as an investment option within its asset class category. Such value determination is a fluid process as it is expected that investment options may be deleted or added as part of an ongoing evaluation process. The value of an offered investment option will be based upon (a) return performance (both relative and absolute) measured over appropriate time spans, (b) overall expense levels, (c) risk characteristics, (d) longevity, stability and experience of fund managers, (e) record of regulatory compliance, (f) consistency within asset style classification, and (g) any other appropriate consideration.
- Each responding vendor must certify that the products offered in the responding vendor's proposal do not contain a life insurance feature. There shall be no front-end or back-end charges, annual, one-time or recurring fixed dollar fees, surrender or withdrawal charges, termination fees, market value adjustments, etc. associated with any mutual fund or variable annuity investment product prior to annuitization, offered by a responding vendor for any 457(b) Plan. No withdrawal restrictions or fees may be assessed on participant transfers within variable annuity options or within a family of funds (excluding short-term redemption fees designed to discourage inappropriate trading practices, which must terminate within 90 days of initial investment), including transfers to other retirement vendors.

Permissible Charges

Certain recordkeeping, investment management, or administrative fees and mortality and expense risk charges, where appropriate, are permissible for investment options in the 457(b) Plans. Surrender fees are permissible with fixed asset products. However, each responding vendor should take into consideration the competitive nature of this RFP before proposing products with associated fees that are not reasonable or competitive for the industry or for a plan the size of the 457(b) Plans

Fixed Annuities

Each fixed annuity investment product must provide for the protection of principal and a stated rate of return. The credited rate may vary on a monthly or quarterly basis. Ideally, a fixed annuity investment product will provide for a minimum rate of return for a specified period of time, e.g., duration of the contract, single calendar year, etc. The creditworthiness of the underlying investments in the fixed annuity product should be structured to minimize the possibility of loss of principal by participants.

Interest Crediting Specifications

Any responding vendor that offers a fixed-interest rate annuity investment product (whether via a fixed annuity or via a fixed-interest rate option within a variable annuity) shall describe the interest rate crediting procedures and shall also display such product's net return.

Credit Ratings Specifications

Each responding vendor that offers a fixed annuity investment product shall affirm its credit ratings specifications by providing copies of all claims-paying ratings which it has received, whether voluntarily or involuntarily. The responding vendor must have received a minimum of three ratings for the responding vendor to be considered for selection by the County, and one of those ratings must be from A.M. Best. The County requires that the ratings from an insurance fixed annuity vendor must equal or exceed the following ratings:

1. *A from Standard and Poor's (S&P); or*

2. *A from Fitch; or A2 from Moody's and*
3. *A from A.M. Best.*

The County may at its discretion choose to allow the fixed annuity products of a vendor whose ratings do not equal or exceed the above criteria.

Stable Value Products

Responding vendors proposing to provide mutual funds or variable annuities may offer a Stable Value product. The underlying investments of a Stable Value product should provide for the safety of participants' contributions. Responding vendors proposing a Stable Value product should fully describe the method for crediting earnings to a participant's account in the responding vendor's proposal and shall describe such product's net. Responding vendors shall also describe the credit and duration characteristics of the underlying securities used in a Stable Value investment.

Mutual Funds and Variable Annuity Separate Accounts

Investment options may consist of mutual funds and variable annuity separate accounts or a combination of both mutual funds and variable annuity separate accounts. Each responding vendor may offer its proprietary variable annuity separate accounts or mutual funds and nonproprietary investment options provided that the options offered comply with all state and federal laws and regulations regarding the applicable retirement program and are appropriate for retirement programs of this type.

Quality Criteria

Each investment option under this section is expected to meet the following criteria:

- Have at least five years of investment experience, or present other comparable indications of appropriate experience;
- Have a performance rank in the top first or second performance quartile of the asset class to which it is allocated as defined by Morningstar for either the five year period ending on September 30, 2017; and
- Have a total expense ratio, (i.e., the total of fund management fees, 12b-1 fees, annuity contract M&I fees and other expenses, less expense waivers) that is equal to or less than the asset category average as reported by Morningstar.
- The Morningstar asset class information used for investment option comparisons for option expenses and performance review shall assign options to either mutual fund or variable annuity subaccount data peer groupings (i.e., mutual fund options will be compared to other mutual fund options and variable annuity subaccounts will be compared to other variable annuity subaccounts).

Self-Directed Brokerage Accounts

Responding vendors may include in the responding vendor's proposal a Self-Directed Brokerage Account (SDBA) for one or all of the retirement plans.

Participant Access Criteria

Each responding vendor who offers a SDBA must affirm that it will secure from each participant who utilizes the SDBA a signed agreement that certifies that the participant understands that investment decisions within the SDBA are solely the participant's responsibility and that the participant holds the County and the County's institutions, employees, and contractors harmless for any investment made within the SDBA. A copy of the proposed hold-harmless agreement should be included with this response.

Permissible Investment Options

- Mutual Funds and Variable Annuity Investment Options

Each responding vendor affirms that it will make available to participants who utilize the SDBA, mutual funds or variable annuity investment options that are not available through other investment options. Participants are not restricted from purchasing back-loaded mutual funds, but each qualifying vendor shall provide a list of no-load, no-transaction fee mutual fund options available through the SDBA. A list of all mutual fund and variable annuity investment options available should be included with the response. The listing should clearly indicate those options that are no-load, no-transaction fee options. Investment options purchased through the SDBA are not subject to the investment product standards set forth above.

- Individual Securities

Individual securities will not be offered for the 457(b) Plan

Expense Criteria

A responding vendor may charge an annual account fee and transaction fees to participants who utilize the SDBA. However, responding vendors should take into consideration the competitive nature of this RFP in setting the level, if any, for these fees.

Participant Service Models Desired

The following participant service models are desired to address the diverse investment advisory needs of County participants.

County Certification of Representatives for the System 457(b) Plans

All representatives must be properly licensed in the State of Texas to sell the investment products approved by the County. Before any representative (salaried, independent, or commissioned) is permitted to provide financial assistance to an employee of Dallas County, the representative must demonstrate an understanding of the following:

- Appropriate use of forms;
- Overall plan design;
- 457 (b) Plan policies and procedures
- Other requirements that may be added in the future.

Sales Solicitation

Each responding vendor must certify that it will provide notification, education, and enrollment into the 457(b) Plans to each representative in compliance with the County's Board of Regents' *Rules and Regulations* relative to sales solicitation. Each responding vendor must additionally affirm and agree that violations of these Regents' *Rules and Regulations* may result in sanctions by the County up to and including revocation of selection as a Contracting Vendor. The sales solicitation agreement is attached to this RFP as Appendix N.

Salaried Representatives

Each responding vendor for the 457(b) Plans is required to provide a sufficient number of salaried representatives that are dedicated to providing service to County employees. These representatives must be identified and available to provide assistance to the County benefits offices as well as employees at every institution by providing one-on-one meetings with employees to educate and advise them on the retirement plans and investment options on a vendor-neutral basis;

Every County institution must be assigned a representative that is identified as being a salaried representative, but a representative may be assigned to more than one institution. These representatives must be properly licensed to provide investment consultation and must be managed and supervised by the responding vendor.

Commissioned Sales Representatives

Commissioned sales representatives are permitted to assist in the distribution of a bundled variable annuity product. All representatives should be managed and supervised by the responding vendor.

Internet-Based/Direct Service

Internet-based asset allocation tools must be provided by each responding vendor at no cost to the County or to participating employees who become clients of the responding vendor. These must include a tool that provides an independent portfolio analysis, along with unbiased recommendations on the various investment options offered by the responding vendor.

Electronic and Information Resources (EIR) Warranty

County is required to acquire all EIRs in compliance with the legal requirements governing access to such EIRs by individuals with disabilities (EIR Accessibility Requirements). The EIR Accessibility Requirements applicable to the System are set forth in Chapter 2054, Subchapter M of the Texas Government Code, Title 1, Section 206.70 of the Texas Administrative Code, and Title 1, Chapter 213, Subchapter C of the Texas Administrative Code. In order for County to ensure that the EIRs offered by each vendor responding to this RFP are in compliance with the EIR Accessibility Requirements, vendor must include all of the following in its proposal:

Compliance with this statute and these rules is not optional and their applicability cannot be waived.

The responding vendor must warrant that the website complies with the requirements set forth in Title 1, Rules §§ 206, 213.30 and 213.36 of the Texas Administrative Code (as authorized by Chapter 2054, Subchapter M of the Texas Government Code). The proposal must provide that to the extent vendor becomes aware that the website does not satisfy the EIR Category Warranty, vendor will, at no cost to System, perform all necessary remediation to make the website satisfy the EIR Category Warranty.

Responding vendor is required to submit a completed Electronic and Information Resources (EIR) Accessibility Checklist Appendix G along with proposals. Proposals or bids without a completed checklist will be disqualified.

Responding vendor must provide a written explanation for each of its responses to the requirements in the Checklist with respect to the website:

- If responding vendor determines that the website complies with an applicable accessibility requirement in the Checklist, vendor's written response to that requirement must identify how vendor made such a determination (merely responding with "Complies" or similar non-explanatory language is not acceptable).
- If the responding vendor determines that the website does not or will not comply with an applicable accessibility requirement in the Checklist, vendor's written response to that requirement must identify the cause of such noncompliance and the specific efforts and costs that vendor would need to assume to remedy such noncompliance (merely stating "Does not comply" or similar non-explanatory language is not acceptable).
- If responding vendor determines that an accessibility requirement in the Checklist is not applicable to the website, then vendor's written response to that requirement must identify the reason for such inapplicability (merely stating "N/A" or similar non-explanatory language is not acceptable).

All responding vendor proposals must:

- Agree to authorize County to engage in product accessibility conformance testing prior to and after completion of purchase.
- Provide the name of a person and contact information for addressing accessibility questions and issues with the product must be provided.
- Describe the vendor's capacity to respond to and resolve any complaint regarding accessibility of products or services provided pursuant to this RFP.

Same-Day Credit

Each responding vendor must certify that they will deposit each participant's 457(b) Plan contributions into the accounts or funds designated by the participant effective on the same day that the contributions are received by the vendor.

Return of Non-Vested System 457(b) Plan Contributions

Each responding vendor must certify that it will return to County, upon request of County, the entire then balance of the account of a participant in the System 457(b) Plan in the event the participant does not meet the System 457(b) Plan vesting requirement.

Return of Non-Vested Prototype 457(b) Contributions

Each responding vendor must certify that it will return to the adopting County institution, upon request of the adopting County institution, the entire then balance of the account of a participant in its Prototype 457(b) Plan in the event the participant does not meet the prototype 457(b) vesting requirement.

Confirmation of Contributions

Each responding vendor must certify that it will provide at least quarterly a statement to participants that include a confirmation of receipt of 457(b) Plan contributions. A sample of the participant statement must be enclosed in the responding vendor's proposal.

Confirmation of Funds Transfer

Each responding vendor must certify that it will provide confirmation of each transaction, including transfers from one fund or investment or account to another fund or investment or account, immediately upon execution of such transaction. This confirmation must be submitted directly to the participant unless the participant specifically waives the provision of this confirmation in writing. The confirmation shall include all transfer information, including a statement of any applicable charges.

Required Reports

Each Contracting Vendor must provide a quarterly and an annual report to each participant having a County retirement account(s) with the Contracting Vendor, including accounts that are no longer receiving current contributions, containing the following information:

- Name and address of the participant;
- Identifying number;
- Total payments received during the reporting period;
- Expense charges during the reporting period;
- Net payments during the reporting period;
- Total value of account at the end of the reporting period; and
- Net cash surrender value of account at the end of the reporting period reflecting all potential charges against the account if it were surrendered for cash as of the last day of the reporting period.

The annual report for fixed and variable annuity accounts must contain the following additional information:

- Interest rate or rates paid on the account from the previous reporting period to the end of the current reporting period; and
- Where multilevel rates of interest were paid on an account, a breakdown showing the amount in the participant's account at each interest level, the amount of interest earned at each interest level, and the rates of interest. A Contracting Vendor may exclude the information required by this subparagraph concerning multilevel rates of interest from the annual report, but if this information is not provided on at least an annual basis, the Contracting Vendor must provide it at any time upon the participant's request.
- The annual report for variable annuity and custodial accounts must contain the following additional information:
 - Units of each fund or investment or account purchased during the reporting period;
 - Total units of each fund or investment in the account at the end of the reporting period; and
 - Value of unit of each fund or investment or account at the end of the reporting period.

Qualified Domestic Relations Orders (QDROs)

Each responding vendor must agree to be solely responsible for determining whether a domestic relations order is qualified and payable for 457(b) Plans, and where applicable, as provided by federal or state law. The QDRO requirements for any 457(b) Plan not directly required by federal or state law should meet the requirements of federal law as close as possible.

Remittance Processing Requirements

Each responding vendor must have the administrative capability to accept the electronic transfer of retirement contributions and must agree to accept this information through the internet via a secured transmission process. For the System 457(b) plan, the retirement contributions will be sent from the System, and for the Prototype 457(b) Plan the retirement contributions will be sent from the County institutions.

Administrative Performance Requirements and Penalties

Each responding vendor must agree to comply with the County requirements listed below. In addition, the County retains the option of using an audit firm of its choice to conduct periodic audits of any contracting vendor on behalf of the County to determine compliance with these and other standards. Representatives of the State Auditor's Office and the County Audit Office may also examine and audit the contracting vendor's books, records, and documents related to work performed or contributions received, as described in the Sample Agreement. The results of any audit conducted by or on behalf of the County shall be used by the County to determine whether to reauthorize or recertify the contracting vendor as a currently authorized vendor in addition to any other criteria adopted by the County for assessing vendor performance.

Complaints

County requirement: The average time for a Contracting Vendor to resolve County participants' complaints should not exceed 15 calendar days.

Processing of Financial Transactions

County Requirement: Each Contracting Vendor must process financial transactions, including hardship withdrawals, with 100% accuracy and within three (3) days after receipt of the request. Financial transactions do not include remittance processing.

Remittance Processing

County Requirement: Each contracting vendor must process remittances within 24 hours after receipt in good order, as defined in the Sample Agreement(s).

Responsibility to Correct Mistakes

Each Contracting Vendor must confirm that if the Contracting Vendor's designated representative delivers incorrect information or makes errors that result in any financial loss, the Contracting Vendor shall rectify the error at the Contracting Vendor's cost.

Reporting Requirements

The County may, from time to time, require a Contracting Vendor to provide information specific to the County for analysis. A Contracting Vendor must cooperate with and act in good faith in working with the County staff and must be prepared to respond to these requests within the requested time period.

13.0 OTHER REQUIREMENTS, TERMS, AND CONDITIONS

13.1 INCORPORATION OF PROPOSAL INTO THE CONTRACT

The contents of this RFP, and the selected Proposer's Proposal, cost, exhibits, and negotiated changes and any other attachments will be incorporated, in entirety, into the future formal Contract. This Contract constitutes the entire agreement between the parties hereto and supersedes any other agreement concerning the subject matter of this transaction, whether oral or written.

13.2 ENTIRE AGREEMENT

This Contract supersedes all prior agreements, written or oral, between Contractor and County and will constitute the entire agreement and understanding between the parties with respect to the subject matter of this Contract. This Contract and each of its provisions will be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by both Contractor and County with formal approval by the Dallas County Commissioners Court.

13.3 BINDING EFFECT

This Contract and the respective rights and obligations of the parties hereto shall inure to the benefit and be binding upon the successors and assigns of the parties hereto, as well as the parties themselves.

13.4 FORMAL REQUIREMENTS CONTRACT NECESSARY

Proposer agrees that any Contract resulting from this RFP and award will be the formal requirements contract between Proposer and County.

This RFP or any resulting award does not guarantee any acceptance of products or services and does not guarantee that any purchases of products or services will be made.

13.5 ORDER OF PRECEDENCE

In the event there is a conflict between the documents comprising this RFP and any resulting contracts, the following order of precedence shall govern: (i) the term/conditions in the body of any resulting Master Contract Agreement; (ii) the RFP; and (iii) Contractor's Response. In the event that a conflict exists between any state statute or federal law the most restrictive terms shall apply.

13.6 FORCE MAJEURE

Neither party hereto shall be held responsible for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character ("**force majeure occurrence**"). Contractor shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.

13.7 FAIR LABOR STANDARDS

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and **shall indemnify, defend, and hold harmless County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which County may be found jointly or solely liable.**

13.8 ACCEPTANCE - REJECTION

County reserves the right to accept or reject any or all bids/proposals, to waive any technicality in any bid/proposal submitted, and to accept any part of a bid/proposal as deemed to be in the best interests of County.

13.9 COMPLIANCE WITH LAWS AND VENUE JURISDICTION

In providing Services required by this Contract, Contractor must observe and comply with all applicable federal, State, and local statutes, ordinances, rules, regulations, licenses, legal certifications, or inspections required for the Services, facilities, equipment, or materials, and all applicable federal, state, and local statutes, ordinances, rules, and regulations.

This Contract shall be governed by Texas law and exclusive venue shall lie in Dallas County, Texas.

13.10 FISCAL FUNDING

Any agreement resulting from this RFP will be subject to the availability of governmental fiscal funding. If such funds become reduced or unavailable, any contract agreement shall be subject to immediate modifications, reduction or termination on the expiration date or date in which the funds have been reduced or eliminated.

13.11 PERMITS AND LICENSES

Contractor shall secure and pay for all fees for all necessary statutory and regulatory authorizations, permits, approvals, certifications, licenses, and insurance required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations that are required in order to perform the services stated in RFP. Contractor shall maintain these licenses and permits in effect for the duration of this contract agreement. Proposer/Contractor will notify County

immediately of loss or suspension of any such licenses and permits. Failure to maintain a required license or permit may result in immediate termination of this contract agreement.

13.12 LIABILITY AND OTHER INSURANCE COVERAGE REQUIREMENTS

13.12.1 Without limiting any of the other obligations or liabilities the Contractor at its own expense shall purchase and maintain liability insurance and shall likewise ensure that all of his Consultants, Subcontractors and their Sub-subcontractors (collectively own as "Contractor") purchase and maintain such insurance, as will protect them from claims set forth below which may arise out of or result from the Contractor's operations under the Contract, whether such operations are carried out by the Contractor, by any Consultant, Subcontractor, or by anyone directly or indirectly employed by the Contractor or any Subcontractor, or by anyone for whose acts any of them may be liable. Contractor is responsible for payment of all deductibles and retentions associated with the claims filed.

13.12.2 As a condition precedent to commencement of any work, within ten (10) calendar days after the Effective Date of the Contract, Contractors' shall furnish, to the Dallas County Purchasing Agent (at the same address given below under this Insurance heading) the following minimum insurance coverage that show County as the certificate holder and covers the period of the Term of this Contract and any renewals:

13.12.2.1 **Workers' Compensation Insurance:** That meets the statutory requirements of the Texas Workers' Compensation Act, or if self-insured, then Contractor must provide to County evidence of a certificate issued by the Workers' Compensation Commission approving such self-insurance. If Contractor has no employee (as defined by the Texas Workers' Compensation Act), Contractor shall provide County with a sworn Affidavit stating that there is no employee in lieu of a Certificate of Insurance. In the event that any work is sublet, Contractor shall require the subcontractors to similarly provide Workers' Compensation Insurance for all of the subcontractors' employees unless such employees are afforded protection by Contractor. Contractor shall bear the burden of all workers compensation coverage for all of its subcontractors and the subcontractors' employees who do not have workers' compensation coverage. Contractor also represents that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with an appropriate insurance carrier, or in the case of self-insurance, with the Texas Workers' Compensation Commission. Providing false or misleading information may subject Contractor to administrative penalties, criminal penalties, civil penalties or other civil actions.

Types of Coverage

Limits of Liability

Workers' Compensation

Statutory

Employer's Liability

Bodily injury by Accident

\$500,000.00 Each Accident

Bodily injury by Disease

\$500,000.00 Each Employee

Bodily injury by Disease

\$500,000.00 Policy Limit

13.12.2.2 **Commercial General Liability Insurance:** Contractor shall maintain Commercial General Liability or Broad Form Comprehensive General

Liability (including a Broad Form CGL endorsement) Insurance coverage for the following: (a) Premises Operations; (b) Independent Contractors or Consultants; (c) Products and Completed Operations; (d) Personal injury; (e) Contractual Liability; (f) Broad form property damage, to include fire legal liability. Such insurance shall carry in an amount not less than One Million and 00/100 (\$1,000,000.00) for bodily injury (including death), property damage, and blanket contractual coverage per occurrence with a general aggregate of Two Million and 00/100 (\$2,000,000.00) and products and completed operations aggregate of Two Million and 00/100 (\$2,000,000.00).

- 13.12.2.3 **Automobile Liability Insurance** covering all owned, hired and non-owned automobiles used in connection with work with limits not less than One Million 00/100 (\$1,000,000.00) Combined Single Limit of Liability for Bodily Injury and Property Damage. Such insurance is to include coverage for loading and unloading hazards.
- 13.12.2.4 **Commercial Crime Insurance:** Commercial crime insurance in a minimum amount of One Million Dollars and No Cents and 00/100 Dollars (\$1,000,000.00) that shall cover losses arising from or due to, without limitation, employee dishonesty, theft, disappearance and destruction, premises burglary, computer fraud, robbery, and safe burglary of monies or securities.
- 13.12.2.5 **Electronic and Computer Crime Insurance:** Electronic and computer crime insurance in a minimum amount of One Million Dollars and No Cents and 00/100 Dollars (\$1,000,000.00) that shall cover losses arising from or due to, without limitation, an unauthorized person or entity's fraudulent input, modification, destruction, introduction of a virus, transfer, and/or access to/from the vendor or computer system.
- 13.12.2.6 **Professional Liability (Errors and Omissions Insurance):** The vendor shall indemnify County for damages resulting from defects, errors or omissions and shall secure, pay for and maintain in full force and effect during the Term of this Contract and any subsequent extensions hereto and thereafter for an additional five (5) years from the effective date of cancellation, termination or expiration of this Contract or any subsequent extensions hereto, sufficient errors and omissions insurance in a minimum amount of Five Hundred Thousand and 00/100 Dollars (\$500,000.00) per occurrence with certificates of insurance evidencing such coverage to be provided to County. Such certificates of insurance shall specifically name County as a loss payee.
- 13.12.2.7 **Umbrella/Excess Liability: (Dallas County shall be named Additional Insured on primary/non-contributory basis)**
- Each Occurrence/Aggregate: \$1,000,000
- 13.12.2.8 Contractor agrees that, with respect to the above referenced insurance, all insurance contracts/policies will contain the following required provisions:
- 13.12.2.9 Except Workers Compensation and Professional Liability, name Dallas County and its officers, employees and elected officials as additional insured(s) (as the interest of each insured may appear) as to all applicable coverage.

- 13.12.2.10 Provide for thirty (30) days' notice to County for cancellation, non-renewal or material change.
- 13.12.2.11 Provide for endorsement that the "other insurance" clause shall not apply to County where County is the additional insured on the policy.
- 13.12.2.12 Provide notice to County of any changes to policy.
- 13.12.2.13 Contractor agrees to waive subrogation against Dallas County, its officers and employees for injuries, including death, property damage or any other loss.
- 13.12.2.14 Default/Cumulative Rights/ Mitigation. It is not a waiver of default if the non-defaulting party fails to immediately declare a default or delays in taking any action. The rights and remedies provided by this Contract are cumulative, and either party's use of any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance or otherwise. Contractor has a duty to mitigate damages.
- 13.12.2.15 Approval and acceptance of Contractor's services by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor for the accuracy and competency of Contractor's Services; nor shall such approval and acceptance be deemed to be an assumption of such responsibility by County for any defect, error or omission in the services performed by Contractor in this regard.
- 13.12.2.16 Contractor shall provide that all provisions of this contract concerning liability, duty and standard of care, shall be underwritten by contractual liability coverage sufficient to include obligation within applicable policies.

Vendors and/or their freight contractors must be prepared to show coverage verification prior to entering upon County premises.

Failure to comply with lawful requirements or adequate liability requirements may result in delay of payments, subject to the orders of the Commissioners Court, not to exceed a period of up to two years from the termination of the contract, or cancellation of the contract or both (Court Order 2003-1792, September 30, 2003).

13.12.3 Insurance Certificates: The certificates of insurance shall list County as the certificate holder. Any and all copies of Certificates of Insurance shall reference any applicable RFP (Request for Proposal) number for which the insurance is being supplied. All insurance policies or duly executed certificates for the same required to be carried by Contractor under this Contract, together with satisfactory evidence of the payment of the premium thereof, shall be delivered to the *Dallas County Purchasing Agent* located at the *Dallas County 900 Jackson St. Suite 680 Dallas, Texas 75202* within ten (10) calendar days of execution and/or renewal of this Contract and upon renewals and/or material changes of such policies, but not less than fifteen (15) calendar days prior to the expiration of the term of such coverage, or such non-delivery shall constitute a default of this Contract subject to immediate termination at County's sole discretion.

13.12.4 All insurance coverage shall be on a per occurrence basis or a per claim basis if Contractor provides for five (5) year tail coverage, unless specifically approved in writing and executed by the County's Purchasing Agent and Risk Manager.

13.12.5 All insurance required to be carried by Contractor and/or subcontractors under this Contract shall be acceptable to County in form and content, in its sole discretion. All policies shall be issued by an insurance company acceptable and satisfactory to County and authorized to do business in the State of Texas. Acceptance of or the verification of insurance by County shall not relieve or decrease the liability of the Contractors.

13.12.6 Minimum insurance is a condition precedent to any work/services performed under this Contract and for the entire Term of this Contract, including any renewal or extension. In addition to any and all other remedies County may have upon Contractors failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, or such insurance lapses, is reduced below minimum requirements or is prematurely terminated for any reason, County shall have the right to:

13.12.6.1 Order Contractor(s) to stop work hereunder, which shall not constitute a Suspension of Work/Services;

13.12.6.2 Withhold any payment(s) which become due to Contractor(s) until Contractor(s) demonstrates compliance with the requirements and assurance and proof acceptable to County that there is no liability to County for failure to provide such required insurance;

13.12.6.3 At its sole discretion, declare a material breach of this Contract, which, at County's discretion, may result in:

13.12.6.3.1 Termination of this Contract

13.12.6.3.2 Demand on any bond, as applicable;

13.12.6.3.3 The right of County to complete this Contract by contracting with the "next low proposal." Contractors will be fully liable for the difference between the original Contract price and the actual price paid, which amount is payable to County by Contractors on demand; or

13.12.6.3.4 Any combination of the above;

13.12.6.3.5 Obtain such insurance and deduct from the payments to Contractor(s) the expense of obtaining such insurance and the cost of insurance premiums. However, neither Contractor(s) nor any third party shall have any recourse against County for payment of any premiums or assessment for any deductibles, or payment of any amount that would have been payable by any such insurance, as all such liability, cost, expense, premiums and deductibles are the sole responsibility and risk of the Contractors; and

13.12.6.3.6 Any combination of the above

13.12.7 Contractor shall promptly advise County in writing of any claim or demand, against County or Contractor, known to Contractor related to or arising out of Contractor's activities under this Contract.

13.12.8 Approval, disapproval or failure to act by County regarding any insurance supplied by Contractor shall not relieve Contractor of full responsibility or liability for damages and

accidents as set forth herein. Neither shall bankruptcy, insolvency or denial of liability by any insurance company exonerate the Contractor from liability.

13.12.9 Acceptance of the services, or failure to act by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor, its employees, associates, agents or subcontractors for the accuracy and competency of their services; nor shall such acceptance be deemed an assumption of responsibility or liability by County for any defect in the services performed by Contractor, its employees, subcontractors, and agents.

13.12.10 Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this Contract.

13.12.11 Survival: The provisions of this Section shall survive completion, suspension, termination or expiration of this Contract, or any determination that this Contract or any portion hereof is void, voidable, invalid or unenforceable.

13.12.12 Insurance Lapse: Pursuant to Section 94.73 of the Dallas County Code, if the Contractor fails to maintain the insurance required under the Contract continuously at all times during the period stated in the Contract, or otherwise has a lapse in any of the required insurance coverage, including workers' compensation coverage, the Contractor shall reimburse County for any and all costs, including attorney's fees incurred by County in curing said default. In the event of any insurance lapse, County shall retain five percent (5%) of the value of the total Contract Sum for a period of six (6) months from the date of the cure of the insurance lapse or the date the Contract has ended, whichever is later, to cover County's potential exposure to liability during the period of the insurance lapse.

Contractor further agrees to indemnify County for any penalties, fines, jury awards, court costs, litigation expenses, and attorneys' fees incurred by County due to Contractor's failure to maintain the required insurance at all times during the Term of the Contract. Contractor, at its own expense with Counsel of County's choice, will defend and hold County harmless in any claim or action against County that occurred as a direct or indirect result of Contractor's failure to maintain insurance at all times during the Term of the Contract. Without waiving any rights under Sovereign Immunity, County shall cooperate with and may monitor Contractor in the defense of any claim, action, or proceeding and will, if appropriate, make employees available as Contractor may reasonably request with regard to such defense, subject to the reimbursement by Contractor of all costs and expenses occasioned by County's cooperation in such defense. Contractor agrees not to settle any such claim without County's consent, which consent will not be unreasonably withheld or delayed.

13.13 INDEMNIFICATION

TO THE FULLEST EXTENT PERMITTED BY LAW CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND OWNER, AND ALL OF ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY OR DEATH OF ANY PERSON, OR PROPERTY DAMAGE, INCLUDING LOSS OF USE OF PROPERTY, ARISING OR ALLEGED TO ARISE OUT OF OR IN ANY WAY RELATED TO THIS CONTRACT OR CONTRACTOR'S PERFORMANCE OF THE WORK OR OTHER ACTIVITIES OF CONTRACTOR, BUT ONLY TO THE EXTENT CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF CONTRACTOR OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR MAY BE LIABLE. NOTWITHSTANDING THE FOREGOING, TO THE FULLEST EXTENT PERMITTED BY LAW,

CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND OWNER, AND ALL OF ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES (THE "INDEMNITEES"), FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY TO, OR SICKNESS, DISEASE OR DEATH OF, ANY EMPLOYEE, AGENT OR REPRESENTATIVE OF CONTRACTOR OR ANY OF ITS SUBCONTRACTORS, REGARDLESS OF WHETHER SUCH CLAIM, DAMAGE, LOSS OR EXPENSE IS CAUSED, OR IS ALLEGED TO BE CAUSED, IN WHOLE OR IN PART BY THE NEGLIGENCE OF ANY INDEMNITEE, IT BEING THE EXPRESSED INTENT OF OWNER AND CONTRACTOR THAT IN SUCH EVENT THE CONTRACTOR IS TO INDEMNIFY, HOLD HARMLESS AND DEFEND THE INDEMNITEES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, WHETHER IT IS OR IS ALLEGED TO BE THE SOLE OR CONCURRING CAUSE OF THE BODILY INJURY, SICKNESS, DISEASE OR DEATH OF CONTRACTOR'S EMPLOYEE OR THE EMPLOYEE OF ANY OF ITS SUBCONTRACTORS. THE INDEMNIFICATION OBLIGATIONS UNDER THIS PARAGRAPH SHALL NOT BE LIMITED BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR CONTRACTOR UNDER WORKERS COMPENSATION ACTS, DISABILITY BENEFIT ACTS OR OTHER EMPLOYEE BENEFIT ACTS.

IT IS MUTUALLY UNDERSTOOD AND AGREED THAT THE ASSUMPTION OF LIABILITIES AND INDEMNIFICATION PROVIDED FOR IN THIS AGREEMENT SHALL INDEFINITELY SURVIVE ANY EXPIRATION, COMPLETION OR TERMINATION OF THIS AGREEMENT. IN THE EVENT CONTRACTOR AND OWNER ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY WILL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE STATE UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

Approval and acceptance of Contractor's services by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor for the accuracy and competency of their services; nor shall such approval and acceptance be deemed to be an assumption of such responsibility by County for any defect, error or omission in the services performed by Contractor in this regard. Contractor shall defend, hold harmless and indemnify County for damages resulting from such defects, errors or omissions.

No Indemnification by County: Contractor acknowledges and agrees that County does not have the ability under Article XI, Section 7 of the Texas Constitution to indemnify Contractor or any other third party for damages arising under this Contract.

Survival: These provisions shall survive completion, suspension, termination, expiration and/or cancellation of this Contract, or any determination that this Contract or any portion hereof is void, voidable, invalid or unenforceable.

13.14 TAXES

Dallas County, as a county of the State of Texas, is exempted from the payment of Texas state and local sales, excise, and use taxes pursuant to Texas Local Government Code § 151.309, and shall therefore not be liable or responsible to the Proposer for the payment of such taxes under this Contract.

The fees paid to Contractor pursuant to this Contract are inclusive of any applicable sales, use, personal property or other taxes attributable to periods on or after the applicable effective date of this Contract and based upon or measured by Contractor's cost in acquiring or providing products and/or Services and related materials and supplies furnished or used by Contractor in performing its obligations hereunder, including all personal property and use taxes, if any, due on equipment or software owned by Proposer.

Contractor accepts full and exclusive liability for the payment of any and all contributions or taxes for Social Security, Workers' Compensation Insurance, Unemployment Insurance, or Retirement Benefits, Pensions, or annuities now or hereafter imposed under any state or federal laws which are measured by the wages, salaries, or other remuneration pay to persons employed by Proposer/Contractor for work performed under the terms of this Contract and agrees to indemnify and save harmless County from any such contribution or taxes or liability.

13.15 AUTHORITY TO TRANSACT BUSINESS IN THE STATE OF TEXAS

Pursuant to Sec. 9.001 of the Texas Business Organization Code, non-Texas entities, including, but not limited to corporations, limited partnerships, and limited liability companies must have an application for registration filed with the Texas Secretary of State and shall provide to Dallas County a Certificate of Status issued by the Texas Secretary of State that serves as official evidence of the entity's existence or authority to transact business in Texas. To transact business with Dallas County, all entities must be in legal compliance pursuant to applicable laws, and shall provide to Dallas County evidence of said compliance.

13.16 SALARIES AND EXPENSES RELATING TO THE SUCCESSFUL CONTRACTOR EMPLOYEES

The successful Contractor shall pay all salaries and expenses of, and all Federal, Social Security taxes, Federal and State Unemployment taxes, and any similar taxes relating to its employees used in the performance of the contract. The successful Contractor further agrees to comply with all Federal, State and local wage and hour laws and all licensing laws applicable to its employees or other personnel furnished under this agreement

13.17 WITHHOLDING/RETURN OF PAYMENT

Dallas County reserves the right to withhold payment to the Contractor or to require Contractor to return payment(s) received from Dallas County in the event Contractor performance does not comply with the provision of this agreement. Contractor agrees to return any unearned amounts paid by Dallas County within thirty (30) days following the final date of the contract period or within thirty (30) days following Dallas County delivery of a notice to the Contractor that amounts paid to be returned.

13.18 BILLING

Contractor will invoice Dallas County on a monthly basis. Invoices shall be submitted to the Dallas County Auditor's Office. The submittal address for all invoices is Dallas County Auditor's Office, 1201 Elm St., Suite 2300 Dallas, Texas 75270. A duplicate copy of all invoices shall be mailed to Dallas County Treasurer at 1201 Elm St., suite 2300A, Dallas, Texas 75270.

The invoices shall show:

1. Name and address of successful proposer; and
2. Detailed breakdown of all charges for the services or products delivered stating any applicable period of time.

13.19 PAYMENT TERMS

Payment will be made upon receipt and acceptance by County of completed services and/or products ordered and receipt of a valid invoice, in accordance with the Texas Government Code, Chapter 2251.

Invoices shall be verified and approved by the Dallas County authorized representative and subject to routine processing requirements. Payments made by County shall not preclude the right of Dallas County from thereafter disputing any items involved or billed under this contract and shall not be construed as acceptance of any part of the services and/or goods. Dallas County requires timely and accurate accounting and billing information.

County reserves the right to withhold payment for incomplete or unacceptable work. County shall provide notice of any work that is deemed to be incomplete or unacceptable, for which the Contractor shall rectify that condition to the satisfaction of County. County will also reduce the bill for any services deemed unsatisfactory. At no time will penalty assessment be recoverable by the Contractor. The Contractor shall take all proper precautions to protect County and private property from damage and/or loss. Should any damage to, and/or loss of, property be caused by the Contractor, the Contractor will be required to make repairs and/or restitution immediately at its own expense.

All invoices must reference the Dallas County Purchase Order Number

13.20 ASSIGNMENT

Contractors' assures that it will not transfer or assign its interest in this Contract without prior written consent of County. Contractors' understands that in the event that all or substantially all of Contractors' assets are acquired by another entity, Contractors' is still obligated to fulfill the terms and conditions of this Contract. County approval to transfer or assign Contractors' interest in this Contract to an entity that acquires all or substantially all of Contractors' assets is subject to formal approval by the Dallas County Commissioners Court.

13.21 AMENDMENTS AND CHANGES IN THE LAW

No modification, amendment, novation, renewal or other alteration of this Contract shall be effective unless mutually agreed upon in writing and executed by the parties hereto with final approval by the Dallas County Commissioners Court through Court Order. Any alteration, addition or deletion to the terms of this Contract which are required by changes in federal or State law are automatically incorporated herein without written amendment to this Contract and shall be effective on the date designated by said law.

13.22 NOTICES

Any notice to be given under this Contract shall be deemed to have been given if reduced to writing and delivered in person or mailed by overnight or Certified Mail (returned receipt request), postage pre-paid, to the party who is to receive such notice, demand or request at the addresses set forth in the contract agreement. Such notice, demand or request shall be deemed to have been given three (3) business days subsequent to the date it was so delivered or mailed.

13.23 INDEPENDENT CONTRACTOR

Contractor, including its agents or employees, is an independent contractor and not an agent, servant, joint enterpriser, joint venture or employee of County, and is responsible for its own acts, forbearance, negligence and deeds, and for those of its agents or employees in conjunction with the performance of work covered under this Contract.

13.24 SUBCONTRACTING

Contractor may not enter into agreements with subcontractors and/or consultants for delivery of the designated Services outlined in this Contract without prior written consent of County, which consent shall not be unreasonably withheld. The costs of all subcontracted services are included in the fees paid herein. Subcontracts and/or Consultants, if any, entered into by the Contractor will be

in writing and subject to all requirements herein. Contractor agrees that Contractor is solely responsible to County for the performance of this Contract. Contractor shall pay all subcontractors and/or consultants in a timely manner. County shall have the right to prohibit Contractor from using any subcontractor or consultant.

13.25 LITIGATION

In the best interest of the Dallas County, any Contractor who is currently involved, either directly or indirectly, with any litigation against or involving Dallas County may be disqualified and/or not considered for an award.

13.26 SOVEREIGN IMMUNITY

This Contract is expressly made subject to County's Sovereign Immunity, Title 5 of the Texas Civil Practices and Remedies Code, and all applicable federal and state laws. The parties expressly agree that no provision of this Contract is in any way intended to constitute a waiver of any immunities from suit or from liability that County has by operation of law. Nothing in this Contract is intended to benefit any third party beneficiary.

13.27 DEFAULT/CUMULATIVE RIGHTS/MITIGATION

It is not a waiver of default if the non-defaulting party fails to immediately declare a default or delays in taking any action. The rights and remedies provided by this Contract are cumulative, and either party's use of any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance or otherwise. Contractor has a duty to mitigate damages.

13.28 LIABILITY FOR LOSS OF INFORMATION

In the event of loss of information or data due to negligence of Contractor or its employees, Contractor's liability for such loss shall be limited to the replacement or regeneration of the lost information or data by the methods or means deemed most suitable by Contractor for such regeneration or replacement.

13.29 TERMINATION FOR CONVENIENCE

County may terminate the Contract for convenience. County shall exercise its termination option by delivering to Contractor written notice of such termination identifying the termination date which shall be at least thirty (30) days after the date of such notice. In connection with any such termination County shall have no liability to Contractor for amounts in excess of the normal charges through the date of termination. After receipt of a notice of termination and except as otherwise directed by County, the Contractor shall: Stop work under this Contract on the date and to the extent specified in such notice, and Complete performance of such part of the work as shall not have been terminated by such notice.

Such notice of termination shall be by registered or certified mail, return receipts requested, and will be deemed given upon receipt of such notice by the other party.

13.30 TERMINATION FOR INSOLVENCY

County shall have the option to terminate this contract Agreement in its entirety if Contractor: (i) becomes insolvent or is unable to meet its debts as they mature; (ii) files a voluntary petition in bankruptcy or seeks reorganization or to effect a plan or other arrangement with creditors; (iii) files an answer or other pleading admitting, or fails to deny or contest, the material allegations of an involuntary petition filed against it pursuant to any applicable statute relating to bankruptcy or reorganization; (iv) shall be adjudicated bankrupt or shall make an assignment for the benefit of its

creditors generally; (v) shall apply for, consent to or acquiesce in the appointment of any receiver or trustee for all or a substantial part of its property any such receiver or trustee appointed is not discharged within thirty (30) days after date of such appointment.

13.31 TERMINATION FOR DEFAULT/NON-PERFORMANCE

County shall have the option to terminate this contract Agreement, for cause: (i) for a material breach or non-performance of this Agreement by Contractor that is not cured by Contractor within ten (10) days of the date on which County provides written notice of breach; (ii) for a material breach of this Agreement by Contractor that is not reasonably subject to cure within ten (10) days after its occurrence; or (iii) if it is determined by County, that there exists a plurality of non-material breaches by Contractor that have a material adverse impact on the Services provided under this contract Agreement. In the event that County terminates this contract Agreement in whole or in part as provided herein, County may procure, upon such terms and in such manner as County may deem appropriate, goods and services similar to those so terminated. Contractor shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and services.

If such failure is not cured to County's satisfaction within ten (10) days from the time of receipt of such notice, County shall have the right to terminate immediately without the requirement of further notice.

13.32 MONETARY RESTITUTION

In the event the contract is prematurely terminated due to breach, non-performance and/or withdrawal by the contractor, Dallas County reserves the right to seek monetary restitution (to include but not limited to; withholding of monies owed) from the contractor to cover costs for interim services and/or to cover the difference of a higher cost (difference between termination Contractor's rate and new company's rate) beginning the date of Contractor's termination through the contract expiration date. In the event civil suit is filed to enforce this provision, Dallas County will seek its attorney's fees and cost of suit from the Contractor.

13.33 SEVERABILITY

If any provision of this Contract is construed to be illegal or invalid, this will not affect the legality or validity of any of the other provisions in this Contract. The illegal or invalid provision will be deemed stricken and deleted, but all other provisions shall continue and be given effect as if the illegal or invalid provisions had never been incorporated.

13.34 CONTRACTOR'S PROFESSIONAL WARRANTIES

13.34.1 No Actions, Suits, or Proceedings: Contractor warrants that there are no actions, suits, or proceedings, pending or threatened, that will have a material adverse effect on Contractor's ability to fulfill its obligations under this Contract. Contractor further warrants that it will notify County immediately if Contractor becomes aware of any action, suit, or proceeding, pending or threatened, which will have a material adverse effect of Contractor's ability to fulfill the obligations under this Contract.

13.34.2 Warranty of Contractor's Capability: Contractor warrants that it is financially capable of fulfilling all requirements of this Contract and that Proposer is a validly organized entity that has the authority to enter into this Contract. Contractor warrants that it is not prohibited by any loan, contract, financing arrangement, trade covenant, or similar restriction from entering into this Contract.

13.34.3 Professional Quality: Contractor warrants to County that all materials and Services will be of professional quality conforming to generally accepted practices, and that all Services

provided under this Contract will be performed in a manner consistent with that degree of care, qualification and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. If there are no applicable or recognized professional standards in the applicable area or areas of expertise required to perform such Services, then Contractor will perform all Services in a good and professional manner that meets County's goals and objectives as stated herein as well as otherwise adds value to and/or improves the performance of County's expectations, objectives and purposes as stated in this Contract. Any work that is determined by County to be less than professional quality will be corrected without charge. This warranty extends for ninety (90) business days past termination or expiration of this Contract. This warranty is limited to rework of the unsatisfactory service or product without change to the original specifications and without regard to the amount of the effort expended on the original service or work product.

13.35 ASSURANCES

- 13.35.1 Contractor agrees to establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.
- 13.35.2 Contractor assures that neither it nor its employees, volunteers, agents or officers shall receive personal benefits, commission, consideration, or gains in performance of the Services outlined in this Contract. Furthermore, Proposer agrees to disclose prior to commencement of a particular assignment any material/financial interests that it or a third party may have in the Services required under this Contract.
- 13.35.3 Contractor assures that funds received pursuant to this Contract will not be used for lobbying the Texas legislature or any governmental agency in connection with a particular contract.
- 13.35.4 Contractor shall pay all subcontractors and consultant in a timely manner. County shall have no liability to any subcontractors in the event Proposer/Contractor does not pay or delays payment to any subcontractors. At termination or expiration of this contract, Contractor shall deliver to County an affidavit of all bills paid. Final payment shall be contingent upon receipt of such affidavits as resolution of all accounting for which County is or may be liable under this Contract.
- 13.35.5 Under Section 231.006, Texas Family Code, Contractor certifies to County that the owner(s) of at least a 25% interest in the organization is not delinquent in any child support obligation that renders him/her ineligible to receive payment under the terms of this Contract. Contractor hereby acknowledges that this Contract may be terminated and payment may be withheld if this Certification is inaccurate.
- 13.35.6 Contractor certifies that neither it nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Contract by any Federal department or agency.
- 13.35.7 Contractor assures that it shall not receive personal benefits or gains in performance of the Services outlined in this Contract. Furthermore, Contractor agrees to disclose prior to commencement of a particular assignment any material/financial interests that it or a third party may have in the Services required under this Contract.
- 13.35.8 Best Efforts to Minimize Costs to County: Contractor shall use its best efforts to complete each assigned task in as economical a manner as possible and to minimize any charges

incurred in connection therewith to the maximum extent possible, consistent with Contractor's other obligations under this Contract.

13.35.9 Failure to comply with any of these assurances or any other requirements specified within this Contract will put Contractor in default and/or breach of this Contract and may result, at the sole discretion of County, in the disallowance of funds and the withholding of future awards, in addition to any other remedies permitted by law.

13.35.10 Governmental Consent: Contractor warrants that no consent, approval, or withholding of objection is required from any governmental authority with respect to the entering into or the performance of this Contract.

13.35.11 Corporate Good Standing: Contractor represents and warrants that it: (i) is a corporation duly incorporated, validly existing and in good standing; (ii) has all requisite corporate power and authority to execute, deliver and perform its obligations hereunder; (iii) is duly licensed, authorized or qualified to do business and is in good standing in every jurisdiction in which a license, authorization or qualification is required for the ownership or leasing of its assets or the transaction of business of the character transacted by it except when the failure to be so licensed, authorized or qualified would not have a material adverse effect on Contractor's ability to fulfill its obligations hereunder.

13.36 RECORD KEEPING AND AUDIT

Contractor, at its sole expense, must make all of its facilities and related documentation available to Dallas County or designated third party the on-site right to review, examine, and audit all financials, records, books, papers, documents, expenditures incurred, and other pertinent records or documents relating to any contract resulting from this RFP held by Contractor, as requested, and shall have absolute right to monitor the performance of Contractor in the delivery of services provided under this Contract.

13.37 AVAILABILITY AND RETENTION OF RECORDS

All records pertaining to services delivered and all financial books, records, statistical and management books and records shall be available for examination and audit by County, Federal, State and/or County duly authorized representatives for a period of not less than five (5) years after final payment of the Contractor's fee expenses under the Contract or until all pending County, State, and Federal audits are completed, whichever is later.

All records related to this Contract must be kept in a single location, either at the Contractor's principle place of business or its place of business where the work was done. If this is not practical, the Contractor will assume the cost of collecting, organizing, and relocating the records and any technology needed to access the records to the Contractor's office nearest Dallas County, Texas whenever County or anyone else with audit rights requests access to the Contractor's records associated with the services covered under this RFP. The Contractor will do so with all due speed, not to exceed five (5) business days. If any audit reveals any material deviation from the RFP's service and specification requirements, any misrepresentation, or any overcharge to County, County will be entitled to recover damages, as well as the cost of the audit.

13.38 ADEQUACY OF RECORDS

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that allowable services were provided to eligible clients the Contractor shall reimburse County for the services not so adequately supported and documented.

13.39 AUDIT DISALLOWANCE

If at any time it is determined by County that a cost for which payment has been made is disallowed cost, County shall notify the Contractor in writing of the disallowance and the required course of action, which shall be at the option of County either to adjust any future claim submitted by the Contractor by the amount of the disallowance or to require repayment of the disallowed amount by the Contractor forthwith issuing a check payable to County.

13.40 CONFLICT OF INTEREST

No official or employee shall have any financial interest, direct or indirect, in any contract with County or be financially interested, directly or indirectly, in the sale to County of any land, materials, supplies or services, except on behalf of County as an official or employee. Any violation of this section, with knowledge, expresses or implied, of the person or corporation contracting with County shall render the Contract involved voidable by the Commissioners Court of Dallas County. It is the responsibility of the contractor during all phases of the Contract process to notify County in writing of any potential conflict of interest.

Contractor covenants that neither it nor any member of its agency presently has any interest or shall acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of this contract. Contractor further covenants that in the performance of this contract no person having such interest shall be employed or appointed by contractor.

13.41 ANTI-KICKBACK CLAUSE

Contractor hereby certifies that it will comply with all applicable "Anti-Kickback" Laws (including (18 USC 874) as supplemented in Department of Labor regulations (29 CFR, Part 3), and shall insert appropriate provisions in all subcontracts covering work under this Agreement

13.42 POLITICAL ACTIVITY PROHIBITED

None of the funds provided under this agreement shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure. This prohibition shall not be construed to prevent its governing body upon request or to any other local or state official or employee or to any citizen information in the hands of the employee or official not considered under law to be confidential information. Any action taken against an employee or official for supplying such information shall subject the person initiating the action to immediate dismissal from employment.

No funds provided under this agreement may be used directly or indirectly to hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government of Contractor, the State of Texas, or the government of the United States.

None of the funds provided under this agreement shall be paid to any official or employee who violates any of the provisions of this section.

13.43 COLLUSION

Contractor expressly warrants and certifies that neither the Contractor/Proposer nor its employees or associates has directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competition in conjunction with the Proposal or Contract. This paragraph does not however, preclude two or more supplier of certain parts of the requirements from presenting a combined or joint proposal for the purpose of providing a complete Proposal.

13.44 NON EXCLUSIVITY

This contract and/or agreement is non-exclusive and shall not in any way preclude Dallas County from entering into similar agreements and/or arrangements with other Vendors, Contractors, or from acquiring similar, equal or like goods and/or services from other entities or sources including state contracts.

13.45 NEPOTISM

No person (1) who is an employee, agent, consultant, officer, or official of the contractor and who exercises or has exercised any functions or responsibilities with respect to assisted contract activities; or (2) who is in a position to participate in a decision making process or gains inside information with regard to such activities, may obtain a personal or financial interest or benefit, direct or indirect, in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure.

13.46 NON-DISCRIMINATION/AFFIRMATIVE ACTION

This Contract is subject to applicable federal and state laws and executive orders, including the Fair Labor Standards Act of 1938, relating to equal opportunity and nondiscrimination in employment. Neither Contractor/Proposer nor its agents or subcontractors shall discriminate in their employment practices against any person by reason of disability, age, race, creed, national origin, color, religion, sex, political affiliation, or veteran status.

Contractor agrees to comply with Title VI of the Civil Rights Act of 1964, Executive Order 11246 (Public Law 88- 352), Section 504 of the Rehabilitation Act of 1973 (Public Law 93-112), The Americans with Disabilities Act of 1990 (Public Law 101-336), and all amendments to each, and all requirements imposed by the regulations issued pursuant to these Acts. In addition, Contractor/Proposer agrees to comply with Title 40, Chapter 73, of the Texas Administrative Code. These provide in part that no persons in the United States must, on the grounds of disability, age, race, creed, national origin, color, religion, sex, political affiliation, or veteran status, be excluded from, be denied the benefit of or be subjected to discrimination under any program or activity funded in whole or in part under this Contract.

Contractor/Proposer agrees to comply and to cause its agents and subcontractors to comply, with the provisions of said laws and orders to the extent any such laws and orders are applicable in the performance of this Contract.

13.47 SECTARIAN ACTIVITY

Contractor expressly warrants and certifies that no funds under this contractor are used either directly or indirectly, in the support of any religious or anti-religious activity, worship, or instruction.

13.48 FEDERAL DEBARRED VENDORS

No products and/or services utilizing Federal funds may be procured from vendors that are listed (debarred or otherwise suspended) on System for Award Management (SAM) formerly known as the Federal Excluded Parties List. Government requirements for non-procurement suspension and debarment are contained in the OBM guidance 2CFR, part 180 that implements Executive Orders 12549 and 12689 Debarment and Suspension. County reserves the right to reject from award consideration and/or terminate any contract with any vendor found to be suspended, ineligible and/or debarred as outlined herein.

13.49 DISCLOSURE FORM CIQ

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any Proposer or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the Proposer or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of County no later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006.

Local Government Code, A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor. The questionnaire is included in this solicitation. By submitting a response to this request, the Proposer represents that it is in compliance with the requirements of Chapter 176 of the Texas Local Government Code. Please send completed forms to the Dallas County Clerk at 1201 Elm Street, 22nd Floor, Dallas, Texas 75202.

13.50 TWELVE (12) MONTH WAITING PERIOD FOR EMPLOYMENT OF CERTAIN FORMER COUNTY EMPLOYEES

In accordance with the County's Transparency Policy, any firm awarded a contract for the Procurement of goods or services shall be prohibited from hiring any individual who has previously worked for County and in that capacity either evaluated, recommended, approved, monitored, or managed a contract involving that firm no sooner than twelve months after that individual has ceased to work for or be employed by County. Failure to adhere to such a contractual requirement may result in the termination of the contract with County.

13.51 USE OF CONTRACT BY OTHER POLITICAL JURISDICTIONS

In accordance with Article 791.025 of the Texas Government Code, governmental agencies (local, state) may request to utilize County contract by executing an interlocal agreement with County to do so. Proposers are advised that all awarded contracts may be extended, with the authorization of the Proposer, to others. If any other jurisdiction or political jurisdictions is authorized, their ordering of services/goods shall be at the prices, terms and conditions as of the results the final contract. The Contractor(s) must deal directly with that jurisdiction or political subdivision concerning the placement of orders, services, issuance of purchase orders, contractual disputes, invoicing and payment. County acts only as the "Contracting Agent" for these jurisdictions and political subdivisions. Failure to extend a contract to any jurisdiction will have no effect on consideration of your offer.

Each participating jurisdiction and political subdivision has the option of executing a separate contract with the Contractor. Contracts entered into with them may contain general terms and conditions unique to those jurisdictions and political subdivisions covering minority participation, non-discrimination, etc. If, when preparing such a contract, the general terms and conditions of a jurisdiction are unacceptable to the Contractor, the Contractor may withdraw its extension of the award to that jurisdiction.

County is indemnified against any and all claims that may arise from Interlocal Agreements entered into by the Contractor and by another jurisdiction as a result of any award extended to that jurisdiction or political subdivision by the Contractor.

13.52 COUNTERPARTS, NUMBER/GENDER AND HEADINGS

This Contract may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Words of any gender used in this Contract shall be held and construed to include any other gender any words in the singular shall include the plural and vice versa, unless the context clearly requires otherwise. Headings herein

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are for the convenience of reference only and shall not be considered in any interpretation of this Contract.

Appendix 1
QUESTIONNAIRERS

Customer Service - Describe the vendors' philosophy and approach to satisfying this need through the following responses.

- a. Describe the vendor's philosophy of customer service. What is distinctive about the vendor's approach to customer service? How does the vendor anticipate satisfying the County's need for customer service on both operational and technical issues?
- b. What plan does the vendor have for providing the County with relationship support for its services?
- c. What services are provided at the holding company level or vendor-wide level as opposed to the local level?
- d. How are local service and overall contract performance monitored at the holding company level? Is an issue tracking structure or system in place?
- e. What, if anything, is distinctive about the vendor's approach to customer service? How will this benefit and impact the County?
- f. What is distinctive about the vendor's approach to its service automation? How does the vendor intend to support the new and ongoing automation needs of the County? How will this impact the County now and throughout the contract period?
- g. Are there any new services planned which may impact the County? When are these planned to be available?
- h. Is the vendor offering any transition or retention incentives? Describe fully and quantify completely.
- i. What support will the vendor be able to offer the County in a disaster situation to maintain stable operational functions? Focus on systems, telecommunications and power, operational facilities, and transportation.

Deviations from the RFP

Identify the location of any provision in your proposal that does not conform to the standards described in this RFP. For each of these deviations, provide a detailed explanation as to how the provision differs from the RFP and why.

General Information

- Provide the following information regarding the responding vendor:
 - *Name, address and telephone number of the responding organization.*
 - *Name, title, mailing address, telephone number, FAX number, and email address of contact person for this RFP.*
 - *Name, title, mailing address, telephone number, FAX number, and email address of the person authorized to execute any agreement(s) that may be awarded.*
 - *Name, title, mailing address, telephone number, FAX number, and email address of the person who will serve as responding vendor's legal counsel.*
- Provide a brief overview of your company and history of your organization including an organizational chart of your retirement plan operations. Please describe any parent/subsidiary/affiliate relationships.

- Indicate how many years your company has been active in the defined contribution business, i.e., 457(b), 403(b), 415(m), 401(a), 457(f), etc.
- Indicate the total value of assets in all deferred compensation plans for which you provide recordkeeping services
- Indicate the total number of participants in all deferred compensation plans for which you provide recordkeeping services.
- State the number of deferred compensation plans you currently administer.

References

- With regard to the 457(b) Plans, provide four governmental references of current clients who have similar plan demographics (i.e., size and plan design). Please provide client name, contact name, address, phone number, services provided, and year they became a client.

Note: By responding to this request, you authorize the County to contact the current clients to discuss the services you have provided for these current clients, you authorize the current clients to provide such information to the County, and you agree to release the County and the current clients from any liability arising from their actions.

- With regard to the 457(b) Plans, provide four governmental references of former clients who had similar plan demographics (i.e., size and plan design). At least one of the three should have left within the last year. Provide the former client name, contact name, address, phone number, services provided, and year they became a client and the year they ceased to be a client and the reason(s).

Note: By responding to this request, you authorize the County to contact the former clients to discuss the services you have provided for these former clients, you authorize the former clients to provide such information to the County, and you agree to release the County and the former clients from any liability arising from their actions.

- How many 457 (b) plan clients (and participants) has the Firm GAINED in the last three years as of 03/31/2018?
- How many 457 (b) plan clients (and participants) has the Firm LOST in the last three years as of 03/31/2018?

Firm Strength, Experience and Qualifications

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Firm Strength, Experience and Qualifications. This summary should include:

Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services or detailed articulation of qualifications, if any.

- Brief overview of your company, history of your organization and any parent/subsidiary/affiliate relationships.

- Discussion of any recently announced or unannounced upcoming changes to ownership or leadership structure, including any pending agreements to merge or sell the company or its parent.
- Discussion of any current alliances or joint marketing efforts related to any services to be provided under a successful contract.
- Clear statement outlining whether the Firm or any officer or principal has been involved in any litigation, threat of litigation or governmental investigation surrounding its defined contribution plan, 457 plan, mutual fund, annuity, third party administration (TPA), recordkeeping, education services, and/or universal life services. Please explain the issue(s) and any resolution(s).
- Long- and short-term ratings from AM Best, Moody's, and Standard & Poors (*if applicable*).
- Identification of your Firm's target market and primary area of focus.
- Identification of how many years your company has been active in the defined contribution plan business, e.g., 403(b), 457(b), 457(f), 401(k) profit sharing, 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.) In particular, specify how long your Firm has provided 457 plan services and describe those services.
- Identification of the total value of assets in all defined contribution plans for which you provide recordkeeping services.
- Identification of the total number of participants and assets in all defined contribution plans for which you provide recordkeeping services.
- Identification of the total number of participants and liabilities tracked in all non-qualified deferred compensation plans for which you provide recordkeeping services.
- Indicate the number of Certified Financial Planners on staff supporting participants.
- Disclose any potential conflict of interests from parent/subsidiary/affiliate relationships from cross- selling of products.
- Please indicate the number of registered representatives who are authorized to make on-site client visits that the Firm currently has supporting the Austin, TX area (within 100 miles).
- Please disclose the professional turnover rates for relationship management, client service, and participant service personnel in your recordkeeping division.
- What insurance does your Firm have against liabilities incurred through servicing plans of this type (Fiduciary insurance, E&O, etc.)?
- Would the Firm consider itself a fiduciary or co-fiduciary in the performance of administration and investment services 457(b) to the Plan? What limitations exist?
- Attach a copy of a recordkeeping services contract as well as other documentation that would be required to enter into a relationship with your Firm (trust agreement, etc.).
- Describe the hardware platform(s) and software system(s) you use to provide recordkeeping and administration services to defined contribution plans (as applicable).

- Was the software developed internally, leased, or bought from another provider? Who has the ultimate responsibility/authority to make sure the software remains current to laws, regulations, client needs, etc.?
- How often are the plan administration systems upgraded? What protocols are in place to ensure security, data loss prevention, and the integrity of data?
- What system enhancements do you have planned over the next three years for:
 - *Core recordkeeping system*
 - *Service technology*
 - *Personal device access for participants (i.e. mobile application)*
- Describe the hardware and software system you use for your voice response system. For how many years has this version been in place and when is the next scheduled upgrade?
- Describe the hardware and software system you use for your internet transaction system. For how many years has this version been in place and when is the next scheduled upgrade?
- Describe the system of controls and practices your Firm has put in place to guard against unauthorized access to sensitive participant and financial data as well as a description of any insurance coverage(s) maintained for cyber breach related costs.
- Have any plans retaining your services experienced unauthorized access or distribution of participant and financial data due to a breach of your Firm's information systems? If so, please describe fully.
- Describe the Firm's documented disaster recovery plan. How often do you test your recovery system?
- 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?
- Do you guarantee service performance? If so, please describe and include samples of items that you would agree to as part of a contract for plan administration services clearly specifying any penalty compensation.
- Do you have or can you make available recent SSAE 16 or SSAE 18 auditor's report on internal controls (Yes/No)? If yes, please provide any recent copies of the SSAE 16 or SSAE 18 auditor's report on internal controls covering all service areas covered by this RFP and its scope (*attach multiple reports as necessary*).
- Describe the account team that would deal directly with County during the transition and ongoing. Indicate staff size, experience and turnover rates.
- What is the average number of clients managed by the account team for plans of this size?
- How many of your employees work on defined contribution plans? Provide a breakdown by functional area.
- What are your client retention statistics for each of the last three years?
- Describe your organization's commitment to quality and your philosophy/approach to client services.

- Describe your procedures for monitoring client and participant satisfaction.
- Describe your service/timing standards.
- What checks and balances do you have in place to assure plan administration integrity and accuracy including participant account data?

Recordkeeping/Administration

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Recordkeeping, Technology, Investment Access and Fee Administration. This summary should include:

- Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services and a detailed articulation of qualifications, if any.
- Discussion of how trustee services are provided (directly, via affiliate, via third-party, etc.), additional fees for trustee services, and any limitations that exist on holding assets.
- Discussion of trust interface and integration with recordkeeping platform, plan sponsors, and investment managers.
- Discussion of how your Firm monitors the plans to ensure it is administered in accordance with its provisions? What controls are in place?
- Discuss the Firm's ability to provide the 475(b) plan design features discussed in this RFP. Clearly identify design features described in the Scope of Services that would present challenges for your Firm to administer, if any.
- Discussion of data transmission methods related to payroll systems.
- Discuss your abilities and services related to the life-cycle of participant interaction:
 - *Enrollment;*
 - *Investment Elections, including default and rebalancing features;*
 - *Beneficiary Designation;*
 - *Investment Exchanges and Reallocations;*
 - *Rollovers In / Rollovers Out;*
 - *Distributions;*
 - *Participant Loans; and*
 - *Other Transaction / Interface Categories.*
- Discussion of Federal and State tax reporting for 457(b) plans including discussion of tax form preparation and filing and support for tax reporting.
- Discussion of Qualified Domestic Relations Orders (QDROs) and other outsourced document administration services (including powers of attorney, beneficiary documentation, death processing, and others).
- Discussion of checks and balances in place to ensure transactional integrity including plan administration manuals and other controls.
- Description of any customized or ad hoc reporting capabilities including Internet capabilities for the Plan Sponsor.
- Description of your standard participant-level statements and documents (provide samples).

- Review of the standard hours of account access and transactional availability via customer service call centers, online, and voice response channels.
- Provide a summary of capabilities (denoting capability to effect transaction type) by access channel using the chart below:
- Discuss training provided to service center representatives before they are allowed to handle incoming calls. Do you require any certifications?
- Discuss your case management procedures for calls that have service issues.
- A description of the Firm's following policies and procedures: quality control, information access management and security.
- Description of the standard reporting package that you would provide County as well as the medium(s) used (provide samples).
- Do you have a mobile application (as differentiated from a mobile-optimized web page) for participant usage? If so, clearly describe the features available (and whether access is inquiry only or transactional).
- Do you monitor and/or tape toll-free calls? How long are tapes stored? Can representatives of plan sponsors review recorded calls for quality assurance?
- Do you offer a ROTH accounts? If so, please describe your offering.
- Do you provide one main contact for the daily administrative needs of the plan?
- Do you provide daily valuation? Describe in detail how your system allocates earnings.
- What methods of data transmission are available?
- Describe in detail how your system processes contributions, including how your company verifies the source of the incoming contributions.
- Describe in detail, including timing, how your system processes withdrawals.
- Describe in detail, including timing, how your system processes: a) lump-sum distributions, b) systematic payments/installments, c) rollovers to another plan or an IRA, and d) required minimum distributions.
- Describe in detail how your system processes transfers/rollovers (including frequency/limitations). Are confirmations sent?
- Describe your process and methods of reallocation (percent and/or dollar).
- Can employer and employee contributions be tracked separately?
- Describe in detail how your system handles federal and state tax reporting and how you will provide tax form preparation and filing.
- Describe in detail how you administer and qualify domestic relations orders (DROs).

- What checks and balances do you have in place to ensure transaction integrity?
- Do you provide an administration manual?
- Will you record keep nonproprietary investment vehicles? Describe the process and systems used.
- What other administrative services do you provide?
- Describe in detail the fees and revenue sharing amounts you receive with any nonproprietary investment vehicles.
- Provide a sample contract with all applicable guaranteed rates, investment periods, annuitization rates, surrender fees, mortality and expense fees and all other numerical entries inserted therein for any variable or fixed annuity contract proposed to be in use or introduced shortly after September 1, 2012.
- Describe any value-added benefits or features not mentioned within this RFP but available through your company that would be beneficial to a participant's overall financial planning.

Communication and Education

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Communication and Education Services. This summary should include:

- Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services or detailed articulation of qualifications, if any.
- Brief description of your Firm's background and experience in providing Employee and Employer communication and education programs.
- Discussion of the key elements provided as part of a standard communication and education program package included in your proposal.
- Discussion of how representatives are compensated; include all components of compensation. If your representatives receive any form of commission-based pay, provide a detailed description of how their commission is earned, and whether there is any financial incentive for representatives to recommend one product over another.
- Please indicate the number of registered representatives who are authorized to make on-site client visits that the Firm currently has supporting the Dallas, TX area (within 50 miles).
- Discussion of (and providers of, if via a third-party or affiliate) advice services offered to participants related to asset allocation, investment vehicle selection, understanding of fees and investments.
- Review of how communication and education material are produced and fulfilled (i.e. in-house or through third-parties), including diversity materials.
- Review of how onsite investment education services are provided including a summary of the types of costs, if any, which apply for these services.
- Discussion of how the Firm helps plan sponsors measure the effectiveness of employee education efforts.

- Affirm in writing, the Firm's willingness to provide plan education and communication support with a strict rule against any cross-selling of services or investment products and to provide and maintain appropriate controls to limit and inhibit such services. Are you willing to apply monetary penalties to staff that do not follow such guidelines?
- Discussion of resources the Firm offers to support IRA rollovers and/or retirement distributions including a detailed discussion of any revenue to your Firm or affiliates generated and transparency of reporting thereof.
- Describe any on-going program your company offers to increase client participant participation.
- Briefly describe your background and experience in providing communication and education programs in a multi-vendor environment.
- Identify the key elements provided as part of a standard communication and education program package included in your proposal.
- Identify the key elements provided as part of a financial literacy program included in your proposal.
- Who will you provide as personnel resources as part of both the initial and ongoing communication and education program?
- Do you provide communication and education material in a foreign language? If so, what language(s) and what material?
- Do you create all of your communication and education material in-house or through third parties?
- Describe the process you use to help plan sponsors measure the effectiveness of employee education efforts.
- Does your organization provide any services (e.g., personal questionnaires, software) that would help individual participants with financial planning? Describe any electronic education tools you provide, both software-based and web-based.
- Describe your position on providing investment advice to participants. What fiduciary responsibility do you assume if advice is provided?
- If advice is offered, is it in-house or via a third party? Describe your process, mode and scope of advice.
- Describe education tools or programs designed to support IRA rollovers and/or retirement distributions.
- Provide samples of initial enrollment and ongoing communication and enrollment materials. Provide the result of the communication (e.g., increased participation, increased contribution etc.)
- Provide samples of financial literacy information or tools.

- Provide samples of communication and education materials used to target different age groups and employees at different life stages. This could be print, email, web-based or designs appropriate for social media.
- Explain your method of providing one-on-one financial education to County employees.
- How many of the investment representatives will be paid on a commission versus a salary basis?
- What training is provided to investment representatives before they are allowed to service employees?
- What ongoing training do you provide to investment representatives?
- How do you respond to employee complaints and concerns regarding investment representatives?
- Will your investment representatives be dedicated to providing financial education and service to County or will they service multiple clients?

Compliance Services

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Compliance Services. This summary should include:

- Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services or detailed articulation of qualifications, if any.
- Summary discussion of compliance and regulatory resources and with all applicable current and future State and federal laws.
- A general review of how the Firm helps ensure that plans remain in compliance and specifically review how this is accomplished for a 457(b) plan.
- Discussion of audit support.
- Discussion of other types of outsourced services.
- Does the Firm have a policy that governs the Code of Ethics for the Firm's employees? Provide a copy of this policy.
- Describe the procedures and methodology in place to retain, preserve, backup, delete, and search data in a manner that meets the requirements of electronic discovery rules. Specifically, how and in what format County data is kept and what tools are available to County to access County data.
- Describe the physical access controls used to limit access to the responding vendor's data center and network components.
- What procedures and best practices does the responding vendor follow to harden all systems that would interact with the service proposed including any systems that would hold, process?
- What technical security measures does the responding vendor take to detect and prevent unintentional [accidental] and intentional corruption or loss of County data?

- If the responding vendor were to be selected, would the responding vendor agree to a vulnerability scan by the County of the web portal application that would interact with the service proposed including any systems that would hold, process, or from which County data may be accessed? If responding vendor objects to the vulnerability scan, responding vendor must, as part of its proposal, identify and describe in detail the reasons for responding vendor's objection.
- Does the responding vendor have a Data Backup and Recovery Plan supported by policies and procedures, in place for the hosted environment? If yes, describe the outline of the Plan and how often it is updated. If no, describe what alternative methodology the responding vendor uses to ensure the restoration and availability of County data.
- Does the responding vendor encrypt County data backups? If yes, describe the methods used by the responding vendor to encrypt backup data. If no, what alternative safeguards does the responding vendor use to protect County data backups against unauthorized access?
- Describe any assumptions made in the preparation of your proposal regarding information security outside those already supplied by your company in the proposal.
- Provide the name and contact person for the person in your organization that is responsible for submission of all required HUB compliance information.

Access Control

- How will users authenticate to the proposed web portal application?
- Describe the responding vendor's password policy including password strength, password generation procedures, and frequency of password changes. If passwords are not used for authentication to the proposed system, describe what alternative controls are used to manage user access.
- What procedures and best practices does the responding vendor have in place to ensure that user credentials are updated and terminate as required by changes in role and employment status?
- Does the proposed web portal application provide the capability to use local credentials (i.e., federated authentication) for user authentication and login? If yes, describe how the product provides that capability.

Use of Data

- What administrative safeguards and best practices does the responding vendor have in place to vet responding vendor's and third-parties' staff members that would have access to the environment hosting all systems that would hold, process, or from which County data may be accessed to ensure that the County System data and resources will not be accessed or used in an unauthorized manner
- What safeguards does the responding vendor have in place to segregate County data from system and other customers' data to prevent accidental and/or unauthorized access to County data?
- What safeguards does the responding vendor have in place to prevent the unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access, or disclosure of County data?

- What procedures and safeguards does the responding vendor have in place for sanitizing and disposing of County data according to prescribed retention schedules or following the conclusion of a project or termination of a contract to render it unrecoverable and prevent accidental and/or unauthorized access to County data?

Data Transmission

- How does Institution data go between County and responding vendor's proposed system? If connecting via a private circuit, describe what security features are incorporated into the private circuit. If connecting via a public network (e.g., the Internet), describe the way the responding vendor will safeguard Institution data.
- Does the product secure the data transmission between County institution and the responding vendor? If yes, describe how the responding vendor provides that security. If no, what alternative safeguards are used to protect County institution data in transit?
- Does the product encrypt confidential data in transit and at rest? If yes, describe how the product provides that security. If no, what alternative methods are used to safeguard confidential data in transit and at rest?

Notification of Security Incidents

- Describe what procedures the responding vendor has in place to isolate or disable all systems that would interact with the service proposed in case a security breach should be identified? Including any systems that would hold, process, or from which County institution data may be accessed.
- What procedures, methodology, and timetables does the responding vendor have in place to detect information security breaches and notify County and customers?
- Describe the procedures and methodology in place to detect information security breaches and notify customers in a manner that meets the requirements of the state breach notification law.

Regulatory and Legal Services

- Describe the type of legal support included in your proposal and any fees that apply.
- How do you keep plan sponsors informed and updated on any regulatory and legislative changes?
- How do you ensure that your recordkeeping system is in compliance with all regulations?
- Describe any past or pending litigation, within the last five years, relating to or regarding services similar to the services you are proposing to provide.

Information Security: General Data Protection

- Describe the security features incorporated into the proposed products and services.
- List all products, including imbedded products, in the proposal and their corresponding owning company

Investments and other Services

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Investment Management Services. This summary should include:

Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services or detailed articulation of qualifications, if any.

- Discussion of your ability (and any procedural, platform, due diligence, or other requirements) to provide investment vehicles for defined contribution plans, including expressly identifying any aspects that are unique to, or not available to, 457(b) plans. Be sure to disclose if you are providing proprietary, non-proprietary, or a combination of both investment management services.
- Please provide a standard or representative roster of individual investment funds/products available to plan participants, inclusive of both short and long term absolute and relative return information and management fee/expense ratio data for each fund/product offered.
- Discussion of your ability and willingness to provide TMRS access to institutional class shares of mutual funds that do not provide embedded revenue sharing and structuring a flexible "tack-on" fee structure in either an asset-based or per-participant manner that creates a revenue-neutral arrangement to pay for plan administration expenses. Provide a detailed explanation of your Firm's position on this topic.
- 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.
- Please identify the number and types of investment vehicles you would make available. How do you determine which investment vehicles to make available?
- Discuss your organizations ability to make available the lowest expense share class funds for our plans. How else can you make investment fees and expenses as low as possible for our employees?
- Does your organization offer a self-directed brokerage window as a potential investment option? Please fully describe the service and fees associated with the administration of the brokerage accounts.

Loans

- Describe in detail your loan processing capabilities.
- Do you have paperless loan capabilities? If so, describe.
- Do you have paperless, online plan sponsor approval capabilities? If so, describe.
- Describe the flexibility in your loan repayment processing (i.e., additional loan payments, multiple loans, missed payments).
- How do you handle delinquent and/or defaulted loans?
- Describe any other features and/or limitations of the loan system not detailed above (e.g., loan modeling, amortization scheduling, etc.).

Hardship and Unforeseeable Emergency Withdrawals

- Describe in detail your hardship or unforeseeable emergency processing capabilities.
- Do you have paperless hardship or unforeseeable emergency capabilities? If so, describe.

Reporting

- Describe the standard reporting package that you would provide County as well as the medium(s) used (provide samples).
- Describe any customized or ad hoc reporting capabilities including Internet capabilities.
- Describe your standard participant-level statements and documents (provide samples).
- Describe your customization capabilities for participant-level statements.
- What is the standard timeframe for providing each report after the reporting period ends?

Customer Service

Voice Response System

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

Call Center

- Identify your toll-free service center standards. Please include for each of the last three calendar quarters, statistics related to actual performance, including number of calls, average length of calls, average response time, percentage of calls requiring follow-up, call abort rate, percentage of incoming calls totally handled via VRS versus toll-free live service center representative assistance, and percentage of service requests handled via website versus call center and VRS.
- What training is provided to toll-free service center representatives before they are allowed to handle incoming calls?

- Do you monitor and/or tape toll-free calls?
- What are your case management procedures for calls that have service issues?
- What information is available to toll-free service representatives to allow them to effectively answer participant questions? How many languages are spoken?

Access by Disabled Persons

- Describe your methods of providing access to the voice response system, the participant website, and the call center to disabled persons, including the visually impaired.
- Explain the procedures you have implemented or will implement to assure compliance with the provision of Section 508 of the Rehabilitation Act (29 U.S.C. 794d) and the Section 508 Standards adopted under that section (36 C.F.R. Part 1194).
- Describe the safeguards in place to ensure that all systems that would interact with the service proposed including any systems that would hold, process, or from which the County data may be accessed reside within the United States of America.
- Describe the monitoring procedures and tolls used for monitoring the integrity and availability of the systems interacting with the service proposed, detecting security incidents and ensuring timely remediation.

Please complete the following table regarding 457 (b) and defined contribution plan clients

# of Participants	# of 457 (b) Plan Clients	% of Total 457 (b) Clients
Total		

# of Participants	# of Government 457 (b) Plan Clients	% of Total Government 457 (b) Clients
Total		

# of Participants	# of DC Plan Clients	% of Total DC Clients
Total		

# of Participants	# of Government DC Plan Clients	% of Total Government DC Plan Clients
Total		

Please complete the following table regarding 457 (b) and defined contribution plan clients by asset size.

Asset Size	# of 457 (b) Plan Clients	% of Total 457 (b) Clients
<\$10 Million		
\$10 Million - \$50 Million		
\$50 Million - \$249 Million		
>\$250 Million		
Total		

# of Participants	# of 457 (b) Plan Clients	% of Total 457 (b) Clients
<\$10 Million		
\$10 Million - \$50 Million		
\$50 Million - \$249 Million		
>\$250 Million		
Total		

# of Participants	# of 457 (b) Plan Clients	% of Total 457 (b) Clients
<\$10 Million		
\$10 Million - \$50 Million		
\$50 Million - \$249 Million		
>\$250 Million		
Total		

# of Participants	# of 457 (b) Plan Clients	% of Total 457 (b) Clients
<\$10 Million		
\$10 Million - \$50 Million		
\$50 Million - \$249 Million		
>\$250 Million		
Total		

Please provide a breakdown of clients across bundled or administrative services by number and assets in the tables below.

Plan Type	# of Clients Bundled Services (Investment & Administration)	# of Clients Administration Only
All 457 (b) Plans		
All DC Plans		
Total		

Plan Type	By Clients \$\$ Bundled Services (Investment & Administration)	By Clients \$\$ Administration Only
All 457 (b) Plans		
All DC Plans		
Total		

Appendix 2
PRICING/DELIVERY INFORMATION

Provide fixed fee(s) for the proposed services. All costs associated with the proposed services must be itemized and specified. Confirm that travel expenses are included. Indicate search fees for traditional asset classes including mutual funds, commingled or separate accounts, pension manager searches and any discounts for multiple contemporaneous searches. If available, indicate charges for record-keeper searches and the evaluation of responses to RFPs for vendors such as actuaries and trustees.

No charges may be billed to Dallas County unless such costs were explicitly included in the proposal and subsequent Agreement.

<u>Description</u>	<u>Amount</u>	<u>Amount</u>
Specified Services:	Monthly	Annually
1. _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____
Optional Value-Added Services:		
1. _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____



GOOD FAITH EFFORT PLAN

THE GOOD FAITH EFFORT PLAN IS REVIEWED BY THE DALLAS COUNTY OFFICE OF SMALL BUSINESS ENTERPRISE. THE SBE DIRECTOR OR DESIGNEE WILL EVALUATE THE "GOOD FAITH EFFORTS" OF A FIRM. THE GOOD FAITH EFFORT MUST BE APPROVED BY THE OFFICE OF SMALL BUSINESS OF ENTERPRISE PRIOR TO AWARD.

NAME OF PROJECT: _____

SECTION A – PRIME CONTRACTOR INFORMATION

NAME OF FIRM: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

CONTACT PERSON: _____ PHONE: _____

EMAIL ADDRESS: _____ FAX: _____

IS YOUR FIRM CERTIFIED: NO _____ YES _____ CERTIFICATION NUMBER: _____

TYPE OF CERTIFICATION: SBE _____ MBE _____ WBE _____ AABE _____ HUB _____ DBE _____

1. LIST **ALL** FIRMS TO BE UTILIZED ON THIS PROJECT/CONTRACT.

	SUBCONTRACTORS/SUPPLIERS	SCOPE OF WORK/SUPPLIES TO BE PERFORMED/PROVIDED BY THE FIRM	ESTIMATED CONTRACT AMOUNT ALLOCATED TO THE FIRM	IF FIRM IS CERTIFIED, LIST CERTIFICATION NUMBER AND ATTACH A COPY OF THE CERTIFICATION AFFIDAVIT
1.	NAME: _____ ADDRESS: _____			
2.	NAME: _____ ADDRESS: _____			
3.	NAME: _____ ADDRESS: _____			
4.	NAME: _____ ADDRESS: _____			
5.	NAME: _____ ADDRESS: _____			
6.	NAME: _____ ADDRESS: _____			

SECTION B – SBE COMMITMENTS

THE SMALL BUSINESS ENTERPRISE (SBE) ASPIRATIONAL GOAL FOR THIS PROJECT IS 40%

1. THE UNDERSIGNED CONTRACTOR HAS SATISFIED THE REQUIREMENTS OF THE BID SPECIFICATIONS IN THE FOLLOWING MANNER (PLEASE CHECK THE APPROPRIATE SPACE):

_____ THE CONTRACTOR IS COMMITTED TO A MINIMUM OF 40 % SBE UTILIZATION ON THIS CONTRACT

_____ THE CONTRACTOR (IF UNABLE TO MEETING THE SBE GOAL OF 40 %) IS COMMITTED TO A MINIMUM OF _____ % SBE UTILIZATION ON THIS CONTACT

MANDATORY PAYMENT REPORTING

DURING THE TERM OF THE CONTRACT, THE CONTRACTOR MUST REPORT THE ACTUAL PAYMENTS TO ALL THE SBE SUBCONTRACTORS ON A MONTHLY BASIS IN THE SPECIFIED TIME INTERVALS AND FORMAT PRESCRIBED BY DALLAS COUNTY. ANY UNJUSTIFIED FAILURE TO COMPLY WITH THE LEVELS OF SBE PARTICIPATION IDENTIFIED IN THE BID AND AFFIRMED IN THE GOOD FAITH EFFORT PLAN SHALL BE CONSIDERED A MATERIAL BREACH OF CONTRACT. DALLAS COUNTY RESERVES THE RIGHT, AT ANY TIME DURING THE TERM OF THE CONTRACT TO REQUEST ADDITIONAL INFORMATION, DOCUMENTATION OR VERIFICATION OF PAYMENTS MADE TO ALL SUBCONTRACTORS IN CONNECTION WITH THE CONTRACT. VERIFICATION OF AMOUNT BEING REPORTED MAY TAKE THE FORM OF REQUESTING COPIES OF CANCELED CHECKS PAID TO THE SBE PARTICIPANTS AND/OR CONFIRMATION INQUIRIES DIRECTLY TO SBE PARTICIPANTS. PROOF OF PAYMENTS, SUCH AS COPIES OF CANCELED CHECKS MUST PROPERLY IDENTIFY THE PROJECT NAME OR PROJECT NUMBER TO SUBSTANTIATE SBE PAYMENTS FOR THIS PROJECT.

2. NAME AND PHONE NUMBER OF PERSON APPOINTED TO COORDINATE AND ADMINISTER THE SBE REQUIREMENTS ON THIS PROJECT

NAME: _____

TITLE: _____

DIRECT PHONE: _____ EMAIL: _____

➡ IF THE SBE GOAL WAS MET, PROCEED TO GOOD FAITH EFFORT AFFIRMATION FOUND ON PAGE 4

➡ IF THE SBE GOAL WAS NOT MET, PROCEED TO SECTION C – DOCUMENTATION OF GOOD FAITH EFFORTS FOUND ON PAGE

Good Faith Effort Form – Page 2 of 4

3. SECTION C – DOCUMENTAION OF GOOD FAITH EFFORTS (TO BE FILLED OUT ONLY IF SBE ASPIRATIONAL GOAL WAS NOT ACHIEVED.)

LIST PRIMARY REASON(S) THE SBE GOAL WAS NOT ACHIEVED:

--

LIST ALL FIRMS CONTACTED WITH SUBCONTRACTING/SUPPLY OPPORTUNITIES FOR THIS PROJECT THAT WILL NOT BE UTILIZED FOR THE CONTRACT BY CHOICE OF THE CONTRACTOR, SUBCONTRACTOR, AND/OR SUPPLIER. WRITTEN NOTICES TO FIRMS CONTACTED BY THE CONTRACTOR FOR SPECIFIC SCOPES OF WORK IDENTIFIED FOR SUBCONTRACTING/SUPPLY OPPORTUNITIES MUST BE PROVIDED TO SUBCONTRACTOR/SUPPLIERS NOT LESS THAN FIVE (5) BUSINESS DAYS PRIOR TO BID/PROPOSAL DUE DATE. THE FOLLOWING INFORMATION IS REQUIRED FOR ALL FIRMS WHAT WERE CONTACTED OF SUBCONTRACTING/SUPPLY OPPORTUNITIES. MAY USE ADDITIONAL SHEETS IF NEEDED.

	NAME & ADDRESS OF SUBCONTRACTOR(S)/SUPPLIER(S)	SCOPE OF WORK/SUPPLIES TO BE PERFORMED/PROVIDED BY THE FIRM	IS FIRM SBE CERTIFIED?	DATE OF WRITTEN NOTICE SENT & METHOD USED (FAX, LETTER, EMAIL, ETC.)	REASON AGREEMENT NOT REACHED
1.	NAME: ADDRESS:			DATE: METHOD:	
2.	NAME: ADDRESS:			DATE: METHOD:	
3.	NAME: ADDRESS:			DATE: METHOD:	
4.	NAME: ADDRESS:			DATE: METHOD:	
5.	NAME: ADDRESS:			DATE: METHOD:	

IN ORDER TO VERIFY A CONTRACTOR'S GOOD FAITH EFFORTS, PLEASE PROVIDE COPIES OF ALL WRITTEN NOTICES TO ALL FIRMS OF CONTACTED BY THE CONTRACTOR FOR SPECIFIC SCOPES OF WORK IDENTIFIED IN RELATIONS TO THE SUBCONTRACTING/SUPPLY OPPORTUNITIES IN THE ABOVE NAMED PROJECT. COPIES OF SAID NOTICES MUST BE PROVIDED TO DALLAS COUNTY'S OFFICE OF SMALL BUSINESS ENTERPRISE WITHIN FIVE (5) BUSINESS DAYS AFTER THE BID/PROPOSAL IS DUE. SUCH NOTICES SHALL INCLUDE INFORMATION ON THE SCOPE OF WORK TO BE PERFORMED AND/OR SUPPLIES TO BE PROVIDED.

3. DID YOU ATTEND THE PRE-BID CONFERENCE SCHEDULED FOR THIS PROJECT? YES _____ NO _____

4. LIST ALL LISTINGS, DIRECTORIES, CONTRACTOR ASSOCIATIONS, AND/OR ANY OTHER ASSOCIATIONS UTILIZED TO SOLICIT SBE SUBCONTRACTOR/SUPPLIERS.

NAME	CONTACT PERSON	PHONE
		()
		()
		()

5. DISCUSS EFFORTS MADE TO DEFINE ADDITIONAL ELEMENTS OF THE WORK PROPOSED TO BE PERFORMED BY SBES IN ORDER TO INCREASE THE LIKELIHOOD OF ACHIEVING THE GOAL.

5. INDICATE ADVERTISEMENTS MEDIUMS USED FOR SOLICITING BIDS FROM SBES (PLEASE ATTACH A COPY OF THE ADVERTISEMENTS).



GOOD FAITH EFFORT

AFFIRMATION

I HEREBY AFFIRM THAT THE INFORMATION PROVIDED IN THIS GOOD FAITH EFFORT PLAN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE. I FURTHER UNDERSTAND AND AGREE THAT THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT/AGREEMENT.

NAME OF AUTHORIZED OFFICIAL: _____

TITLE: _____

SIGNATURE: _____ DATE: _____

FOR USE ONLY BY THE OFFICE OF SMALL BUSINESS ENTERPRISE

GOOD FAITH EFFORT RECOMMENDATION:

APPROVED: _____ NOT APPROVED: _____

DATE: _____

SBE DIRECTOR: _____



**SMALL BUSINESS THRESHOLD
AFFIDAVIT**

Name of Contractor: _____

Principal Place of Business (address): _____

Project Name & Number: _____

Tax ID Number (if applicable): _____

I _____ am the majority owner (51%) of the Prime Contractor listed above and own _____ percent of _____.

I hereby certify that my firm/company's gross revenues and/or number of employees averaged over the past three years are equal to or below 20% of the Small Business Administrations (SBA) standards, in accordance with 13 CFR 121 et. al.¹ and Dallas County's Small Business Enterprise Program.

The number of employees employed during the previous three (3) years are as follows:

Employee Workplace Demographics by year	Full Time	Part Time	Contract
20__			
20__			
20__			

I also hereby certify that my personal net worth ("PNW") does not exceed \$3.2 million (excluding primary personal residence² and ownership interest in business), including any assets held on my behalf by any person or entity domestically or internationally. I also certify that I have not transferred ownership of assets for the purpose of qualifying as an SBE.

I understand and acknowledge that the County reserves the right to conduct an investigation and request additional information regarding the representations herein. I agree to allow a County representative to perform an onsite audit of my firm/company's tax returns for the past three years, upon request, , including information from third parties (e.g., accountant, IRS), to confirm my gross revenues, number of employees, or PNW, including federal tax return (including schedules), W2s, and other relevant documentation.

¹ See, generally, 13 CFR § 121 et. al, including 13 CFR § 121.201 and 13 CFR § 121.104.

² Note: Portions of equity in your primary residence attributable to excessive withdrawals from the participating SBE firm/company is not excluded.

I, _____, hereby certify, under penalty of perjury, that the above-stated facts are true and correct and understand that any misrepresentations may be grounds for initiating action under federal or state law, including state law concerning false statements in a government document.

Signature

Date

Title

STATE OF TEXAS

COUNTY OF _____

BEFORE ME, A NOTARY PUBLIC, ON THIS DAY PERSONALLY APPEARED _____, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING DOCUMENT AND, BEING BY ME FIRST DULY SWORN, DECLARED THAT THE STATEMENTS THEREIN CONTAINED ARE TRUE AND CORRECT.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____, 20____.

(PERSONALIZED SEAL)

NOTARY PUBLIC'S SIGNATURE

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

2 ☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes

☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes

☐ No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

Date

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed;

or

- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or

- (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

- (3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

- (2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 12/22/2017



VOLUNTARY MORATORIUM ON CAMPAIGN CONTRIBUTIONS

In accordance with Dallas County's Transparency Policy, parties interested in responding to this RFP/RFQ are encouraged to sign this statement indicating your willingness to temporarily refrain from making any donation to any Dallas County elected official or candidate for office whose office (or potential office) has any involvement in the selection process for the associated contract during the pendency of the RFP/RFQ through thirty (30) days after the contract is awarded.

We hereby agree as stated;

Firm Name: _____

Signature and Title of Individual Authorized to Bind Company:

_____ Title: _____

Print Name: _____

Date: _____



**DALLAS COUNTY
PURCHASING DEPARTMENT**

900 Jackson Street, Suite 680
Dallas, Texas 75202

October 30, 2018

ADDENDUM #1

Solicitation # 2018-065-6758

Request for Proposal for 457 (b) Deferred Compensation Plan

WHEREAS, pages 25 and 26 are hereby replaced with pages 25A and 26A

Except as provided herein/above, all other specification requirements of the original solicitation referenced shall remain unchanged in full force and effect. This addendum should be signed and returned with your Solicitation package on or before November 12, 2017, @ 2:00 P.M. (CT).

This addendum is hereby acknowledged, understood and considered in our Solicitation.

Printed Name: _____

Signature of Authorized Representative: _____

Title: _____

Company: _____

[Type text]

- Mutual Funds and Variable Annuity Investment Options

Each responding vendor affirms that it will make available to participants who utilize the SDBA, mutual funds or variable annuity investment options that are not available through other investment options. Participants are not restricted from purchasing back-loaded mutual funds, but each qualifying vendor shall provide a list of no-load, no-transaction fee mutual fund options available through the SDBA. A list of all mutual fund and variable annuity investment options available should be included with the response. The listing should clearly indicate those options that are no-load, no-transaction fee options. Investment options purchased through the SDBA are not subject to the investment product standards set forth above.

- Individual Securities

Individual securities will not be offered for the 457(b) Plan

Expense Criteria

A responding vendor may charge an annual account fee and transaction fees to participants who utilize the SDBA. However, responding vendors should take into consideration the competitive nature of this RFP in setting the level, if any, for these fees.

Participant Service Models Desired

The following participant service models are desired to address the diverse investment advisory needs of County participants.

County Certification of Representatives for the System 457(b) Plans

All representatives must be properly licensed in the State of Texas to sell the investment products approved by the County. Before any representative (salaried, independent, or commissioned) described in Section 8B.2 is permitted to provide financial assistance to an employee of any County institution, the representative must demonstrate an understanding of the following:

- Appropriate use of County retirement forms;
- Overall plan design;
- County retirement policies and procedures, including the Board of Regents' *Rules and Regulations* and Texas Higher Education Coordinating Board Rules regarding sales solicitation; and
- Other requirements that may be added in the future.

Sales Solicitation

Each responding vendor must certify that it will provide notification, education, and enrollment into the 457(b) Plans to each representative in compliance with the County's Board of Regents' *Rules and Regulations* relative to sales solicitation. Each responding vendor must additionally affirm and agree that violations of these Regents' *Rules and Regulations* may result in sanctions by the County up to and including revocation of selection as a Contracting Vendor. .

Salaried Representatives

Each responding vendor for the 457(b) Plans is required to provide a sufficient number of salaried representatives that are dedicated to providing service to County employees. These representatives must be identified and available to provide assistance to the County benefits offices as well as employees at every institution by providing one-on-one meetings with employees to educate and advise them on the retirement plans and investment options on a vendor-neutral basis;

Every County institution must be assigned a representative that is identified as being a salaried representative, but a representative may be assigned to more than one institution. These

representatives must be properly licensed to provide investment consultation and must be managed and supervised by the responding vendor.

Commissioned Sales Representatives

Commissioned sales representatives are permitted to assist in the distribution of a bundled variable annuity product. All representatives should be managed and supervised by the responding vendor.

Internet-Based/Direct Service

Internet-based asset allocation tools must be provided by each responding vendor at no cost to the County or to participating employees who become clients of the responding vendor. These must include a tool that provides an independent portfolio analysis, along with unbiased recommendations on the various investment options offered by the responding vendor.

Electronic and Information Resources (EIR) Warranty

County is required to acquire all EIRs in compliance with the legal requirements governing access to such EIRs by individuals with disabilities (EIR Accessibility Requirements). The EIR Accessibility Requirements applicable to the System are set forth in Chapter 2054, Subchapter M of the Texas Government Code, Title 1, Section 206.70 of the Texas Administrative Code, and Title 1, Chapter 213, Subchapter C of the Texas Administrative Code. In order for County to ensure that the EIRs offered by each vendor responding to this RFP are in compliance with the EIR Accessibility Requirements, vendor must include all of the following in its proposal:

Compliance with this statute and these rules is not optional and their applicability cannot be waived.

The responding vendor must warrant that the website complies with the requirements set forth in Title 1, Rules §§ 206, 213.30 and 213.36 of the Texas Administrative Code (as authorized by Chapter 2054, Subchapter M of the Texas Government Code). The proposal must provide that to the extent vendor becomes aware that the website does not satisfy the EIR Category Warranty, vendor will, at no cost to System, perform all necessary remediation to make the website satisfy the EIR Category Warranty.

Responding vendor is required to submit a completed Electronic and Information Resources (EIR) . Proposals or bids without a completed checklist will be disqualified.

Responding vendor must provide a written explanation for each of its responses to the requirements in the Checklist with respect to the website:

- If responding vendor determines that the website complies with an applicable accessibility requirement in the Checklist, vendor's written response to that requirement must identify how vendor made such a determination (merely responding with "Complies" or similar non-explanatory language is not acceptable).
- If the responding vendor determines that the website does not or will not comply with an applicable accessibility requirement in the Checklist, vendor's written response to that requirement must identify the cause of such noncompliance and the specific efforts and costs that vendor would need to assume to remedy such noncompliance (merely stating "Does not comply" or similar non-explanatory language is not acceptable).
- If responding vendor determines that an accessibility requirement in the Checklist is not applicable to the website, then vendor's written response to that requirement must identify



PURCHASING DEPARTMENT

DATE October 31, 2018

ADDENDUM NO. 2

RFP NO. 2018-065-6758

Request for Proposal for 457 b Deferred Compensation Plan

WHEREAS, the bid opening date is hereby changed to read as follows:

MONDAY, November 19, 2018 @ 2:00 P.M. (CDT)

Except as provided herein/above, all other specification requirements of the original bid referenced shall remain unchanged and in full force and effect. This addendum should be signed and returned with your proposal package on or before Monday, November 19, 2018 @ 2:00 P.M. (CDT)

This addendum is hereby acknowledged, understood and considered in our proposal.

Signature: _____

Printed Name: _____

Company: _____

Date: _____



PURCHASING DEPARTMENT

DATE November 6, 2018

ADDENDUM NO. 3

RFP NO. 2018-065-6758

Request for Proposal for 457 b Deferred Compensation Plan

This Addendum to the specifications and contract documents is issued to provide additional information and clarification to the original RFP. In case of a conflict, this Addendum shall govern.

PROPOSERS shall acknowledge receipt of this Addendum by inserting this Addendum Number and Date issued in Proposal Form – Transmittal Letter located within the original RFP documents. Failure to do so subjects PROPOSER to a determination of non-responsiveness.

WHEREAS, the below information and requirements have been removed from the aforementioned RFP (page 26, referring to EIR checklist and responses).

Electronic and Information Resources (EIR) Warranty

County is required to acquire all EIRs in compliance with the legal requirements governing access to such EIRs by individuals with disabilities (EIR Accessibility Requirements). The EIR Accessibility Requirements applicable to the System are set forth in Chapter 2054, Subchapter M of the Texas Government Code, Title 1, Section 206.70 of the Texas Administrative Code, and Title 1, Chapter 213, Subchapter C of the Texas Administrative Code. In order for County to ensure that the EIRs offered by each vendor responding to this RFP are in compliance with the EIR Accessibility Requirements, vendor must include all of the following in its proposal:

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Responding vendor is required to submit a completed Electronic and Information Resources (EIR) Accessibility Checklist Appendix G along with proposals. Proposals or bids without a completed checklist will be disqualified.

Responding vendor must provide a written explanation for each of its responses to the requirements in the Checklist with respect to the website:

- If responding vendor determines that the website complies with an applicable accessibility requirement in the Checklist, vendor's written response to that requirement must identify how vendor made such a determination (merely responding with "Complies" or similar non-explanatory language is not acceptable).
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This addendum is hereby acknowledged, understood and considered in our proposal.

Signature: _____

Printed Name: _____

Company: _____

Date: _____



PURCHASING DEPARTMENT

DATE November 7, 2018

ADDENDUM NO. 4

RFP NO. 2018-065-6758

Request for Proposal for 457 b Deferred Compensation Plan

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WHEREAS, the below information and requirements have been removed from the aforementioned RFP (On page 52)

- **Provide a summary of capabilities (denoting capability to effect transaction type) by access channel using the chart below:**

Except as provided herein/above, all other specification requirements of the original bid referenced shall remain unchanged and in full force and effect. This addendum should be signed and returned with your proposal package on or before Monday, November 19, 2018 @ 2:00 P.M. (CDT)

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Signature: _____

Printed Name: _____

Company: _____

Date: _____

EXHIBIT E

Nationwide Retirement Solution, Inc.'s Response to the RFP



**DALLAS COUNTY
PURCHASING DEPARTMENT**

900 Jackson Street, Suite 680
Dallas, Texas 75202

October 30, 2018

ADDENDUM #1

Solicitation # 2018-065-6758

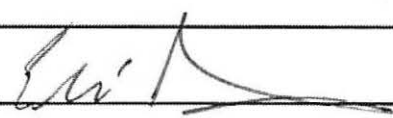
Request for Proposal for 457 (b) Deferred Compensation Plan

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This addendum is hereby acknowledged, understood and considered in our Solicitation.

Printed Name: Eric Stevenson

Signature of Authorized Representative: 

Title: VP, Retirement Plan Sales

Company: Nationwide Retirement Solutions, Inc.

[Type text]



PURCHASING DEPARTMENT

DATE October 31, 2018

ADDENDUM NO. 2

RFP NO. 2018-065-6758

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This addendum is hereby acknowledged, understood and considered in our proposal.

Signature: _____

A handwritten signature in black ink, appearing to read "Eric Stevenson", is written over a horizontal line.

Printed Name: Eric Stevenson - VP, Retirement Plan Sales

Company: Nationwide Retirement Solutions, Inc.

Date: November 13, 2018



PURCHASING DEPARTMENT

DATE November 6, 2018

ADDENDUM NO. 3

RFP NO. 2018-065-6758

Request for Proposal for 457 b Deferred Compensation Plan

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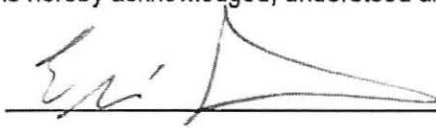
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This addendum is hereby acknowledged, understood and considered in our proposal.

Signature: _____



Printed Name: Eric Stevenson - VP, Retirement Plan Sales

Company: Nationwide Retirement Solutions, Inc.

Date: November 13, 2018



PURCHASING DEPARTMENT

DATE November 7, 2018

ADDENDUM NO. 4

RFP NO. 2018-065-6758

Request for Proposal for 457 b Deferred Compensation Plan

This Addendum to the specifications and contract documents is issued to provide additional information and clarification to the original RFP. In case of a conflict, this Addendum shall govern.

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This addendum is hereby acknowledged, understood and considered in our proposal.

Signature: _____

A handwritten signature in black ink, appearing to read "Eric Stevenson", is written over a horizontal line.

Printed Name: Eric Stevenson - VP, Retirement Plan Sales

Company: Nationwide Retirement Solutions, Inc.

Date: November 13, 2018



Nationwide Retirement Solutions, Inc.
10 West Nationwide Blvd.
Columbus, OH 43215
P: (877) 677-3678
F: (877) 677-4329

November 13, 2018

Tiffany Dales, Purchasing Buyer
Dallas County Purchasing Department
900 Jackson Street, Suite 680
Dallas, Texas 75202

Re: Transmittal Letter - RFP 2018-065-6758 – Request for Proposal for 457(b) Deferred Compensation Plan.

Dear Ms. Dales:

Nationwide is pleased to submit our response to the Dallas County Deferred Compensation Plan Request for Proposals(RFP). We appreciate the opportunity to outline our ability and readiness to continue performing the services described in the RFP for the County's Deferred Compensation Plan. Nationwide confirms that we meet and agree to the Scope of Work and Mandatory Requirements as outlined in the RFP as well as all RFP Addendums.

Nationwide is an American company that is focused on helping America's workers prepare for and live in retirement, and we have more than 45 years of dedicated service working with public sector plan sponsors and employees. With over 7,800 plans choosing Nationwide to provide administrative services, we are the leader in total governmental defined contribution plans served. In Texas, Nationwide provides recordkeeping services for 522 plans and over 47,400 participants.

Our model is centered on breaking down and simplifying the most challenging retirement issues to help ensure your participants are ready for retirement. The attached response demonstrates our commitment to a partnership with you to provide a remarkable retirement plan experience for your employees.

Here are a few reasons why Nationwide believes we continue to be the best choice for the County of Dallas:

We offer an enhanced high-touch service model

- **In-person and over-the-phone education** – Nationwide's model is centered on people and high-touch participant services. Our offer to the County includes a comprehensive education and enrollment plan to prepare your employees for retirement. The County's local Retirement Specialist, Will Angus, will continue to deploy a rotation schedule to visit all worksites during all shifts. Nationwide also provides Internal Retirement Specialists, via a toll-free number, to support more participants how and when it's convenient for them. Additionally, our Personal Retirement Counselors specifically focus on pre-retirees and retirees to help them better understand their retirement needs.
- **A Leader in Customer Service** – J.D. Power ranked our Retirement Plans business # 1 in its inaugural Group Retirement Satisfaction Study for overall customer satisfaction in the mixed plan segment, representing large and small retirement plans across the 401(k) and 457 landscape. This distinction from J.D. Power — known globally as the Customer Experience Benchmarking Authority — is a significant differentiator that reflects our focus on driving growth by enhancing the experience we deliver to clients and partners. Additionally, DALBAR, Inc. selected Nationwide as the winner of the Plan Participant Service Award from 2014 through 2017. "Nationwide has set themselves apart from their competitors by helping employees understand the benefits and importance of their retirement nest egg. This goes a long way to creating peace of mind and securing customer loyalty," – DALBAR.
- **Industry Leading Mobile Technology** – Our mobile-responsive website, ranked #1 in the industry for the past four years by DALBAR, Inc., offers the tools, educational information and functionality that allow the County's participants to manage their accounts and receive up-to-date information about their plan while on the go.
- **Driving Participant Outcomes** – We will continue to partner with the County to develop a strategy to address what is most important to you including increasing activity, overall participation, enrollment, average deferrals and retirement readiness.



We simplify the toughest challenges faced in retirement

- **Tactical Plan Management** – Nationwide offers comprehensive, bundled administrative solutions to simplify payroll processing, loan administration, unforeseeable emergencies and other plan features, minimizing burden on the County's staff.
- **My Interactive Retirement Planner** – This online tool illustrates the importance of saving for retirement and enables participants to compare their progress with their personal retirement goals.
- **Retirement Readiness Reports** – Our annual Retirement Readiness Scorecard, proactively distributed to all participants, provides a comprehensive view of each participant's assets, including pension and Social Security benefits, and how that money translates into retirement income. The Scorecard gauges their progress and recommends steps that can be taken to help improve their readiness score.

We are more than a business

- **Supporting Our Veterans**

In 2012, Nationwide set a goal to recruit and hire 1,000 veterans over the span of a five year period. In first quarter 2016, we hired our 1,000th veteran, a goal we had not planned to achieve until the second quarter of 2017.

- **Engaging Associates**

Nationwide has been named to the Fortune '100 Best Companies to Work For' list for two consecutive years; currently ranked #53. People who work at Nationwide are proud to be part of an ethical company that genuinely cares about its employees and their communities as much as its customers.

- **Commitment to the Community**

Nationwide's purpose also extends to the communities in which we live and work. When you do business with Nationwide, you are joining a force for good in the community. Through the American Red Cross, United Way of America, Nationwide Children's Hospital, and Feeding America, our employees give not only their donations but also their time:



16,000

UNITS OF BLOOD DONATED TO THE
AMERICAN RED CROSS BY NATIONWIDE
ASSOCIATES IN 2017



3.4 million

MEALS RAISED BY
NATIONWIDE ASSOCIATES
IN 2017



\$136.9 million

PLEDGED BY ASSOCIATES,
AGENTS & RETIREES SINCE 2000



NATIONWIDE CHILDREN'S
When your child needs a hospital, everything matters.

\$10 million

CONTRIBUTED BY THE NATIONWIDE
FOUNDATION IN 2017

We appreciate this opportunity to assist your employees in meeting their retirement objectives. We feel that our competitive price, participant focus and value-added services make choosing Nationwide the clear choice, and if awarded this contract, we will work daily to prove it to you and your participants.

If you have questions, please contact Greg Russell, the County's Program Director, at (470) 216-6872 or at russeg4@nationwide.com.

Sincerely,

Eric Stevenson
Vice President, Retirement Plans Sales
Nationwide Retirement Solutions, Inc.

cc: Lou Moreno, Regional Vice President
Greg Russell, Program Director



Schwab Personal Choice Retirement Account® (PCRA)

Pricing Summary – Effective February 3, 2017

Schwab provides a broad range of value-added services, some of which have associated fees. This document provides you with a summary of your plan-specific commissions and transaction fees for trade orders placed in your Schwab PCRA. This pricing summary supersedes any prior pricing summaries, pricing guides, and notices that you may have received. Schwab reserves the right to change or waive fees at our discretion.

Commissions and Transaction Fees¹

Equities

Stocks and Third-Party Exchange-Traded Funds (ETFs) per Executed Trade*

Trading Channel	Commission
Electronic ²	\$6.95
Broker-Assisted	Electronic commission, plus \$25

ETFs (including Schwab ETFs™) participating in Schwab ETF OneSource™ per Executed Trade³

Trading Channel	Commission
Electronic	\$0
Broker-Assisted	Electronic commission, plus \$25

*These fees also apply to trades of Canadian stocks, American Depositary Receipts, and stocks of foreign-incorporated companies that are listed on U.S. or Canadian exchanges or whose trades clear and settle in the U.S. or Canada.

Mutual Funds⁴

Some funds may also charge sales and/or redemption fees. Please read the prospectuses for details. You can buy shares directly from a fund company or its principal underwriter or distributor without paying Schwab's transaction or services charges (except Schwab Funds®).

No-Transaction-Fee Funds (includes funds available through the Mutual Fund OneSource® service)⁵

Trading Channel	Transaction Fee
Electronic	\$0
Broker-Assisted	\$25 service charge per trade may apply

Transaction-Fee Funds⁵

Trading Channel	Transaction Fee
Electronic	\$50 per buy, \$0 per sell
Broker-Assisted	Electronic fee, plus \$25 service charge per trade

Note: For information about offshore funds (funds registered outside the U.S. for purchase by non-U.S. persons only), please call the Schwab PCRA Call Center.

Investors should consider carefully information contained in the prospectus, including investment objectives, risks, trading policies, charges, and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus online at www.schwab.com/prospectus. Please read the prospectus carefully before investing.

charles
SCHWAB

Own your tomorrow

Options⁶

Options per Executed Trade

Trading Channel	Commission
Electronic	\$6.95, plus \$0.70 per contract
Broker-Assisted	Electronic commission, plus \$25

Note: Stock or option trades resulting from an option exercise or assignment will be subject to the corresponding electronic commission pricing schedule.

Pricing for Combined Equity and Option Orders

Equity plus option leg orders (includes Buy/Writes, Sell/Writes, and Unwinds): \$0.70 per contract for the option leg, plus \$6.95 commission for the equity leg. (There is no base commission for the option leg.)

Equities - Foreign Stock

Foreign Stock Transactions*

Trades Placed on the U.S. Over-The-Counter Market

Trading Channel	Transaction Fee
Electronic	\$6.95, plus a \$50 foreign transaction fee ⁷
Broker-Assisted	\$81.95; electronic commission of \$6.95, plus \$25 for broker assistance, plus a \$50 foreign transaction fee

Foreign Stock Transactions

Trades Placed Directly on a Foreign Exchange

Trading Channel	Transaction Fee
Electronic	Not available
Broker-Assisted	The greater of \$100 or 0.75% of principal, with no maximum

*These fees also apply to trades of foreign ordinary shares placed directly on a foreign exchange or on the U.S. over-the-counter market.

Fixed Income Investments⁸

Schwab may act as principal on certain fixed income transactions. When Schwab acts as agent, a commission will be charged on the transaction. When Schwab acts as principal, the mark-up is included in the bond price.

Product Type	Electronic Commission or Mark-up	Broker-Assisted Commission or Mark-up
New issues, including Certificates of Deposit	\$0 (a selling concession is included in the original offering price)	
Treasury Bills, Notes, Bonds ⁹ , and TIPS (Secondary and Auction)	\$0	\$25
Secondary transactions for Corporate Bonds, Municipal Bonds, Government Agencies, Zero-Coupon Treasuries (including STRIPS), and Certificates of Deposit	\$1 per bond (\$10 minimum/\$250 maximum)	Electronic commission, plus \$25 per trade
Preferred REITS	Stock commissions and minimums apply for secondary transactions.	
Commercial Paper, Foreign Bonds, Asset-Backed Securities, Mortgage-Backed Securities and Unit Investment Trusts	These are specialty products -- please call us for information.	

Note: Large block transactions (orders of more than 250 bonds) may be eligible for special handling and/or pricing -- please call the Schwab PCRA Call Center for information.

Our commissions and mark-ups may be slightly less than our published schedule (shown above) due to rounding.

Exchange Process Fee

This is a fee Schwab charges to offset fees imposed on us by national securities and self-regulatory organizations or by U.S. option exchanges.

The Securities and Exchange Commission (SEC) assesses transaction fees on national securities exchanges and self-regulatory organizations based on the aggregate dollar amount of sales of certain securities. The SEC recalculates the amount of this fee periodically—at least once per year but sometimes more often. National securities exchanges and self-regulatory organizations offset the transaction fees by charging their member broker-dealers such as Schwab, and we, in turn, offset this fee by charging you an Exchange Process Fee for covered sell transactions.

U.S. option exchanges charge Schwab and other broker-dealers per-contract fees for purchase and sales of exchange-listed options. The exchanges may charge these fees even on transactions executed on other exchanges, which can result in multiple fees being imposed on Schwab for a single transaction. Schwab offsets these fees by charging you a single Exchange Process Fee for each covered transaction.

Any Exchange Process Fee that appears on your trade confirmation for a sale of an exchange-listed option will combine the offset for the fees charged both by the U.S. option exchanges and by the national securities and self-regulatory organizations.

Schwab's Exchange Process Fee will rise or fall periodically depending upon the rate set by the SEC or by the U.S. option exchanges, as applicable.

Notes:

- This pricing summary applies only to the PCRA accounts held at Charles Schwab & Co., Inc., and established on behalf of retirement plan participants. You can obtain more information about PCRA commissions and transaction fees by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272), Monday through Friday, 9:00 am through 7:30 pm (ET). Or, view the current *Charles Schwab Pricing Guide for Retirement Plan Accounts* on www.schwab.com for a more complete description of all other commissions and transaction fees.
- Your PCRA is a cash-up-front account. For all purchases, we require cleared funds in the account. When you're selling, we require securities on deposit. It is your responsibility to avoid overspending your account. If your account becomes overspent, Schwab reserves the right to liquidate a portion of your account to cover the debit balance. If liquidation is necessary, a broker-assisted fee of \$25 will apply.

¹ Excluding mutual funds, commissionable trades that execute over more than one day will be charged a separate commission for each additional day; each separate commission will apply to the portion of the trade executed on the corresponding additional day. Electronic trade orders for which price or quantity are changed by the client, and as a result execute over multiple trades on the same day, are each charged a separate commission.

² Trades placed through Schwab's electronic channels, such as Schwab.com, mobile applications, and automated phone services. Certain securities may not be available through all electronic trading channels. Up to 999,999 shares can be placed per trade.

³ Conditions apply: Trades in ETFs available through Schwab ETF OneSource (including Schwab ETFs™) are available without commissions when placed online through a Schwab account. Service charges apply for trade orders placed through a broker (\$25). An exchange processing fee applies to sell transactions. Certain types of Schwab ETF OneSource transactions are not eligible for the commission waiver, such as short sells and buys to cover (not including Schwab ETFs). Schwab reserves the right to change the ETFs we make available without commissions. All ETFs are subject to management fees and expenses. Please see the *Charles Schwab Pricing Guide for Retirement Plan Accounts* (the "Pricing Guide") for additional information. As of 02/02/2017, Schwab ETF OneSource had 228 ETFs.

Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Shares are bought and sold at market price, which may be higher or lower than the net asset value (NAV).

Charles Schwab & Co., Inc. receives remuneration from third-party ETF companies participating in Schwab ETF OneSource™ for recordkeeping, shareholder services, and other administrative services, including program development and maintenance.

Schwab ETFs™ are distributed by SEI Investments Distribution Co. (SIDCO). SIDCO is not affiliated with Charles Schwab & Co., Inc. Learn more at schwab.com/SchwabETFs.

Third-party Schwab ETF OneSource shares purchased may not be immediately marginable at Schwab.

⁴ Charles Schwab & Co., Inc. (Member SIPC) receives remuneration from fund companies for recordkeeping and shareholder services and for other administrative services for shares purchased through Schwab's Mutual Fund OneSource® program. Schwab also may receive remuneration from transaction-fee fund companies for certain administrative services.

Trades in no-load mutual funds available through OneSource (including Schwab Funds®), as well as certain other funds, are available without transaction fees when placed through Schwab's electronic channels such as Schwab.com, mobile applications, or automated phone services. Schwab reserves the right to change the funds we make available without transaction fees and to reinstate fees on any funds. Funds are also subject to management fees and expenses.

Schwab's short-term redemption fee will be charged on redemption of funds purchased through Schwab's Mutual Fund OneSource® service (and certain other funds with no transaction fee) and held for 90 days or less. Schwab reserves the right to exempt some funds from this fee, including certain Schwab Funds®, which may charge a separate redemption fee, and funds that accommodate short-term trading.

⁵ Standard fees apply on both transactions when placing simultaneous orders to sell one or more transaction-fee fund(s) and purchase additional transaction-fee fund(s) with the proceeds.

⁶ Options carry a high level of risk and are not suitable for all investors. Certain requirements must be met to trade options through Schwab. Please read the Options Disclosure Document titled "Characteristics and Risks of Standardized Options" before considering any option transaction. Call Schwab at 1-888-383-PCRA (7272) to request a current copy. Supporting documentation for any claims or statistical information is available upon request.

⁷ Transactions in foreign ordinary shares incur additional custody, clearing, and settlement expenses. A foreign transaction fee is added to trades placed on the U.S. over-the-counter market through the online or automated phone channels. The commission and foreign transaction fee will be combined and appear as one line item, labeled "Commission," on your trade confirmation.

⁸ For fixed income trades placed through one of Schwab's electronic channels, discounts may apply.

⁹ Schwab reserves the right to act as principal on any Bond transaction. In secondary market principal transactions the price will be subject to our standard mark up in the case of purchases, and a mark down in the case of sales, and also may include a profit or loss to Schwab in the form of a bid-ask spread. When trading as principal, Schwab may also be holding the security in its own account prior to selling it to you and, therefore, may make (or lose) money depending on whether the price of the security has risen or fallen while Schwab has held it.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer that also provides other brokerage and custody services to its customers.



Nationwide®
is on your side

Rev. 06/2018

FACTS

WHAT DOES NATIONWIDE FINANCIAL SERVICES DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal and state laws give consumers the right to limit some but not all sharing. Federal and state laws also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Account balances, transaction history, and credit history
- Assets and insurance claim history

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Nationwide Financial Services chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does NFS share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Call 1-866-280-1809

Who we are

Who is providing this notice?

Nationwide Financial Services, Inc.; Nationwide Life Insurance Company; Nationwide Life and Annuity Insurance Company; Harleysville Life Insurance Company; Nationwide Retirement Solutions, Inc.; Nationwide Investment Advisors, LLC; and Nationwide Fund Distributors, LLC. (collectively “NFS”)

What we do

How does NFS protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state laws. These measures include computer safeguards and secured files and buildings. We limit access to your information to those who need it to do their job.

How does NFS collect my personal information?

We collect your personal information, for example, when you

- apply for insurance or give us your contact information
- pay your insurance premiums or file an insurance claim
- show your driver’s license

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can’t I limit all sharing?

Federal and state laws give you the right to limit only

- sharing for affiliates’ everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies. Our affiliates include companies with the Nationwide name, such as Nationwide Bank and Nationwide Mutual Insurance Company. Visit nationwide.com for a list of affiliated companies.

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies. NFS does not share with nonaffiliates so they can market to you.

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you. NFS doesn’t jointly market.

Other important information

Nevada Residents: You may request to be placed on our internal Do Not Call list. Send an email with your phone number to privacy@nationwide.com. You may request a copy of our telemarketing practices. For more on this Nevada law, contact Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; phone number: 1-702-486-3132; email: BCPINFO@ag.state.nv.us.

For Vermont Customers: We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

For insurance customers in AZ, CT, GA, IL, ME, MA, MT, NV, NJ, NM, NC, ND, OH, OR, and VA only: The term “Information” means information we collect during an insurance transaction. We will not use your medical information for marketing purposes without your consent. We may share your Information with others, including insurance-support organizations, insurance regulatory authorities, law enforcement, and consumer reporting agencies, without your prior authorization as permitted or required by law. Information obtained from a report prepared by an insurance-support organization may be retained by the insurance-support organization and disclosed to other persons.

Accessing your information: You have a right to access and correct your personal information. To request a copy of your personal information, write to: **Nationwide, One Nationwide Plaza, 1-25-101, Columbus, OH, 43215**. For your protection, have your signature notarized. Please include your name, address, and your policy, contract, or account number. You can change your personal information at Nationwide.com or by calling your agent. We can’t change information that other companies, like credit agencies, provide to us. You’ll need to ask them to change it.



Item 1 Cover Page

Part 2B of NIA Form ADV: Brochure Supplement

Voting Members of Nationwide Investment Advisors, LLC ("NIA") Investment Committee

Harold C. Schafer

10 West Nationwide Blvd
Mail Code 5-02-301J
Columbus, OH 43215
614-435-8371

Benjamin N. Hoecherl

10 W. Nationwide Blvd
Mail Code 5-02-208L
Columbus, OH 43215
614-435-8331

Nationwide Investment Advisors, LLC

10 West Nationwide Blvd
Mail Code: 5-02-301J
Columbus, OH 43215
614-435-8371

March 28, 2018

This *brochure* supplement provides information about the voting members of NIA's Investment Committee that supplements the Nationwide Investment Advisors, LLC ("NIA") *brochure*. You should have received a copy of that *brochure*. Please contact 1-888-540-2896 if you did not receive NIA's *brochure* or if you have any questions about the contents of this supplement.

Harold C. Schafer

10 West Nationwide Blvd
Mail Code: 5-02-301J
Columbus, OH 43215
614-435-8371

Nationwide Investment Advisors, LLC

10 West Nationwide Blvd
Mail Code: 5-02-301J
Columbus, OH 43215
614-435-8371

Item 2 Educational Background and Business Experience

Name: Harold C. Schafer

Year of birth: 1963

Formal education after high school:

The Ohio State University, BS Mathematics, 1986

General business background during the last 5 years:

Vice President, Business Development within Retirement Plans at Nationwide Financial. The Business Development group is responsible for delivering competitive retirement plan solutions, guiding large scale programs and developing business strategies for the Public Sector and Private Sector market segments.

Positions held during the last 5 years:

<u>Entity</u>	<u>Title</u>	<u>Effective Date</u>	<u>End Date</u>
Nationwide Investment Advisors, LLC	President	1/2015	Current
Nationwide Life Insurance	VP, Business Development Retirement Plans	5/2014	Current
Nationwide Life Insurance	AVP, Product Development Retirement Plans	4/2012	5/2014

Item 3 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of NIA supervised persons who formulate investment advice for NIA's investment advisory programs ("NIA Advisory Programs"). No information is applicable to this item for Mr. Schafer.

Item 4 Other Business Activities – N/A

Item 5 Additional Compensation

Mr. Schafer does not receive additional compensation for providing advisory services.

Item 6 Supervision

Mr. Schafer, President of NIA and Chairman of NIA's Investment Committee, is responsible for supervising the other voting members of the Investment Committee and has ultimate responsibility for oversight and supervision for NIA. The Investment Committee is responsible for reviewing and approving all investment advice formulated by NIA, as well as monitoring the services of NIA's advisory service providers: the IFE for Nationwide ProAccount and the Portfolio Strategist for the Advice Program. Mr. Schafer does not have individual discretionary authority over client accounts or participate in the delivery of investment advice to clients.

Benjamin N. Hoecherl

10 W. Nationwide Blvd
Mail Code 5-02-208L
Columbus, OH 43215
614-435-8331

Nationwide Investment Advisors, LLC

10 W. Nationwide Blvd
Columbus, OH 43215
614-435-8371

Item 2 Educational Background and Business Experience

Name: Benjamin N. Hoecherl, CFA

Year of Birth: 1976

Formal Education after high school:

University of Utah, Salt Lake City, UT BS, 2002
Regis University, Denver, CO MBA, 2008

General business background during the last 5 years:

Assistant Vice President, Nationwide ProAccount. Nationwide ProAccount offers individualized participant level investment advice, using an investment process developed and maintained by an Independent Financial Expert ("IFE"), which is designed to address the investment objectives of retirement plan participants. Responsibilities include the development of business strategies for the long term growth of Nationwide ProAccount.

Positions held during the last 5 years:

<u>Entity</u>	<u>Title</u>	<u>Effective Date</u>	<u>End Date</u>
Nationwide Investment Advisors, LLC	Chief Operations Officer	6/2015	Current
Nationwide Life Insurance	AVP Nationwide ProAccount	6/2015	Current
Advised Assets Group, LLC	Sr. Business Analyst	11/2011	6/2015

Item 3 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of NIA supervised persons who formulate investment advice for NIA's investment advisory programs ("NIA Advisory Programs"). No information is applicable to this item for Mr. Hoecherl.

Item 4 Other Business Activities - N/A

Item 5 Additional Compensation

Mr. Hoecherl does not receive additional compensation for providing advisory services.

Item 6 Supervision

Harold C. Schafer, President of NIA and Chairman of NIA's Investment Committee, whose phone number is 614-435-8371, is responsible for supervising Mr. Hoecherl's advisory activities on behalf of NIA, including his participation on the Investment Committee. The Investment Committee is responsible for reviewing and approving all investment advice formulated by NIA, as well as monitoring the services of NIA's advisory service providers: the IFE for Nationwide ProAccount and the Portfolio Strategist for the Advice Program. Mr. Hoecherl does not have individual discretionary authority over client accounts or participate in the delivery of investment advice to clients.



Item 1 Cover Page

Nationwide Investment Advisors, LLC

10 West Nationwide Blvd

Mail Code: 5-02-301J

Columbus, OH 43215

March 28, 2018

Part 2A of Form ADV

This document ("brochure") provides information about the qualifications and business practices of Nationwide Investment Advisors, LLC ("NIA"). If you have any questions about the contents of this brochure, please contact us at 1-888-540-2896.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Nationwide Investment Advisors, LLC ("NIA") is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about NIA is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

In this Item, NIA summarizes specific changes that are made to the brochure, since its last annual update, which it believes a client would consider important (material changes). NIA provides its clients with a summary of any material changes to this and subsequent brochures within 120 days of the close of its fiscal year on December 31.

NIA last updated its Form ADV Part 2A ("brochure") on March 31, 2017. The following summary discusses the material changes that NIA has made to the brochure since March 31, 2017.

- Update to Item 4 - The "Point in Time Non-Discretionary Advice" is no longer offered and this section has been removed. A description of the currently offered non-discretionary advice service, marketed as "My Investment Planner" has been added. NIA does not charge a separate fee for this Non-Discretionary Advice Service.

At any time, clients may request a free copy of NIA's brochure by calling 1-888-540-2896, or by e-mail at proacct@nationwide.com.

Additional information about NIA is also available on the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with NIA who are registered as investment adviser representatives of NIA.

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Item 4 **Advisory Business**

This brochure provides information about the business practices of NIA. NIA is an indirect subsidiary of Nationwide Financial Services, Inc. ("Nationwide Financial"). NIA is a registered investment adviser under the Investment Advisers Act of 1940. NIA's advisory representatives are registered as investment adviser representatives in accordance with the requirements of the state in which they operate.

NIA's Background Information -- NIA was formed on May 12, 2006, as a limited liability company. NIA is wholly owned by Nationwide Life Insurance Company ("NLIC"), which is wholly owned by Nationwide Financial. Nationwide Financial is wholly owned by Nationwide Corporation, a holding company for entities affiliated with Nationwide Mutual Insurance Company. None of these Nationwide entities is publicly held.

NIA's advisory services are provided through portfolio management, asset allocation models, and managed accounts for its programs described below.

Advice Program for Plan Sponsors of Trustee Directed Retirement Plans

NIA offers a discretionary investment advisory service (the "Advice Program") to plan sponsors of defined benefit plans and certain other trustee directed retirement plans that use a retirement program offered by an affiliated company, Nationwide Trust Company, a division of Nationwide Bank ("Nationwide Trust Company"). Under the Advice Program, the plan sponsor appoints NIA to allocate and reallocate the plan's assets in accordance with an investment strategy developed and maintained by the Portfolio Strategist, Wilshire Associates ("Wilshire"), a third party unaffiliated adviser described below. Prior to establishing an advisory account, the plan sponsor must complete a Program Questionnaire designed to assist the plan sponsor in its selection of an investment portfolio ("Portfolio") that is designed to meet the plan's investment objectives, selections and preferences including, but not limited to, reasonable restrictions the plan may wish to place on the management of its eligible retirement plan account assets. Based on the plan sponsor's responses to the questionnaire the Portfolio Strategist will suggest an investment strategy and a corresponding Portfolio. The plan sponsor is solely responsible for approving the Portfolio identified, or if it chooses, selecting a different Portfolio created by the Portfolio Strategist. Following the plan sponsor's completion of the Advice Program Questionnaire and selection of a Portfolio, NIA will establish the plan's advisory account under the Advice Program, which NIA will manage in accordance with the Portfolio selected by the plan sponsor.

ERISA -- In conjunction with its offering of this program for Plan Sponsors of Trustee Directed Retirement Plans subject to ERISA, NIA acts as an "investment manager" within the meaning of Section 3(38) of ERISA and the Internal Revenue Code of 1986, as amended (the "Code"), and is a fiduciary within the meaning of Section 3(21) of ERISA and Section 4975(e)(3) of the Code.

NIA agrees that in performing any of its duties and obligations under the agreement, NIA will act in conformity with all terms and provisions of the agreements with the plan participants and any instructions given pursuant thereto or otherwise, and will conform to and comply with the requirements of the Advisers Act and all other applicable federal and state laws, rules and regulations, as each may be amended from time to time.

NIA Non-Discretionary Advice Service (Also marketed as "My Investment Planner")

NIA may provide non-discretionary Advice to retirement plan participants (the "Clients") in certain retirement plans. NIA collects client and plan information, which forms the basis for criteria used by an Independent Financial Expert ("IFE") to suggest a model portfolio. Client financial risk-tolerance information is collected on a risk-tolerance questionnaire completed by the client and submitted to NIA. NIA also obtains information about the Plan's investment policies and goals. NIA has hired Wilshire to be the IFE for the non-discretionary advice

service, as described below. For plans that utilize this service, all eligible investment options available in the plan's investment lineup are considered. In the evaluation of these investment options, Wilshire takes into account the range of asset fees associated with the Nationwide Retirement Program but does not consider the specific asset fees charged to each retirement plan. Wilshire has sole control and discretion over the development and ongoing maintenance of the advice portfolios, including periodic rebalancing and changes to asset allocation and fund selection. Wilshire's portfolio design process takes into account the varying tolerances for risk of Clients.

Clients seeking advice will complete a questionnaire to identify the Client's risk profile. The completed questionnaire identifies the appropriate risk-based portfolio, ranging from conservative to aggressive. This non-discretionary portfolio advice is provided to the Client. The Client is solely responsible for implementing the recommended portfolio allocations. NIA does not have discretionary authority over the Client's account and is not responsible for buying or selling any securities for the Client's account.

The Advice portfolios are assessed at least quarterly to determine if reallocation or rebalancing is needed. More frequent reallocation or rebalancing may occur as determined by Wilshire. NIA receives the reallocation and rebalancing instructions and initiates the necessary transactions to implement those instructions.

Wilshire Associates

NIA has hired Wilshire Associates ("Wilshire") to be the Portfolio Strategist for the Advice Program and the IFE for Nationwide ProAccount®. Wilshire, a global independent investment consulting and services firm, provides consulting services, analytics solutions and customized investment products to plan sponsors, investment managers and financial intermediaries. Wilshire has extensive manager research and selection capabilities with experienced analysts, who conduct approximately 1,200 meetings each year to evaluate managers and management firms on quantitative and qualitative factors. Wilshire has over 40 years of experience developing capital market assumptions, evaluating risk and liability profiles and constructing diversified portfolios to meet the specific needs of its clients. Using this experience, Wilshire's multi-discipline portfolios combine strategic asset allocation policy with the diversification of multiple investment managers.

As IFE, Wilshire develops and maintains investment portfolios for Nationwide ProAccount as described below. For plans that utilize the Nationwide Retirement Program, Wilshire considers, pursuant to the plan's authorization, all eligible mutual fund investment options available to the plan participants when creating the ProAccount portfolios. In its evaluation of these investment options, Wilshire takes into account the range of asset fees associated with the Nationwide Retirement Program but does not consider the specific asset fees charged to each retirement plan. The list of eligible investments is subject to change over time and is based on the IFE's evaluation of a variety of factors including, but not limited to, client demand, suitability and technology requirements.

Wilshire has sole control and discretion over the development and ongoing maintenance of the Nationwide ProAccount portfolios, including periodic rebalancing and changes to asset allocation and fund selection. Wilshire's investment process is designed to take into account the evolving investment needs of retirement plan participants over time, as well as varying tolerances for risk. Each Nationwide ProAccount portfolio will undergo a progression of asset allocation changes over the course of a participant's time horizon and in accordance with his or her risk profile and investment preferences as identified by information obtained from the participant or by the plan sponsor/trustee. Wilshire assesses the Nationwide ProAccount portfolios at least quarterly to determine if reallocation or rebalancing is needed. More frequent reallocation or rebalancing may occur as determined by Wilshire.

NIA is responsible for the selection of Wilshire as IFE and the periodic monitoring of its services. In certain circumstances, NIA may terminate Wilshire and engage the services of a suitable replacement IFE for Nationwide ProAccount without prior notice to affected plan sponsors or ProAccount Clients.

Wilshire provides its services directly to NIA and does not have a contract with the plan or the ProAccount Client. All fees and expenses charged by Wilshire for its services will be paid by NIA. NIA is solely responsible for implementing the Nationwide ProAccount portfolios in each ProAccount Client's retirement plan account.

Nationwide ProAccount in the Nationwide Retirement Program and the NRS Retirement Program

NIA offers a discretionary managed account service called Nationwide ProAccount that provides professional management of assets in participant directed or plan sponsor/trustee directed defined contribution and deferred compensation retirement plans. Nationwide ProAccount offers individualized participant level investment advice, using a process developed and maintained by the IFE, which is designed to address the investment objectives of retirement plan participants. NIA has hired and monitors the overall performance the IFE. NIA offers Nationwide ProAccount to plan sponsors/trustees for the benefit of plan participants or directly to participants in private sector retirement plans and governmental deferred compensation plans that use the retirement products and services of NLIC and Nationwide Trust Company, a division of Nationwide Bank ("Nationwide Trust Company") (collectively, the "Nationwide Retirement Program") and Nationwide Retirement Solutions, Inc. ("NRS") and its affiliates (collectively, the "NRS Retirement Program").

Electing Nationwide ProAccount -- Plan sponsors of retirement plans utilizing the Nationwide Retirement Program and NRS Retirement Program that desire to make Nationwide ProAccount available to their participants must approve NIA as an authorized provider of investment advice to the plan in accordance with the plan's investment policy and applicable plan documents. A participant seeking to become a Nationwide ProAccount client ("ProAccount Client") will enter into an individual investment advisory agreement with NIA and complete a financial risk-tolerance questionnaire to help identify his or her individual risk-tolerance, investment preferences and investment time-horizon, as well as to indicate any reasonable restrictions the participant may wish to place on the management of his or her retirement plan account assets. Additionally, risk tolerance, investment horizon, and retirement objectives information you provide to NIA or an affiliate of NIA may be used by the IFE to further assist in providing investment advice.

After NIA has accepted the participant as a ProAccount Client, NIA will place his or her retirement plan account assets in an investment portfolio developed by the IFE, which matches the risk profile and time horizon of the ProAccount Client. Due to similarities in risk profiles and time horizons, an investment portfolio solution may be appropriate for more than one plan participant. NIA will periodically allocate and rebalance the ProAccount Client's assets in accordance with the IFE's investment advice. NIA's investment discretion over ProAccount Client assets is limited to implementing the IFE's investment advice, which NIA does not have authority to modify.

Automatic Enrollment into Nationwide ProAccount -- Where permitted by state law, Plan sponsors of retirement plans administered by Nationwide may elect to have plan participants automatically enrolled into Nationwide ProAccount as permitted under the documents establishing the plan. Through automatic enrollment, plan participants receive written notice of the automatic enrollment process from the plan sponsor and are provided a reasonable opportunity, as determined by the plan sponsor, to opt out of the service. Subject to their ability to opt out of the ProAccount ongoing service, participants are automatically enrolled into Nationwide ProAccount at the plan sponsor's direction, and their assets are managed in accordance with an investment portfolio that corresponds to their age and assumes a moderate risk profile unless otherwise directed by the plan sponsor or plan participant. Participants will also be given the opportunity to affirmatively elect Nationwide ProAccount by entering into an investment advisory agreement with NIA and completing a Nationwide ProAccount questionnaire, which allows for a more individualized risk-tolerance analysis and may result in the selection of a more appropriate risk-based portfolio.

Plan Sponsor/Trustee Directed Plan Election -- In certain cases, plan sponsors of plans that utilize the Nationwide Retirement Program may elect Nationwide ProAccount in connection with the management of employer-directed participant account assets. In these cases, the plan sponsor/trustee enters into an investment advisory agreement with NIA and directs NIA to enroll participants in portfolios corresponding to age and risk tolerance parameters specified by the plan sponsor/trustee. NIA does not contact participants or otherwise assist the plan sponsor/trustee in identifying an appropriate investment portfolio for participants. NIA will allocate and rebalance participant account assets in accordance with the IFE's portfolio selected by the plan sponsor/trustee. NIA's investment discretion over participant account assets is limited to implementing the IFE's investment advice, which NIA does not have authority to modify.

ERISA -- In conjunction with its offering of Nationwide ProAccount to participants in retirement plans subject to ERISA, NIA acts as an "investment manager" within the meaning of Section 3(38) of ERISA and the Internal Revenue Code of 1986, as amended (the "Code"), and is a fiduciary within the meaning of Section 3(21) of ERISA and Section 4975(e)(3) of the Code.

NIA agrees that in performing any of its duties and obligations under the agreement, NIA will act in conformity with all terms and provisions of the agreements with the plan participants and any instructions given pursuant thereto or otherwise, and will conform to and comply with the requirements of the Advisers Act and all other applicable federal and state laws, rules and regulations, as each may be amended from time to time.

Investment Limitations --

In its development of portfolios for ProAccount Clients, the IFE does not consider whether the ProAccount Client has assets invested in certain investment alternatives, which may otherwise be available through the participant's plan (e.g. - self-directed brokerage accounts, individual stocks, employer stock, and certain participant directed Nationwide fixed contracts). The IFE may add to the list of eligible investments. The IFE may use the Nationwide fixed contract when developing portfolios for use in the NRS Retirement Program. In addition, consistent with the Department of Labor's guidance on the requirements of Qualified Default Investment Alternatives under the Pension Protection Act of 2006, mutual fund investment options that charge redemption fees to participants in retirement plans subject to ERISA are not eligible for consideration by the IFE.

Since Nationwide ProAccount is designed to be a comprehensive investment solution, ProAccount Clients must allocate their entire available retirement plan account balance (i.e., all unrestricted assets eligible for investment) to Nationwide ProAccount. Once enrolled in Nationwide ProAccount, NIA implements the IFE's portfolio allocation instructions. While enrolled in ProAccount, Clients are not permitted to make investment allocation changes to their retirement plan account assets managed through Nationwide ProAccount, including fund-to-fund transfers, changes to fund allocation, or utilization of automatic rebalancing. NIA will have no responsibility or liability for investment allocation changes ProAccount Clients make to their retirement plan account assets managed through Nationwide ProAccount in violation of this restriction. ProAccount Clients retain full inquiry access to their retirement plan accounts and may still request and be approved for loans (as applicable) and take applicable distributions.

NIA does not have any duty, responsibility or liability for retirement plan assets that are not part of the ProAccount Client's retirement plan account being managed through Nationwide ProAccount.

Total Client Assets under NIA management

The below amounts include the assets for *all* NIA advisory programs.

Amount of Client assets under NIA *discretionary* management as of December 31, 2017: **\$6,598.4 million.**

Amount of Client assets under NIA *non-discretionary* management as of December 31, 2017: **\$0.** Implementation of the investment advice provided under this program is left solely up to the participants. NIA

does not track the extent to which the advice was acted upon and therefore reports no assets under management.

Item 5 Fees and Compensation

Advice Program for Plan Sponsors of Trustee Directed Retirement Plans

Plans participating in the Advice Program are charged a maximum annual fee of 0.50% ("Advice Program Fee"). The Advice Program Fee is calculated daily based on the market value of the plan's advisory account and payable at the end of each quarter. The Advice Program Fee is subject to change, and is in addition to any underlying fund, trustee, custodial, asset, service, administrative, or transactional fees that the plan may incur through the Nationwide retirement program.

The Advice Program Fee is negotiable, and NIA may offer certain plans discounted Advice Program Fees or other promotional pricing. Factors NIA considers when negotiating the Advice Program Fee with plan sponsors typically include:

- Amount of assets in the plan;
- Plan complexity and services required;
- Extent of Nationwide's overall business opportunity with the plan; and
- Competitive forces in the market.

Nationwide Trust Company acts as custodian for assets invested through the Advice Program and is authorized to deduct any and all Advice Program Fees, when due, from the plan's advisory account and to remit the fees to NIA as investment adviser.

Certain investment options, including those selected by the Portfolio Strategist, may impose trade restrictions on certain transactions. Plan sponsors should consult the applicable fund prospectuses or related materials for additional information on trade restrictions that may apply to investments offered through the plan.

Compensation to Nationwide Representatives – Investment adviser representatives of NIA involved in offering the Advice Program to plans are compensated for their services. Compensation may include both a base salary and incentives based on a plan adding the Advice Program and/or the amount of assets contributed to the Advice Program account. In addition, certain individuals who provide administrative or wholesale distribution services in support of the Advice Program may receive incentive compensation based on the amount of assets contributed to each Advice Program account.

Compensation from Mutual Funds -- To the extent permitted by applicable law or regulation, companies affiliated with NIA (collectively, "Nationwide") may receive compensation from the mutual funds selected by the Portfolio Strategist.

The Portfolio Strategist will not consider mutual funds for the Advice Program that are affiliated with Nationwide. The Portfolio Strategist's fees for services provided under the Advice Program are not related to the mutual funds it selects or otherwise influenced by the revenue Nationwide may receive from these mutual funds. The Portfolio Strategist has sole discretion to choose the investments used in the Advice Program.

NIA Non-Discretionary Advice Service

NIA does not charge the Client a separate fee for the NIA Non-Discretionary Advice Service.

Nationwide ProAccount in the Nationwide Retirement Program

ProAccount Clients in the Nationwide Retirement Program are charged a maximum annual fee of up to 1.35% of their Nationwide ProAccount assets ("Nationwide ProAccount Fee"). The Nationwide ProAccount Fee retained by NIA is no more than 1.00% of the Client's Nationwide ProAccount assets. NIA and its affiliates may compensate unaffiliated third parties for administrative services provided in support of Nationwide ProAccount.

The applicable Nationwide ProAccount Fee is shown within the Nationwide ProAccount investment advisory agreement between NIA and each ProAccount Client. The Nationwide ProAccount Fee is calculated daily based on the market value of Nationwide ProAccount assets and payable at the end of each quarter. The Nationwide ProAccount Fee is subject to change, and is in addition to any underlying fund, trustee, custodial, asset, service, administrative or transactional fees that the retirement plan or participant may incur through the Nationwide Retirement Program.

The Nationwide ProAccount Fee is negotiable at the plan level, and NIA may offer certain plans discounted Nationwide ProAccount Fees or other promotional pricing. Factors NIA considers when negotiating the Nationwide ProAccount Fee with plan sponsors typically include:

- Amount of assets in the plan;
- Number of participants in the plan;
- Resource and field coverage considerations (e.g., number and location of employee work sites to be serviced);
- Competitive forces in the market.

Depending on the plan, either Nationwide Trust Company or NLIC acts as custodian for assets invested through the Nationwide Retirement Program, including those assets being managed through Nationwide ProAccount. The custodian is authorized to deduct any and all Nationwide ProAccount Fees, when due, from the ProAccount Client's retirement plan account and to remit the appropriate fees to NIA as investment adviser. The custodian may charge a separate custody fee which the custodian will also deduct in addition to the Nationwide ProAccount Fee, from the ProAccount Client's retirement plan account.

Payments by NIA to Service Providers -- NIA and its affiliates may compensate affiliated and unaffiliated third parties for administrative services provided in support of Nationwide ProAccount. Registered Investment Advisors Services, Inc., an affiliate of NIA, receives compensation for providing technology services that facilitate the management of participant accounts through the Nationwide Retirement Program.

NIA or its affiliates may pay the third party administrator ("TPA") of record, for the retirement plan through which Nationwide ProAccount is offered, an annual fee of up to 0.25% of Nationwide ProAccount assets for administrative services provided in support of Nationwide ProAccount ("PPA Administrative Fee"). The PPA Administrative Fee is payable out of the Nationwide ProAccount Fee. The plan sponsor may seek to negotiate a lower PPA Administrative Fee with the TPA, which would result in a corresponding reduction to the Nationwide ProAccount Fee.

Compensation to Nationwide Representatives -- Investment adviser representatives of NIA are compensated for offering Nationwide ProAccount and enrolling participants who have selected the service. Compensation may include both a base salary and incentives based on a plan adding Nationwide ProAccount as an optional service and/or the amount of assets contributed to the ProAccount Clients' accounts. In addition, certain individuals who provide administrative or wholesale distribution services in support of Nationwide ProAccount may receive incentive compensation based on the amount of assets contributed to the ProAccount Clients' accounts.

Solicitation Arrangements -- NIA has contracted with various firms that distribute the Nationwide Retirement Program to act as paid solicitors ("Solicitors") and market Nationwide ProAccount to eligible plans and participants for whom Nationwide ProAccount may be suitable. Solicitors are not employees of NIA and are not authorized to offer investment advice on behalf of NIA. NIA may retain Solicitors to offer Nationwide ProAccount to participants of certain plans, but not to other plans. NIA may pay Solicitors an annual solicitation fee of up to 0.45% of solicited assets, which is payable out of the Nationwide ProAccount Fee. However, ProAccount Clients will not be charged this component of the Nationwide ProAccount Fee if Nationwide ProAccount is not offered to them by a Solicitor. Thus, the presence of a Solicitor will typically result in a ProAccount Client paying a higher overall Nationwide ProAccount Fee (not to exceed the maximum of 1.35%).

NIA may also provide financial compensation to Solicitors for activities not related to the solicitation or distribution of Nationwide ProAccount. These activities include, but are not limited to, certain marketing events sponsored by the Solicitors and educational conferences presented to invited guests of the Solicitors. NIA's provision of financial compensation for these activities is not dependent upon the Solicitors committing to NIA any specific amount of business.

Compensation to Affiliates from Mutual Funds -- To the extent permitted by applicable law or regulation, companies affiliated with NIA (collectively, "Nationwide") may receive compensation from the mutual funds selected for ProAccount by the IFE.

The IFE may select mutual funds that are affiliated with Nationwide, in which case certain companies affiliated with NIA (collectively referred to as the "Nationwide Funds Group") will also receive compensation from the mutual funds for investment advisory, administrative, transfer agency, distribution, or other services. Accordingly, Nationwide may receive more or less revenue with respect to affiliated mutual funds than unaffiliated mutual funds.

Nationwide's receipt of varying amounts of compensation from affiliated and unaffiliated mutual funds selected for Nationwide ProAccount portfolios presents a potential conflict of interest. Nationwide seeks to mitigate this potential conflict of interest by employing an IFE to develop and maintain the program's investment methodology, which NIA cannot influence or modify. Under Nationwide ProAccount, the IFE is solely responsible for selecting the mutual funds included in the portfolios. The IFE's fees for services provided under Nationwide ProAccount are not related to the mutual funds it selects or otherwise influenced by the revenue NIA or its affiliates may receive from such mutual funds.

Please see **Item 10** for additional information regarding NIA's relationships with other Nationwide affiliates, including the Nationwide Funds Group.

Nationwide ProAccount in the NRS Retirement Program

ProAccount Clients in the NRS Retirement Program may be charged a maximum annual fee of 1.00% of their Nationwide ProAccount assets ("Nationwide ProAccount Fee"), according to the pricing grid in the Nationwide ProAccount investment advisory agreement between NIA and each ProAccount Client. The Nationwide ProAccount Fee is subject to change and is in addition to any underlying fund, trustee, custodial, asset, service, administrative or transactional fees that the retirement plan or participant may incur through the NRS Retirement Program. The Nationwide ProAccount Fee is calculated daily based on the market value of Nationwide ProAccount assets and payable at the end of each quarter.

The Nationwide ProAccount Fee is negotiable at the plan level, and NIA may offer certain plans discounted Nationwide ProAccount Fees or other promotional pricing. Factors NIA considers when negotiating the Nationwide ProAccount Fee with plan sponsors typically include:

- Amount of assets in the plan;
- Number of participants in the plan;
- Resource and field coverage considerations (e.g., number and location of employee work sites to be serviced); and
- Competitive forces in the market.

In some cases, participants may be able to select ProAccount in multiple retirement plans offered by the same plan sponsor. Where this occurs and subject to the following restrictions, the aggregate account balances may be used to achieve a lower percentage fee based on the participant's total assets in ProAccount. The restrictions include (i) the fee structure across the multiple plans must be exactly the same in terms of the percentage fee and breakpoint tiers; and, (ii) the participant's retirement plan accounts must be under the same participant identification code in the NRS Retirement Program record-keeping system; and, (iii) the participant's retirement plan accounts must be combined in a single account statement generated from the NRS Retirement Program record-keeping system. The ProAccount Fee will be withdrawn on a pro rata basis among the Participant's account in the separate plans.

Nationwide ProAccount assets are custodied by the applicable custodian to the NRS Retirement Program, which may include companies affiliated with NIA. The custodian is authorized to deduct any and all Nationwide ProAccount Fees, when due, from a ProAccount Client's retirement plan account and to remit the appropriate fees to NIA as investment adviser. The custodian may charge a separate custody fee which the custodian will also deduct in addition to the Nationwide ProAccount Fee, from the ProAccount Client's retirement plan account.

Compensation to Nationwide Representatives -- Retirement specialists of NRS that offer Nationwide ProAccount to retirement plan participants are registered as investment adviser representatives of NIA. These individuals are compensated for offering Nationwide ProAccount and enrolling participants who have selected the service. Compensation may include a base salary and incentives based on the amount of assets contributed to the ProAccount Clients' accounts. In addition, certain individuals who provide administrative or wholesale distribution services in support of Nationwide ProAccount may receive incentive compensation based on the amount of assets contributed to the ProAccount Clients' accounts.

Payments by NIA to Service Providers -- NIA and its affiliates may compensate affiliated and unaffiliated third parties for administrative services provided in support of Nationwide ProAccount. Registered Investment Advisors Services, Inc., an affiliate of NIA, receives compensation for providing technology services that facilitate the management of participant accounts through the NRS Retirement Program.

Compensation to Affiliates from Mutual Funds -- To the extent permitted by applicable law or regulation, companies affiliated with NIA (collectively, "Nationwide") may receive compensation from the mutual funds selected for ProAccount by the IFE.

The IFE may select mutual funds that are affiliated with Nationwide, in which case certain companies affiliated with NIA (collectively referred to as the Nationwide Funds Group) will also receive compensation from the mutual funds for investment advisory, administrative, transfer agency, distribution, or other services. Accordingly, Nationwide may receive more revenue with respect to affiliated mutual funds than unaffiliated mutual funds.

Nationwide's receipt of varying amounts of compensation from affiliated and unaffiliated mutual funds selected for Nationwide ProAccount portfolios presents a potential conflict of interest. Nationwide seeks to mitigate this potential conflict of interest by employing an IFE to develop and maintain the program's investment methodology, which NIA cannot influence or modify. Under Nationwide ProAccount, the IFE is solely responsible for selecting the mutual funds included in the portfolios. The IFE's fees for services provided under Nationwide ProAccount are not related to the mutual funds it selects or otherwise influenced by the revenue NIA or its affiliates may receive from such mutual funds.

Please see **Item 10** for additional information regarding NIA's relationships with other Nationwide affiliates, including the Nationwide Funds Group.

Item 6 Performance-Based Fees and Side-By-Side Management

Neither NIA nor its supervised persons accept performance-based fees for NIA advisory programs. NIA utilizes the services of an IFE and a Portfolio Strategist to make investment decisions related to its discretionary advice programs and services and NIA is not an active portfolio management adviser. As a result, NIA does not experience the potential conflicts created in side-by-side management situations.

Item 7 Types of Clients

NIA provides investment advisory services and programs to individuals, pension and profit sharing plans, corporations, and other business entities, in addition to state, county and municipal entities providing deferred compensation retirement plans to their employees.

There is no minimum asset value or account size for participation in any NIA advisory program.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

NIA provides investment management services for multiple advisory programs. NIA and its personnel and affiliated companies may give advice or take action in performing duties for other clients, or for their own accounts, which differs from advice given to or action taken for any individual client.

Investing involves risk and may not always be profitable. Investment return and principal will fluctuate with market conditions and a client may lose money. Past performance of investments is no guarantee of future results. Asset allocation does not guarantee profit or insulate from loss.

Please reference **Item 10** for disclosure of conflicts of interest.

The following is additional information specific to each NIA investment advisory service or program:

Advice Program for Plan Sponsors of Trustee Directed Retirement Plans

For the Advice Program, NIA hired Wilshire as the Portfolio Strategist to evaluate, construct and maintain the Portfolios. NIA is responsible for managing the relationship with Wilshire. NIA's Investment Committee is responsible for overseeing NIA's monitoring of the services provided by Wilshire. The Investment Committee meets at least quarterly and reviews performance, investment strategies, and the Portfolio Strategist's development and ongoing maintenance of the Portfolios.

The analysis and advice provided by Wilshire and delivered by NIA is based on a number of factors, including the information provided to NIA by a plan sponsor in response to the Advice Program Questionnaire, various assumptions and estimates, and other considerations. As a result, the advice developed and recommendations provided are not guarantees that an Advice Program client will achieve its goals or anticipated performance.

NIA Non-Discretionary Advice Service

For the Advice Service, NIA hired Wilshire to evaluate, construct and maintain the Portfolios. NIA is responsible for managing the relationship with Wilshire. NIA's Investment Committee is responsible for overseeing NIA's monitoring of the services provided by Wilshire in developing and maintaining the Portfolios. The Investment Committee meets at least quarterly and reviews performance, investment strategies, and Wilshire's development and ongoing maintenance of the Portfolios.

The analysis and Advice Service provided by Wilshire is based on a number of factors, including the information provided by a Client in response to the questionnaire, various assumptions and estimates, and other considerations. As a result, the advice developed and recommendations provided are not guarantees that an Advice Service Client will achieve its goals or anticipated performance.

Nationwide ProAccount in the Nationwide Retirement Program and the NRS Retirement Program

For Nationwide ProAccount, NIA has hired Wilshire as the IFE to evaluate, construct and maintain the portfolios of available mutual fund investment options. Wilshire has sole control and discretion over changes to asset allocation and fund selection, and employs its own method of analysis and investment process. NIA is responsible for managing the relationship with Wilshire. NIA's Investment Committee is responsible for overseeing NIA's monitoring of the services provided by Wilshire in developing and maintaining the Portfolios. The Investment Committee meets at least quarterly and reviews performance, investment strategies, and the IFE's development and ongoing maintenance of the portfolios.

The analysis and advice provided by Wilshire and delivered by NIA is based on a number of factors, including the information provided by a ProAccount Client, various economic assumptions and risk estimates and other

considerations. As a result, the advice developed and recommendations provided are not guarantees that a ProAccount Client will achieve his or her retirement goals or anticipated performance.

Any investment advice a ProAccount Client receives is for his or her personal benefit and not for the benefit of any other person. The investment advice is specific with respect to assets within a ProAccount Client's retirement plan account and may not be appropriate for investments outside of ProAccount or for other investment purposes.

Item 9 Disciplinary Information

NIA is required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of NIA or the integrity of NIA's management. NIA has no information applicable to this Item.

Item 10 Other Financial Industry Activities and Affiliations

Other Financial Industry Activities or Affiliations

NIA Investment Committee: The President of NIA, who is also a member of NIA's Investment Committee and NIA's Board of Managers ("NIA Board Member"), is registered with an affiliate broker-dealer, Nationwide Investment Services Corporation. The other voting member(s) of the NIA's Investment Committee are also registered with Nationwide Investment Services Corporation.

NIA Management: The President of NIA, who is also a member of NIA's Board of Managers ("NIA Board Member") and NIA's Investment Committee, is registered with an affiliate broker-dealer, Nationwide Investment Services Corporation. The Secretary and Chief Compliance Officer of NIA are registered with an affiliate broker-dealer, Nationwide Investment Services Corporation.

Several NIA officers and NIA Board Members are also officers and directors of affiliated companies within Nationwide Financial, including NIA's parent company, NLIC, and the companies that comprise the Nationwide Funds Group.

NIA is affiliated by common ownership and control with the following entities:

- **Nationwide Life Insurance Company** ("NLIC"), NIA's parent company, is an insurance company which, among other things, issues group variable annuity products to retirement plans that have retained NIA to offer advisory services, including Nationwide ProAccount. NLIC may act as custodian for client assets invested through Nationwide ProAccount. All NIA Board Members and several officers also serve as officers of NLIC.
- **Nationwide Trust Company, a division of Nationwide Bank** ("Nationwide Trust Company") offers trust programs and trust services to retirement plans that have retained NIA to offer advisory services, including Nationwide ProAccount, and the Advice Program. Nationwide Trust Company may act as custodian for client assets invested through Nationwide ProAccount and the Advice Program.
- **Nationwide Retirement Solutions, Inc.** ("NRS") provides record keeping, education and administrative services for public employee deferred compensation plans through which NIA offers advisory services, including Nationwide ProAccount. One NIA Board Member and several officers also serve in similar capacities for NRS.
- **Nationwide Funds Group**, the mutual fund arm of Nationwide Financial, is comprised of **Nationwide Fund Advisors** ("NFA"), a SEC-registered investment adviser providing advisory services to the mutual funds; **Nationwide Fund Distributors, LLC**, a registered broker-dealer providing distribution services to the mutual funds; and **Nationwide Fund Management, LLC**, which provides administration services to the mutual funds.

Certain individuals providing investment analysis, consulting and monitoring services to NIA are also responsible for NFA investment management decisions.

- **Nationwide Investment Services Corporation ("NISC")** is an SEC registered broker-dealer and a member of FINRA. NISC acts as the general distributor of variable annuity and variable life insurance products issued by NIA's parent company, NLIC. NISC may receive mutual fund revenue from underlying investment options in these products. Several NIA officers also serve in similar capacities for NISC.
- **Registered Investment Advisors Services, Inc. ("RIA Services")**, provides technology services that facilitate the management of participant and plan level accounts through the Nationwide Retirement Program and the NRS Retirement Program. NIA compensates RIA Services for its provision of technology and administrative services in support of Nationwide ProAccount and the Advice Program. Five officers also serve in similar capacities for RIA Services.

Nationwide Endorsement Relationships -- NRS and/or NLIC have endorsement relationships with the following industry groups or sponsoring organizations ("Membership Organizations"):

- **National Association of Counties** – A national organization that represents county governments in the United States.
- **International Association of Fire Fighters – Financial Corporation** – A for profit corporation whose only shareholder is the International Association of Fire Fighters, which represents more than 300,000 professional fire fighters and paramedics.
- **United States Conference of Mayors** – The official nonpartisan organization of cities with populations of 30,000 or larger.

NRS and/or NLIC make payments to Membership Organizations, which are representing the interests of all their members generally in these relationships. Payments made are in exchange for the Membership Organizations' endorsement of NRS's and/or NLIC's products and services available for retirement plans. Payments to Membership Organizations are not affected by whether a member elects Nationwide ProAccount or any other NIA advisory service for its retirement plan. Moreover, NIA is not a party to these endorsement relationships, and NIA does not engage Membership Organizations to solicit retirement plan participants as clients for Nationwide ProAccount or any other investment advisory service. Members of these organizations may select NRS's and/or NLIC's products and services if they decide to establish and maintain a retirement plan for their employees, or may select another provider. More information about the endorsement relationships may be found online at www.nrsforu.com.

Conflicts of Interest Arising from NIA's Affiliations -- *Certain NIA officers, Members of NIA's Board of Managers and members of NIA's Investment committee also make strategic management decisions with respect to various NIA affiliates. Conflicts could arise that have the potential of influencing the investment advisory services provided by NIA.*

To help mitigate potential conflicts of interest arising from the multiple roles and responsibilities that its management and investment personnel assume, NIA maintains separate policies and procedures governing its investment process and the operation of its Investment Committee. Additional mitigating steps are described below.

The Nationwide Retirement Program and the NRS Retirement Program, through which NIA offers Nationwide ProAccount, and the Advice Program, make available investment options (mutual funds) offered through NLIC's group annuity products and Nationwide Trust Company's retirement plan platform. NLIC's group annuity products and Nationwide Trust Company's retirement plan platform offer affiliated funds (funds issued by the Nationwide Funds Group) and unaffiliated funds (non-Nationwide funds) as investment options. Since NIA or its affiliates potentially earn greater revenues when affiliated funds are chosen as investment options offered through Nationwide products and services, NIA may have a conflict of interest. NIA also may have a conflict of interest with respect to non-affiliated funds that pay NISC, NIA's affiliate, distribution and service fees based on

levels of investments in those funds. NLIC therefore has an incentive to include affiliated funds and non-affiliated funds that pay such fees in its products to maximize its profits.

To mitigate these potential conflicts with respect to Nationwide ProAccount, NIA has hired Wilshire to act as the IFE, which is solely responsible for developing and maintaining the investment portfolios offered to NIA's clients. Please see **Item 4** for additional information regarding Wilshire.

Additionally, the NIA Advice Program can only be offered through Nationwide retirement programs. The standard asset fee that Nationwide charges in connection with these retirement programs is reduced by a discount, expressed in terms of basis points, that reflects the amount of mutual fund payments made to Nationwide as indicated in the Fund Selection Schedule of the applicable retirement program agreement. When the NIA Advice Program is offered through these retirement programs, overall compensation of NIA and its affiliates is not increased as a result of payments received from mutual funds or their affiliates. This feature mitigates conflicts with respect to the Advice Program when it is used within these retirement programs.

To further mitigate these conflicts, the Portfolio Strategist that NIA has hired for the Advice Program will not consider affiliated mutual funds. Moreover, the Portfolio Strategist's fees for services provided under the Advice Program are not related to the mutual funds it selects or otherwise influenced by the revenue NIA or its affiliated companies may receive from these mutual funds. Please note, however, that NIA has discretion to terminate its relationship with the Portfolio Strategist at any time, upon notice to clients, and may either engage a suitable replacement or operate the Advice Program without a Portfolio Strategist.

Please see **Item 5** for additional information regarding compensation Nationwide companies receive from affiliated and unaffiliated mutual funds.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

NIA has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes:

- Provisions relating to the confidentiality of client information;
- A prohibition on insider trading;
- Restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items; and
- Personal securities trading procedures, among other things.

All supervised persons of NIA must acknowledge the terms of the Code of Ethics annually.

NIA anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which NIA has management authority to make, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which NIA, its affiliates and/or clients, directly or indirectly, have a position of interest. NIA's supervised persons are required to follow NIA's Code of Ethics. Subject to satisfying this policy and applicable laws, supervised persons of NIA may trade for their own accounts in securities that are recommended to or purchased for NIA's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of NIA supervised persons will not interfere with making decisions in the best interest of advisory clients and implementing these decisions while, at the same time, allowing supervised persons to invest for their own accounts.

Under the Code of Ethics certain classes of securities have been designated as exempt transactions, because these classes of securities would not interfere with the best interest of NIA's clients. In addition, the Code of Ethics requires pre-clearance of certain transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit supervised persons to invest in the same securities as clients, there is a possibility that supervised persons might benefit from market

activity by a client in a security also held by a supervised person. NIA's supervised persons who have access to nonpublic information regarding clients' purchases or sales of securities, are involved in making securities recommendations to clients, or who have access to these nonpublic recommendations, have their personal trading monitored under the Code of Ethics to reasonably prevent conflicts of interest between NIA and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with NIA's obligation of best execution. In these circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. NIA will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

NIA's clients or prospective clients may request a copy of the firm's Code of Ethics by sending a written request to:

Nationwide Investment Advisors, LLC
Attn: Investment Adviser Code of Ethics
10 West Nationwide Blvd, Mail Code 5-02-301J
Columbus, Ohio 43215

It is NIA's policy that the firm will not make any principal transactions or agency cross transactions for client accounts. NIA will also not allow cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also occur if a security is cross-traded between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Certain recommended investment options may distribute payments to affiliates of NIA with respect to the sale of fund shares pursuant to Rule 12b-1 or other sections of the Investment Company Act of 1940. These payments may be made from mutual fund assets and reduce overall fund performance. Affiliates of NIA, as broker-dealers, may receive compensation through the normal course of their business for executing underlying securities transactions on behalf of certain mutual funds offered through NIA's advisory programs.

NIA employs Wilshire as the IFE for Nationwide ProAccount, and Portfolio Strategist for the Advice Program, to provide the programs' portfolio investment decisions.

NIA does not buy or sell for its own account securities that it also recommends to clients; however, affiliated broker-dealers, investment advisers, and insurance companies may do so. NIA's advisory program representative accounts are funded by its parent company, NLIC, for the purpose of calculating representative performance. NIA's Code of Ethics provides personal trading restrictions and preclearance requirements for its Access Persons designed to prevent conflicts of interest with its clients. Companies affiliated with NIA also have Codes of Ethics in place to address any actual or potential conflicts of interest that may occur.

Item 12 Brokerage Practices

NIA does not select or recommend brokers or dealers for client transactions. NIA does not receive research or other products or services from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"). NIA does not aggregate the purchase or sale of securities for client accounts since it does not direct any transactions other than mutual funds that have been selected by the IFE or Portfolio Strategist.

Item 13 Review of Accounts

Advice Program for Plan Sponsors of Trustee Directed Retirement Plans

NIA mails plan sponsors of trustee directed retirement plans that are enrolled in the Advice Program an annual communication that includes their current Portfolio selection within the program. Included in the annual communication is a reminder to plan sponsors that if they would like to make changes to their current Portfolio selection, they need to contact NIA in order to update their Advice Program Questionnaire-based analysis, or to select a different Portfolio. Additionally, plan sponsors are reminded quarterly to contact NIA if they wish to make a change to their current Portfolio selection. In the event a plan sponsor updates its information, the plan sponsor is solely responsible for approving the Portfolio identified through the updated Advice Program Questionnaire, or if it chooses, selecting a different Portfolio created by the Portfolio Strategist. NIA does not independently review the plan's Advice Program account for the purpose of evaluating the ongoing appropriateness of the Portfolio selected by the plan sponsor.

Advice Program Clients receive quarterly account statements directly from the custodian as part of their participation in the Nationwide Retirement Program or the NRS Retirement Program. Quarterly custodial statements reflect the deduction of Advice Program Fees. In addition, NIA sends quarterly notifications and explanations of these fees to each Advice Program Client with assets under management.

NIA Non-Discretionary Advice Service

NIA does not provide ongoing investment advice, including the periodic review of client accounts, in connection with this service. Clients may access this service as often as they choose to seek updated recommendations.

Nationwide ProAccount in the Nationwide Retirement Program and the NRS Retirement Program

NIA mails ProAccount Clients an annual communication that describes, among other things, the importance of periodically reviewing their risk profile, since the risk profile is used, in combination with the ProAccount Client's age, in creating the investment strategy available through Nationwide ProAccount. The communication confirms the ProAccount Client's year of birth and current risk profile as determined by the results of the most recent questionnaire completed by the ProAccount Client, or by the profile selected by the ProAccount Client's retirement plan sponsor in the case of auto-enrollments. The annual communication also informs ProAccount Clients that if they need to update the information on the questionnaire or feel that changes in their financial situation may have an impact on their current risk profile, they are to contact NIA. Additionally, ProAccount Clients are reminded quarterly to notify NIA of any change in information that could affect the manner in which their Nationwide ProAccount assets are invested. In the event a change in the ProAccount Client's information alters his or her current risk profile, as determined by the questionnaire, the ProAccount Client's account will be managed in accordance with the portfolio that corresponds to the updated risk profile. Unless notified by the ProAccount Client of a change in information, NIA does not review the ProAccount Client's account for the purpose of evaluating the ongoing appropriateness of the risk profile identified through the questionnaire.

ProAccount Clients receive quarterly account statements directly from the custodian as part of their participation in the Nationwide Retirement Program or the NRS Retirement Program. Quarterly custodial statements reflect the deduction of Nationwide ProAccount Fees.

Item 14 Client Referrals and Other Compensation

NIA does not receive any economic benefit, including sales awards and other prizes, from non-clients, for providing investment advice or other advisory services to its advisory clients.

NIA may compensate third parties for referring clients to Nationwide ProAccount in the Nationwide Retirement Program. Please see **Item 5** for a description of NIA's arrangements with Solicitors.

Item 15 Custody

Advice Program for Plan Sponsors of Trustee Directed Retirement Plans

Nationwide Trust Company is the custodian for Advice Program assets. The custodian is authorized to deduct any and all Advice Program Fees, when due, from the plan account and to remit the fees to NIA as investment adviser. The custodian may charge a separate custody fee in addition to the Advice Program Fee.

Nationwide Trust Company is a "related person" of NIA. A "related person" is a person (including a corporate entity) directly or indirectly controlling or controlled by, or under common control with, NIA. Control means the power, directly or indirectly, to direct the management or policies of a person (including a corporate entity), through ownership of securities, by contract, or otherwise. Nationwide Trust Company is 100% owned by Nationwide Financial, the indirect parent company of NIA. Therefore, Nationwide Trust Company and NIA are under common control. Because a related person of NIA acts as the custodian, NIA is considered to have custody of Advice Program assets.

Advice Program clients receive quarterly account statements from the custodian as part of the Nationwide retirement program. Quarterly custodial statements reflect the deduction of Advice Program Fees. In addition, NIA sends quarterly fee notifications to each Advice Program client with assets under management in the program. All Advice Program clients should compare the fee notifications they receive from NIA to the Advice Program Fee deduction shown within their quarterly custodial statements. Any identified discrepancies should promptly be reported.

NIA Non-Discretionary Advice Service

NIA does not maintain custody of Client assets in connection with this Advice Service.

Nationwide ProAccount in the Nationwide Retirement Program

Nationwide ProAccount assets are custodied by the applicable custodian to the Nationwide Retirement Program, which may be either Nationwide Trust Company, (for assets held on the Nationwide Trust Company trust platform), or NLIC (for assets held in a group annuity). Both Nationwide Trust Company and NLIC are "related persons" of NIA. A "related person" is a person (including a corporate entity) directly or indirectly controlling or controlled by, or under common control with, NIA. Control means the power, directly or indirectly, to direct the management or policies of a person (including a corporate entity), through ownership of securities, by contract, or otherwise. Nationwide Trust Company and NLIC are both 100% owned by Nationwide Financial. NLIC in turn owns 100% of NIA. Therefore, Nationwide Trust Company, NLIC and NIA are under common control. Because a related person of NIA acts as the custodian, NIA is considered to have custody of Nationwide ProAccount assets.

The custodian is authorized to deduct any and all Nationwide ProAccount Fees, when due, from a ProAccount Client's retirement plan account and to remit the appropriate fees to NIA as investment adviser. The custodian may charge a separate custody fee in addition to the Nationwide ProAccount Fee. ProAccount Clients receive quarterly account statements from the custodian as part of the Nationwide Retirement Program. Quarterly custodial statements reflect the deduction of Nationwide ProAccount Fees. In plan sponsor/trustee directed retirement plans, custodial statements and quarterly fee notifications are sent to the plan sponsor/trustee and not to each individual plan participant.

Nationwide ProAccount in the NRS Retirement Program

Nationwide ProAccount assets are custodied by the applicable custodian to the NRS Retirement Program, which may be either NLIC (for plan assets held in a group annuity); Nationwide Trust Company (for plan assets held on the Nationwide Trust Company trust platform); or an unaffiliated third party. Both NLIC and Nationwide Trust Company are "related persons" of NIA. A "related person" is a person (including a corporate entity) directly or

indirectly controlling or controlled by, or under common control with, NIA. Control means the power, directly or indirectly, to direct the management or policies of a person (including a corporate entity), through ownership of securities, by contract, or otherwise. NLIC and Nationwide Trust Company are both 100% owned by Nationwide Financial. NLIC in turn owns 100% of NIA. Therefore NLIC, Nationwide Trust Company and NIA are under common control.

Because a related person of NIA acts as the custodian for plan assets held in an NLIC group annuity or on the Nationwide Trust Company trust platform, NIA is considered to have custody of those Nationwide ProAccount assets. To the extent an unaffiliated third party (i.e., a party that is not a "related person") acts as custodian for plan assets, NIA would not be considered the custodian for Nationwide ProAccount assets associated with the plan, except to the extent that Nationwide ProAccount Fees are automatically deducted from a ProAccount Client's account and paid directly to NIA.

The custodian is authorized to deduct any and all Nationwide ProAccount Fees, when due, from a ProAccount Client's retirement plan account and to remit the appropriate fees to NIA as investment adviser. The custodian may charge a separate custody fee in addition to the Nationwide ProAccount Fee. ProAccount Clients receive quarterly account statements from the custodian as part of the NRS Retirement Program. Quarterly custodial statements reflect the deduction of Nationwide ProAccount Fees.

Item 16 Investment Discretion

Advice Program for Plan Sponsors of Trustee Directed Retirement Plans

Prior to establishing an advisory account under the Advice Program, the plan sponsor must complete an Advice Program Questionnaire developed by the Portfolio Strategist to assist the plan sponsor in its selection of a Portfolio that meets the plan's investment objectives, as well as to indicate any reasonable restrictions the plan sponsor may wish to place on the management of eligible retirement plan account assets. Based on the plan sponsor's responses, the Advice Program Questionnaire will suggest an investment strategy and corresponding Portfolio. The plan sponsor is solely responsible for approving the Portfolio identified through the Advice Program Questionnaire, or if it chooses, selecting a different Portfolio created by the Portfolio Strategist. Following the plan sponsor's completion of the Advice Program Questionnaire and selection of a Portfolio, NIA will establish the plan's advisory account under the Advice Program, which NIA will retain discretionary authority to manage in accordance with the Portfolio selected by the plan sponsor. The plan sponsor is not permitted to make future investment allocation changes to the assets in the plan's advisory account while the assets are managed by NIA. The plan sponsor must first contact NIA to update the plan's Advice Program Questionnaire-based analysis, or to select a different Portfolio. NIA will have no responsibility or liability for investment allocation changes initiated by the plan sponsor in violation of this restriction.

NIA Non-Discretionary Advice Service

NIA does not have discretionary authority over the Client's account and will not be responsible for buying or selling any securities for the Client's account. The Client will be solely responsible for implementing the recommendations offered in the NIA Non-Discretionary Advice Service.

Nationwide ProAccount in the Nationwide Retirement Program

Plan sponsors of retirement plans participating in the Nationwide Retirement Program that desire to make Nationwide ProAccount available to their participants must approve NIA as an authorized provider of investment advice to the plan in accordance with the plan's investment policy and applicable plan documents. A participant seeking to become a ProAccount Client will enter into an investment advisory agreement with NIA and complete a questionnaire developed by the IFE to help identify his or her risk tolerance and investment horizon, as well as to indicate any reasonable restrictions the participant may wish to place on the management of his or her retirement plan account assets. After NIA has accepted the participant as a ProAccount Client, the ProAccount Client will be placed, based on the ProAccount Client's information, in an investment portfolio developed by the IFE. NIA will exercise the discretionary authority delegated by Client to allocate and rebalance the ProAccount

Client's assets in accordance with the IFE's portfolio. NIA's investment discretion over ProAccount Client assets is limited to implementing the IFE's investment advice, which NIA does not have authority to modify.

Nationwide ProAccount in the NRS Retirement Program

Plan sponsors of retirement plans participating in the NRS Retirement Program that desire to make Nationwide ProAccount available to their participants must approve NIA as an authorized provider of investment advice to the plan in accordance with the plan's investment policy and applicable plan documents. A participant seeking to become a ProAccount Client will enter into a separate individual investment advisory agreement with NIA and complete a questionnaire developed by the IFE to help identify his or her risk tolerance and investment horizon, as well as to indicate any reasonable restrictions the participant may wish to place on the management of his or her retirement plan account assets. After NIA has accepted the participant as a ProAccount Client, the ProAccount Client will be placed, based on the ProAccount Client's information, in an investment portfolio developed by the IFE, and NIA will exercise the authorized discretionary authority to allocate and rebalance the ProAccount Client's assets in accordance with the IFE's portfolio. NIA's investment discretion over ProAccount Client assets is limited to implementing the IFE's investment advice, which NIA does not have authority to modify.

Item 17 Voting Client Securities

Advice Program for Plan Sponsors of Trustee Directed Retirement Plans

NIA does not vote proxies for any securities held in an Advice Program account. Nationwide Trust Company utilizes an outside vendor, third-party proxy processor, to coordinate the proxy communication and voting process. Plan sponsors and trustees retain the responsibility for receiving and voting proxies for any and all securities maintained in their plans. The regulatory services department coordinates with the third-party proxy processor to finalize lists of clients with holdings affected by a particular proxy. The third-party proxy processor is then given direction to send proxy materials to affected plan sponsors and trustees. Proxy materials contain website locations for more information, along with a phone number to contact the third-party proxy processor if the recipient has any questions. The third-party proxy processor then receives, compiles, and tabulates the results of the proxy votes and forwards the results to the applicable fund houses.

NIA Non-Discretionary Advice Service

NIA does not vote proxies for any Clients.

Nationwide ProAccount in the Nationwide Retirement Program and the NRS Retirement Program

NIA does not take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in ProAccount Client accounts. NRS and Nationwide Trust Company utilize an outside vendor, third-party proxy processor, to coordinate the proxy communication and voting process. Plan sponsors and trustees retain the responsibility for receiving and voting proxies for any and all securities maintained in their plans. The regulatory services department coordinates with the third-party proxy processor to finalize lists of clients with holdings affected by a particular proxy. The third-party proxy processor is then given direction to send proxy materials to affected plan sponsors and trustees. Proxy materials contain website locations for more information, along with a phone number to contact the third-party proxy processor if the recipient has any questions. The third-party proxy processor then receives, compiles, and tabulates the results of the proxy votes and forwards the results to the applicable fund houses.

Item 18 Financial Information

Registered investment advisers are required to provide clients with certain financial information or disclosures about their financial condition. NIA has no financial commitment that impairs its ability to meet its contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

If you are registering or are registered with one or more *state securities authorities*, you must respond to the following additional Item.

Item 19 Requirements for State-Registered Advisers

NIA is a federally-registered investment adviser, therefore state registration is not required.

Retirement Plans

ProAccount® overview

Choose professional management

Choose confidence

Nationwide **ProAccount**®

APPROVED FOR CONSULTANT
AND PLAN SPONSOR USE

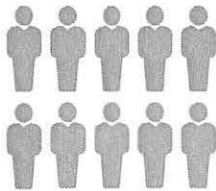


Nationwide®
is on your side

Many participants find investing challenging

As a Plan Sponsor, you know that the quality of your participants' retirement may depend on how well they manage their retirement investments now and going forward.

Unfortunately, many of them are uncertain about their ability to reach their goals.



60% of retirement participants lacked confidence in their ability to make the right investment decisions.¹

For participants who are unsure about choosing investments, or who simply lack the time or the desire to do it, Nationwide ProAccount may be an appropriate choice. It's a managed account service that does the investing for them.

¹ AllianceBernstein, Inside the Minds of Plan Participants (2015).

Managed accounts help take the guesswork out of retirement planning

A managed account service is designed for investors who would rather use an investment manager than do it themselves. Investment managers:



Base their decisions on objective advice



Are skilled at asset allocation and diversification²



Use a disciplined process for identifying and selecting fund managers who are expected to add value in a diversified portfolio



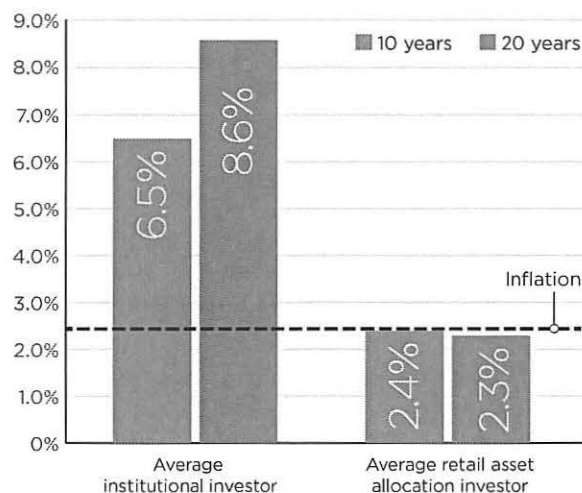
Are more likely to stay invested during periods of market turbulence because of their rigorous and disciplined investment process

² Asset allocation and diversification do not assure a profit or prevent a loss in a down market.

Nationwide ProAccount lets participants take advantage of institutional investing strategies.

Institutional investors are investment management companies that manage money for corporations, pensions and endowments. Retail asset allocation investors are individuals who manage their own portfolios. Research shows that the average institutional investor outperforms the average individual investor by more than 5% annualized over a 20-year period.

Institutional outperformance³



3.87% annualized over 10 years

5.2% annualized over 20 years

Past performance does not guarantee future results.

Investing involves market risk, including possible loss of principal, and there is no guarantee that investment objectives will be achieved.

As you can see, the investment returns of an average retail investor failed to meet or exceed inflation, while institutional investors, on average, outperformed them by a factor of more than three.

Imagine the difference that could make to the quality of your participants' retirement.

³ Source: DALBAR and Wilshire Trust Universe Comparison Service. Average equity investor, bond investor, asset allocation investor and inflation data from All Public Funds Universe, DALBAR. Data as of 12/31/2015.

Nationwide ProAccount brings institutional-quality investing to your Plan

Nationwide ProAccount is a “do it for me” solution for participants who recognize the value of having their accounts managed by investment managers. It is made available by Nationwide Investment Advisors, LLC (NIA), a wholly owned subsidiary of Nationwide Life Insurance Company.

NIA provides due diligence and monitoring services that support your efforts to fulfill your investment fiduciary responsibility by serving as a fiduciary for participants using the service.

NIA selected Wilshire Associates to serve as Nationwide ProAccount's Independent Financial Expert. Wilshire is a leading provider of investment products and services to more than 500 organizations with combined assets of approximately \$7 trillion.⁴

Asset allocation does not assure a profit or prevent a loss in a down market.

⁴ Client assets are as represented by Pensions and Investments, detailed in P&I's "Largest Retirement Funds" and P&I's "Largest Money Managers (U.S. institutional tax-exempt assets)" as of 9/30/13 and 12/31/13, and published 2/3/14 and 5/26/14, respectively.

How Nationwide ProAccount works



Employees complete a questionnaire that helps identify their risk tolerance



An investment portfolio is implemented based on an employee's age and personal tolerance for risk



NIA monitors portfolios managed by Wilshire; adjustments are made as conditions warrant



Regular communications are provided to participating employees to keep them updated about the managed account program



A managed approach

Nationwide Investment Advisors and Wilshire work together to make institutional-quality investing available to your participants.

Nationwide Investment Advisors (NIA)	Wilshire
<ol style="list-style-type: none">1. Selects and monitors the Independent Financial Expert (Wilshire)2. Implements investment advice generated by Wilshire3. Monitors the Investment strategies used by Wilshire4. Provides periodic communications and support	<ol style="list-style-type: none">1. Researches investment strategies and asset classes to build asset allocations for the portfolios2. Selects the specific investments for the portfolios and changes the funds and allocations in the portfolios to help keep in line with the time horizon and market changes

Participant benefits

Participants who select Nationwide ProAccount enjoy the confidence that comes from:



Professional fund selection and asset allocation



Periodic portfolio adjustments intended to help keep them on track toward their retirement goals



No minimum account balance or cancellation fees



Ongoing communications

Asset allocation does not assure a profit or prevent a loss in a down market.



Plan Sponsor benefits

Sponsors who add Nationwide ProAccount to their Plan can benefit from:



A valuable “do it for me” solution for your Plan and its participants



The expertise of an experienced institutional investment firm



Assistance in meeting your fiduciary responsibility



No additional cost to your Plan*

*Participants electing to enroll in ProAccount are charged an investment advisory fee as more fully described in NIA's Form ADV Part 2A.

Nationwide provides support and resources to educate your employees

We provide participant materials that promote the program and explain how it works. These help to ensure that your employees are confident about their choice to use Nationwide ProAccount.

Once participants are enrolled, we make sure they stay well-informed about the Nationwide ProAccount program. Communications include:



Enrollment kit



Meeting notice



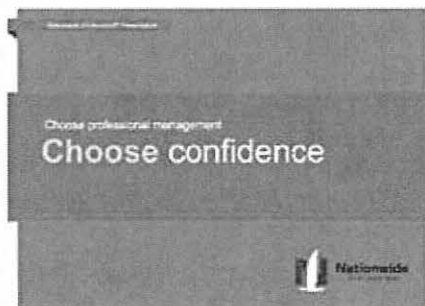
Flyer



Brochure



Email correspondence



Presentation



Postcard



To learn more or add Nationwide
ProAccount call your Nationwide
representative at 1-855-463-4977.



This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

No investment strategy or program, including participation in Nationwide ProAccount, can guarantee a profit or avoid loss.

Nationwide Investment Advisors, LLC (NIA) provides investment advice to plan participants enrolled in Nationwide ProAccount. NIA is an SEC-registered investment adviser.

NIA has retained Wilshire® as an Independent Financial Expert for Nationwide ProAccount. Wilshire provides investment allocation portfolios based on participant ages and their personal tolerance for investment risk.

NIA assesses participants an asset-based fee for the managed account services.

Retirement products are offered by Nationwide Trust Company, FSB, a unit of Nationwide Bank®, or Nationwide Life Insurance Company.

Wilshire is a registered service mark of Wilshire Associates, which is not an affiliate of Nationwide or NIA.

Nationwide, the Nationwide N and Eagle, Nationwide is on your side and Nationwide ProAccount are service marks of Nationwide Mutual Insurance Company. ©2016 Nationwide

NRM-12912AO.2 (11/16)



Schwab Personal Choice Retirement Account® (PCRA) of
CHARLES SCHWAB TRUST CO TTEE
ABC RETIREMENT PLAN
FBO DANA JONES

Account Number
1234-5678

Statement Period
February 1-28, 2015

Market Monitor

Rates	Yield
Schwab Govt MMF ^f	0.00%
Treasury Bill - 6 Months	0.11%
Treasury Bond - 30 Year	2.60%

Indices	Year To Date Change
Dow Jones Industrial Average	1.74%
Standard & Poor's 500 Index®	2.21%
Schwab 1000 Index®	2.53%
NASDAQ Composite Index	4.80%

Your Retirement Plan Provider

CHARLES SCHWAB TRUST COMPANY TEE
ABC RETIREMENT PLAN
211 MAIN STREET
SAN FRANCISCO, CA 94105-2423

The custodian of your brokerage account is: Charles Schwab & Co., Inc.
For questions about this statement, please contact the Schwab dedicated PCRA Call Center at 1-888-393-PCRA (7272).

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Schwab Personal Choice Retirement Account® (PCRA) of
CHARLES SCHWAB TRUST CO TTEE
ABC RETIREMENT PLAN
FBO DANA JONES

Terms and Conditions

This Account statement is furnished solely by Charles Schwab & Co., Inc. ("Schwab") for your Personal Choice Retirement Account ("Account") at Schwab. Schwab is a registered broker-dealer and, provides brokerage and custody services for your Account. Schwab is a wholly owned subsidiary of The Charles Schwab Corporation. Other wholly owned subsidiaries of The Charles Schwab Corporation include the following Schwab "Affiliates": Charles Schwab Investment Management, Inc. ("CSIM"); Charles Schwab Investment Advisory, Inc. ("CSIA"); Windhaven Investment Management, Inc. ("Windhaven"); ThomasPartners, Inc. ("TPI"); Schwab Retirement Plan Services, Inc.; Schwab Retirement Plan Services Company; and Charles Schwab Bank. Affiliate advisors may act as investment advisors to the Sweep Funds (generally CSIM). CSIA, CSIM, Windhaven and TPI act as investment advisors for accounts managed by them. Schwab Retirement Plan Services, Inc. and Schwab Retirement Plan Services Company provide recordkeeping and related services to retirement plan sponsors. Charles Schwab Bank provides trust and custody services to retirement plan sponsors.

This Account statement may identify a "Retirement Plan Service Provider" or "Advisor." Except as described above, the Retirement Plan Service Provider or Advisor may provide services with respect to your Account, but is not affiliated with Schwab. The Retirement Plan Service Provider or Advisor is independently owned and operated and are not Schwab Affiliates. Schwab maintains agreements with Retirement Plan Service Providers and Advisors under which Schwab provides such companies with services related to your Account. However, Schwab neither endorses nor recommends any particular Retirement Plan Service Provider or Advisor or investment strategy and has no responsibility to monitor trading by any Retirement Plan Service Provider or Advisor on your Account.

GENERAL INFORMATION AND KEY TERMS:

If you receive any other communication from any source other than Schwab, or other authorized affiliate of Schwab which purports to represent your holdings at Schwab, you should verify its content with this statement.

AIP (Automatic Investment Plan) Customers: Schwab receives remuneration in connection with certain transactions effected through Schwab. If you participate in a systematic investment program through Schwab, the additional information normally detailed on a trade confirmation will be provided upon request.

Average Daily Balance: Average daily composite of all cash balances that earn interest and all loans from Schwab that are charged interest. Interest cycles may differ from statement cycles.

Credit Interest: If, on any given day, the interest that Schwab calculates for your Account is less than \$.005, you will not earn any interest on that day.

Dividend Reinvestment Customers: Dividend reinvestment transactions are effected by Schwab acting as a principal for its own Account, except for the reinvestment of Schwab dividends, for which

an independent broker-dealer acts as the buying agent. The time of these transactions, the exchange upon which these transactions occur, and the name of the person from whom the security is purchased will be furnished upon written request.

Estimated Annual Income: Estimated annual income is derived from information provided by outside parties. Schwab cannot guarantee the accuracy of such information. Since the interest and dividends are subject to change at any time, they should not be relied upon exclusively for making investment decisions.

Fees and Charges: Includes Margin Interest, Retirement Plan Service Provider fees, and Management Fees that may be charged during the statement period. Contact your Retirement Plan Service Provider and/or your Investment Advisor if you have questions about his or her fees.

Market Price: The most recent price evaluation available to Schwab on the last business day of the statement period, normally the last trade price or bid as of market close. Unpriced securities denote that no market evaluation update is currently available. Price evaluations are obtained from outside parties. Schwab shall have no responsibility for the accuracy or timeliness of any such valuations. Pricing of assets not held at Schwab is for informational purposes only. Some securities, especially thinly traded equities in the OTC market or foreign markets, may not report the most current price and are indicated as Stale Prices. For Limited Partnerships and Real Estate Investment Trust (REIT) securities, you may see that the value reflected on your monthly Account statement for this security is unpriced. NASD rules require that certain Limited Partnerships (direct participation programs) and REIT securities that have not been priced within 18 months must show as unpriced on customer statements. Note that these securities are generally illiquid, that the value of the securities will be different than the purchase price, and, if applicable, that accurate valuation information may not be available.

Market Value: The Market Value is computed by multiplying the Market Price by the Quantity of Shares. This is the dollar value of your present holdings in your specified Schwab Account or a summary of the Market Value summed over multiple Accounts.

Non-Publicly Traded Securities: All assets shown on this statement, other than certain direct investments which may be held by a third party, are held in your Account. Values of certain Non-Publicly Traded Securities may be furnished by a third party as provided by Schwab's Account Agreement. Schwab shall have no responsibility for the accuracy or timeliness of such valuations. The Securities Investor Protection Corporation (SIPC) does not cover many limited partnership interests.

Option Customers: Be aware of the following: (1) Commissions and other charges related to the execution of option transactions are included in confirmations of such transactions furnished to you at the time such transactions occur and are made available promptly upon request. (2) You should advise us promptly of any material changes in your investment objectives or financial situation. (3) Exercise

assignment notices for option contracts are allocated among customer short positions pursuant to an automated procedure which randomly selects from among all customer short option positions those contracts which are subject to exercise, including positions established on the day of assignment. (4) Realized gain/loss of underlying securities is adjusted to reflect the premiums of assigned or exercised options. Please consult your tax advisor or IRS publication 550, Investment Income and Expenses, for additional information on Options.

Rate Summary: The yield information for Sweep Funds is the current 7-day yield as of the statement period. Yields vary. Schwab and the Sweep Fund investment advisor may be voluntarily reducing a portion of a Sweep Fund's expenses. Without these reductions, yields would have been lower.

Restricted Securities: See your Account Agreement for information regarding your responsibilities concerning the sale or control of restricted securities.

Schwab Sweep Money Funds: Includes the primary money market funds into which Free Credit Balances may be automatically invested pursuant to your Account Agreement. Schwab or an affiliate acts and receives compensation as the Investment Advisor, Transfer Agent, Shareholder Service Agent and Distributor for the Schwab Sweep Money Funds. The amount of such compensation is disclosed in the prospectus. The yield information for Schwab Sweep Money Funds is the current 7-day yield as of the statement period. Yields vary. Schwab and the Schwab Sweep Money Funds investment advisor may be voluntarily reducing a portion of a Schwab Sweep Money Fund's expenses. Without these reductions, yields would have been lower. The shares of the money market mutual fund can be liquidated on your order and the proceeds returned to your securities account or remitted to you as provided in your Account Agreement and the applicable prospectus.

Securities Products and Services: Securities products and services are offered by Charles Schwab & Co., Inc. (Member SIPC). Securities products and services, including unswept intraday funds and net credit balances held in the brokerage Accounts are not guaranteed deposits or obligations of the above-referenced bank, and are subject to investment risk are not FDIC insured, may lose value, and are not bank guaranteed.

Short Positions: Securities sold short will be identified with an "S" in Investment Detail. The market value of these securities will be expressed as a debit and will be netted against any long positions in Total Account Value.

Sweep Funds: Includes the primary funds into which free credit balances may be automatically invested pursuant to your Account Agreement.

Yield to Maturity: This is the actual average annual return on a note if held to maturity.

Gain (or Loss): Unrealized Gain or (Loss) and Realized Gain or (Loss)



Schwab Personal Choice Retirement Account® (PCRA) of
CHARLES SCHWAB TRUST CO TTEE
ABC RETIREMENT PLAN
FBO DANA JONES

Account Number
1234-5678

Statement Period
February 1-28, 2015

Terms and Conditions (continued)

sections ("Gain/Loss Section(s)") contain a gain or a loss summary of your Account. This information has been provided on this statement at the request of your Advisor. This information is not a solicitation or a recommendation to buy or sell. It may, however, be helpful for investment and tax planning strategies. **Schwab does not provide tax advice and encourages you to consult with your tax professional. Please view the Cost Basis Disclosure Statement for additional information on how gain (or loss) is calculated and how Schwab reports adjusted cost basis information to the IRS.**

Accrued Income: Accrued Income is the sum of the total accrued interest and/or accrued dividends on positions held in your Account, but the interest and/or dividends have not been received into your account. Schwab makes no representation that the amounts shown (or any other amount) will be received. Accrued amounts are not covered by SIPC account protection until actually received and held in the Account.

IN CASE OF QUESTIONS: If you are a participant with a Schwab Personal Choice Retirement Account® (PCRA) and you have questions about this statement, or specific Schwab Account transactions, contact the dedicated Schwab PCRA Call Center at 1-888-393-PCRA (7272). If you are a Plan Trustee or Sponsor, please contact your Retirement Plan Service Provider shown on the cover page of this statement.

IN CASE OF ERRORS OR DISCREPANCIES IN BROKERAGE TRANSACTIONS: If you find an error or discrepancy relating to your brokerage activity (other than an electronic funds transfer), you must notify us promptly, but no later than 10 days after this statement is sent or made available to you. If this statement shows that we have mailed or delivered security certificate(s) that you have not received, you should notify Schwab immediately. Any oral communications should be reconfirmed in writing to further protect your rights, including rights under the Securities Investor Protection Act (SIPA). If you do not so notify us, you agree that the statement activity and Account balance are correct for all purposes with respect to those brokerage transactions.

IN CASE OF COMPLAINTS: If you have a complaint regarding your Schwab statement, products or services, please call the Charles Schwab & Co., Inc. Client Advocacy Hotline at 1-800-468-3774 or write to Attention: Client Advocacy Team, 211 Main St., M/S: PHXPEAK-2K489, San Francisco, CA 94105.

Address Changes: If you fail to notify Schwab in writing of any change of address or phone number, you may not receive important notifications about your Account, and trading or other restrictions might be placed on your Account.

Wire Transfers and Check Transactions: If, upon prompt examination, you find that your records and ours disagree, or if you suspect that a wire transfer is unauthorized, a check or endorsement is altered or forged, or checks are missing or stolen, call us immediately at the Schwab Customer Service number listed on the front of this statement. If you do not so notify us in writing promptly, but in no event later than 10 days after we send

or make available your statement to you, you agree that the statement activity and Account balance are correct for all purposes with respect to those transactions. You agree to cooperate with us in the investigation of your claim, including giving us an affidavit containing whatever reasonable information we require concerning your Account, the wire or check transaction, and the circumstances surrounding the loss. You agree that we have a reasonable period of time to investigate the facts and circumstances surrounding any claimed loss, and that we have no obligation to provisionally credit your Account.

Additional Information: We are required by law to report to the Internal Revenue Service certain adjusted cost basis information (if applicable) and plan disbursements issued at the client's direction during the calendar year. Schwab or an affiliate acts as the Investment Advisor, Transfer Agent, Shareholder Service Agent and Distributor for the Schwab Money Funds. Schwab or an affiliate is compensated by the Schwab Money Funds for acting in each of these capacities other than as Distributor. The amount of such compensation is disclosed in the prospectus. For accounts managed by CSIA, CSIM, Windhaven, or TPI, you are charged an asset-based fee which is described in the relevant disclosure brochure. Additional information will be provided upon written request. A financial statement for your inspection is available at Schwab's offices or a copy will be mailed to you upon written request. Any third-party trademarks appearing herein are the property of their respective owners.

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Schwab Personal Choice Retirement Account® (PCRA) of
CHARLES SCHWAB TRUST CO TTEE
ABC RETIREMENT PLAN
FBO DANA JONES

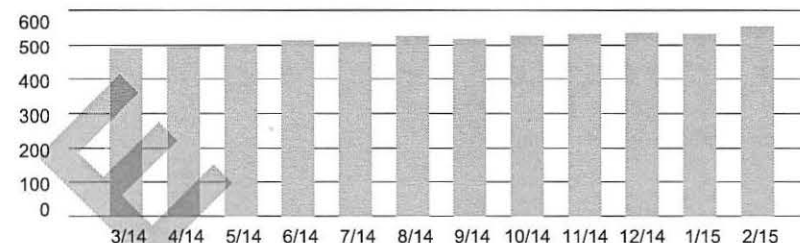
Account Number
1234-5678

Statement Period
February 1-28, 2015

Change in Account Value

	This Period	Year to Date
Starting Value	\$ 534,823.31	\$ 536,727.68
Cash Value of Purchases & Sales	7,735.17	6,341.06
Investments Purchased/Sold	(7,735.17)	(6,341.06)
Deposits & Withdrawals	3,216.14	6,291.72
Dividends & Interest	469.17	843.58
Fees & Charges	(1,341.82)	(1,341.82)
Transfers	0.01	0.01
Income Reinvested	0.00	0.00
Change in Value of Investments	18,138.26	12,783.90
Ending Value on 02/28/2015	\$ 555,305.07	\$ 555,305.07
Accrued Income ^d	1,354.55	
Ending Value with Accrued Income^d	\$ 556,659.62	
Total Change in Account Value:		
Including Deposits and Withdrawals	\$ 20,481.76	\$ 18,577.39
Including Deposits, Withdrawals, and Accrued Income ^d	\$ 21,836.31	

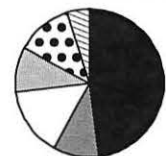
Account Value (\$) Over Last 12 Months [in Thousands]



Asset Composition

	Market Value	% of Account Assets
Cash and Money Market Funds [Sweep]	\$ 53,676.31	10%
Fixed Income	66,059.41	12%
Equities	269,296.71	48%
Bond Funds	29,338.98	5%
Equity Funds	55,302.96	10%
Other Assets	81,630.70	15%
Total Assets Long	\$ 555,305.07	
Total Account Value	\$ 555,305.07	100%
Accrued Income ^d	1,354.55	
Total Value with Accrued Income^d	\$ 556,659.62	

Overview



- 48% Equities
- 10% Cash, MMFs [Sweep]
- 15% Other Assets
- 10% Equity Funds
- 12% Fixed Income
- 5% Bond Funds

Gain or (Loss) Summary

Gain or (Loss) on Investments Sold

This Period \$7,042.92

Unrealized Gain or (Loss)

All Investments \$83,230.98

Values may not reflect all of your gains/losses.

Account Notes

- Accrued Interest is \$594.50
- Accrued Dividend is \$760.05

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February 1-28, 2015

Income Summary

	This Period	Year To Date
Cash Dividends	469.17	843.58
Total Income	469.17	843.58

Investment Detail - Cash and Money Market Funds [Sweep]

Cash	Market Value	% of Account Assets
Cash	43.98	<1%
Total Cash	43.98	<1%

Money Market Funds [Sweep]	Quantity	Market Price	Market Value	Current Yield	% of Account Assets
SCHWAB GOVT MONEY FUND: SWGXX	53,632.3300	1.0000	53,632.33	0.00%	10%
Total Money Market Funds [Sweep]			53,632.33		10%
Total Cash & Money Market [Sweep]			53,676.31		10%

Investment Detail - Fixed Income

		Par	Market Price	Market Value	% of Account Assets	Unrealized Gain or (Loss)	Estimated Annual Income
Corporate Bonds				Cost Basis			Yield to Maturity
ASSURANT INC. 2.5%18		10,000.0000	101.4334	10,143.34	2%	106.54	250.00
DUE 03/15/18				10,036.80			2.42%
CUSIP: 04621XAE8							
MOODY'S: Baa2 S&P: BBB+							
						Accrued Interest: 115.28	

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Investment Detail - Fixed Income (continued)

	Par	Market Price	Market Value Cost Basis	% of Account Assets	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
Corporate Bonds (continued)						
EDWARDS LIFESCI 2.875%18 DUE 10/15/18 CUSIP: 28176EAC2 MOODY'S: Baa3 S&P: BBB-	10,000.0000	102.6472	10,264.72 10,073.60	2%	191.12	287.50 2.71%
					Accrued Interest: 108.61	
HEWLETT-PACKARD C 2.6%17 DUE 09/15/17 CUSIP: 428236BW2 MOODY'S: Baa1 S&P: BBB+	15,000.0000	102.7753	15,416.30 15,229.65	3%	186.65	390.00 2.23%
					Accrued Interest: 179.83	
MURPHY OIL CORP 2.5%17 DUE 12/01/17 CUSIP: 626717AE2 MOODY'S: Baa3 S&P: BBB	15,000.0000	99.0850	14,862.75 15,280.80	3%	(418.05)	375.00 2.07%
					Accrued Interest: 93.75	
WSTN UN CO 2.875%17 DUE 12/10/17 CUSIP: 959802AR0 MOODY'S: Baa2 S&P: BBB	15,000.0000	102.4820	15,372.30 15,491.85	3%	(119.55)	431.25 2.12%
					Accrued Interest: 97.03	
Total Corporate Bonds	65,000.0000		66,059.41	12%	(53.29)	1,733.75
Total Cost Basis:			66,112.70	Total Accrued Interest for Corporate Bonds: 594.50		
Total Fixed Income	65,000.0000		66,059.41	12%	(53.29)	1,733.75
Total Cost Basis:			66,112.70			

Accrued Interest represents the interest that would be received if the fixed income investment was sold prior to the coupon payment.

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Investment Detail - Fixed Income (continued)

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Investment Detail - Equities

Equities	Quantity	Market Price	Market Value Cost Basis	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
AMERISOURCEBERGEN CORP SYMBOL: ABC	50.0000	102.7600	5,138.00 1,925.73	<1%	3,212.27	1.12%	58.00
Accrued Dividend: 14.50							
BB&T CORPORAT 5.85% PFD PFD DUE 05/01/99 SYMBOL: BBT+D	300.0000	25.4300	7,629.00 7,511.85	1%	117.15	5.75%	438.75
Accrued Dividend: 109.69							
BOEING CO SYMBOL: BA	40.0000	150.8500	6,034.00 5,145.69	1%	888.31	1.93%	116.80
Accrued Dividend: 36.40							
BORG WARNER INC SYMBOL: BWA	100.0000	61.4600	6,146.00 5,714.74	1%	431.26	0.84%	52.00
CANADIAN NATL RY CO F SYMBOL: CN1	150.0000	69.1400	10,371.00 4,896.45	2%	5,474.55	1.24%	129.34
CAPITAL ONE FC 6% PFD PFD SER B DUE 12/31/99 SYMBOL: COF+P	300.0000	25.1300	7,539.00 7,546.65	1%	(7.65)	5.96%	450.00
Accrued Dividend: 112.50							
CAPITAL ONE FINANCIAL CP SYMBOL: COF	75.0000	78.7100	5,903.25 4,924.43	1%	978.82	1.52%	90.00

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Investment Detail - Equities (continued)

	Quantity	Market Price	Market Value	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
Equities (continued)			<i>Cost Basis</i>				
CELGENE CORP SYMBOL: CELG	30.0000	121.5300	3,645.90 3,578.38	<1%	67.52	N/A	N/A
CHEVRON CORPORATION SYMBOL: CVX	50.0000	106.6800	5,334.00 3,698.95	<1%	1,635.05	4.01%	214.00
						<i>Accrued Dividend: 53.50</i>	
CITIGROUP INC NEW SYMBOL: C	66.0000	52.4200	3,459.72 4,030.08	<1%	(570.36)	0.07%	2.64
DISNEY WALT CO SYMBOL: DIS	100.0000	104.0800	10,408.00 4,893.76	2%	5,514.24	1.10%	115.00
E O G RESOURCES INC SYMBOL: EOG	60.0000	89.7200	5,383.20 5,055.22	<1%	327.98	0.74%	40.20
ENBRIDGE ENERGY MGMT SYMBOL: EEQ	0.0259	37.2800	0.97 0.63	<1%	0.34	N/A	N/A
FISERV INC SYMBOL: FISV	150.0000	78.0700	11,710.50 3,708.38	2%	8,002.12	N/A	N/A
GENERAL ELECTRIC COMPANY SYMBOL: GE	225.0000	25.9900	5,847.75 4,731.06	1%	1,116.69	3.53%	207.00
						<i>Accrued Dividend: 51.75</i>	
GENERAL MILLS INC SYMBOL: GIS	125.0000	53.7900	6,723.75 4,959.40	1%	1,764.35	3.04%	205.00

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Investment Detail - Equities (continued)

	Quantity	Market Price	Market Value	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
Equities (continued)			<i>Cost Basis</i>				
3M COMPANY	50.0000	168.6500	8,432.50	2%	2,892.74	2.02%	171.00
SYMBOL: MMM			5,539.76				
							Accrued Dividend: 51.25
Total Equities	4,492.2580		269,296.71	48%	79,288.75		5,815.08
		Total Cost Basis:	190,007.96				

Total Accrued Dividend for Equities: 760.05

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Investment Detail - Mutual Funds

	Quantity	Market Price	Market Value	% of Account Assets	Average Cost Basis	Cost Basis	Unrealized Gain or (Loss)
Bond Funds							
EATON VANCE FLOATING	1,624.4690	8.9900	14,603.98	3%	9.23	15,000.00	(396.02)
RATE FD CL I							
SYMBOL: EIBLX							
PALMER SQUARE INCM PLUS	1,472.0280	10.0100	14,735.00	3%	10.02	14,750.00	(15.00)
FD I							
SYMBOL: PSYPX							
Total Bond Funds	3,096.4970		29,338.98	5%		29,750.00	(411.02)

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Investment Detail - Mutual Funds (continued)

Equity Funds	Quantity	Market Price	Market Value	% of Account Assets	Average Cost Basis	Cost Basis	Unrealized Gain or (Loss)
FIRST EAGLE OVERSEAS FUND CL I SYMBOL: SGOIX	597.2170	23.6000	14,094.32	3%	23.63	14,115.00	(20.68)
GABELLI ABC FUND ADV CL SYMBOL: GADVX	982.3180	10.1300	9,950.88	2%	10.20	10,024.00	(73.12)
OAKMARK INTL FD CLASS I SYMBOL: OAKIX	785.6000	24.9600	19,608.58	4%	25.46	20,000.00	(391.42)
OPPENHEIMER DEVELOPING MKTS FD CL Y SYMBOL: ODVYX	329.3520	35.3700	11,649.18	2%	34.66	11,415.00	234.18
Total Equity Funds	2,694.4870		55,302.96	10%		55,554.00	(251.04)
Total Mutual Funds	5,790.9840		84,641.94	15%		85,304.00	(662.06)

Investment Detail - Other Assets

Other Assets	Quantity	Market Price	Market Value Cost Basis	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
ISHARES TR RUSSELL 2000 ETF SYMBOL: IWM	140.0000	122.5800	17,161.20 16,126.36	3%	1,034.84	1.45%	249.21
JP MORGAN EXCH TRADED NT ALERIAN MLP SYMBOL: AMJ	600.0000	44.6000	26,760.00 26,650.35	5%	109.65	N/A	N/A

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Investment Detail - Other Assets (continued)

	Quantity	Market Price	Market Value Cost Basis	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
Other Assets (continued)							
PRUDENTIAL FINL 5.75%PFD DUE 12/15/52 SUBJ TO XTRO REDEMPTION SYMBOL: PJH	300.0000	25.4500	7,635.00 7,564.35	1%	70.65	N/A	N/A
SECTOR SPDR TECH SELECT SHARES OF BENEFICIAL INT SYMBOL: XLK	250.0000	43.0900	10,772.50 9,750.73	2%	1,021.77	2.00%	216.49
WISDOMTREE EUROPE ETF HEDGED EQUITY FUND SYMBOL: HEDJ	300.0000	64.3400	19,302.00 16,881.33	3%	2,420.67	2.27%	439.19
Total Other Assets	1,590.0000		81,630.70	15%	4,657.58		904.89
			Total Cost Basis:				76,973.12

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Total Investment Detail	555,305.07
Total Account Value	555,305.07
Total Cost Basis	418,397.78

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Gain or (Loss) on Investments Sold

Investments	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Gain or (Loss)
JPMORGAN CHASE & CO: JPM	150.0000	multiple	01/28/15	8,284.64	5,527.20	2,757.44
AMERISOURCEBERGEN CORP: ABC	75.0000	03/16/12	01/29/15	7,174.08	2,888.60	4,285.48
Total Gain or (Loss) on Investments Sold				15,458.72	8,415.80	7,042.92

Schwab has provided accurate realized gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. If all data for a given investment is not available, the investment will not be listed here.

Option Customers: Gain/loss on investments sold is adjusted to reflect the premiums of assigned or exercised options. Please consult IRS publication 550, Investment Income and Expenses, for additional information on Options.

Transaction Detail - Purchases & Sales

Equities Activity

Settle Date	Trade Date	Transaction	Description	Quantity	Unit Price	Total Amount
02/02/15	01/28/15	Sold	JPMORGAN CHASE & CO: JPM	(150.0000)	55.2851	8,284.64
02/03/15	01/29/15	Sold	AMERISOURCEBERGEN CORP: ABC	(75.0000)	95.7625	7,174.08
02/03/15	01/29/15	Bought	CELGENE CORP: CELG	30.0000	119.0142	(3,578.38)
02/12/15	02/09/15	Bought	MACYS INC: M	65.0000	63.6495	(4,145.17)
Total Equities Activity						7,735.17
Total Purchases & Sales						7,735.17

Transaction Detail - Deposits & Withdrawals

Transaction Process					
Date	Date	Activity	Description	Location	Credit/(Debit)
02/02/15	02/02/15	Journalled Funds	JOURNAL FRM 67968816		1,479.92

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Transaction Detail - Deposits & Withdrawals (continued)

Transaction Date	Process Date	Activity	Description	Location	Credit/(Debit)
02/17/15	02/17/15	Journalized Funds	JOURNAL FRM 67968816		1,736.22
Total Deposits & Withdrawals					3,216.14

The total deposits activity for the statement period was \$3,216.14. The total withdrawals activity for the statement period was \$0.00.

Transaction Detail - Dividends & Interest (including Money Market Fund dividends reinvested)

Transaction Date	Process Date	Activity	Description	Credit/(Debit)
01/31/15	02/02/15	Qualified Dividend	JPMORGAN CHASE & CO: JPM	60.00
02/02/15	02/02/15	Qualified Dividend	GENERAL MILLS INC: GIS	51.25
02/02/15	02/02/15	Qualified Dividend	VERIZON COMMUNICATIONS: VZ	55.00
02/04/15	02/04/15	Qualified Dividend	LOWES COMPANIES INC: LOW	28.75
02/05/15	02/05/15	Qualified Dividend	POTASH CORP SASK INC F: POT	52.50
02/13/15	02/13/15	Qualified Dividend	MARSH & MC LENNAN CO INC: MMC	35.00
02/13/15	02/13/15	Qualified Dividend	MORGAN STANLEY: MS	17.50
02/17/15	02/17/15	Qualified Dividend	PROCTER & GAMBLE: PG	66.44
02/20/15	02/20/15	Qualified Dividend	CAPITAL ONE FINANCIAL CP: COF	22.50
02/25/15	02/25/15	Qualified Dividend	XILINX INC: XLNX	36.25
02/27/15	02/27/15	Qualified Dividend	CITIGROUP INC NEW: C	0.66
02/27/15	02/27/15	Cash Dividend	EATON VANCE FLOATING: EIBLX	43.32
Total Dividends & Interest				469.17

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Statement Period
February 1-28, 2015

Transaction Detail - Fees & Charges

Transaction Date	Process Date	Activity	Description	Credit/(Debit)
02/05/15	02/05/15	Advisor Fee*	TO ADVISOR	(1,341.82)
Total Fees & Charges				(1,341.82)

Transaction Detail - Transfers

Settle Date	Trade Date	Transaction	Description	Quantity	Unit Price	Total Amount
02/13/15	02/13/15	Adjust Position	ENBRIDGE ENERGY MGMT: EEQ	0.0004	37.4500	0.01
Total Transfers						0.01

Total Transaction Detail 10,078.67

Money Funds Detail

SCHWAB GOVT MONEY FUND Activity

Settle Date	Transaction	Quantity	Unit Price	Purchase/Debit	Sale/Credit
Opening # of Shares: 43,505.5400					
02/02/15	Purchased	92.1100	1.0000	92.11	
02/03/15	Purchased	9,930.8100	1.0000	9,930.81	
02/04/15	Purchased	3,595.7000	1.0000	3,595.70	
02/05/15	Purchased	28.7500	1.0000	28.75	
02/06/15	Redeemed	1,289.3200	1.0000		1,289.32
02/12/15	Redeemed	4,145.1700	1.0000		4,145.17
02/17/15	Purchased	52.5000	1.0000	52.50	
02/18/15	Purchased	1,802.6600	1.0000	1,802.66	
02/23/15	Purchased	22.5000	1.0000	22.50	

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

For illustrative purposes only. Not a recommendation, offer to sell or a solicitation of an offer to buy any security.



Schwab Personal Choice Retirement Account® (PCRA) of
CHARLES SCHWAB TRUST CO TTEE
ABC RETIREMENT PLAN
FBO DANA JONES

Account Number
1234-5678

Statement Period
February 1-28, 2015

Money Funds Detail (continued)

Schwab Govt Money Fund Activity (continued)

Settle Date	Transaction	Quantity	Unit Price	Purchase/Debit	Sale/Credit
02/26/15	Purchased	36.2500	1.0000	36.25	
Closing # of Shares: 53,632.3300					
Total Schwab Govt Money Fund Activity				15,561.28	5,434.49
Total Money Funds Detail				15,561.28	5,434.49

Pending Corporate Actions

	Transaction	Quantity	Payable Date	Rate per Share	Share Distribution	Cash Distribution
KROGER COMPANY	Qualified Dividend	90.0000	03/01/15	0.1850		16.65
AMERISOURCEBERGEN CORP	Qualified Dividend	50.0000	03/02/15	0.2900		14.50
BB&T CORPORAT 5.85% PFD	Qualified Dividend	300.0000	03/02/15	0.3656		109.69
CAPITAL ONE FC 6% PFD	Qualified Dividend	300.0000	03/02/15	0.3750		112.50
PARTNERRE LTD. 6.5% PFD	Cash Dividend	300.0000	03/02/15	0.4062		121.88
VISA INC CL A	Qualified Dividend	35.0000	03/03/15	0.4800		16.80
T J X COS INC	Qualified Dividend	150.0000	03/05/15	0.1750		26.25
BOEING CO	Qualified Dividend	40.0000	03/06/15	0.9100		36.40
INVESCO LTD F	Qualified Dividend	125.0000	03/06/15	0.2500		31.25
MICROCHIP TECHNOLOGY INC	Qualified Dividend	125.0000	03/09/15	0.3570		44.63
CHEVRON CORPORATION	Qualified Dividend	50.0000	03/10/15	1.0700		53.50
UNITED TECHNOLOGIES CORP	Qualified Dividend	75.0000	03/10/15	0.6400		48.00
3M COMPANY	Qualified Dividend	50.0000	03/12/15	1.0250		51.25
VISA INC CL A	Stock Split±	35.0000	03/18/15	3.0000	105.0000	
SCHLUMBERGER LTD F	Cash Dividend	50.0000	04/10/15	0.5000		25.00

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Schwab Personal Choice Retirement Account® (PCRA) of
CHARLES SCHWAB TRUST CO TTEE
ABC RETIREMENT PLAN
FBO DANA JONES

Account Number
1234-5678

Statement Period
February 1-28, 2015

Pending Corporate Actions (continued)

	Transaction	Quantity	Payable Date	Rate per Share	Share Distribution	Cash Distribution
GENERAL ELECTRIC COMPANY	Qualified Dividend	225.0000	04/27/15	0.2300		51.75
Total Pending Corporate Actions						760.05

Pending transactions are not included in account value.

Endnotes For Your Account

Symbol Endnote Legend

*	You authorize Schwab to debit your account to pay investment management fees per the authorization you granted in your Account Application. Schwab does not review or monitor these fee payments. Contact your Investment Manager if you have questions.
±	Rate per share for stock splits reflects the additional shares to be posted to your account, not the stock split rate.
d	Accrued Income is the sum of the total accrued interest and/or accrued dividends on positions held in your brokerage account, but the income and/or dividends have not been received into your account and Schwab makes no representation that they will. Accrued amounts are not covered by SIPC account protection until actually received and held in the account.
f	7-day yield: Annualized fund yield based on the average daily yield for the previous 7 days, assuming dividends are paid in cash and not reinvested.

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

For illustrative purposes only. Not a recommendation, offer to sell or a solicitation of an offer to buy any security.



February 2017

Charles Schwab Pricing Guide for Retirement Plan Accounts

Pricing information in this *Charles Schwab Pricing Guide for Retirement Plan Accounts* ("Guide") applies only to clients with accounts held at Charles Schwab & Co., Inc., a registered broker-dealer, and is limited to: (1) a retirement plan account serviced by an Independent Recordkeeper, and (2) a Schwab Personal Choice Retirement Account® (PCRA) established on behalf of retirement plan participants.

Pricing information in this *Guide* supersedes prior pricing versions.

Schwab reserves the right to change or waive fees at our discretion, subject to notification in accordance with applicable laws and regulations.

Any pricing that has been negotiated for your retirement plan ("plan") is not reflected in this *Guide* and supersedes this *Guide*. Your Retirement Plan Service Provider may charge fees to activate or maintain a PCRA. These fees cover the additional costs the Retirement Plan Service Provider incurs for government reporting, oversight, and the due diligence the provider has done to make the PCRA available as an additional feature in your employer-sponsored retirement plan. Please check with your provider for details on any fees they may charge.

Please carefully review this *Guide* and keep it for your reference.

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How to Reach Us

By Phone:

For Schwab PCRA account holders, please call the dedicated PCRA Call Center at 1-888-393-PCRA (7272), Monday through Friday, 9:00 a.m. to 7:30 p.m. ET. This number will also connect you, day or night, to Schwab's automated phone services: Schwab by Phone™ (voice recognition) and TeleBroker® (touch-tone).

By Web and Wireless:

www.schwab.com

Web-enabled phone: Look for Schwab on your phone's web menu.

Wireless device: Consult www.schwab.com/wireless.

Visit the PCRA Resources section on Schwab.com for more information. Once logged in to your PCRA, you'll find this section in the right margin on key pages of the site.

Introduction

Schwab provides a broad range of value-added services, some of which have associated fees. This document provides you with an overview of standard pricing for commission rates, transaction fees, and service fees for these types of accounts:

- Retirement plan accounts serviced by an Independent Recordkeeper
- Schwab Personal Choice Retirement Account®

Your plan may restrict certain investments described in this *Guide*. Please contact your retirement plan service provider for details on which investments are available to you.

You can obtain additional information about the pricing for your account(s) through:

- Your Independent Recordkeeper or plan sponsor, if your retirement account is serviced by an Independent Recordkeeper
- The PCRA Call Center or your plan sponsor, if you have a PCRA

If your retirement plan allows, you may be able to utilize an investment advisor ("advisor"). Your account may be subject to your advisor's fee schedule. Contact your advisor for details.

Definitions

Electronic Trades—Trades placed through one of Schwab's electronic channels, including online (e.g., at www.schwab.com), mobile devices, and Schwab's automated phone services (e.g., Schwab by Phone™ or TeleBroker®). Certain securities may not be available through all electronic trading channels.

Householding—Householding refers to the aggregation of your accounts held at Charles Schwab & Co., Inc. Current regulations prevent us from householding your plan-level account or PCRA with your other accounts at Schwab.

Note: Your PCRA is a cash-up-front account. For all purchases, we require cleared funds in the account. When you're selling, we require securities on deposit. It is your responsibility to avoid overspending your account. If your account becomes overspent, Schwab

reserves the right to liquidate a portion of your account to cover the debit balance. Broker-assisted fees will apply.

Commissions and Transaction Fees¹

Stocks and Third-Party Exchange-Traded Funds (ETFs) per Executed Trade*	
Trading Channel	Commission
Electronic ²	\$6.95
Broker-Assisted	Electronic commission, plus \$25

ETFs (including Schwab ETFs™) participating in Schwab ETF OneSource™ per Executed Trade ³	
Trading Channel	Commission
Electronic	\$0
Broker-Assisted	Electronic commission, plus \$25

* These fees also apply to trades of Canadian stocks, American Depositary Receipts, and stocks of foreign-incorporated companies that are listed on U.S. or Canadian exchanges or whose trades clear and settle in the U.S. or Canada.

Note: Short sells and buys to cover for third-party ETFs participating in Schwab ETF OneSource™ are subject to online commissions plus any additional fees.

Foreign Stock Transactions†	
Trades placed on the U.S. over-the-counter (OTC) market	
Trading Channel	Transaction Fee
Electronic	\$6.95, plus a \$50 foreign transaction fee ⁴
Broker-Assisted	\$81.95: electronic commission of \$6.95, plus \$25 for broker assistance, plus a \$50 foreign transaction fee
Trades placed directly on a foreign exchange	
Trading Channel	Transaction Fee
Electronic	Not available
Broker-Assisted	The greater of \$100 or 0.75% of principal, with no maximum

†These fees apply to trades of foreign ordinary shares placed directly on a foreign exchange or on the U.S. over-the-counter (OTC) market.

Special Stock Transactions

Large block transactions (orders of 10,000 or more shares, or orders over \$500,000): May be eligible for special handling and/or pricing—please call us for information.

Dividend Reinvestment—The Schwab No-Fee StockBuilder Plan® for dividend reinvestment is available for most U.S. stocks. If you wish to reinvest the dividends on any qualifying stock, please specify when placing your trade order. To change your elections, call your Schwab Representative or visit www.schwab.com.

Prime Brokerage and Trade-Away Services

Prime Brokerage and Trade-Away services are designed to give you and your Agent the ability to execute trades using assets held in your account at broker-dealers other than Schwab, known as "Executing Brokers." Our standard fee for both Prime Brokerage and Trade-Away services is \$25 per trade or trade allocation. Note: There may be other fees, such as those charged by the Executing Broker and outlined in the Prime Brokerage Amendment.

Mutual Fund Transaction Fees per Executed Trade

Some funds may also charge sales and/or redemption fees. Please read the prospectuses for details. You can buy shares directly from a fund company or its principal underwriter or distributor without paying Schwab's transaction or service charges (except Schwab Funds®).

No-Transaction-Fee Funds (includes funds available through the Mutual Fund OneSource® service) ⁵	
Trading Channel	Transaction Fee
Electronic	\$0
Broker-Assisted	\$25 service charge per trade may apply
Transaction-Fee Funds ⁵	
Trading Channel	Transaction Fee
Electronic	\$50 per buy, \$0 per sell
Broker-Assisted	Electronic fee, plus \$25 service charge per trade

Note: For information about offshore funds (funds registered outside the U.S. for purchase by non-U.S. persons only), please call us.

Options Commissions per Executed Trade

Trading Channel	Commission
Electronic	\$6.95, plus \$0.70 per contract
Broker-Assisted	Electronic commission, plus \$25

Note: Stock or option trades resulting from an option exercise or assignment will be subject to the corresponding electronic commission pricing schedule.

Pricing for Combined Equity and Option Orders

Equity plus option leg orders (includes Buy/Writes, Sell/Writes, and Unwinds): \$0.70 per contract for the option leg, plus \$6.95 commission for the equity leg. (There is no base commission for the option leg.)

Fixed Income Investments

Schwab reserves the right to act as principal on any fixed income transaction, public offering or securities transaction. When Schwab acts as agent, a commission will be charged on the transaction. When Schwab acts as principal, the markup is included in the bond price.

Product Type	Online Commission or Markup	Broker-Assisted Commission or Markup
New Issues, including Certificates of Deposit	\$0 (a selling concession may be included in the offering price)	
Treasury Bills, Notes, Bonds and TIPS (Secondary and Auction)	\$0	\$25
Secondary transactions for Corporate Bonds, Municipal Bonds, Government Agencies, Zero-Coupon Treasuries (including STRIPS), and Certificates of Deposit	\$1 per bond (\$10 minimum/\$250 maximum)	Online pricing plus \$25 per trade
Preferreds or REITs	Stock commissions and minimums apply for secondary transactions.	
Commercial Paper, Foreign Bonds, Asset-Backed Securities, Mortgage-Backed Securities, Collateralized Mortgage Obligations, and Unit Investment Trusts	These are specialty products—please call us for information.	

Note: Large block transactions (orders of more than 250 bonds) may be eligible for special handling and/or pricing—please call us for information.

Note: Our commissions and markups may be slightly less than our published schedule shown above due to rounding.

Account Activity Fees

Fee Type	Amount
Mutual fund short-term redemption fee ⁶	\$49.95
Order out of certificates (for all U.S. and some Canadian securities):* Book entry of securities held electronically at transfer agent (Direct Registration System) Physical certificates	\$0 per issue This fee will be equal to the amount charged to Schwab by the Depository Trust & Clearing Corporation, currently \$500 per certificate, subject to increases in the future. Additional charges may apply for rush requests.
Order out of certificates (for foreign securities): Physical certificates ⁷	Variable fee (based on the location of the transfer agent)
Transfer of title for certificates (re-registering securities held in certificate form)	\$25 fee per position
Schwab Non-Sweep Money Funds, including Schwab Value Advantage Investments® (SVAI): Schwab-initiated redemptions ⁸	\$10 fee per redemption
Security Reorganization:* Voluntary and post-effective	\$39 fee

* Certain clients qualify for exemption.

Cashiering and Administrative Service Fees⁹

PCRA participants cannot initiate cashiering requests with Schwab to deposit or disburse funds from a PCRA. These fees apply to cashiering or disbursement requests received from the Plan Administrator, Trustee, or other authorized party, and are deducted from the account designated by these parties.

Fee Type	Amount
Paying agent services	\$30 per distribution
Schwab-issued check	\$20 per check
Check stop payment	\$10 per check
Overnight Service	\$8.50
Nonsufficient funds/ returned item	\$25 fee per item
Wire transfer (outgoing)* ¹⁰	\$25 fee per transfer

* Certain clients qualify for exemption.

Custody Fees for Non-Publicly Traded Securities

Description	Amount
Annual maintenance fee for restricted securities	\$150 per position
Annual maintenance fee for other non-publicly traded securities	\$250 per position Maximum of \$500 per account If applicable, fees for ineligible securities and valuation are additional.
Transaction fee	\$100 per transaction
Ineligible security fee	\$250 per year per position
Valuation fee	Effective September 1, 2013: \$500 per year per position valued
Non-transferable fee ¹¹	\$1 per month per position

Note: Certain Non-Publicly Traded Securities may be exempt from certain fees. Custody fees for Non-Publicly Traded Securities are billed annually in arrears.

Special Service Fees

Exchange Process Fee—This is a fee Schwab charges to offset fees imposed on us by national securities and self-regulatory organizations or by U.S. option exchanges.

The Securities and Exchange Commission (SEC) assesses transaction fees on national securities exchanges and self-regulatory organizations based on the aggregate dollar amount of sales of certain securities. The SEC recalculates the amount of this fee periodically—at least once per year but sometimes more often. National securities exchanges and self-regulatory organizations offset the transaction fees by charging their member broker-dealers such as Schwab, and we, in turn, offset this fee by charging you an Exchange Process Fee for covered sell transactions.

U.S. options exchanges charge Schwab and other broker-dealers per-contract fees for purchases and

sales of exchange-listed options. The exchanges may charge these fees even on transactions executed on other exchanges, which can result in multiple fees being imposed on Schwab for a single transaction. Schwab offsets these fees by charging you a single Exchange Process Fee for each covered transaction.

Any Exchange Process Fee that appears on your trade confirmation for a sale of an exchange-listed option will combine the offsets for the fees charged both by the U.S. option exchanges and by the national securities and self-regulatory organizations.

Schwab's Exchange Process Fee will rise or fall periodically depending upon the rates set by the SEC or by the U.S. option exchanges, as applicable.

Transaction Fee—This fee includes either fees charged for purchases and sales of certain mutual fund shares or fees charged for purchasing U.S. Treasury obligations via the auction process. The amount of this fee will appear on your trade confirmation.

American Depositary Receipt (ADR) Fee—Banks that custody ADRs are permitted to charge ADR holders a fee. Fees collected from Schwab by the Depository Trust Company for an ADR will be automatically deducted from your Schwab account(s) and shown on your account statement(s) as an "ADR Pass-Thru Fee."

Endnotes

¹Excluding mutual funds, commissionable trades that execute over more than one day will be charged a separate commission for each additional day; each separate commission will apply to the portion of the trade executed on the corresponding additional day. Electronic trade orders for which price or quantity are changed by the client, and as a result execute over multiple trades on the same day, are each charged a separate commission.

²Up to 999,999 shares can be placed per trade.

³The Schwab Exchange-Traded Funds™ (Schwab ETFs™) are distributed by SEI Investments Distribution Co. (SEI). Charles Schwab Investment Management, Inc. (CSIM) serves as the registered investment advisor to Schwab ETFs. CSIM is a wholly owned subsidiary of The Charles Schwab Corporation and an affiliate of Charles Schwab & Co., Inc., none of which is affiliated with SEI.

⁴Transactions in foreign ordinary shares incur additional custody, clearing, and settlement expenses. A foreign transaction fee is added to trades placed on the U.S. over-the-counter market through the online or automated phone channels. The commission and foreign transaction fee will be combined and appear as one line item, labeled "Commission," on your trade confirmation.

⁵Standard fees apply on both transactions when placing simultaneous orders to sell one or more transaction-fee fund(s) and purchase additional transaction-fee fund(s) with the proceeds.

⁶Schwab's short-term redemption fee will be charged on the redemption of funds purchased through Schwab's Mutual Fund OneSource® service (and certain other funds with no transaction fee) and held for 90 days or less. Schwab reserves the right to exempt some funds from this fee, including certain Schwab Funds®, which may charge a separate redemption fee, and funds that accommodate short-term trading.

⁷An additional amount of \$250 per certificate will be charged for foreign securities.

⁸Occurs, at Schwab's sole discretion, when no other cash assets or margin credit balances are available in a customer's account to cover transactions such as Schwab One® checks, security purchases, Visa® debit cards, AIP investments, and electronic funds transfers.

⁹Fees for cashiering services do not apply to PCRA account holders, with the exception of nonsufficient funds/returned item fees.

¹⁰Wire transfer fees can be avoided by using certain automated services, such as Schwab MoneyLink[®] or by using Schwab One[®] checkwriting services.

¹¹A non-transferable security is a security for which there has been no transfer agent for three years or more.

Schwab Personal Choice Retirement Account[®] (PCRA) is offered through Charles Schwab & Co., Inc., a registered broker-dealer, which also provides other brokerage and custody services to its customers. Schwab Retirement Plan Services, Inc. provides recordkeeping and related services with respect to retirement plans. Charles Schwab Bank (the Bank) provides trust and custody services with respect to retirement and other benefit plans, including individual retirement accounts. This includes accounts where the Bank acts as trustee or custodian and the client has instructed the Bank to establish either a PCRA or to set up a separately managed account with Charles Schwab & Co., Inc. as sub-custodian. The pricing information provided in this *Guide* does not apply to assets held directly at the Bank.

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Nationwide



Identity & Access Management IT Security Standards

Version: 1.1

Last Reviewed: 05/26/2017 Last Revised: 05/25/2017

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Purpose

The purpose of the Identity & Access Management IT Security Standards is to define processes that ensure Nationwide is adhering to all necessary controls to protect all Nationwide systems as well as the data of our customers.

Scope and Applicability

This Standard applies to all Nationwide IT systems and must be adhered to by all Nationwide associates, external consultants, and vendor support personnel.

For specific questions/concerns regarding IT Risk Management Policies and Standards or when providing feedback responses to the respective documents, send details to: cbdesign@nationwide.

Compliance

IT Risk Management Policies and Standards are written with specific and precise language intended to ensure that the Policies and Standards contain identifiable and measurable requirements that facilitate compliance.

Managers of lines of business and related infrastructure support areas are responsible for ensuring compliance with this Standard and for ensuring that relevant processes are monitored for compliance as a part of routine operational support activities. Users who fail to comply will be subject to disciplinary action.

Those who engage contracted workers, either onsite or offsite, are responsible for ensuring that contracts cover provisions requiring compliance with applicable Nationwide IT Risk Management Policies and Standards and for ensuring that compliance is monitored and enforced for each subject to applicable laws and regulations.

Referenced Documentation

Materials referenced within or related to this Standard are listed below: none

Reviews and Approvals

The following persons have reviewed and/or approved this document:

Role	Name/Organization	Approval
Standards Owner	Travis Michalak, IT Risk Mgmt.	05/27/2017
Reviewers	Jim Korcykoski, ECTO David Daniel, IT Risk Mgmt.	04/25/2017 (CRC Meeting)
Reviewers	John Kennedy, IT Risk Mgmt. Craig Dornon, IT Risk Mgmt. Kirk Herath, OPTICS	03/23/2017 (IRM SRB Meeting)

Revision History

The table below reflects revisions (recent changes/updates, deletions, additions, etc.).

Version	Change Description	Revised by	Date Revised
1.0	Combined Access Control, Identification and Authentication, and Privileged ID Standards; corrected formatting	Doug Greenleaf	04/10/2017
1.1	Per Dave Daniel – Note effective date for FRC & SOC 1 applications; updated “privileged” definition	Doug Greenleaf	05/26/2017

Access Control IT Security Standard

The Access Control Standard is to define processes that ensure Nationwide is adhering to all necessary access controls to protect all Nationwide systems as well as the data of our customers.

Account Management

Access to IT systems and data may only be granted upon receipt of an approved request. The people leader is accountable for determining the appropriateness of access and must request removal of any access deemed unnecessary or inappropriate.

User Provisioning Standards – Effective 1/1/2019 (Effective 1/1/2018 for FRC & SOC 1 applications)

- Access to Nationwide information assets must be controlled according to need-to-know and least privileged (lowest amount of privilege required to perform a role) principles.
- Formal procedures must be in place and defined in order to provision access to Nationwide's information systems and data.
- Auditable processes must be in place for each phase: request, approval, provisioning and notifications.

New Users

There are two different groups of New Users; Internal & External

Internal Users are defined as Nationwide Employees, Temporary Employees and Contractors.

- All new Internal Users will be assigned at inception:
 - A new User ID
 - Birthright access (Internal administrative systems based on reporting area)
- Additional access will be at the discretion of the User's People Leader and based on User's job function.
 - People Leader must submit a request for additional job related access via appropriate request system.
 - Appropriate approving authority workflows must be established and completed.
 - An approved/authorized Administrator must validate and fulfill the approved request.
 - Cloning user access requests will not be allowed.
 - Activity logging must be logged with accurate timestamp and report actions taken at each phase.
- Notification of the request disposition must include the details of the account and be sent to the User and the Requestor.
- ID accounts and privileges provided via external provisioning must conform with the same process and workflow as internal users.

External Users are defined as any user that is not an Internal user. User provisioning for external users will be based on the applications required for their business needs.

Modifying Users

Existing accounts may require changes several times throughout the lifecycle of an account. This is triggered due to a change to the User's job function that requires different access, or a change in application or platform access control functions.

- Access modifications will be at the discretion of the User's People Leader based on any change to the User's job function.
 - People Leader must submit a request for additional job related access via appropriate request system.
 - Appropriate approving authority workflow must be established and completed.
 - An approved/authorized Administrator must validate and fulfill the approved request.
 - Cloning user access requests will not be allowed.
 - Activity logging must be logged with accurate timestamp and report actions taken at each phase.
- Notification of the request disposition and the details of the account must be sent to the User and the Requestor.

Emergency Access Provisioning Standard

Emergency access to an IT asset must be granted for only the length of time required to perform an approved emergency change. Once the time has expired the access must be removed and the password associated with the User ID must be immediately changed and secured.

- Circumstance for emergency access must be approved by management.
- Access must be completed and communicated to requesting leader within 24 hours.
- Access must be removed within 24 hours after completion of project/change request.
- Activity logging must be logged with accurate timestamp and report actions taken at each phase.

User De-Provisioning Standards

De-Provisioning is designed to be a rapid removal of access when access is no longer required. These are triggered by a People Leader or Automated Provisioning System tool review when an employee or non-employee leaves the company or has a job change.

There are two areas for de-provisioning; Transfers and Terminations.

Transfers

- When a user changes job functions and no longer requires the current access, a request must be submitted to remove the access.
 - New People Leader must review existing access and determine what needs to be removed. Review must be completed within 35 days of transfer date.
 - A request to remove access no longer required must be submitted within 40 days of transfer date.
- Additional access will be at the discretion of the user's new People Leader based on the User's new job function.
 - People Leader must submit the request to alter access via the appropriate request system.
 - Appropriate approving authority workflow must be established and completed.
 - An approved/authorized Administrator must validate and fulfill the approved request.
 - Cloning user access requests will not be allowed.
 - Activity logging must be logged with accurate timestamp and report actions taken at each phase.
- Upon transfer, existing privileges to FRC/SOC applications will automatically be removed. Privileges required for the new role must be requested by the new leader.

Terminations

There are two types of terminations of employees: Voluntary & Involuntary

Voluntary

- A termination checklist is used by a leader when an employee or non-employee voluntarily leaves the company, which includes an account termination process.
- All access must be removed within 8 hours upon the User's last day reporting.
- Activity logging must be logged with accurate timestamp and report actions taken at each phase.

Involuntary

- A Delete Account Process is immediately triggered by a leader when an employee or non-employee is removed from the company.
- Termination checklist should be completed within 30 minutes of dismissal of an employee or non-employee.
- Activity logging must be logged with accurate timestamp and report actions taken at each phase.

Access Enforcement

Provisioning responsibilities (Security Administration Privileges) to IT assets and data must be performed by individuals who are not considered end business users of said systems. When provisioning access, only the requested and approved access must be granted.

People Leaders must review all their User's ID accounts at a minimum of every 6 months initiated by an approved audit or internal review process.

People Leaders are responsible for confirming the access rights are appropriate to the job functions for their associates and contractors.

Access Enforcement – Effective 1/1/2019

(Effective 1/1/2018 for FRC & SOC 1 applications)

Access must be enforced according to access control policies such as identity based, group level, role based or control matrices with privileges granted to individuals as required.

People Leaders are responsible for reviewing the access rights of their associates, temporary employees and contractors.

- People Leaders must review all their User's ID accounts at a minimum of every 6 months initiated by an approved audit or internal review process.
- People Leaders are responsible for confirming the access rights are appropriate to the job functions for their associates and contractors.
- People Leaders will have a maximum of 45 days to complete and submit their team's reviews.
- People Leaders must request unnecessary access to be removed via appropriate request system within 15 days of completing the access review.
- For access registered in the Governance, Risk Management & Compliance (GRC), delayed reviews will be escalated via management reports.

Separation of Duties

Access to systems and data must be appropriately restricted to ensure a single user is not able to commit a non-compliant activity without colluding with another individual. For example, development staff must not have access to the production environment, a user must not be able to generate a purchase order and possess the authority to approve it.

Separation of Duties – Effective 1/1/2019

(Effective 1/1/2018 for FRC & SOC 1 applications)

To prevent any single user from possessing the ability to commit willful fraud, job functions must be segregated in a fashion that would require two users to collude to commit such an action.

Examples:

- Critical / Operational IT functions must be separated into distinct jobs (E.g.: Developer vs. Tester vs. Production Support)
- A user must not be able to generate a purchase order and then possess the authority to approve it.
- A user who authorizes access requests must not have that authority to provision the access.
- Ensuring security personnel administering access control functions do not have access to alter audit logs.

Least Privilege

Access granted to all User ID Accounts must be granted on a need-to-know basis and must employ least privileged principles.

Unsuccessful Logon Attempts

For all internal and external user IDs, a system/application must automatically lockout a user in accordance with the requirements listed below.

- Not allow more than 5 consecutive failed login attempts within a 20-minute timeframe
- A minimum of a 20-minute waiting period must pass without any login attempts in order to systematically (automatic) unlock the user's password.
- May contact the appropriate Nationwide Service Desk prior to the 20-minute waiting period to request the password to be unlocked manually.

Session Lock

IT Systems must suspend user access when there has been 20 minutes of user inactivity. The session must not be reestablished until the end user has re-authenticated with validated credentials.

Permitted Actions Without Identification or Authentication

All IT Systems that process, store, or transmit confidential information must require proper authentication prior to access being permitted.

Remote Access

All remote infrastructure connections originating from Public Networks into the Nationwide Internal Network must be approved and provisioned by the Infrastructure & Operations group.

All remote access connections originating from Public Networks into the Nationwide Internal Network must be approved and provisioned by the ID Admin group.

This includes, but is not limited to Virtual Private Networks (VPN), Virtual Desktop Technologies, and Dial up Modems. To ensure the data maintains confidentiality, connections from Public Networks must employ the use of the most recent Nationwide approved encryption protocol.

Access Control for Mobile Devices

Only approved personally owned devices with approved secure software (e.g. Good for Enterprise, Blackberry Work) may remotely connect to the Nationwide Internal Network.

Both the personally owned device and the secure software must be password protected. The secure software must be deactivated in the event the personally owned device is lost, stolen or not in compliance with Nationwide policy.

Note: Only applies to Smartphones and Tablets

Review the Identification & Authentication IT Security Standard, section: Authenticator Management for the Mobile Devices matrix for additional controls.

Use of External Information Systems

The use of external systems (e.g. Cloud Services, SaaS, IaaS) for conducting Nationwide Business is expressly prohibited unless approved by Supplier Management Services and Information Risk Management. Access to and from external systems must adhere to Nationwide policies and standards.

Publicly Accessible Content

Information deemed as confidential must never be publicly accessible and only accessible by authorized users.

Confidential information must be appropriately secured when stored on internal sites/systems and NEVER post to external public sites:

e.g. **Internal sites:** Network Share, SPOT Sites or Inside Intranet Pages, etc.

External sites: Facebook, Twitter, Nationwide.com, Google Docs, Personal emails, etc.

To determine if information is considered confidential, review the following document located on the "Protect the Network SPOT": [Securing Confidential Data Guide](#)

Identification and Authentication IT Security Standard

The Identification and Authentication Standard is to establish requirements surrounding User IDs and required authentication methodologies.

Identification and Authentication (Organizational Users)

All Users of IT Systems must be assigned a unique user ID for the purposes of authentication.

Users who are granted access to the Nationwide Remote Access Solution (VPN) must authenticate to the solution via multifactor authentication.

Internally Used Applications and Infrastructure components must utilize (subscribe to) the Nationwide Single Sign on and Password Synchronization capabilities.

Identification and Authentication (Organizational Users) – **Effective 1/1/2019** **(Effective 1/1/2018 for FRC & SOC 1 applications)**

ID User Naming Convention

All Users of IT Systems must be assigned a unique user ID for the purpose of authentication.

All User IDs must not contain personal information (specifically SSN, indication of access level and/or administrative rights of the user). This includes all ID accounts.

Approved Authentication Repositories

An ID account must be stored in one of the following Nationwide authorized authentication repositories:

- Active Directory (AD)
- eDirectory
- CA Directory
- RACF / ACF2

User ID Authentications

Applications that are internet facing and VPN solutions that provide Nationwide remote access, require the use of multifactor authentication.

Internally used applications and infrastructure components must utilize (subscribe to) the Nationwide Single Sign on and Password Synchronization capabilities.

Additional Authentication Requirements

Authentication	Password	Multi-Factor Authentication (MFA)	Cross Company/ Federation (E.g. SAML)	Certificate
Internal Associate to Internally Hosted Application	Required			
Externally Facing Web Site (Internally Hosted Only)	Required	Required		
Externally Facing Web Sites (externally Hosted (Cloud, etc.))	Required	Required		
Nationwide Bank Web Sites (Hosted Internally or Externally)	Required	Required	Required (if User Authenticates at NW Site First)	
Internal Systems to Internal Systems (e.g. App to App)	Required			Required (if not Password)
Internal Systems to External Systems (e.g. outside vendor)	Required (if not Certificate)		Required (if not Certificate)	Required (if not SAML)
SOA Service	Required			Required

Device Identification and Authentication

All computing resources must be uniquely identified prior to being granted a connection to the Nationwide Network. Examples of unique identifiers include but are not limited to: Machine (Host) Name or Media Access Control (MAC) address.

Authenticator Management

User Account - User Name Composition Standard - *Includes Associates, Customers/Members, Exclusive Agents, Independent Agents and Business Partners (e.g., Broker Dealers, Plan Sponsors, Vendors, etc.)*

User may select their own user ID

User IDs will be a minimum of 3 characters and maximum of 60 characters

SSN, TIN or EIN numbers cannot be used

User IDs will be unique

When passwords are distributed to new and existing users (for example a password reset is performed by the IT Service Desk), the User ID Owner must be clearly identified prior to the password being communicated. The user's initial or reset password must be set to expire at first logon.

Vendor supplied default passwords must be changed prior to any system or device being granted access to the production network or environment.

The process for password/authentication must validate the User's identity to allow a change to their password to restore a User's access to an authorized account.

Authenticator Management – Effective 1/1/2019

(Effective 1/1/2018 for FRC & SOC 1 applications)

Any password issuance where an individual beyond the ID Owner (e.g. Call Center Rep) is aware of the password, must expire within 48 hours of non-use and be forced to change at first logon.

Vendor supplied default passwords must be changed prior to any system or device being granted access within ANY Nationwide network or environment.

Password Standards

Below are requirements for password composition and management by type and technology:

Associates, Temporary Associates & Contractors

Password Composition

- Must be a minimum of 8 characters
- Must have 3 of the following
 - A combination of alphabetic and numeric characters
 - Special characters (e.g. ! @#\$%&*, etc.)
 - Upper case letters
 - Lower case letters
- Cannot be "Default" passwords
- Cannot be same as User ID or Account Name
- Cannot contain months or seasons
- Cannot be numbers or characters in sequence (e.g. "1234567" or "aaaaaaa") where there are three or more instances of the same character in a row, or whereas characters that increase or decrease in sequence (e.g. "abcd", "1234", "4321" or "dcba")

Password Management

- Set and force to expire after 90 days
- Require that passwords be at least 5 days old before they can be changed
- Remember the last 20 passwords
- Not allow more than 5 consecutive failed login attempts within a 20-minute timeframe
- Passwords must remain locked for a minimum of 20 minutes prior to systematically (automatic) unlocking
- Must be stored encrypted

Customers/Members

Password Composition

- Must be a minimum of 6 characters
- Must have 1 numeric or special character, but must not be composed solely of numeric or special characters
- Cannot be same as User ID or Account Name

Password Management

- No Forced Expiration
- No Password Age
- Require that passwords be at least 5 days old before they can be changed
- Not allow more than 5 consecutive failed login attempts within a 20-minute timeframe
- Passwords must remain locked for a minimum of 20 minutes prior to systematically (automatic) unlocking
- Must be stored encrypted

Business Partners

(Including but not limited to Exclusive Agents, Independent Agents, Broker Dealers, Plan Sponsors, etc.)

Password Composition

- Must be a minimum of 6 characters

- Must have 3 of the following
 - A combination of alphabetic and numeric characters
 - Special characters (e.g., !@#\$%&*, etc.)
 - Upper case letters
 - Lower case letters
- Cannot be "Default" passwords
- Cannot be same as User ID or Account Name
- Cannot be months or seasons
- Cannot be numbers or characters in sequence (e.g., "1234567" or "aaaaaaa") where there are three or more instances of the same character in a row, or whereas characters that increase or decrease in sequence (e.g., "abcd", "1234", "4321" or "dcba")

Password Management

- Set and force to expire after 120 days
- Require that passwords be at least 5 days old before they can be changed
- Remember the last 20 passwords
- Not allow more than five consecutive failed login attempts within a 20-minute timeframe
- Passwords must remain locked for a minimum of 20 minutes prior to systematically (automatic) unlocking
- Must be stored encrypted

Mobile ID & Password Standards

- Nationwide associates must receive authorization to use personal mobile devices (smart phones, tablets) for Nationwide Business.
- Below are the authentication standards for Mobile devices:

Authentication Standards

Device	Password/Passcode Complexity	Additional Controls
iPad Tablet	<ul style="list-style-type: none"> • Must be at least four characters^[1] • Must not use a basic sequence of characters^[2] • Must not be the user's name or other easily guessable information.^[2] 	<ul style="list-style-type: none"> • Device wipe after 10 failed attempts • Remote wipe if device reported as lost or stolen or not in compliance with policy • Device encryption and encrypted backups • Must set auto lock device after 15 minutes of inactivity • Device wipe after 10 failed attempts • Remote wipe if device reported as lost or stolen or not in compliance with policy • Device encryption and encrypted backups • Must set auto lock device after 15 minutes of inactivity
Smart Phone Personally Owned	<ul style="list-style-type: none"> • Must be at least four characters, but this is up to the discretion of the associate as it is owned by the associate 	<ul style="list-style-type: none"> • Device wipe after 10 failed attempts • Remote wipe if device reported as lost or stolen or not in compliance with policy • Device encryption and encrypted backups • Must set auto lock device after 15 minutes of inactivity • Device wipe after 10 failed attempts
Blackberry Corporate Owned	<ul style="list-style-type: none"> • Must be at least four characters.. • Must not use a basic sequence of character^[2] • Must not the user's name or other easily guessable information^[2] 	<ul style="list-style-type: none"> • Device wipe after 10 failed attempts • Remote wipe if device reported as lost or stolen or not in compliance with policy • Encrypted device • Corporate owned and security policy managed by BES
Enterprise Sandbox on iPad (Good Technologies)	<ul style="list-style-type: none"> • Must be at least six characters and both letters and numbers must be used. • Must not use a basic sequence of character^[2] • Must not be the user's name or other easily guessable information^[2] 	<ul style="list-style-type: none"> • Encrypted Sandbox or Good container • Inactivity timeout of 1 hour • Remote wipe if device reported as lost or stolen or not in compliance with policy
Enterprise Sandbox on Smart Phone (Good Technologies)	<ul style="list-style-type: none"> • Must be at least six characters and both letters and numbers must be used. • Must not use a basic sequence of character.^[2] • Must not be the user's name or other easily guessable information.^[2] 	<ul style="list-style-type: none"> • Encrypted Sandbox or Good container • Inactivity timeout of 1 hour • Remote wipe if device reported as lost or stolen or not in compliance with policy

Mobile Devices – Effective 1/1/2019 (Effective 1/1/2018 for FRC & SOC 1 applications)

Nationwide associates must receive authorization to use personal mobile devices (smart phones, tablets) for Nationwide Business. Refer to <http://mymobile.nwie.net> for information regarding proper authorization and to request access.

Below are the authentication standards for Mobile devices:

Device	Password/Passcode Complexity	Additional Controls
iPad Tablet	<ul style="list-style-type: none"> Must be at least four characters Must not use a basic sequence of characters Must not be the user's name or other easily guessable information 	<ul style="list-style-type: none"> NW approved secure software will be deactivated if the following occurs: <ul style="list-style-type: none"> ➢ 10 fail login attempts ➢ Device reported as lost or stolen ➢ Device is not in compliance with NW policy Device must be set to lock after 15 minutes of inactivity Device encryption and encrypted backups
Smart Phone Personally Owned	<ul style="list-style-type: none"> Must be at least four characters, but at the discretion of the owner 	<ul style="list-style-type: none"> NW approved secure software will be deactivated if the following occurs: <ul style="list-style-type: none"> ➢ 10 fail login attempts ➢ Device reported as lost or stolen ➢ Device is not in compliance with NW policy Device must be set to lock after 15 minutes of inactivity Device encryption and encrypted backups
Enterprise Sandbox on iPad (Good Technology)	<ul style="list-style-type: none"> Must be at least six characters (combination of letters and numbers) Must not use a basic sequence of characters Must not be the user's name or other easily guessable information 	<ul style="list-style-type: none"> NW approved secure software will be deactivated if the following occurs: <ul style="list-style-type: none"> ➢ Device reported as lost or stolen ➢ Device is not in compliance with NW policy Device must be set to lock after 1 hour of inactivity Encrypted Sandbox or Good container
Enterprise Sandbox on Smart Phone (Good Technology)	<ul style="list-style-type: none"> Must be at least six characters (combination of letters and numbers) Must not use a basic sequence of characters Must not be the user's name or other easily guessable information 	<ul style="list-style-type: none"> NW approved secure software will be deactivated if the following occurs: <ul style="list-style-type: none"> ➢ Device reported as lost or stolen ➢ Device is not in compliance with NW policy Device must be set to lock after 1 hour of inactivity Encrypted Sandbox or Good container

Authenticator Feedback

All input fields that capture passwords must utilize real time redaction to ensure passwords are never visible to others.

Identity Validation Standards

Identity validation, also known as identity proofing, is to ensure that a User's identity is reliably validated when requesting a user account transaction (ex: password reset); either by calling the Nationwide IT Service Desk or using a self-service tool.

In practice, this means that at a minimum:

- Each User must be required to answer specific questions for authentication where it is it reasonably assumed the information provided is known only to the User.
- The answers to the questions asked must not be readily available to others.
- The answers to the questions must be able to be validated by an approved/authorized Administration Group performing the Identity Validation.
- For internet password reset where ID credentials are not validated; a one-time password code must be sent either by a valid phone-number SMS text or an email address.

A combination of all of these methods will be used when possible.

Identity Validation Credentials

The following is a list of identity validations credentials by user type:

Associates (via an approved/authorized Administration / Help Desk Group)

1. First and Last name
2. Employee number
3. User ID
4. Last 4 digits of social security number or temporary identification number
5. Date of Birth
6. Home zip code as recorded in HRIS
7. Home phone number as recorded in HRIS

Associates (via an approved self-service tool)

1. User ID
2. Employee Number
3. Last 4 digits of social security number or temporary identification number
4. Date of Birth

Contractors and/or Off Shore Consultants

All requests for User Account transactions for Non-Employees must be made through an Associate who is the People Leader, the People Leader's Administrator, or another Leader within the same office or group. In addition, the identity of the Associate making the request must be validated as per the standard for Associates detailed above. The ID Administration / Nationwide IT Service Desk needs to verify validity of these individuals (e.g., call-up, etc.).

1. User name for User Account involved
2. Contractor (employee) number as recorded in CDM
3. Leader's name as recorded in CDM

Agents and/or Agency Office Staff - Exclusive and Independent

1. User name
2. Agency office number
3. Agency office location
4. Primary agent name
5. Primary agent number

Business Partners (Broker/Dealers, Plan Sponsors, Vendors, other product intermediaries, etc.)

New Account Registration (User Provisioning):

1. Unique Identifier (i.e. SSN, TIN, FINRA)
2. User name for User Account involved
3. Primary office leader's name
4. Office address
5. Office phone
6. Business email or Business phone

For Password Reset:

1. User ID
2. Unique Identifier (i.e. SSN, TIN, FINRA #)
3. Business email or Business phone

Customers/Members

User ID provisioning and Password Resets (self-service and customer service inquiries)

For User ID Provisioning:

1. Last name
2. Agreement Number (i.e. Policy number, billing account number)

3. Zip code
4. Date of Birth or Social Security Number (both are optional for standard mail issuance of a password)

For Password Reset:

1. User ID
2. Email Address
3. Date of Birth or SSN or Agreement Number (i.e. Policy number, billing account number).
One must be mandatory for automatic reset

Privileged ID Accounts Standards – Effective 1/1/2019

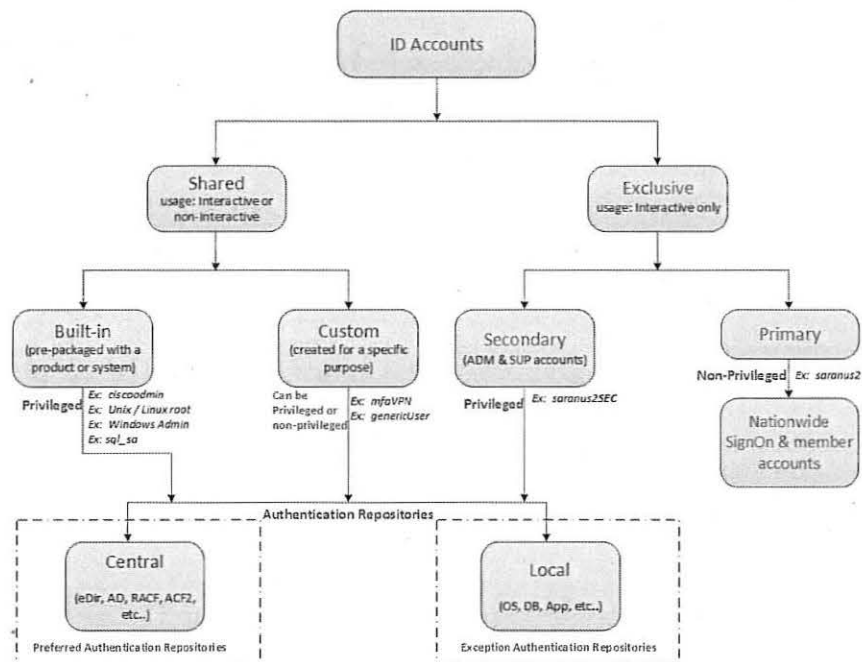
(Effective 1/1/2018 for FRC & SOC 1 applications)

The Privileged ID Accounts Standard is to provide definitions for elevated accounts, required authentication methodologies and define processes for access controls to protect all Nationwide systems as well as data for our customers.

Privileged ID Account Definitions

An ID account is classified by type according to who is accountable for the credentials and usage and where the authentication credentials are stored.

For a visual review of all Account Types see [Appendix A & B](#)



ID Account Types & Sub Types

- Shared** (formerly Generic) - Interactive or Non-Interactive
 A Shared ID account will have one authorized primary owner and one authorized secondary owner. Shared ID accounts are often used for system and application runtime functions, training, demos, testing, monitoring, support and administration.
 Shared may be Built-In or Custom
 - Built-In** are default ID accounts that are embedded within an application or system. Examples include the built-in Windows Administrator and Guest accounts, Unix/Linux root accounts, SQL Server 'sa' account, and eDirectory admin account. There are also Built-in ID accounts that come pre-packaged with a product or system which may be required in order for the system to function.
 - Custom** are shared ID accounts that are explicitly created for a specific purpose. Common usage patterns for shared custom accounts include training, testing, and those

used for automated batch jobs. These can be either privileged or non-privileged and can be used interactively or non-interactively.

- **Exclusive** – Interactive only
Commonly referred to as a “named” account, discrete, non-generic, non-shared representing a specific real person who is held exclusively accountable for its usage. Exclusives are primary or secondary
 - **Primary** exclusive ID accounts are used for normal, daily, routine access functions like logging onto a workstation or composing emails and are considered Non-Privileged.
 - Examples would include Nationwide Sign On accounts and Nationwide.com member accounts.
 - **Secondary** exclusive ID accounts are used for specialized purposes requiring elevated access permissions beyond a Primary account and are considered Privileged.
 - Examples would include individually assigned Administrative and Support used for critical infrastructure or application components.

ID Account Usage

- **Interactive** usage implies a real person actively logging in and using the system or application as the target account.
- **Non-interactive** usage authenticates and uses a shared ID account in some hands-free, automated fashion not requiring involvement of any real person.
Examples would include: scheduled tasks, automated file transfers, batch jobs and system monitoring/alerting and running Windows services.

ID Account & Access Classifications

- **Privileged ID Account**

A privileged ID account is considered to have obtained elevated or privileged access permissions which could allow it to potentially bypass, modify or disable technical or operational security controls. Privileged ID Accounts include Shared Built-In, Shared Custom & Secondary Exclusive account types.

Privileged access includes:

- Administrative access – the access provides unrestricted permissions giving the ID account user the ability to administer permissions (grant / revoke access), change system configurations, and modify data in such a way as to bypass an application.
- Ability to install or remove software
- Ability to perform administrative functions on authentication, access and authorization systems on data (includes creating user IDs and ability to modify access, permissions or roles)
- Ability to modify application configuration (Production)
- Ability to promote application changes into Production
- Ability to use remote access technologies to view or control the screen of another user without their knowledge
- Ability to create, modify, delete files or data sets containing proprietary or confidential data (including PII, PHI, PCI)

- **Non-Privileged ID Account**

A non-privileged ID account has no elevated access privileges. Non-privileged ID accounts include Primary Exclusive ID accounts and Shared Custom account types.

Non-Privileged access includes:

- Birthright access – the access provided to new associates when on-boarded – Outlook, Intranet access and ID Badge access
- Optional Birthright access – other basic or common access given to associates, but not provisioned automatically during on-boarding (e.g. VPN access, Internet access)
- Typical user access, provided on a least privileged, need to know basis.

Privileged ID Accounts Guidelines

Privileged ID Accounts may only be granted upon receipt of an approved request.

People Leaders / Application Owners / Product Owners are accountable for determining the appropriateness of access.

Reviews must be conducted to determine when access is no longer necessary and must be removed.

ID Account Management

- For all privileged ID accounts, there must be a qualified named individual as an authorized owner who is responsible and accountable for the ID account.
- All privileged ID accounts must be registered and maintained in the Governance, Risk Management & Compliance (GRC) tool.
- Activity logs must be retained as per the requirements provided within the Audit and Accountability Standard.

ID Account Provisioning

- Privileged ID accounts must be assigned with only the privileges necessary to perform the required duties.

ID Account De-Provisioning

- When a privileged ID account is no longer needed, the ID account should be removed when:
 - A user changes job functions, review to be completed within 35 days of transfer date and actual request submitted within 40 days of transfer date.
 - A user leaves the company voluntarily; privileged access must be removed within 8 hours upon last day reporting.
 - A user leaves the company involuntarily; privileged access must be removed with 30 minutes of dismissal.
- A privileged ID account will be expired after 90 days of inactivity and will be disabled; a privileged ID account will be deleted after 90 days of being disabled.

ID Accounts with Administrative Access

- Must not have access to or be used to access outbound proxy or the Internet.
- Must not have direct inbound VPN access.
- Must not have access to individual or group email accounts.
- Must be a unique separate account from the user's non-privileged primary account.

The following also apply for Secondary Exclusive ID accounts

- Must not be shared and cannot be used non-interactively.
- Must not have a password matching that of the corresponding primary exclusive ID account.
- USERNAME must contain Nationwide Short Name for traceability purposes.

ID Account Password Restrictions

- For FRC applications, Shared Non-interactive and Shared Custom/Built-in Non-interactive ID accounts will expire a maximum of 12 months after being changed (no Non-expiring passwords)
- A privileged ID account password will expire a maximum of 90 days after being changed. (Non-interactive privileged ID accounts can be given a 12-month password expiration exception.)
(See Privileged ID Account Password Management section below.)

Shared ID Accounts (formerly generic)

Authorized Owners

All Shared Privileged ID accounts are required to name and register two separate authorized owners.

Primary and Secondary

- **Primary Owner** – Shared ID account primary owner must be a Nationwide full-time associated who is responsible and accountable for all users with access to the account. Upon termination or transfer of the primary owner, ownership must be updated within 24 hours.
Responsibility includes:
 - Must perform the recertification of the ID account at a minimum of every 6 months.
 - Determines appropriate users who will have access to the ID Account and Password.
 - Must request password changes when there are team member turnovers or when passwords have been compromised.
 - Ensures the ID account's password is changed in accordance with the Enterprise password standards.
- **Secondary Owner** – Shared ID account secondary owner must be a Nationwide full-time associate or a contractor who will have access to the account. A secondary owner cannot be the same as the primary owner of the same account.
Responsibility includes:
 - Secondary owner will inherit all responsibilities from the assigned primary owner only if the primary owner is not available.
 - Must perform recertification of the ID account at a minimum of every 6 months if delegated by the primary owner.
 - Must requests password changes when there are team member turnovers or when passwords have been compromised.

Shared ID Account Types

There are two types of shared ID accounts that differ among themselves based on whether they are pre-packaged or customized for a specific purpose.

- Shared Built-In
- Shared Custom

Review accounts types: [Privileged ID Account Definitions](#)

Shared ID Account usage - Interactive or Non-Interactive mode

- Must use a separate set of shared ID accounts for interactive and non-interactive usage.

Shared ID Account Passwords Restrictions

- Only the shared ID's primary or secondary owner may initiate the change of the ID's password

- All new shared ID passwords must be provided via a phone call to an authorized owner and upon receipt of the new password, the authorized owner must change it immediately before distributing to authorized users.
- Passwords are to be shared only with associates who are documented for access to the shared ID account.
- When an authorized associate no longer requires shared access, the password must be changed.

Privileged ID Account Password Management

Password Management

- Default 90-day password expiration policy (all ID account types)
- 365-day extended automatic expiration policy for non-interactive only (must provide business justification stating why 90-day password expiration is not practical)
 - RACF/ACF2 internal architecture limits extended automatic expiration policy to 254 days
- Non-expiring password
 - FRC & SOC 1 applications – not permitted
 - Other applications (strict exception only, see policy below)
- Privileged ID account password must adhere to the Enterprise password standards.
- Any exposed passwords or keys must be changed immediately.

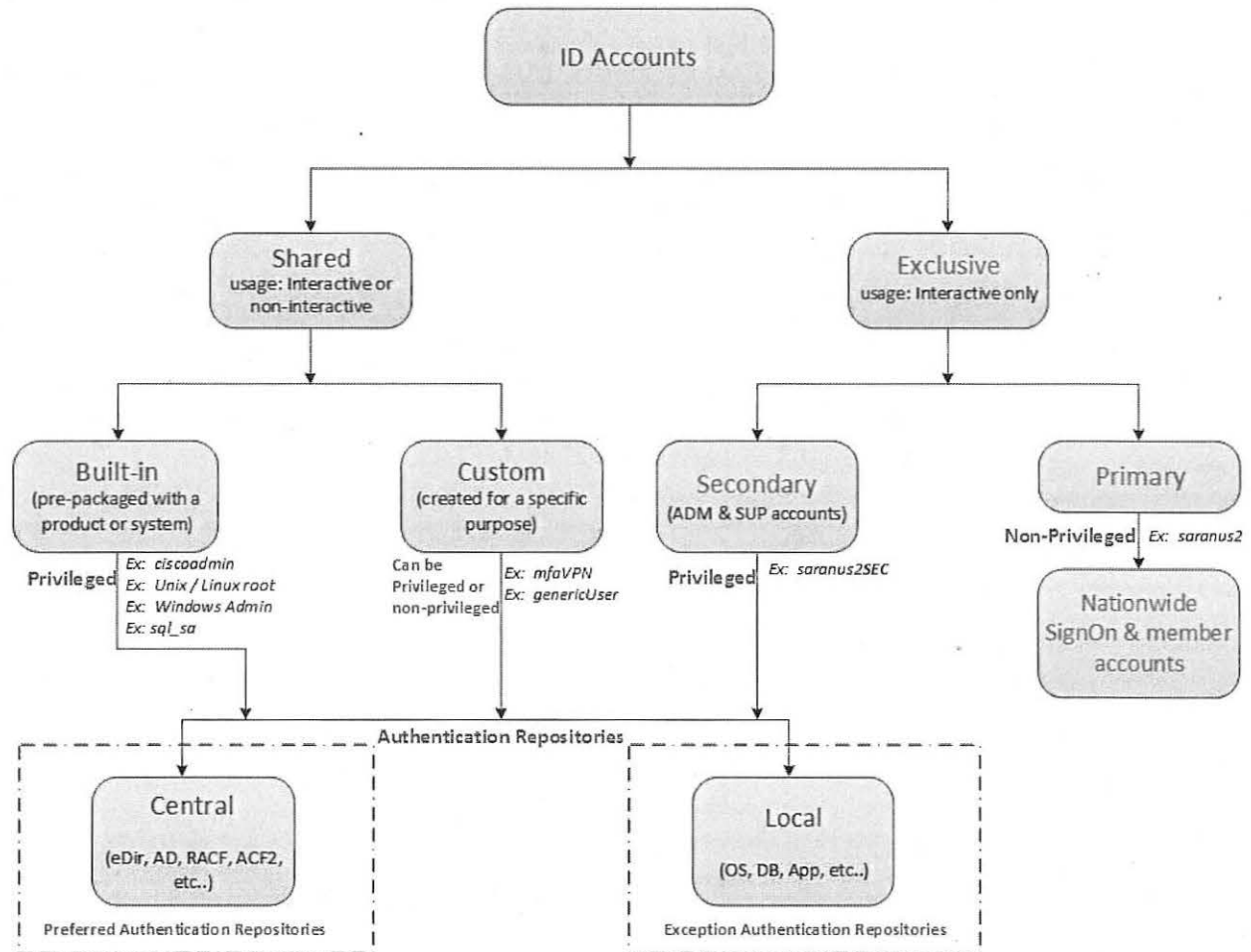
Non-Expiring Password Policy exception review process

- Must have a mitigation plan and timeline for moving to an expired password
- Must provide Disaster Recovery / Continuity Management plan for compromised credential scenario
- Requires IRM risk assessment and risk rating
- Must be tracked in Governance, Risk Management & Compliance (GRC)
- Must obtain written acceptance of the assumption of risk from the Business Solutions Area (BSA) or Line of Business VP

APPENDIX

Appendix A

ID Account Type Diagram



Appendix B

ID Account Type Matrix

		SHARED						Exclusive	
		Interactive Usage			Non-Interactive Usage			Interactive Only	
		Custom		Built-In	Built-In	Custom		Secondary	Primary
		Non-Priv	Privileged	Privileged	Privileged	Privileged	Non-Priv	Privileged	Non-Privileged
	Examples	Enterprise rental Car Id	mfaVPN	ciscoadmin; Unix/Linux root; Windows Admin	ciscoadmin; Unix/Linux root; Windows Admin	generic user1	generic user2	ADM and SUP accounts (SARANUS2SEC)	Nationwide SignOn & Member Accounts (SARANUS2)
Requirements for shared priv & shared non-priv ID accounts	Shared ID Acct Password restrictions	Y	Y	Y	Y	Y	Y		Enterprise password standards apply
	Secondary Owner	Y	Y	Y	Y	Y	Y		
Requirements for ALL privileged accounts	NW full time associate as Primary Owner	Y	Y	Y	Y	Y	Y	Y	
	Registered in IIQ		Y	Y	Y	Y		Y	
	Enterprise Password Restrictions	Y					Y		
	Privileged Password Restrictions		Y	Y	Y	Y		Y	
	Activity must be logged		Y	Y	Y	Y		Y	
	Annual Audit Review	Y	Y	Y	Y	Y	Y	Y	
Additional Requirements for Privileged ID accounts with ADM & SUP privileges	No access to outbound proxy or internet		Y	Y	Y	Y		Y	
	No inbound VPN		Y	Y	Y	Y		Y	
	No access to email		Y	Y	Y	Y		Y	
	Unique from users primary exclusive account		Y	Y	Y	Y		Y	
	Username must contain NW shortname							Y	
	Must not be shared							Y	
	Must be used interactively							Y	
	Password must be different from users primary account							Y	
	Quarterly Audit Review							Y	

Over-the-Phone Interpreting Language List

Additional languages and dialects may be available. Rare languages may require additional interpreter connect time or may require an appointment.

Acholi	Dinka	Jakartanese	Marshallese	Shona
Afar	Duala	Jamaican Patois	Mbay	Sichuan Yi
Afrikaans	Dutch	Japanese	Mien	Sicilian
Akan	Dzongkha	Jarai	Mirpuri	Sinhala
Akateko	Edo	Javanese	Mixteco	Slovak
Albanian	English	Jingpho	Mizo	Slovene
Amharic	Estonian	Jinyu	Mnong	Soga
Anuak	Ewe	Juba Arabic	Mongolian	Somali
Apache	Farsi	Jula	Moroccan Arabic	Soninke
Arabic	Fijian	Kabá	Mortlockese	Sorani
Armenian	Fijian Hindi	Kamba	Napoletano	Spanish
Assyrian	Finnish	Kanjobal	Navajo	Sudanese Arabic
Azerbaijani	Flemish	Kannada	Nepali	Sunda
Bahasa	French	Karen	Ngambay	Susu
Bahdini	French Canadian	Kashmiri	Nigerian Pidgin	Swahili
Bahnar	Fukienese	Kayah	Norwegian	Swedish
Bajuni	Fulani	Kazakh	Nuer	Sylheti
Bambara	Fuzhou	Kham	Nupe	Tagalog
Bantu	Ga	Khana	Nyanja	Taiwanese
Barese	Gaddang	Khmer	Nyoro	Tajik
Basque	Gaelic-Irish	K'iché	Ojibway	Tamil
Bassa	Gaelic-Scottish	Kikuyu	Oromo	Telugu
Belorussian	Garre	Kimiuru	Palauan	Thai
Bemba	Gen	Koho	Pampangan	Tibetan
Benaadir	Georgian	Korean	Papiamentu	Tigre
Bengali	German	Kpelle	Pashto	Tigrigna
Berber	Gheg	Krahn	Plautdietsch	Toishanese
Bosnian	Gokana	Krio	Pohnpeian	Tongan
Bravanese	Greek	Kunama	Polish	Tooro
Bulgarian	Gujarati	Kurmanji	Portuguese	Trique
Burmese	Gulay	Laotian	Portuguese Brazilian	Turkish
Cantonese	Gurani	Latvian	Portuguese Cape Verdean	Turkmen
Catalan	Haitian Creole	Liberian Pidgin	Pugliese	Tzotzil
Cebuano	Hakka China	English	Pulaar	Ukrainian
Chaldean	Hakka Taiwan	Lingala	Punjabi	Urdu
Chamorro	Hassaniyya	Lithuanian	Putian	Uyghur
Chaochow	Hausa	Luba-Kasai	Quechua	Uzbek
Chin Falam	Hebrew	Luganda	Quichua	Vietnamese
Chin Hakha	Hiligaynon	Luo	Rade	Visayan
Chin Mara	Hindi	Maay	Rakhine	Welsh
Chin Matu	Hindko	Macedonian	Rohingya	Wodaabe
Chin Senthang	Hmong	Malay	Romanian	Wolof
Chin Tedim	Hunese	Malayalam	Rundi	Wuzhou
Chipewyan	Hungarian	Maltese	Russian	Yemeni Arabic
Chuukese	Ibanag	Mam	Rwanda	Yiddish
Cree	Icelandic	Mandarin	Samoan	Yoruba
Croatian	Igbo	Mandinka	Sango	Yunnanese
Czech	Ilocano	Maninka	Seraiki	Zapoteco
Danish	Indonesian	Manobo	Serbian	Zarma
Dari	Inuktitut	Marathi	Shanghaiese	Zyphé
Dewoin	Italian	Marka		

FOR MORE INFORMATION

www.LanguageLine.com / 1-800-752-6096

Translation and Localization Top Requested Language List

More than 200 languages and dialects are available.

Afrikaans	Farsi	Khmer	Serbian
Albanian	Finnish	Korean	Sinhalese
Amharic	French (Belgian)	Laotian	Slovak
Arabic	French (Canadian)	Latvian	Somali
Bahasa	French (Euro)	Lithuanian	Spanish (Iberian)
Bengali	German	Macedonian	Spanish (Latin)
Bosnian	Greek	Malay	Sudanese Arabic
Bravanese	Gujarati	Malayalam	Swedish
Bulgarian	Haitian Creole	Mandinka	Tagalog
Catalan	Hebrew	Marathi	Tamil
Chinese (Simplified)	Hindi	Norwegian	Telegu
Chinese (Trad-HK)	Hmong	Oromo	Thai
Chinese (Traditional)	Hungarian	Polish	Turkish
Croatian	Icelandic	Portuguese	Ukrainian
Czech	Italian	Punjabi	Urdu
Danish	Japanese	Romanian	Vietnamese
Dutch	Javanese	Russian	
Estonian	Kashmiri		
Euro English	Kazakh		

FOR MORE INFORMATION

www.LanguageLine.com / 1-888-763-3364

LanguageU^c® Video Remote Interpreting Language List

Arabic	Mandarin	Spanish
Cantonese	Nepali	Vietnamese
French	Polish	American Sign Language
Haitian Creole	Portuguese	
Hmong	Russian	
Korean	Somali	

FOR MORE INFORMATION

www.LanguageLine.com / 1-800-752-6096

Morningstar Category	Name	Ticker	Prospectus Net Expense Ratio	Std Dev 3 Yr	Morningstar Rating Overall	Return Date	Total Ret YTD	Total Ret 1 Yr	Total Ret Annlzd 3 Yr	Total Ret Annlzd 5 Yr	Total Ret Annlzd 10 Yr	Total Ret Inception	Inception Date
US Fund Foreign Large Blend	MFS® International Value R6	MINJX	0.63	8.69	5	09/30/2018	2.15	8.22	12.68	9.11	9.85	7.11	05/01/2006
US Fund Foreign Large Blend	Fidelity® International Index InstlPrm	FSPSX	0.05	10.12	4	09/30/2018	-1.26	2.63	9.22	4.51	5.33	7.64	09/08/2011
US Fund Foreign Large Growth	Oppenheimer International Diversified I	OIDIX	0.88	10.28	4	09/30/2018	-1.35	3.39	11.51	6.24	8.94	9.63	08/28/2012
US Fund High Yield Bond	Lord Abbett High Yield R6	LHYVX	0.60	4.67	4	09/30/2018	1.53	2.62	8.08	6.24	9.55	6.05	06/30/2015
US Fund Intermediate-Term Bond	TIAA-CREF Bond Plus Inst	TIBFX	0.30	2.57	4	09/30/2018	-1.22	-0.76	2.50	3.06	4.81	4.37	03/31/2006
US Fund Large Blend	Fidelity® 500 Index Institutional Prem	FXAIX	0.02	9.19	5	09/30/2018	10.55	17.90	17.30	13.94	11.95	13.33	05/04/2011
US Fund Large Growth	Fidelity® Contrafund® K	FCNKX	0.65	10.28	4	09/30/2018	16.91	24.80	19.40	15.65	13.44	10.94	05/09/2008
US Fund Large Growth	T. Rowe Price Growth Stock I	PRUFX	0.52	11.70	4	09/30/2018	15.37	22.41	19.45	16.22	14.79	16.90	08/28/2015
US Fund Large Value	American Funds American Mutual R6	RMFGX	0.30	8.01	4	09/30/2018	6.69	12.19	15.01	11.51	10.89	14.02	05/01/2009
US Fund Mid-Cap Blend	Fidelity® Mid Cap Index Instl Prem	FSMDX	0.03	9.55	4	09/30/2018	7.40	13.93	14.49	11.63	N/A	14.72	09/08/2011
US Fund Mid-Cap Growth	Carillon Eagle Mid Cap Growth R6	HRAUX	0.69	11.46	5	09/30/2018	16.96	25.12	19.68	15.37	13.85	16.23	08/15/2011
US Fund Mid-Cap Value	AllianzGI NFJ Mid-Cap Value R6	ANPRX	0.59	10.42	4	09/30/2018	0.36	5.10	14.68	10.73	10.54	-0.10	12/18/2017
US Fund Real Estate	Cohen & Steers Real Estate Securities Z	CSZIX	0.80	11.85	4	09/30/2018	2.46	5.35	8.97	11.34	9.45	10.59	10/01/2014
US Fund Small Blend	Fidelity® Small Cap Index Instl Prem	FSSNX	0.03	13.11	4	09/30/2018	11.65	15.42	17.35	11.31	N/A	15.23	09/08/2011
US Fund Small Growth	ClearBridge Small Cap Growth IS	LMOIX	0.79	14.16	4	09/30/2018	31.96	40.19	23.73	13.57	14.62	13.21	08/04/2008
US Fund Small Value	Delaware Small Cap Value R6	DVZRX	0.75	13.29	4	09/30/2018	2.52	7.83	15.48	10.19	11.08	15.60	05/02/2016
US Fund Target-Date 2015	American Funds 2015 Trgt Date Retire R6	RFJTX	0.33	4.42	5	09/30/2018	1.55	4.02	7.52	6.24	7.11	9.07	07/13/2009
US Fund Target-Date 2020	American Funds 2020 Trgt Date Retire R6	RRCTX	0.35	4.89	5	09/30/2018	2.30	5.20	8.40	6.97	7.70	9.94	07/13/2009
US Fund Target-Date 2025	American Funds 2025 Trgt Date Retire R6	RFDTX	0.37	5.63	5	09/30/2018	3.04	6.58	9.71	7.89	8.65	11.16	07/13/2009
US Fund Target-Date 2030	American Funds 2030 Trgt Date Retire R6	RFETX	0.39	6.78	5	09/30/2018	4.01	8.30	11.47	8.98	9.44	12.06	07/13/2009
US Fund Target-Date 2035	American Funds 2035 Trgt Date Retire R6	RFFTX	0.40	7.48	5	09/30/2018	5.11	10.04	12.95	9.79	9.84	12.53	07/13/2009
US Fund Target-Date 2040	American Funds 2040 Trgt Date Retire R6	RFGTX	0.41	7.74	5	09/30/2018	5.44	10.68	13.45	10.08	10.02	11.84	07/27/2009
US Fund Target-Date 2045	American Funds 2045 Trgt Date Retire R6	RFHTX	0.41	7.88	5	09/30/2018	5.68	11.08	13.76	10.26	10.10	12.85	07/13/2009
US Fund Target-Date 2050	American Funds 2050 Trgt Date Retire R6	RFITX	0.42	7.92	5	09/30/2018	5.87	11.37	13.91	10.35	10.14	12.90	07/13/2009
US Fund Target-Date 2055	American Funds 2055 Trgt Date Retire R6	RFKTX	0.42	7.92	5	09/30/2018	5.86	11.31	13.91	10.33	N/A	11.34	02/01/2010
US Fund Target-Date 2060+	American Funds 2060 Trgt Date Retire R6	RFUTX	0.45	7.86	5	09/30/2018	5.88	11.35	13.87	N/A	N/A	9.68	03/27/2015
US Fund World Bond	PIMCO International Bond (USD-Hdg) Instl	PFORX	0.56	2.26	5	09/30/2018	1.92	2.94	4.36	5.02	7.01	7.16	12/02/1992
US Fund World Large Stock	Oppenheimer Global I	OGLIX	0.70	11.85	4	09/30/2018	3.07	10.51	14.45	10.30	10.38	12.69	01/27/2012
Stable Value	Nationwide Guaranteed Fund	N/A	0.00	0.00	N/A	09/30/2018	3.50	3.50	3.50	3.50	3.50	N/A	01/10/1931

Important Disclosures**Ticker Symbols**

Ticker symbols are provided to help you research mutual funds. Information related to pricing or performance of these funds published in publicly available media such as newspapers and websites may be different than performance data and pricing specific to your employer sponsored retirement plan. To find pricing or performance related information specific to your account visit the Investment Info tab on your plan's website at www.nrsforu.com.

Prospectus Offering

Both the product informational brochures and underlying fund prospectuses can be obtained by calling 1-877-677-3678. Before investing, carefully consider the fund's investment objectives, risks, and charges and expenses. The product informational brochure and underlying fund prospectus contain this and other important information. Read the prospectuses carefully before investing.

	FUND HOUSE LIST	Retail Agmts	Insurance Agmts
1	7Twelve (Northern Lights Distributors)	n/a	x
2	Aberdeen Funds	x	n/a
3	Advisors Preferred (Distributor: Ceros)	x	n/a
4	Akre Focus Fund (Distributor: Quasar)	x	n/a
5	Alger American Funds	x	x
6	AllianceBernstein (a.k.a. AB Funds)	x	x
7	Allianz	x	n/a
8	ALPS (Alerian and Ibbotson Funds)	n/a	x
9	Amana (Distributor: Saturna Brokerage Services)	x	n/a
10	American Beacon (American Advantage)	x	n/a
11	American Century	x	x
12	American Funds	x	x
13	American Independence	x	n/a
14	AMG (Formerly: Managers Investment Group LLC)	x	n/a
15	AQR Funds (Distributor: ALPS)	x	n/a
16	Arbitrage Funds (Distributor: ALPS)	x	n/a
17	Ariel	x	n/a
18	Artisan	x	n/a
19	Aston Funds (formerly ABN AMRO; Distributor: AMG Distributors, Inc.)	x	n/a
20	Auxier (Distributor: Forside Fund Services)	x	n/a
21	Ave Maria Funds	x	n/a
22	Azzad Funds	x	n/a
23	Baird	x	n/a
24	Baron Funds	x	n/a
25	Becker Value Equity Fund (Distributor: Quasar)	x	n/a
26	Berwyn Funds (Distributor: Ultimus Fund)	x	n/a
27	Blackrock / Blackrock-Merrill Lynch	x	x
28	BMO Global Asset Management New		
29	Boston Partner (Robeco; Distributor: Quasar)	x	n/a
30	Broadview (Distributor: ALPS)	x	n/a
31	Brown Capital	x	n/a
32	BTS (Distributor: Northern Lights)	x	x
33	Buffalo (Distributor: Quasar)	x	n/a
34	Calamos Funds	x	n/a
35	Calvert Group	x	x
36	Cambiar (Distributor: Advisors Inner Circle Funds)	x	n/a
37	Causeway Capital Management (Distributor: SEI Investments) New	x	n/a
38	Cavalier (Distributor: Capital Investment Group)	x	n/a
39	Century (Distributor: Central Capital Management Inc. - CCMI)	x	n/a
40	Champlain Funds (Distributor: SEI Investments)	x	n/a
41	Charles Schwab	x	x
42	ClarkLanzaSkalla/ CLS (Advisor One Funds)	x	n/a
43	Cohen & Steers	x	n/a
44	Columbia Funds	x	x
45	Conestoga Capital Advisors	x	n/a
46	Congress Funds	x	n/a
47	Credit Suisse Asset Management	x	x
48	CRM Funds	x	n/a
49	Davenport & Company, LLC (Distributor: Ultimus Fund Solutions)	x	n/a
50	Davis Funds	x	x
51	Delaware Group	x	x
52	Deutsche (DWS/Scudder Investments)	x	x
53	DFA (Dimensional Investment Group)	x	x
54	Diamond Hill	x	n/a

	FUND HOUSE LIST	Retail Agmts	Insurance Agmts
55	Direxion Funds (Potomac Funds)	x	x
56	Dodge & Cox	x	n/a
57	Domini Funds	x	n/a
58	DoubleLine (Quasar)	x	n/a
59	Dreyfus	x	x
60	Eagle Funds (Heritage)	x	n/a
61	Eaton Vance Funds	x	x
62	Edgar Lomax Funds	x	n/a
63	Emerald Funds (Distributor: ALPS)	x	n/a
64	Eventide (Northern Lights)	x	n/a
65	Equinox Funds	x	n/a
66	Fairholme Funds (Distributor: Quasar) (Agmt: City of Milwaukee only)	x	n/a
67	FAM Funds (Fenimore Asset Management)	x	n/a
68	Federated	x	x
69	Fidelity	x	x
70	Financial Investor Trust (Distributor: Alps) (aka: RedRock)	x	n/a
71	First American (Distributor: Quasar)	x	n/a
72	First Eagle	x	n/a
73	First Investors Funds	x	n/a
74	FMI	x	n/a
75	Forward (Accessor Funds) (Distributor: ALPS)	x	n/a
76	FPA Funds	x	n/a
77	Franklin Templeton	x	x
78	Frost	x	n/a
79	Gabelli Funds, LLC.	x	n/a
80	Glenmede Funds (Distributor: Quasar)	x	n/a
81	Goldman Sachs	x	x
82	Good Harbor (Distributor: Northern Lights)	x	n/a
83	Grandeur Peak (Agmt: City of Milwaukee only)	X	n/a
84	Guggenheim [Acquired Rydex & Security Benefit Life Insurance Company (SBL)]	x	x
85	Hanlon Funds	x	n/a
86	Harbor Funds	x	n/a
87	Harding Loevner (Distributor: Quasar)	x	n/a
88	Hartford	x	n/a
89	Hatteras	x	n/a
90	Heartland	x	n/a
91	Hennessy Funds (SYM; Distributor: Quasar)	x	n/a
92	Henssler	x	n/a
93	Hood River (Distributor: Quasar) NEW Retirement Agreement	x	n/a
94	Horizon Funds (Distributor: Quasar)	x	n/a
95	Hotchkis & Wiley (Distributor: Quasar)	x	n/a
96	Hussman Funds (Distributor: Ultimus)	x	n/a
97	Invesco	x	x
98	Iron Financial	x	n/a
99	Jacob (Formerly: PineBridge, Brazos; Distributor: Quasar)	x	n/a
100	Jackson Square (Distributor: Quasar)	x	n/a
101	James Advantage Funds (Distributor: ALPS)	x	n/a
102	Janus	x	x
103	Jensen (Quasar)	x	n/a
104	JOHCM Funds (BHIL Distributors LLC)	x	n/a
105	John Hancock	x	n/a
106	JPMorgan /One Group/One Group-infinity Offshore	x	x
107	Lazard	x	x

	FUND HOUSE LIST	Retail Agmts	Insurance Agmts
108	Legg Mason (Salomon Smith Barney / Western Asset)	x	x
109	Leuthold Funds	x	n/a
110	Lincoln Financial	n/a	x
111	Litman Gregory (ALPS)	x	n/a
112	Longleaf	x	n/a
113	Lord Abbett Funds	x	x
114	LSV Funds (Distributor: SEI)	x	n/a
115	M Funds	n/a	x
116	Madison	x	n/a
117	MainStay Funds (Epoch merger)	x	x
118	Manning & Napier (Exeter Funds)	x	n/a
119	Mariner Hyman Beck (Northern Lights Distributor)	n/a	x
120	MassMutual Life insurance	x	n/a
121	Massachusetts Financial Services Co. (MFS)	x	x
122	Meeder (Flex Funds)	x	n/a
123	Merger Funds (Westchester Capital Management)	x	x
124	Metropolitan West Asset Management (Distributor: Foreside)	x	n/a
125	Miller Value Funds (Distributor: Quasar)	X	n/a
126	Morgan Stanley	x	x
127	Munder	x	n/a
128	Nationwide Funds	x	x
129	Natixis (Loomis, Sayles, Oakmark, Gateway)	x	n/a
130	Neuberger Berman	x	x
131	Nicholas (Distributor: Quasar)	x	n/a
132	North Star Funds (Dist: Northern Lights)	x	n/a
133	Nuveen	x	n/a
134	Oak Ridge (Agreement under: Investment Managers Series Trust)	x	n/a
135	Oakmark - Harris Associates Adviser & Underwriter (Natixis)	x	n/a
136	Oberweis	x	n/a
137	Olstein	x	n/a
138	Oppenheimer	x	x
139	Pacific Funds (formerly Pacific Life)	x pensions only	n/a
140	Paradigm Capital Management	x	n/a
141	Parnassus	x	n/a
142	Pax World	x	n/a
143	Payden & Rygel Funds	x	n/a
144	Pear Tree (Distributor: U.S. Boston Capital Corp.)	x	n/a
145	Performance Mutual Trust Fund New	x	n/a
146	Permanent Funds (Quasar)	x	n/a
147	PIMCO	x	x
148	Pioneer Investments (Safeco)	x	x
149	PNC Funds (Formerly: Allegiant Funds; Armada Funds)	x	n/a
150	Portfolio 21 (Distributor: Quasar)	x	n/a
151	Portfolio Strategies, Inc (PSI) - Northern Lights Distributor, LLC	x	n/a
152	Power Income Fund (a.k.a. WEDCO; Distributor: Northern Lights)	n/a	x
153	Praxis Mutual Fund NEW Retirement Agreement	x	n/a
154	Primecap Odyssey (Distributor: Quasar)	x	n/a
155	Principal Investors (Washington Mutual/WM Group; Distributor: Princor)	x	n/a
156	Probabilities Fund	n/a	x
157	ProFunds	n/a	x
158	Prudential (Dryden/Jennison)	x	n/a
159	Putnam	x	x
160	Rainier (Quasar)	x	n/a

	FUND HOUSE LIST	Retail Agmts	Insurance Agmts
161	Rational Funds (formerly Huntington)	x	x
162	Redwood Investment Management NEW Insurance Agreement	n/a	x
163	RidgeWorth (STI Classic)	x	n/a
164	RiverNorth Capital Management (Pinnacle Fund Management)	x	n/a
165	Roosevelt Investment Group	x	n/a
166	Royce Capital Funds	x	x
167	RS Investments	x	n/a
168	Russell	x	n/a
169	Seafarer (Distributor: Alps)	x	n/a
170	Schroder	x	n/a
171	Scout Funds (UMB)	x	n/a
172	Semper Capital Funds (Distributor: Quasar)	x	n/a
173	SEI Financial Services Company	x	n/a
174	Sentinel Financial Services	x	n/a
175	Shelton (California Investment Trust)	x	n/a
176	Sierra Funds (Distributor: Northern Lights)	x	n/a
177	Smith Group (Distributor: Quasar)	x	n/a
178	Sound Shore	x	n/a
179	Summit Group (Distributor: Quasar)	x	n/a
180	Spirit of America (David Lerner)	x	n/a
181	SSGA (State Street Global Advisors)	x	n/a
182	Stadion Investment Trust	x	n/a
183	Sterling Capital (BB&T Funds) - merger	x	n/a
184	Steward Funds (Distributor: Capstone Asset Planning Co.)	x	n/a
185	Swan Funds (Distributor: Northern Lights)	x	n/a
186	T. Rowe Price	x	x
187	TCW Funds	x	n/a
188	Third Avenue Funds	x	x
189	Thompson IM (Distributor: Quasar)	x	n/a
190	Thornburg Investment Management	x	n/a
191	TIAA-CREF Mutual Funds	x	n/a
192	Timothy Funds	x	n/a
193	TOPS (Distributor: Northern Lights)	n/a	x
194	Torray Fund	x	n/a
195	Touchstone	x	n/a
196	Transamerica	x	n/a
197	Turner Funds (Cooke & Bieler)	x	n/a
198	UBS Global Assest Management (Paine Webber)	x	n/a
199	USAA Funds	x	n/a
200	Van Eck	x	x
201	Vanguard	x	x
202	Victory Funds (Key Funds; Munder Funds)	x	x
203	Villere (Quasar)	x	n/a
204	Virtus (Phoenix, Oakhurst)	x	n/a
205	Vontobel	x	n/a
206	Waddell & Reed	x	x
207	Wasatch	x	n/a
208	WCM Funds	X	n/a
209	Weitz (a.k.a. Wallace R. Weitz & Company)	x	n/a
210	Wells Fargo	x	x
211	WHG Funds (also known as Westwood) (Distributor: Advisors Inner Circle)	x	n/a
212	William Blair Funds	x	n/a
213	Wilmington Funds (MTB merged) (Distributor: ALPS)	x	n/a
214	Wilshire Funds	x	n/a

After 25 years:



Put the power of time to work.

This hypothetical illustration shows how much different deferral amounts per biweekly paycheck for 25 years could accumulate, given an 8% annual rate of return for an investor. The white sections show how much is actually contributed, the light blue shows how much could be earned on top of those deferrals in that 25-year period, and the dark blue shows the total balance after 25 years. This example is not a yield projection for any specific investment. If fees, taxes, and expenses were reflected, the return would be less.

Withdrawals are taxed as ordinary income.

Nationwide representatives cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

Why you should consider enrolling in Deferred Compensation

By contributing a little each payday to the Deferred Compensation Plan, you can put the power of time to work toward building a potentially more comfortable retirement.

Plan participation is:

- **Convenient** — Contributions are automatically deducted from your pay
- **Easy for saving** — Contribute as little as \$25 per pay
- **Flexible** — Make changes whenever you want (subject to federal regulation)
- **Accessible** — Manage your account 24/7/365 at nrsforu.com
- **Low cost** — As a governmental program, the Plan has no profit incentive

Take control of your retirement income now. **Enroll in your Deferred Compensation Plan today.**

Investing involves market risk, including possible loss of principal. There is no guarantee that any investment strategy will generate a profit or avoid losses. Actual results will vary, depending on your investment and market experience.

NRM-7298M1.3 (03/17)

Let me help you get started.



Contact your Nationwide® Retirement Specialist:
Will Angus
(817) 371-1870
angusw1@nationwide.com

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The Nationwide Group Retirement Series includes unregistered group fixed and variable annuities and trust programs. The unregistered group fixed and variable annuities are issued by Nationwide Life Insurance Company. Trust programs and trust services are offered by Nationwide Trust Company, FSB, a division of Nationwide Bank. Nationwide Investment Services Corporation, member FINRA. Nationwide Mutual Insurance Company and Affiliated Companies, Home Office: Columbus, OH 43215-2220.

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NRM-10100AO.3 (02/17)

Our Retirement Specialists are here for you.

We'll help you plan with confidence.

By taking the time to understand your personal situation, we can provide the guidance you need to:

- Identify your retirement goals
- Develop a personalized retirement plan
- Keep track of your plan over time

We are committed to putting you first — because what matters is where you want to go and how you're going to get there.



Talk with your Nationwide Retirement Specialist — available by phone or at your workplace.

Information provided by Retirement Specialists is for educational purposes only and not intended as investment advice.



Contact your Nationwide Retirement Specialist:
Will Angus
(817) 371-1870
angusw1@nationwide.com

Contact your Nationwide Retirement Specialist:

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Quarterly Retirement Report

Questions? Contact Us!

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Website: www.nrsforu.com

Write us at: NATIONWIDE RETIREMENT
SOLUTIONS

PO BOX 182797

COLUMBUS OH 43218-2797

Nationwide Investment Services Corporation, member FINRA, In Michigan Only:
Nationwide Investment Svcs. CorporationPARTICIPANT NAME
STREET ADDRESS
CITY ST 00000-0000

Please review your statement carefully. Corrections may not be accepted more than 45 days after the closing date of the statement.

Consider a raise for your retirement plan.

The recently enacted tax cut means your paycheck may be larger than it was last year. Consider contributing a portion or all of that increase to your Plan account. Doing so will:

- Build your account more quickly
- Compound contributions and earnings automatically
- Defer income taxes until you withdraw from the Plan

To increase your contributions, log on to your Plan account and click the "Increase My Contributions" button.

Investing involves market risk, including possible loss of principal. No investment strategy can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience. Under current tax law, you will pay ordinary income tax upon withdrawal of tax-deferred contributions and any earnings.

NRQ-1246AO (04/2018)

Quarterly Activity at a Glance

	<u>457(b) Plan</u>
Balance as of 01-01-18	\$32,075.04
Contributions/Transfers In*	\$0.00
Gain/Loss/Interest	\$258.80
Withdrawals/Transfers Out**	-\$1,791.90
Charges/Fees	\$0.00
Balance as of 03-31-18	\$30,541.94

*Including, but not limited to, Employee and Employer Contributions, Rollovers and Transfers In.

**Including, but not limited to, Rollovers and Transfers Out, Partial and Lump Sum Payments.

Historical Activity at a Glance

Plan Type	Contributions Since Joining/ Transfers In/Loan Payment	Withdrawals/Transfers Out/Loan Disbursement	Gain/Loss/Fees	Total Balance as of 03-31-18
457(b) Plan	\$29,904.30	-\$17,392.86	\$18,030.50	\$30,541.94

"Since Joining" refers to the period of time your account has been administered by Nationwide.

If applicable, the above data is inclusive of Self Directed Option balance. For more information about asset fees, contact your customer service center.

Contributions and Distributions Summary - January 1, 2018 to March 31, 2018

	<u>Last Contribution Amount</u>	<u>Contributions This Period</u>	<u>Contributions Year to Date</u>	<u>Last Distribution Amount</u>	<u>Distributions Year to Date</u>
457(b) Plan		\$0.00	\$0.00	-\$1,791.90	-\$1,791.90

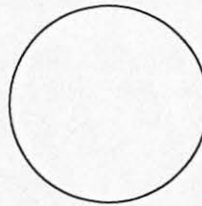
Your Asset Allocation - January 1, 2018 to March 31, 2018

To the right is your Account Allocation.
Your Account Allocation is how the money
in your account is actually divided among
the investment options you have selected.

Your Account Allocation**Investment Type**

100% Fixed Assets/Cash	\$30,541.94
100% Total Percent/Value	\$30,541.94

For more information on contribution and
account allocation, log on to
WWW.NRSFORU.COM



*Percentages and totals may not be exact due to
rounding.

Investment Option Summary - January 1, 2018 to March 31, 2018

Unit Value is as of 3/31/2018

<u>Investment Option</u>	<u>Current Investment Election</u>	<u>Unit Value</u>	<u>Units</u>	<u>Value</u>
457(b) Plan				
Fid Contra	34.00%	10.7433	0.0000	\$0.00
Invsco Gr Inc A	33.00%	2.9001	0.0000	\$0.00
NW LgCap Gr	33.00%	2.0782	0.0000	\$0.00
Nationwide Fixed Account	0.00%			\$30,541.94
TOTAL	100.00%			\$30,541.94

Your Account Values by Investment Option - January 1, 2018 to March 31, 2018

	<u>Beginning Balance</u>	<u>Contributions/ Transfers In</u>	<u>Exchanges</u>	<u>Withdrawals/ Transfers Out</u>	<u>Charges/ Credits/Fees</u>	<u>Gain/Loss/ Interest</u>	<u>Ending Balance</u>
457(b) Plan (0020054001)							
Nationwide Fixed Account	\$32,075.04	\$0.00	\$0.00	-\$1,791.90	\$0.00	\$258.80	\$30,541.94
TOTAL	\$32,075.04	\$0.00	\$0.00	-\$1,791.90	\$0.00	\$258.80	\$30,541.94

Gain/Loss is the difference between the account balance on the first and last day of the period, after allowing for the effects of transactions.

Transaction Details - January 1, 2018 to March 31, 2018

<u>Pay Period End Date</u>	<u>Effective Date</u>	<u>Total Amount</u>	<u>Transaction Type</u>	<u>Money Source</u>	<u>Investment Option</u>	<u>Price</u>	<u>Units</u>	<u>Amount Per Fund</u>
	1/5/2018	-\$1,791.90	Withdrawal	457(b) Salary Reduction	Nationwide Fixed Account			-\$1,791.90

Transaction Details (continued)

<u>Pay Period</u> <u>End Date</u>	<u>Effective</u> <u>Date</u>	<u>Total</u> <u>Amount</u>	<u>Transaction</u> <u>Type</u>	<u>Money</u> <u>Source</u>	<u>Investment</u> <u>Option</u>	<u>Price</u>	<u>Units</u>	<u>Amount</u> <u>Per</u> <u>Fund</u>
--------------------------------------	---------------------------------	-------------------------------	-----------------------------------	-------------------------------	------------------------------------	--------------	--------------	--

PROACCOUNT DISCLOSURE:

Important information about Nationwide ProAccount: If you're enrolled in the ProAccount managed account service, please contact Nationwide Investment Advisors, LLC if one of the following applies to you:

- There are changes in your financial situation or investment objectives
- You'd like to update the information you previously provided on your managed account questionnaire
- You'd like to modify or place reasonable restrictions on the management of your account

If you have any questions or need additional information, contact our service center at 888-540-2896. Our specialists are available Monday through Friday, 8 a.m. to 5 p.m. Eastern time.


Your Beneficiary Information

457(b) Plan	<u>Primary Beneficiary</u>	100.00%	<u>Contingent Beneficiary</u>	
	BENEFICIARY 1		BENEFICIARY 1	
			BENEFICIARY 2	34.00%
			BENEFICIARY 3	33.00%

Performance Results

Investment Performance Information - January 1, 2018 to March 31, 2018

The results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. Performance data current to the most recent month-end may be obtained by visiting: WWW.NRSFORU.COM. Please consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Both the underlying fund prospectuses and informational brochure contain this and other important information, and are available by calling (877)677-3678. Read carefully before investing. Please see other important disclosures at the end of this report.

Fund names with  symbol indicate a fund in which you were invested as of 3/31/2018.

VRU #	Fixed Investment Option	Annualized Current Quarter Yield	Current Year Guaranteed Minimum Yield						
365	Nationwide Fixed Account (g)	3.500%	3.500%						
VRU #	Variable Investment Options	Morningstar Category	YTD	Average Annual Return 1 Year	5 Year	10 Year	Since Inception	Inception Date	Gross Expense Ratio
1507	Specialty CohenStrs RealEst Sec A (#)	Real Estate	-6.74%	-1.68%	7.33%	7.17%	8.25%	09/02/97	1.19%
384	Small-Cap Stocks NW NVIT Mult Mgr Sm Co I (#)	Small Blend	-1.12%	9.40%	10.63%	8.38%	9.70%	10/23/95	1.17%
594	NW SMCAP INDX A (#)	Small Blend	-0.43%	10.22%	10.09%	8.47%	7.34%	04/09/97	0.69%
388	NeuBer Genesis Tr (#)	Small Growth	0.44%	12.01%	10.12%	7.87%	11.40%	09/27/88	1.09%
937	NW Sm Co Gr Inst Svc (#)	Small Growth	6.82%	25.69%	15.04%	N/A	17.20%	01/03/12	1.20%
798	NW US SmCap Val Inst Svc (#)	Small Value	-2.69%	4.52%	8.66%	8.17%	7.06%	12/21/07	1.25%
9256	International Stocks AmFds New Wld R4 (#)	Diversified Emerging Mkts	1.06%	20.47%	5.69%	3.26%	7.48%	06/17/99	0.98%
316	JPM Intl Eq I (a) (#)	Foreign Large Blend	-1.89%	16.53%	5.18%	2.34%	4.56%	05/28/93	1.06%
612	NW INTL INDX A (#)	Foreign Large Blend	-1.26%	13.62%	5.17%	1.44%	1.84%	12/29/99	0.71%
990	MFS Intl Val R3 (#)	Foreign Large Blend	-0.97%	16.44%	9.82%	6.26%	7.70%	01/02/97	1.01%
881	Invsco Intl Gr R5 (#)	Foreign Large Growth	-1.20%	12.05%	5.55%	3.44%	6.86%	03/15/02	1.00%
529	FnklnTmp Forgn A (a) (#)	Foreign Large Value	-3.41%	4.48%	4.83%	2.43%	9.32%	10/05/82	1.19%
408	Opp Gbl A (#)	World Large Stock	-0.33%	22.25%	10.45%	7.04%	10.65%	12/22/69	1.15%
314	Mid-Cap Stocks JPM MidCap Value A (#)	Mid-Cap Blend	-2.05%	6.08%	9.61%	8.96%	11.27%	11/13/97	1.26%
613	NW MDCAP MKT INDX A (#)	Mid-Cap Blend	-1.14%	9.29%	10.35%	9.26%	8.15%	12/29/99	0.69%
905	WF Disc Admn (#)	Mid-Cap Growth	2.98%	20.31%	11.53%	10.76%	10.86%	12/31/87	1.13%
281	Large-Cap Stocks AmFds Invmt Co Am A (*)	Large Blend	-1.53%	10.76%	11.57%	7.54%	11.06%	01/02/34	0.58%
367	NW Fd Inst Svc (#)	Large Blend	-0.57%	11.87%	11.43%	6.80%	8.79%	05/11/33	0.71%
372	NW S P 500 Indx Inst Svc (#)	Large Blend	-1.06%	12.61%	11.94%	8.17%	5.03%	07/24/98	0.42%
392	NeuBer Soc Resp Inv (#)	Large Blend	0.22%	10.78%	10.71%	7.86%	8.50%	03/16/94	0.85%
509	SEI S P 500 Indx E (*)	Large Blend	-1.07%	12.64%	11.97%	8.23%	9.52%	07/31/85	0.29%
181	Fid Contra (*)	Large Growth	2.77%	22.61%	13.99%	9.54%	11.48%	05/17/67	0.74%
195	Fid OTC (*)	Large Growth	2.79%	25.17%	19.93%	13.61%	12.72%	12/31/84	0.81%
520	TRowePr Gr Stk Adv (#)	Large Growth	3.55%	23.54%	15.79%	10.73%	10.08%	04/11/50	0.93%
102	AmCent Val Inv (#)	Large Value	-3.01%	2.56%	9.04%	7.28%	8.80%	09/01/93	0.98%
164	Edgr Lomx Val (#)	Large Value	-4.16%	9.93%	10.70%	7.21%	5.83%	12/12/97	1.02%
586	Invsco Gr Inc A (#)	Large Value	-2.92%	7.59%	10.18%	7.54%	8.69%	08/01/46	0.82%
746	NW LgCap Gr (n) (#)	N/A	0.91%	20.38%	12.57%	8.09%	7.01%	04/27/07	
199	Balanced Fid Puritan (*)	Allocation--50% to 70% Equity	-0.53%	11.22%	8.74%	6.87%	9.90%	04/16/47	0.55%
1714	Bonds LrdAbt Hi Yld R5 (#)	High Yield Bond	-1.33%	3.78%	N/A	N/A	5.27%	06/30/15	
611	NW BD INDX A (#)	Intermediate-Term Bond	-1.86%	-0.30%	0.35%	2.11%	3.71%	04/03/97	0.68%
1093	NW HM Bd Inst Svc (#)	Intermediate-Term Bond	-1.75%	-0.01%	0.90%	3.13%	5.76%	02/15/84	0.73%
426	PIMCO Forgn BdUS Dlr Hdg A (#)	World Bond	1.07%	3.04%	3.24%	5.09%	5.97%	12/02/92	0.95%
171	Short-Term Investments Fed US GovtSec 2 5 Yr Inst (*)	Short Government	-0.91%	-1.79%	-1.03%	0.62%	4.57%	02/18/83	0.88%
107	Fixed Assets/Cash Invsco ST Invmt Trsry Inst (c) (*)	Money Market-Taxable	0.09%	0.02%	-0.68%	-0.68%	2.77%	04/12/84	
373	CURRENT YIELD: 0.62% NW Mny Mkt Prm (c) (#)	Money Market-Taxable	0.02%	-0.26%	-0.69%	-0.62%	3.56%	03/03/80	
	CURRENT YIELD: 0.30%								

Investment Performance Information - January 1, 2018 to March 31, 2018

VRU #	Variable Investment Options	Morningstar Category	Average Annual Return				Since Inception	Inception Date	Gross Expense Ratio
			YTD	1 Year	5 Year	10 Year			
620	NW Inv Dest Cnsrv Svc (j) (+)	Allocation-15% to 30% Equity	-0.95%	2.72%	2.23%	2.59%	2.84%	03/30/00	0.87%
621	NW Inv Dest Mod Cnsrv Svc (j) (+)	Allocation-30% to 50% Equity	-1.03%	5.12%	3.96%	3.80%	3.44%	03/30/00	0.89%
622	NW Inv Dest Mod Svc (j) (+)	Allocation-50% to 70% Equity	-0.91%	8.10%	5.63%	4.71%	3.74%	03/30/00	0.88%
623	NW Inv Dest Mod Aggr Svc (j) (+)	Allocation-70% to 85% Equity	-0.88%	10.71%	7.35%	5.47%	3.97%	03/30/00	0.92%
624	NW Inv Dest Aggr Svc (j) (+)	Allocation-85%+ Equity	-0.71%	12.26%	8.43%	5.84%	3.91%	03/30/00	0.90%
794	NW Dest 2015 Inst Svc (l) (+)	Target-Date 2015	-1.04%	5.84%	4.48%	3.58%	3.26%	08/29/07	0.63%
793	NW Dest 2020 Inst Svc (l) (+)	Target-Date 2020	-1.10%	6.94%	5.18%	4.16%	3.71%	08/29/07	0.64%
792	NW Dest 2025 Inst Svc (l) (+)	Target-Date 2025	-1.07%	7.88%	6.07%	4.78%	4.20%	08/29/07	0.64%
791	NW Dest 2030 Inst Svc (l) (+)	Target-Date 2030	-1.12%	8.77%	6.85%	5.14%	4.46%	08/29/07	0.64%
790	NW Dest 2035 Inst Svc (l) (+)	Target-Date 2035	-1.07%	9.38%	7.40%	5.44%	4.62%	08/29/07	0.65%
789	NW Dest 2040 Inst Svc (l) (+)	Target-Date 2040	-1.02%	10.10%	7.83%	5.47%	4.57%	08/29/07	0.64%
788	NW Dest 2045 Inst Svc (l) (+)	Target-Date 2045	-1.00%	10.63%	8.24%	5.68%	4.73%	08/29/07	0.64%
787	NW Dest 2050 Inst Svc (l) (+)	Target-Date 2050	-1.05%	10.94%	8.36%	5.76%	4.81%	08/29/07	0.64%
910	NW Dest 2055 Inst Svc (l) (+)	Target-Date 2055	-1.01%	11.16%	8.41%	N/A	8.18%	12/27/10	0.64%
1235	NW Dest 2060 Inst Svc (l) (+)	Target-Date 2060+	-0.97%	11.23%	N/A	N/A	6.76%	11/28/14	0.64%

FEE DISCLOSURES

The Standardized illustration represents performance based on a \$1,000 hypothetical investment, and reflects the deduction of the following fees:

* denotes a Fee of 0.95% # denotes a Fee of 0.80% + denotes a Fee of 0.70% @ denotes a Fee of 0.00%

The participant account maintenance charge, up to a maximum of \$50, will not be assessed unless agreed to by the entity. Options in bold are options in a group variable annuity contract. Fees indicated for those options are Variable Account Expense Fees and are in addition to the fees disclosed in the underlying fund prospectus.

Gross expense ratios represent the fund's total operating expenses expressed as a percentage of the assets held in the fund. For more information about gross expense ratios, read the fund's prospectus.

Some mutual funds may impose a short term trade fee. Some funds may be subject to a trade restriction policy. Please read the underlying prospectus carefully.

FOOTNOTES

a) These funds are not open to new participants.

c) The money market current yield is the annualized historical yield for the 7-day period ending on the last day of the calendar quarter. Yield quotation more closely reflects the current earnings of the money market fund than the total return quotation.

g) Interest rates are declared quarterly and are subject to change. Guarantees are subject to the claims-paying ability of the company. The unregistered fixed annuity is issued by Nationwide Life Insurance Company, Columbus, Ohio.

j) Nationwide Investor Destinations Funds are designed to provide diversification and asset allocation. They do this by investing in several types of investments and asset classes. So, in addition to the expenses of the Investor Destinations Fund, you pay a proportionate share of the expenses of the underlying funds.

l) The Target Destination Funds invest in a wide variety of underlying funds to help reduce investment risk. So in addition to the expenses of the Target Destination Funds, you pay a proportionate share of the expenses of the underlying funds. Like other funds, Target Destination Funds are subject to market risk and loss. Loss of principal can occur at any time, including before, at or after the target date. There is no guarantee that target date funds will provide enough income for retirement.

n) The Nationwide Large Cap Growth Portfolio is not a mutual fund. Its performance cannot be tracked in newspapers or through other public resources. You can find more information and track the Portfolio's performance via your plan's website, www.nrsforu.com.

RISK DISCLOSURES

Money market funds: Money market funds are not insured or guaranteed by the FDIC or any other government agency. Although the goal of a money market is to preserve the value of an investment at \$1 per share, it is still possible to lose money.

International/emerging markets funds: Funds that invest in international stocks face risks that funds investing only in U.S. stocks do not. Currency fluctuation, political risk, differences in accounting standards and the limited availability of information may make these funds less stable.

Small company funds: Small and emerging companies may have less liquidity than larger, established companies. Therefore, funds investing in stocks of small or emerging companies may face greater price volatility and risk.

High-yield bond funds: Funds that invest in high-yield securities may have more credit risk and changes in price than funds that invest in higher-quality securities.

Non-diversified funds: Funds that invest in a single industry or small number of securities may be more volatile than those that invest more broadly.

Government bond funds: These funds invest mainly in securities of the U.S. government and its agencies; however, these entities do not guarantee the value of the funds.

Real estate funds: Funds that invest mainly in real estate are sensitive to economic and business cycles, changing demographic patterns and government actions.

Investment Performance Information - January 1, 2018 to March 31, 2018

IMPORTANT DISCLOSURES

Investing may involve market risk, including the possible loss of principal. Certain underlying funds discussed here are only available as investment options in group variable annuity contracts issued by life insurance companies. They are not offered or made available directly to the general public. These portfolios contain different investments than similarly named mutual funds offered by the money manager and investment returns may be higher or lower.

Inception Date is the date the underlying fund was established. Non-Standardized performance for UIOs includes hypothetical performance for periods before the UIO was available in the annuity, where applicable, applying contract charges to actual fund NAVs to determine the performance the UIO would have achieved inside the separate account.

Performance numbers in the YTD (Year To Date) column are not annualized returns and represent the total percentage change in unit value from the beginning of the year to the date of this report.

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The unregistered group variable and fixed annuity is issued by Nationwide Life Insurance Company, Columbus, OH. Contract number NRC-0105AO, NRC-0105OR, NRC-0106AO, NRC-0106OR, NRZ-0102AO, NRZ-0102OR. In Oklahoma only: NRC-0105OK, NRC-0106OK.

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Financial Needs Analysis

Peter and Susan Franklin

Scottsdale, AZ

Presented by:

Jason Daron, CFP®, CIMA

1/1/2017

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Introduction

When thinking about your future financial security, it is important to set goals, initiate action, and periodically review your progress.

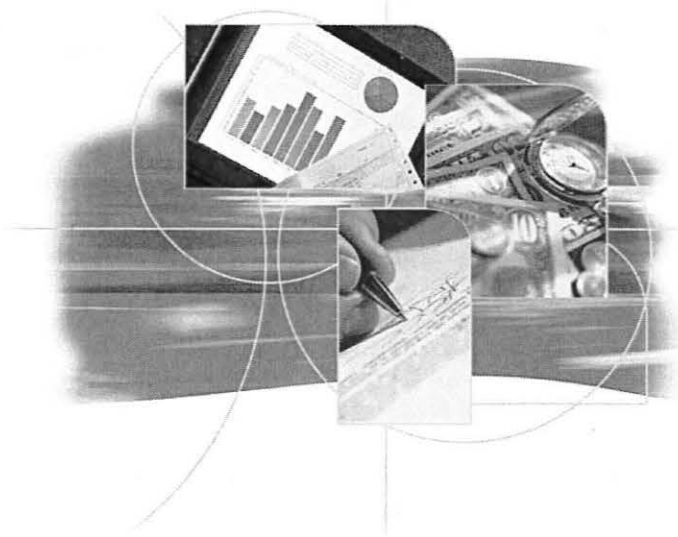
Remember...a sound financial strategy can be more important than a lifetime of work!

This analysis uses the information you have shared about your current financial situation and your goals for the future.

The following pages analyze your needs:

- *For your retirement years*

Understanding your needs



...can help reach your goals.

Important Note...

This illustration is based on the information you provided with regard to your financial needs and objectives. It is intended to provide only broad, general guidelines which may be helpful in assessing and making decisions about financial products (such as securities or insurance) and services available to you that may help meet those needs and objectives. This material may also contain general educational topics about investing and financial matters. It is most important that you understand that your actual experience will differ from this illustration. That is why you should reassess your situation with updated data and assumptions on a periodic basis.

This illustration estimates future asset values based on rates of return provided by you. It is not intended to be investment advice or a projection of future investment performance. No one can foresee the future and, it is not a projection of the potential return of any investment, nor is it a projection of future inflation rates or the state of the world or domestic economy. You should seek the guidance of a financial or investment professional before proceeding with an investment decision.

Although this illustration may contain income tax calculations and legal concepts, it does not constitute tax or legal advice. The application of some concepts may be considered practicing law and should, therefore, be handled by an attorney, while other concepts may require the guidance of a tax or accounting advisor.

Continued...

In creating the illustration certain assumptions were made with respect to investment returns, the economy, and your situation. The reports and graphics included are directly dependent on the quality and the accuracy of the data and assumptions (including rates of return) furnished by you.

Where future rates of return are assumed, these returns do not reflect the fees and charges associated with investments, which would reduce the results. You are encouraged to review and consider performance information, which you can request from your investment professional, for the mutual funds and other securities that may be referenced in this material when assuming any future rates of return. Keep in mind that past performance is not a guarantee of future results. A current prospectus must be read carefully when considering any investment in securities.

No liability is assumed resulting from the use of the information contained in this financial illustration. Responsibilities for financial decisions are assumed by you.

Personal Information Summary

This financial needs analysis report is based on the information and assumptions you provided.

Personal Data

Name	Date of Birth	Contributing to Social Security	Annual Employment Income
Peter A. Franklin	4/8/1961	Yes	\$72,500
Susan L. Franklin	3/1/1962	Yes	\$54,200

Married: Yes

Address
Scottsdale, AZ

Phone: (480) 555-4875

E-Mail psfranklin@email.com

Bank Accounts and Investments

Owner	Account Name	Asset Name	Ticker	Amount	Rate of Return	Monthly Savings	Savings Increase	Asset Class
Both		Checking		\$3,650	0.00%	\$0	0.00%	Unclassified
Both		Savings		\$8,000	2.00%	\$0	0.00%	Unclassified
Both		Stocks		\$12,000	8.00%	\$0	0.00%	Unclassified

Total..... \$23,650
Monthly Savings..... \$0
Average Rate of Return..... 4.74%

Retirement Funds

Owner	Account Name	Asset Name	Ticker	Amount	Rate of Return	Monthly Savings	Savings Increase	Company Match	Asset Class
Peter		Peter's 457		\$192,000	4.00%	\$200	0.00%	\$0	Unclassified
Susan		Susan's 401(k)		\$86,200	4.00%	\$200	0.00%	\$100	Unclassified

Total..... \$278,200
Monthly Savings..... \$400
Average Rate of Return..... 4.00%

Assets and Liabilities

Type	Name	Market Value	Current Liability	Monthly Payment	Interest Rate
Residence	Mortgage	\$390,000	\$269,520	\$1,816	6.75%
Personal Property	Peter's Car	\$16,058	\$11,113	\$0	0.00%
Personal Property	Susan's Car	\$12,450	\$0	\$0	0.00%
Credit Cards & Personal Loans	Credit Card	\$0	\$3,750	\$102	18.00%

Other Income Sources

Name	Description	Amount	Monthly/ Lump Sum	Begins at Age	Ends at Age	Annual Increase	Today's Value/ Future Value
Susan	Pension	\$1,250	Monthly	64	90	2.50%	Today's
Peter	Pension	\$1,640	Monthly	65	90	3.00%	Today's
Peter	Social Security	\$1,485	Monthly	65	90	2.70%	Today's
Susan	Social Security	\$983	Monthly	64	90	2.70%	Today's

Continued...

Expenses

Description	Incurred Monthly	Incurred Annually	Total Annual
Household expenses	\$4,000	\$0	\$48,000
Taxes	\$3,700	\$0	\$44,400

Retirement Needs

	Peter	Susan
Desired Retirement Age	65	64
Social Security Retirement Benefits Begin Age	65	64
Employer Offers Retirement Plans	Yes	Yes
Maximum amount being contributed	No	No
Monthly Need (in today's dollars)		
Phase 1	\$8,000	65
Phase 2	\$6,500	70

Assumptions Used In This Analysis

Rate of Return on Assets	
During Retirement.....	4.00%
Number of month's income to set aside for emergency reserves.....	3
Long-term inflation rate.....	3.00%
Social Security inflation rate.....	2.70%
Long-term inflation rate for College Costs.....	0.00%
Life expectancy age.....	90
Final Expenses.....	\$10,000

Notes

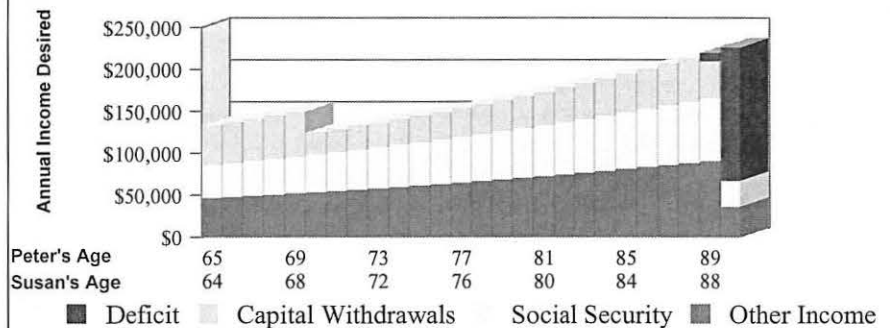
Retirement Needs Analysis

Will you have enough money when you retire? The earlier you begin setting money aside, the more likely you are to achieve your retirement goals.

Retirement income generally comes from three different sources:

- Social Security
- Employer Sponsored Plans
- Savings and Investments

*This retirement analysis suggests that you might not have enough money to retire. It is estimated that your assets will be **depleted** by age 89. At that time, your remaining income sources will be limited to Social Security and Other Income sources, providing only 76% of your income.*



To provide for your desired retirement income, you will need additional capital at retirement age 65. In order to meet this need, you should consider:

- Saving more money
- Earning a higher return on your assets

If you are not able to accumulate this capital, you may need to consider:

- Postponing your retirement, or
- Reducing your standard of living

Save More or Earn More



This chart shows various options in order for you to meet your objectives. Based on your current average rate of return of 4.54%, you would need to save an additional \$364 a month. Alternatively, if you could increase your average rate of return to 5.51%, your objectives would potentially be met. It is important to understand that in order to achieve an increased rate of return, it is likely you will face increased risk.

If these options are not attainable, consider working towards doing a little bit of both; saving more money and earning a higher rate of return subject to your risk tolerance.

Assumptions: Income increases at 3.00% annually. Rate of return during retirement is 4.00%. Social Security benefits increase at 2.70%.

Retirement Needs Analysis Detail

Income Objective

	Annual Need (Today's Dollars)	Annual Need (Future Dollars)	Capital Value at Retirement
At Peter's Age			
65	\$96,000	\$132,886	\$640,206
70	\$78,000	\$125,167	\$1,929,947
Total Value of Income Objective			\$2,570,153

Income Sources

Income Sources	Payment In Today's Dollars	From	To	COLA	First Year's Payment	Capital Value at Retirement
Pension	\$15,000	64	90	2.50%	\$19,681	\$421,652
Pension	19,680	65	90	3.00%	27,242	597,167
Social Security	17,820	65	90	2.70%	23,888	506,493
Social Security	11,796	64	90	2.70%	15,813	346,616
Total Income Sources						\$1,871,928

Capital Needed to Meet Objectives

\$698,225

Capital Available

Account Name/ Asset Name	Market Value	Assumed Rate of Return	Total Annual Contribution	Assumed Savings Increase	Capital Value at Retirement
Susan's 401(k)	\$86,200	4.00%	\$3,600	0.00%	\$182,297
Peter's 457	192,000	4.00%	2,400	0.00%	328,640
Education Funds	15,300	9.00%	2,400	0.00%	83,653
Checking	3,650	0.00%	0	0.00%	3,650
Savings	8,000	2.00%	0	0.00%	9,947
Stocks	12,000	8.00%	0	0.00%	27,980
Total Capital Available					\$636,166

Additional Capital Needed to Meet Objectives

\$62,059

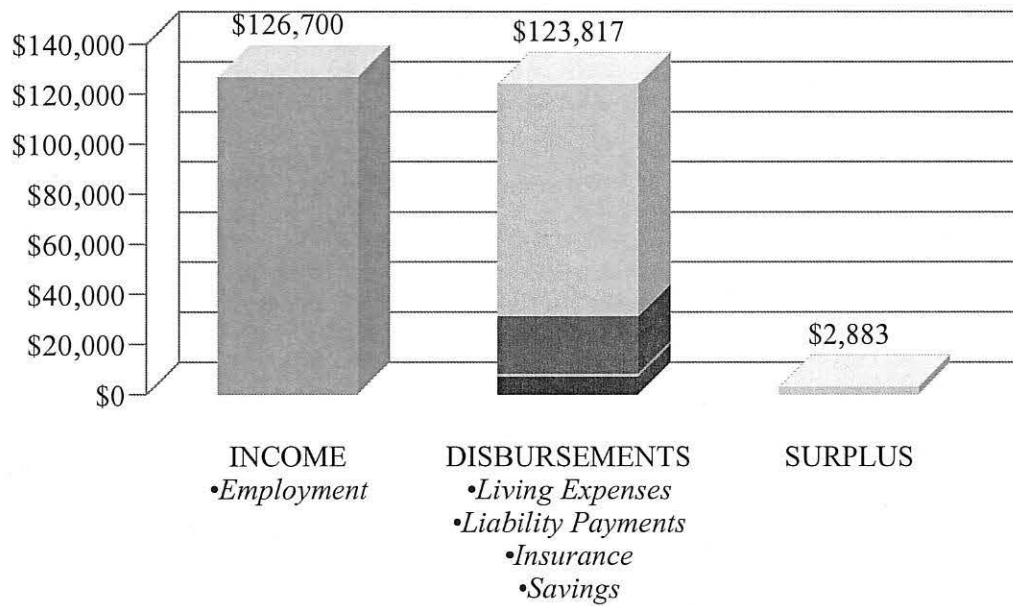
Assumptions

Inflation	3.00%
Rate of Return for Assets during Retirement	4.00%
Mortality assumed for Peter and Susan	90 / 90

Your Retirement Timeline

Beginning Balance:						\$636,166
<i>Ages</i>	<i>Annual Income Desired</i>	<i>Social Security</i>	<i>Other Income</i>	<i>Income Surplus/ (Shortage)</i>	<i>Investment Growth</i>	<i>Asset Balance</i>
65/64	\$132,886	\$39,701	\$46,923	(\$46,262)	\$24,450	\$614,354
66/65	136,873	40,773	48,232	(47,868)	23,543	590,030
67/66	140,979	41,874	49,578	(49,527)	22,535	563,037
68/67	145,209	43,004	50,962	(51,242)	21,418	533,213
69/68	149,565	44,165	52,385	(53,014)	20,187	500,386
70/69	125,167	45,358	53,848	(25,961)	19,456	493,881
71/70	128,922	46,583	55,352	(26,987)	19,174	486,068
72/71	132,790	47,840	56,899	(28,051)	18,839	476,856
73/72	136,773	49,132	58,489	(29,153)	18,446	466,150
74/73	140,877	50,459	60,124	(30,295)	17,994	453,849
75/74	145,103	51,821	61,804	(31,478)	17,476	439,847
76/75	149,456	53,220	63,532	(32,703)	16,890	424,033
77/76	153,940	54,657	65,309	(33,973)	16,230	406,289
78/77	158,558	56,133	67,136	(35,289)	15,492	386,492
79/78	163,315	57,648	69,015	(36,652)	14,670	364,511
80/79	168,214	59,205	70,946	(38,063)	13,761	340,209
81/80	173,261	60,803	72,932	(39,525)	12,757	313,441
82/81	178,458	62,445	74,974	(41,039)	11,654	284,055
83/82	183,812	64,131	77,073	(42,608)	10,445	251,892
84/83	189,326	65,863	79,232	(44,232)	9,123	216,783
85/84	195,006	67,641	81,452	(45,914)	7,683	178,552
86/85	200,856	69,467	83,734	(47,655)	6,116	137,013
87/86	206,882	71,343	86,081	(49,458)	4,415	91,970
88/87	213,089	73,269	88,494	(51,326)	2,573	43,218
89/88	219,481	75,247	90,975	(53,259)	582	(9,460)
--/89	226,066	30,780	36,488	(158,798)	0	(168,257)

Cash Flow Summary



	Annual Amount	Percentage of Total Income
Income		
Employment	\$126,700	100%
Other	0	0%
<i>Total</i>	<u>\$126,700</u>	<u>100%</u>
Disbursements		
Living Expenses	\$92,400	73%
Liability Payments	23,017	18%
Insurance	1,200	1%
Savings/Retirement Plans	7,200	6%
<i>Total</i>	<u>123,817</u>	<u>98%</u>
Surplus	<u>\$2,883</u>	<u>2%</u>

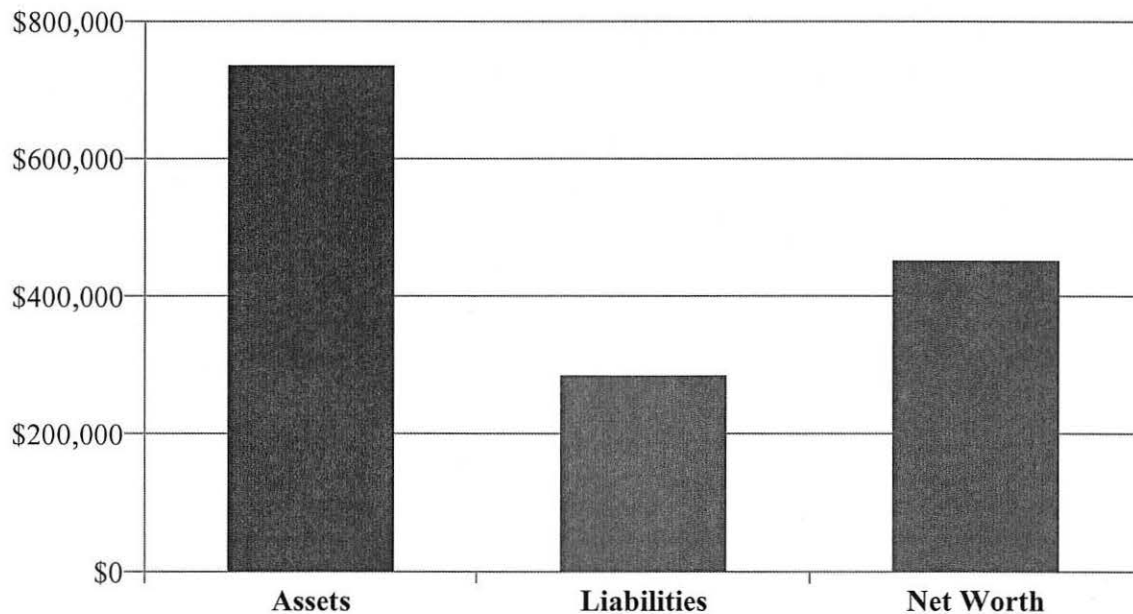
Cash Flow

Income	Annual Amount	Monthly Average	Percent of Total Income
Employment - Peter	\$72,500	\$6,042	57%
Employment - Susan	54,200	4,517	43%
Total Income	\$126,700	\$10,558	100%

Disbursements	Annual Amount	Monthly Average	Percent of Total Income
<i>Living Expenses</i>			
Household expenses	\$48,000	\$4,000	38%
Taxes	44,400	3,700	35%
<i>Total Living Expenses</i>	<i>\$92,400</i>	<i>\$7,700</i>	<i>73%</i>
<i>Liability Payments</i>			
Mortgage	21,793	1,816	17%
Credit Card	1,224	102	1%
<i>Total Liability Payments</i>	<i>\$23,017</i>	<i>\$1,918</i>	<i>18%</i>
<i>Insurance</i>			
Nationwide	1,200	100	1%
<i>Total Insurance</i>	<i>\$1,200</i>	<i>\$100</i>	<i>1%</i>
<i>Savings</i>			
Education Funds	2,400	200	2%
Peter's 457	2,400	200	2%
Susan's 401(k)	2,400	200	2%
<i>Total Savings</i>	<i>\$7,200</i>	<i>\$600</i>	<i>6%</i>
Total Disbursements	\$123,817	\$10,318	98%
Surplus	\$2,883	\$240	2%

Net Worth Summary

\$451,275



Assets		\$735,658
Bank Accounts and Investments	\$23,650	
Retirement Plans	\$278,200	
Assets for College	\$15,300	
Residence	\$390,000	
Personal Property	\$28,508	
Liabilities		\$284,383
Residence	\$269,520	
Personal Property	\$11,113	
Credit Cards & Personal Loans	\$3,750	
Net Worth		\$451,275

Net Worth

Assets			
	Owner	ROR	Market Value
<i>Bank Accounts and Investments</i>			
Checking	Both	0.00%	\$3,650
Savings	Both	2.00%	8,000
Stocks	Both	8.00%	12,000
<i>Retirement Plans</i>			
Peter's 457	Peter	4.00%	192,000
Susan's 401(k)	Susan	4.00%	86,200
<i>Assets for College</i>			
Education Funds		9.00%	15,300
<i>Residence</i>			
Mortgage	Both	--	390,000
<i>Personal Property</i>			
Peter's Car	Both	--	16,058
Susan's Car	Both	--	12,450
Total Assets			\$735,658

Liabilities			
	Owner	Interest Rate	Liability Value
<i>Residence</i>			
Mortgage	Both	6.75%	(269,520)
<i>Personal Property</i>			
Peter's Car	Both	N/A	(11,113)
<i>Credit Cards & Personal Loans</i>			
Credit Card	Both	18.00%	(3,750)
Total Liabilities			(\$284,383)

Net Worth			\$451,275
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Peter and Susan Franklin
JASON DARON, CFP
January 1, 2017

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Assumptions

High Wage Earner		Spouse Name
Peter		Susan
Date of Birth	7/1/1955	9/15/1954
Gender	M	F
Assumed Inflation	2.70 %	
Real Rate of Return	0.47 %	
Full Retirement Age	66 years 2 months	66 years
Income Need	\$5,000	
Survivor Need	\$4,000	

Estimated Monthly Benefits

Age	62	63	64	65	66	67	68	69	70
Michael	\$1,588	\$1,731	\$1,922	\$2,127	\$2,342	\$2,595	\$2,865	\$3,147	\$3,443
Mary	\$1,250	\$1,362	\$1,515	\$1,676	\$1,844	\$2,045	\$2,256	\$2,476	\$2,707

Why are the estimated benefits different from my Social Security Statement?

Your Social Security Statement makes certain assumptions that differ from the assumptions we make in preparing your analysis.

First, Social Security assumes that the average wages will not increase in the future. Average wage statistics are used to index your past earnings to equal today's dollars, and to adjust formulas in the benefit calculation. We assume that the average wage will increase at the same pace as inflation, and we adjust your earnings as well as the formulas for future election years based on this assumption.

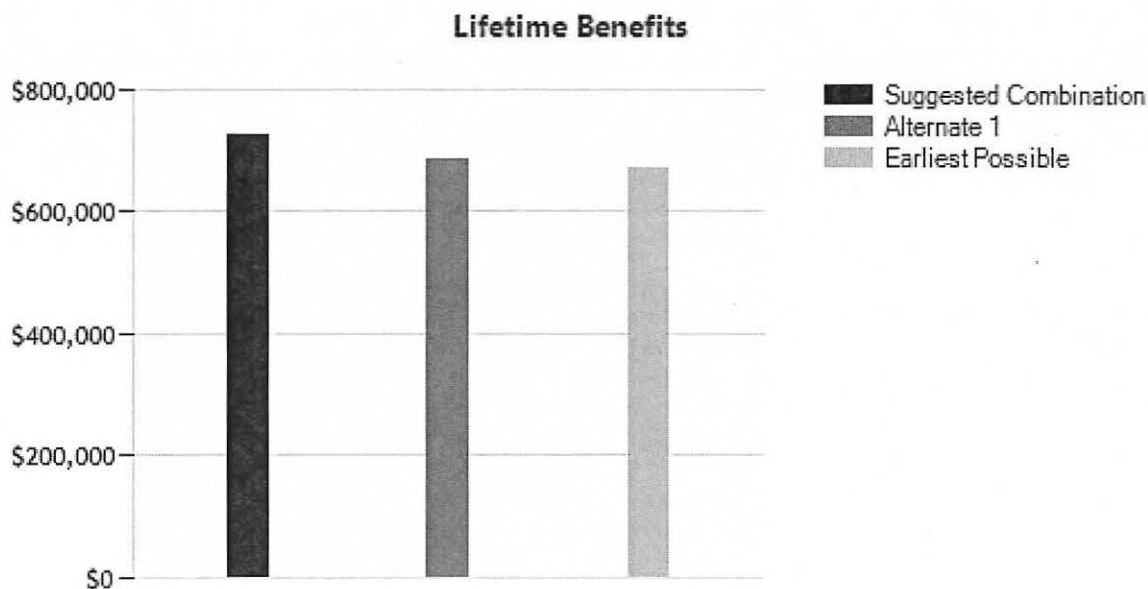
Second, your Social Security Statement does not include cost of living adjustments. Historically, cost of living adjustments have occurred regularly and a recent Social Security Trustees report (<http://www.ssa.gov/oact/tr/2015/>) assumes long term Cost of Living Adjustments to be between 1.8% and 3.8% per year with the most likely average being 2.7% per year. The benefit amounts above include Cost of Living adjustments based on the 2.70 % inflation assumption per year that you entered.

The raw dollar amount of your future benefit is of interest to most of our clients and as a result, we present that information above and through this report when potential benefit amounts are referenced. As a result, the monthly benefit amounts above and through the remainder of this report represent your benefits in future dollars. We have taken substantial care to utilize the lifetime values of different benefit elections in today's dollars, using a real rate of return of 0.47 %. Lifetime benefit values throughout this report represent the present value of benefits based on the estimated cashflows on the respective strategy cashflow tables. Cashflow tables are annual cashflows. "Strategy" in this report is used to denote a set of Social Security claiming ages and techniques, not an investment strategy.

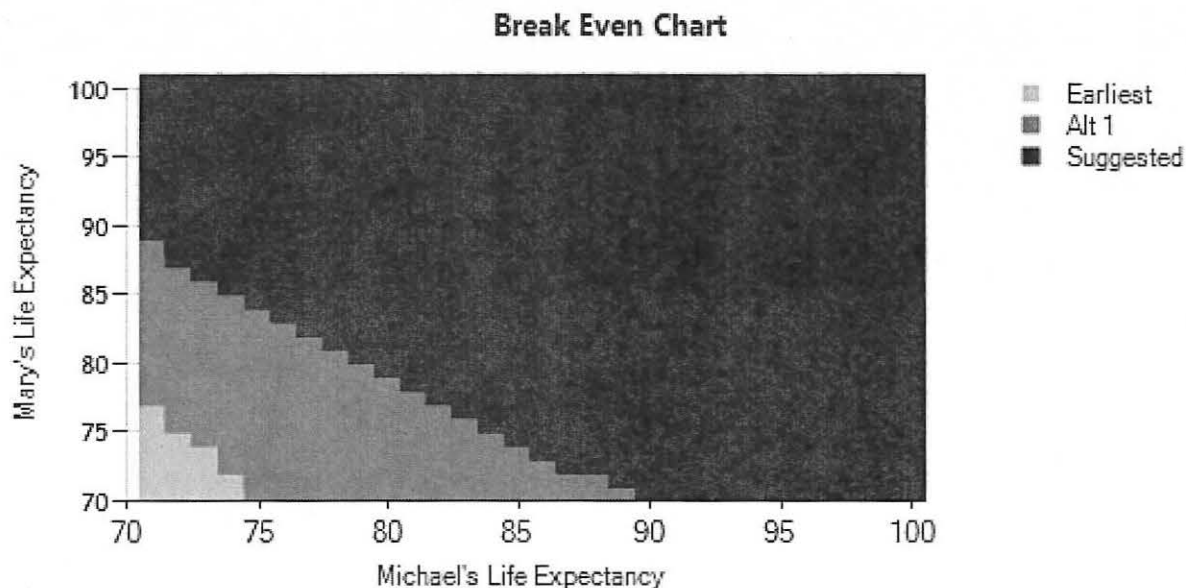
Strategy Comparison

The expected lifetime family benefit using the **suggested** strategy is: **\$727,045**

- The expected lifetime family benefit for the **first alternate** available combination is: **\$685,580**
- The expected lifetime family benefit for the **earliest** available combination is: **\$669,935**



Graph represents present value of Lifetime Family Benefits. The preceding chart and comparisons assume that Peter dies at age 82 years and Mary dies at age 84 years.



Graph illustrates which of the outlined strategies provides the best outcome at any given set of whole year death age combinations. Break Even points occur at combinations where the strategy offering the best outcome changes. The Suggested strategy was determined by assuming Michael dies at 82 years and Mary dies at 84 years.

Your Suggested Social Security Strategy

Peter

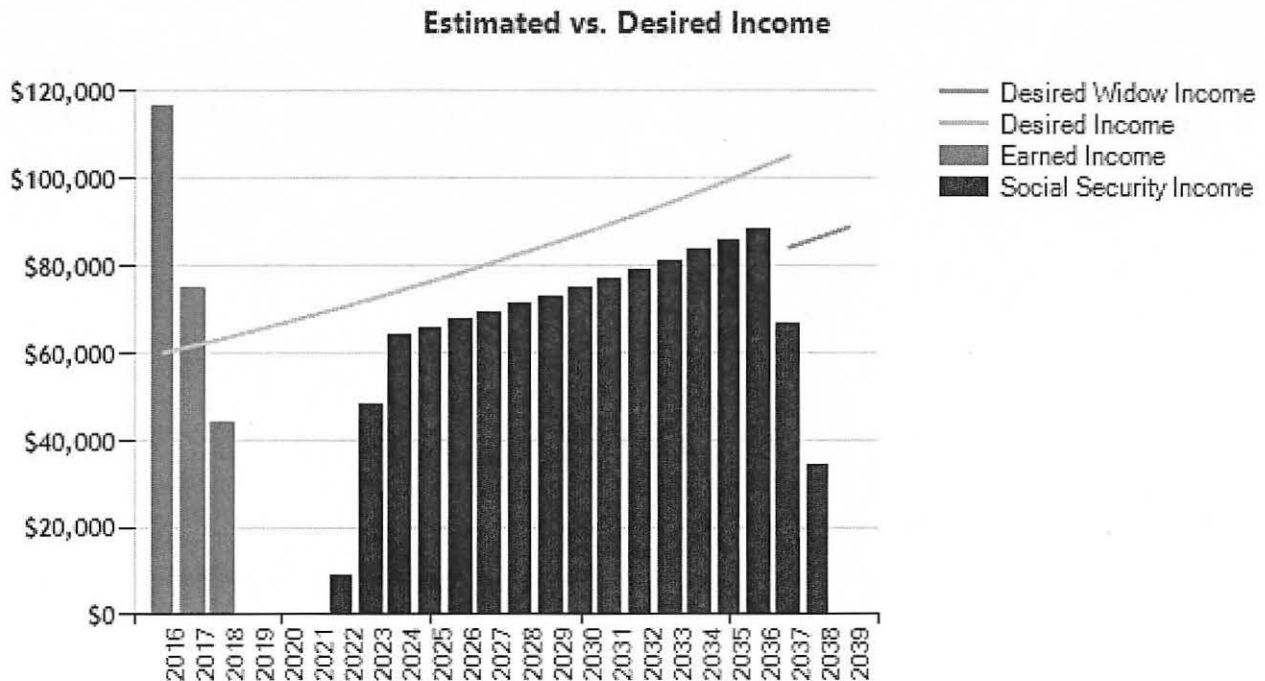
- File a standard application for benefits at your age **68 years**. Your approximate benefit would be **\$2,865**

Susan

- File a standard application for benefits at your age **68 years**. Your approximate benefit would be **\$2,256**

The expected lifetime family benefit using this strategy is: **\$727,045**

Using the Suggested Election Ages



The preceding charts demonstrate future value cashflows using the assumptions outlined on the assumptions page of this report, and do not include taxes or any other source of income. The desired income line is generated based on user input and inflated for future value using the same inflation assumptions.

Estimated Cashflows for your *Suggested Social Security Strategy*

Peter

Susan

Combined Benefit Breakdown *Net Present Value*

Retirement	Spousal	Widow
\$374,838	\$0	\$0

Combined Benefit Breakdown *Net Present Value*

Retirement	Spousal	Widow
\$319,893	\$0	\$32,314

Expected Cashflow *Future Values*

Peter					Susan				Summary			
Year	Age	Retirement	Spousal	Widow	Age	Retirement	Spousal	Widow	Total	Other*	Need	Gap
2016	61	\$0	\$0	\$0	62	\$0	\$0	\$0	\$0	\$116,250	\$60,000	\$56,250
2017	62	\$0	\$0	\$0	63	\$0	\$0	\$0	\$0	\$75,000	\$61,620	\$13,380
2018	63	\$0	\$0	\$0	64	\$0	\$0	\$0	\$0	\$43,750	\$63,283	(\$19,533)
2019	64	\$0	\$0	\$0	65	\$0	\$0	\$0	\$0	\$0	\$64,992	(\$64,992)
2020	65	\$0	\$0	\$0	66	\$0	\$0	\$0	\$0	\$0	\$66,747	(\$66,747)
2021	66	\$0	\$0	\$0	67	\$0	\$0	\$0	\$0	\$0	\$68,549	(\$68,549)
2022	67	\$0	\$0	\$0	68	\$9,024	\$0	\$0	\$9,024	\$0	\$70,400	(\$61,376)
2023	68	\$20,055	\$0	\$0	69	\$27,804	\$0	\$0	\$47,859	\$0	\$72,301	(\$24,442)
2024	69	\$35,304	\$0	\$0	70	\$28,548	\$0	\$0	\$63,852	\$0	\$74,253	(\$10,401)
2025	70	\$36,252	\$0	\$0	71	\$29,316	\$0	\$0	\$65,568	\$0	\$76,257	(\$10,689)
2026	71	\$37,236	\$0	\$0	72	\$30,108	\$0	\$0	\$67,344	\$0	\$78,316	(\$10,972)
2027	72	\$38,244	\$0	\$0	73	\$30,924	\$0	\$0	\$69,168	\$0	\$80,431	(\$11,263)
2028	73	\$39,276	\$0	\$0	74	\$31,752	\$0	\$0	\$71,028	\$0	\$82,603	(\$11,575)
2029	74	\$40,332	\$0	\$0	75	\$32,616	\$0	\$0	\$72,948	\$0	\$84,833	(\$11,885)
2030	75	\$41,424	\$0	\$0	76	\$33,492	\$0	\$0	\$74,916	\$0	\$87,123	(\$12,207)
2031	76	\$42,540	\$0	\$0	77	\$34,392	\$0	\$0	\$76,932	\$0	\$89,476	(\$12,544)
2032	77	\$43,680	\$0	\$0	78	\$35,328	\$0	\$0	\$79,008	\$0	\$91,892	(\$12,884)
2033	78	\$44,868	\$0	\$0	79	\$36,276	\$0	\$0	\$81,144	\$0	\$94,373	(\$13,229)
2034	79	\$46,080	\$0	\$0	80	\$37,260	\$0	\$0	\$83,340	\$0	\$96,921	(\$13,581)
2035	80	\$47,316	\$0	\$0	81	\$38,268	\$0	\$0	\$85,584	\$0	\$99,538	(\$13,954)
2036	81	\$48,600	\$0	\$0	82	\$39,300	\$0	\$0	\$87,900	\$0	\$102,225	(\$14,325)
2037	82	\$20,795	\$0	\$0	83	\$16,815	\$0	\$29,113	\$66,723	\$0	\$83,988	(\$17,265)
2038	83	\$0	\$0	\$0	84	\$0	\$0	\$34,168	\$34,168	\$0	\$86,256	(\$52,088)
		\$582,002	\$0	\$0		\$491,223	\$0	\$63,281	\$1,136,506	\$235,000	\$1,836,377	(\$464,871)

* Other Income is a combination of government pension and earnings entered.

Your First Alternate Social Security Strategy

Peter

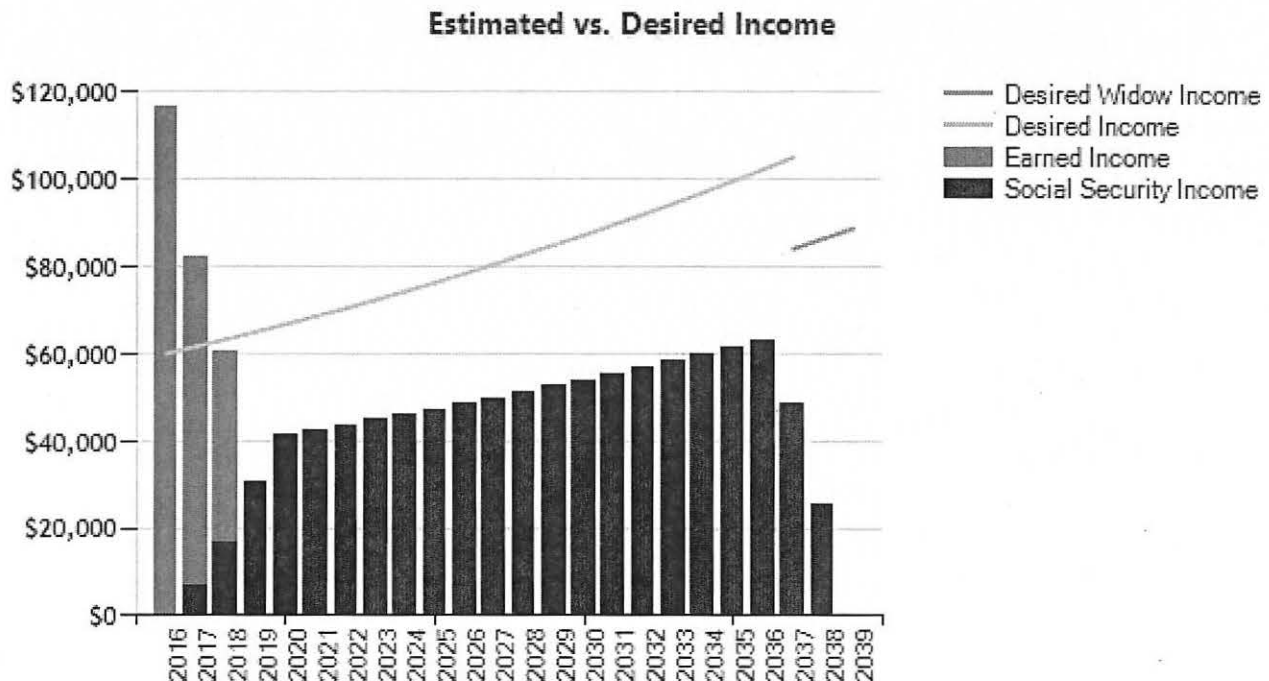
- File a standard application for benefits at your age **64 years**. Your approximate benefit would be **\$1,922**

Susan

- File a standard application for benefits at your age **62 years 11 months**. Your approximate benefit would be **\$1,355**

The expected lifetime family benefit using this strategy is: **\$685,580**

Using the First Alternate Election Ages



The preceding charts demonstrate future value cashflows using the assumptions outlined on the assumptions page of this report, and do not include taxes or any other source of income. The desired income line is generated based on user input and inflated for future value using the same inflation assumptions.

Estimated Cashflows for your *First Alternate Social Security Strategy*

Peter

Susan

Combined Benefit Breakdown *Net Present Value*

Combined Benefit Breakdown *Net Present Value*

Retirement Spousal Widow

\$362,911 \$0 \$0

Retirement Spousal Widow

\$298,563 \$0 \$24,107

Expected Cashflow *Future Values*

Peter					Susan				Summary			
Year	Age	Retirement	Spousal	Widow	Age	Retirement	Spousal	Widow	Total	Other*	Need	Gap
2016	61	\$0	\$0	\$0	62	\$0	\$0	\$0	\$0	\$116,250	\$60,000	\$56,250
2017	62	\$0	\$0	\$0	63	\$6,775	\$0	\$0	\$6,775	\$75,000	\$61,620	\$20,155
2018	63	\$0	\$0	\$0	64	\$16,692	\$0	\$0	\$16,692	\$43,750	\$63,283	(\$2,841)
2019	64	\$13,454	\$0	\$0	65	\$17,148	\$0	\$0	\$30,602	\$0	\$64,992	(\$34,390)
2020	65	\$23,676	\$0	\$0	66	\$17,604	\$0	\$0	\$41,280	\$0	\$66,747	(\$25,467)
2021	66	\$24,324	\$0	\$0	67	\$18,084	\$0	\$0	\$42,408	\$0	\$68,549	(\$26,141)
2022	67	\$24,972	\$0	\$0	68	\$18,564	\$0	\$0	\$43,536	\$0	\$70,400	(\$26,864)
2023	68	\$25,644	\$0	\$0	69	\$19,068	\$0	\$0	\$44,712	\$0	\$72,301	(\$27,589)
2024	69	\$26,340	\$0	\$0	70	\$19,584	\$0	\$0	\$45,924	\$0	\$74,253	(\$28,329)
2025	70	\$27,048	\$0	\$0	71	\$20,112	\$0	\$0	\$47,160	\$0	\$76,257	(\$29,097)
2026	71	\$27,780	\$0	\$0	72	\$20,652	\$0	\$0	\$48,432	\$0	\$78,316	(\$29,884)
2027	72	\$28,536	\$0	\$0	73	\$21,216	\$0	\$0	\$49,752	\$0	\$80,431	(\$30,679)
2028	73	\$29,304	\$0	\$0	74	\$21,780	\$0	\$0	\$51,084	\$0	\$82,603	(\$31,519)
2029	74	\$30,096	\$0	\$0	75	\$22,368	\$0	\$0	\$52,464	\$0	\$84,833	(\$32,369)
2030	75	\$30,900	\$0	\$0	76	\$22,980	\$0	\$0	\$53,880	\$0	\$87,123	(\$33,243)
2031	76	\$31,740	\$0	\$0	77	\$23,592	\$0	\$0	\$55,332	\$0	\$89,476	(\$34,144)
2032	77	\$32,592	\$0	\$0	78	\$24,228	\$0	\$0	\$56,820	\$0	\$91,892	(\$35,072)
2033	78	\$33,468	\$0	\$0	79	\$24,888	\$0	\$0	\$58,356	\$0	\$94,373	(\$36,017)
2034	79	\$34,380	\$0	\$0	80	\$25,560	\$0	\$0	\$59,940	\$0	\$96,921	(\$36,981)
2035	80	\$35,304	\$0	\$0	81	\$26,244	\$0	\$0	\$61,548	\$0	\$99,538	(\$37,990)
2036	81	\$36,252	\$0	\$0	82	\$26,952	\$0	\$0	\$63,204	\$0	\$102,225	(\$39,021)
2037	82	\$15,515	\$0	\$0	83	\$11,535	\$0	\$21,721	\$48,771	\$0	\$83,988	(\$35,217)
2038	83	\$0	\$0	\$0	84	\$0	\$0	\$25,488	\$25,488	\$0	\$86,256	(\$60,768)
		\$531,325	\$0	\$0		\$425,626	\$0	\$47,209	\$1,004,160	\$235,000	\$1,836,377	(\$597,217)

* Other Income is a combination of government pension and earnings entered.

Your *Earliest Possible* Social Security Strategy

Peter

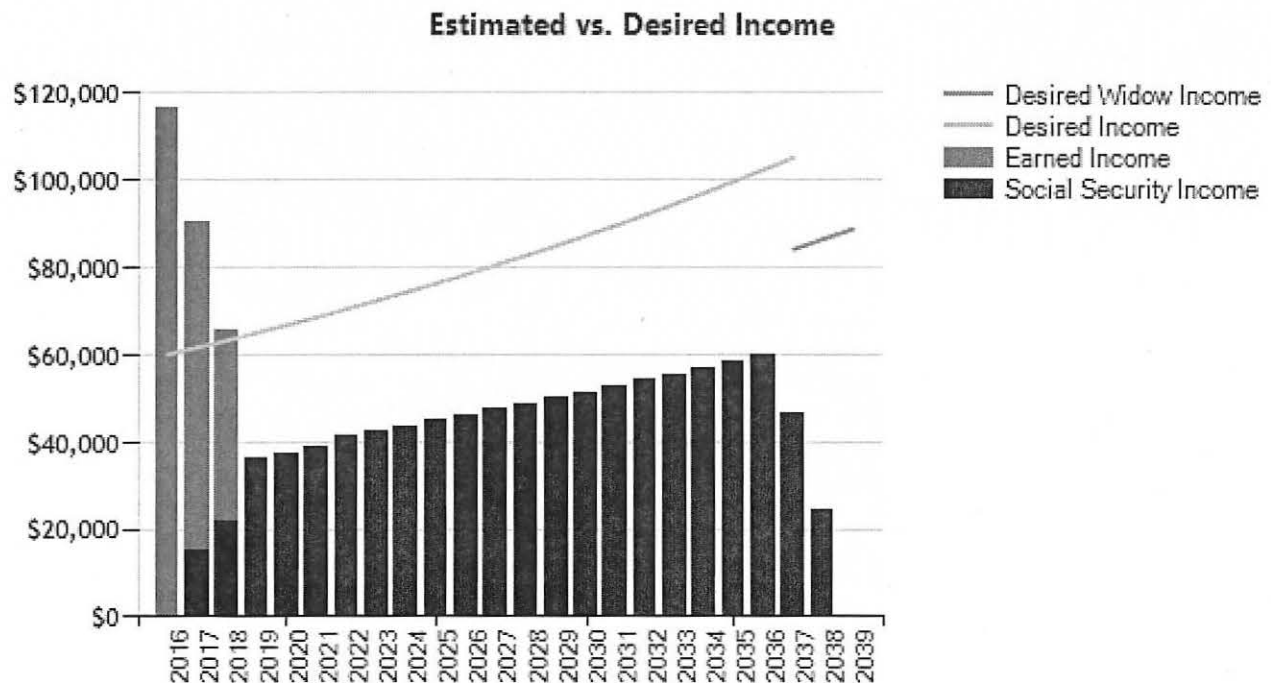
- File a standard application for benefits at your age **62 years 1 months**. Your approximate benefit would be **\$0**. This is because an earnings test reduction was applied in the amount of \$1,588. See the earnings test section of the report.

Susan

- File a standard application for benefits at your age **62 years 1 months**. Your approximate benefit would be **\$0**. This is because an earnings test reduction was applied in the amount of \$1,250. See the earnings test section of the report.

The expected lifetime family benefit using this strategy is: **\$669,935**

Using the Earliest Possible Election Ages



The preceding charts demonstrate future value cashflows using the assumptions outlined on the assumptions page of this report, and do not include taxes or any other source of income. The desired income line is generated based on user input and inflated for future value using the same inflation assumptions.

Estimated Cashflows for your *Earliest Possible* Social Security Strategy

Peter

Susan

Combined Benefit Breakdown *Net Present Value*

Combined Benefit Breakdown *Net Present Value*

Retirement Spousal Widow

\$351,184 \$0 \$0

Retirement Spousal Widow

\$295,503 \$0 \$23,248

Expected Cashflow *Future Values*

Peter					Susan				Summary			
Year	Age	Retirement	Spousal	Widow	Age	Retirement	Spousal	Widow	Total	Other*	Need	Gap
2016	61	\$0	\$0	\$0	62	\$0	\$0	\$0	\$0	\$116,250	\$60,000	\$56,250
2017	62	\$0	\$0	\$0	63	\$15,408	\$0	\$0	\$15,408	\$75,000	\$61,620	\$28,788
2018	63	\$5,987	\$0	\$0	64	\$15,816	\$0	\$0	\$21,803	\$43,750	\$63,283	\$2,270
2019	64	\$20,100	\$0	\$0	65	\$16,248	\$0	\$0	\$36,348	\$0	\$64,992	(\$28,644)
2020	65	\$20,640	\$0	\$0	66	\$16,680	\$0	\$0	\$37,320	\$0	\$66,747	(\$29,427)
2021	66	\$21,204	\$0	\$0	67	\$17,412	\$0	\$0	\$38,616	\$0	\$68,549	(\$29,933)
2022	67	\$23,520	\$0	\$0	68	\$17,892	\$0	\$0	\$41,412	\$0	\$70,400	(\$28,988)
2023	68	\$24,144	\$0	\$0	69	\$18,372	\$0	\$0	\$42,516	\$0	\$72,301	(\$29,785)
2024	69	\$24,804	\$0	\$0	70	\$18,864	\$0	\$0	\$43,668	\$0	\$74,253	(\$30,585)
2025	70	\$25,464	\$0	\$0	71	\$19,380	\$0	\$0	\$44,844	\$0	\$76,257	(\$31,413)
2026	71	\$26,160	\$0	\$0	72	\$19,896	\$0	\$0	\$46,056	\$0	\$78,316	(\$32,260)
2027	72	\$26,868	\$0	\$0	73	\$20,436	\$0	\$0	\$47,304	\$0	\$80,431	(\$33,127)
2028	73	\$27,588	\$0	\$0	74	\$20,988	\$0	\$0	\$48,576	\$0	\$82,603	(\$34,027)
2029	74	\$28,332	\$0	\$0	75	\$21,552	\$0	\$0	\$49,884	\$0	\$84,833	(\$34,949)
2030	75	\$29,100	\$0	\$0	76	\$22,140	\$0	\$0	\$51,240	\$0	\$87,123	(\$35,883)
2031	76	\$29,880	\$0	\$0	77	\$22,728	\$0	\$0	\$52,608	\$0	\$89,476	(\$36,868)
2032	77	\$30,684	\$0	\$0	78	\$23,340	\$0	\$0	\$54,024	\$0	\$91,892	(\$37,868)
2033	78	\$31,512	\$0	\$0	79	\$23,976	\$0	\$0	\$55,488	\$0	\$94,373	(\$38,885)
2034	79	\$32,364	\$0	\$0	80	\$24,624	\$0	\$0	\$56,988	\$0	\$96,921	(\$39,933)
2035	80	\$33,240	\$0	\$0	81	\$25,284	\$0	\$0	\$58,524	\$0	\$99,538	(\$41,014)
2036	81	\$34,140	\$0	\$0	82	\$25,968	\$0	\$0	\$60,108	\$0	\$102,225	(\$42,117)
2037	82	\$14,610	\$0	\$0	83	\$11,115	\$0	\$20,944	\$46,669	\$0	\$83,988	(\$37,319)
2038	83	\$0	\$0	\$0	84	\$0	\$0	\$24,584	\$24,584	\$0	\$86,256	(\$61,672)
		\$510,341	\$0	\$0		\$418,119	\$0	\$45,528	\$973,988	\$235,000	\$1,836,377	(\$627,389)

* Other Income is a combination of government pension and earnings entered.

Concepts for Married Couples

Social Security offers three distinct types of benefits for retired workers and/or their spouses:

- a **Retirement benefit**, which is based on his or her own earnings record;
- an **Auxiliary Benefit**, which provides a worker's spouse or children with a benefit once the worker has claimed his own benefit; and
- a **Survivor Benefit**, which provides a surviving spouse or certain other dependents with a benefit after a worker's death.

After the passage of the Bipartisan Budget Act of 2015 (BBA), some previously available claiming strategies were modified or eliminated. This report incorporates those rules and evaluates the remaining available claiming strategies for your consideration. In general, strong claiming strategies for couples will work to intentionally maximize each of the three types of benefits.

Retired Worker Benefit – Retirement benefits may be available as early as age 62. Your benefit amount is calculated based on a formula that incorporates your highest 35 years of earnings. If you claim benefits at Full Retirement Age, which varies from 66 to 67 based on your year of birth, you will receive your full benefit, which is known as your "Primary Insurance Amount" (PIA). If you claim early, you will receive a reduced benefit and if you delay, your benefit will be increased by 8% per year (pro-rated by months) of delay up to age 70.

Auxiliary Benefit – The most common Auxiliary benefit for a married couple is the Spousal Benefit. Spousal benefits are generally available to the spouse of a worker who has been married to the worker for at least one year. The worker must either be receiving a Retirement Benefit or have suspended a Retirement Benefit on or before April 29th, 2016. The amount of the Spousal benefit is 50% of the worker's Primary Insurance Amount if claimed at Full Retirement Age. Spousal benefits are reduced if claimed prior to Full Retirement Age, but do not increase if delayed past Full Retirement Age. When an individual is simultaneously entitled to both a Spousal benefit and a Retirement benefit, the Spousal benefit is reduced by the greater of the Retirement benefit or if a reduced Retirement Benefit is taken, the PIA.

Survivor Benefit – The Survivor benefit is unique in that it is based both on when the deceased filed for benefits and when the Surviving spouse claims benefits. For example, if a higher wage earning spouse elects early, then dies, his spouse will be faced with a permanently reduced Survivor benefit, regardless of when she claims. If the higher wage earner delays claiming Retirement benefits, the available Survivor benefit is also increased.

Restricted Application for Spousal Benefits – Prior to the BBA, any program participant who had reached Full Retirement Age and was eligible for both his own Retirement benefit and a Spousal benefit could "restrict the application" to only Spousal benefits. By restricting the application to only Spousal benefits, entitlement to Retirement benefits was avoided. After claiming an unreduced Spousal benefit only for a period of time, the participant could switch to the Retirement benefit, which had been growing by 8% per year. After the BBA, this option is available only to people born on or before January 1st, 1954.

The Retirement Earnings Test

How does work affect Social Security?

You are able to work and receive Social Security retirement, spousal, or survivor's benefits. However, you may be subject to a reduction in benefits if you haven't attained full retirement age.

The Social Security Administration will withhold benefits during the year in which you work assuming that you provide an estimate to the Social Security office about your expected earnings. If you do not report estimated earnings, the SSA will withhold your monthly payments in the following year until all benefits that should have been withheld are paid in full.

How much of my benefit will be withheld?

In 2016, you are allowed to earn up to \$15,720 before benefits are withheld. For every \$2 you earn above the exempt amount, \$1 dollar will be withheld. This applies to all years leading up to the year in which you attain your full retirement age. During the year you attain full retirement age the exempt amount increases to \$41,880 and for every \$3 you earn over the exempt amount \$1 will be withheld.

Even though your benefits are withheld they are not completely lost. Once you reach full retirement age, your benefits will be increased to account for the number of months that you did not receive a benefit. For example, if your full retirement age is 66 and you filed for benefits at 62 you received a reduction in benefits for taking benefits 48 months early. If 12 payments are withheld due to the earnings test, your benefits will be adjusted at your full retirement age and it will be as if you elected at age 63, or 36 months early.

What is considered income?

If you are employed by someone else only wages are considered earned income for the purpose of the annual earnings test. For people who are self-employed only net earnings count. It is important to note that employee contributions to pension or retirement plans are included in gross wages.

Income that is not counted as earnings include:

- Government benefits,
- Investment earnings,
- Interest,
- Pensions,
- Annuities; and
- Capital gains

Special Rule

For people who file for benefits mid-year and have already earned more than the exempt amount, the monthly earnings test is used. For any month during that first year that you earn under the monthly exempt amount, which is simply 1/12th of the annual exempt amount, you will receive your full benefit for that month, regardless of your earnings before you filed for benefits.

This analysis has incorporated the Social Security Annual Earnings Test.

Disclosures

This report is intended as a diagnostic tool to suggest potential election options that may be beneficial. The election options considered may not be exhaustive. While substantial effort has been taken to ensure the accuracy of all calculations, we provide no guarantees. Further, this report can not anticipate future changes to the Social Security System, formulae, or claiming rules.

This report specifically excludes the following situations:

1. This report does not account for disability years. If you have years in which you received Social Security Disability benefits, the result will be inaccurate.
2. This report may incorporate Social Security's Annual Earnings Test. It does not incorporate the Monthly Earnings Test.
3. This report does not incorporate children's benefits, dependent parent's benefits, or the family maximum calculation.
4. This report assumes that the surviving spouse will begin receiving the higher of his or her own benefit, or the deceased spouse's benefit at the time of the first death. Further, the calculation does not assume election of widow's benefits prior to age 70. As a result, if the date of death for either spouse is prior to the survivor's age 70, the results will be inaccurate.
5. This report does not treat Railroad or Military earnings separately. Workers who have 10+ years of Railroad earnings, or certain military service may experience inaccurate results.
6. We assume "Fully Insured" status. If you have not reached fully insured status for retirement benefits, the results will be inaccurate.

Election options also must be coordinated with your other retirement planning. The contents of this report when judged in the context of your overall financial plan may not be optimal for your circumstances, as it may cause unacceptable trade-offs with your other investment assets. Please seek the advice of your own tax, financial, and legal advisors before implementing any strategies contained in this report.

In this report, life expectancy assumptions may be manually entered, or based on Social Security mortality tables, available at www.ssa.gov/OACT/STATS/table4c6.html. Report contents and calculations provided by Social Security Timing.

Nationwide's Social Security 360 AnalyzerSM is provided for informational purposes only. You should work closely with your financial professional to develop a plan that incorporates your specific objectives. The information provided is based on current laws, which are subject to change at any time. The tool and its reports have not been reviewed or endorsed by any government agency.

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NATIONWIDE RETIREMENT INSTITUTE®

Health care costs in retirement



Nationwide®
is on your side

Your Health Care Cost Assessment

A personalized estimate of retirement health care
costs to help you plan for the future

Personalized Health Care Cost Assessment

Includes Medicare, out-of-pocket, and long-term care expense estimates

Designed for Peter and Susan Franklin

January 1, 2017

Prepared by Jason Daron

Nationwide

10 W. Nationwide Blvd

Columbus, OH 43215

(186) 697-56363

The information collected on the Personalized Health Care Cost Assessment will be kept confidential and used to provide an estimate of a client's potential health care costs in retirement. The estimate is based on a client's specific financial situation and goals, as well as their current overall health condition. The client's financial situation and health conditions may change over time and this may affect their future changes. Please keep in mind that the estimates resulting from this fact finder are for hypothetical purposes only and are not guaranteed.

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Personalized Health Care Cost Assessment

prepared by Jason Daron of Nationwide

Important Information about This Report

Scope of this Report: This report provides a general guideline to help you fund your retirement health care expenses. This report is provided for educational purposes only and you should not rely on it as the primary basis for your insurance, investment, financial, retirement or tax planning decisions.

The following are specific assumptions used in this report:

- No serious health changes.
- Amounts for under age 65 assume 100% member responsibility for private health insurance premiums and other associated medical costs unless otherwise indicated. Amounts for age 65 and older assume coverage by Medicare Part A and include insurance premiums for Medicare Parts B, D, and supplemental insurance, plus additional associated medical costs.
- During retirement, individuals less than age 65 are responsible for paying 100% of health care expenses.
- Health care costs and life expectancy are estimated based on the single most serious health condition provided.

Health care costs exclude coverage for dental, hearing, and vision services

Limitation of this Report: The algorithms used in developing the Personalized Health Care Cost Assessment evaluate an individual's health and create health and financial assumptions for future health and health care needs. The report considers national health standards, health care costs, medical coverage, health care inflation rates, progress in certain areas of medical research, and actuarial data including medical and pharmacy cost models. The estimated average annual out-of-pocket medical expenses were developed in part using typical Commercial Preferred Provider Plans ("PPO") and Medicare plan designs (including pharmacy) for males and females. Neither Nationwide, its affiliates, agents, or representatives have verified or confirmed the accuracy of these guidelines, assumptions or estimated costs. Annual costs are future values as of the year of attained age. Average Annual Costs are the average annual future costs for the stated 5-year period. These are estimated costs, they are hypothetical in nature, and are not guaranteed. Your actual medical costs will likely vary (sometimes significantly) from the estimates in this report. Your current and future decisions and actions should not depend on, or be based solely on, the results generated by this report. It is important that you periodically monitor their retirement income and expense strategy throughout retirement.

The Personalized Health Care Cost Assessment is dependent upon the quality and accuracy of the data furnished by you or unaffiliated third parties, including information about your health status as well as certain assumptions as to future inflation rates and future health care costs.

The accuracy or applicability of the tool's results to your circumstances is not guaranteed. We encourage you to talk to an investment professional about your situation. This tool is not an offer, representation or warranty by Nationwide® or any of its affiliated companies and does not describe any specific products or services they offer. We are not responsible for the consequences of any decisions or actions taken in reliance upon or as a result of the information provided by this tool. Costs of investing have not been taken into consideration. Withdrawals from qualified plans that are taken prior to age 59½ may be subject to a 10% penalty tax.

Federal income tax laws are complex and subject to change. The information in this brochure is based on current interpretations of the law and is not guaranteed. Neither Nationwide nor its representatives give financial, legal or tax advice. Please consult your attorney or tax advisor for answers to specific questions.

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This material should be regarded as educational information on health care only and is not intended to provide specific health care advice. If you have questions regarding your particular situation, please contact your health care, legal or tax advisors. While Financial Advisors may discuss health care costs as part of a client's retirement plan, Financial Advisors may not provide specific advice on health care coverage options.

Personalized Health Care Cost Assessment

prepared by Jason Daron of Nationwide

The High Cost of Health Care

Your health is always important, but did you realize the cost of your health care may be one of your greatest expenses in retirement? Based on your responses to the fact finder, this report provides your estimated annual health care expenses throughout your retirement. These estimated health care costs, calculations and the output in this document are jointly produced by teams of professionals which include physicians and actuaries. Key report components include:

Medical Insurance Premiums — For retirement ages 65 and older, these costs consist of Medicare premiums associated with hospitals, doctors and tests, a prescription drug plan, and a Medicare supplement insurance policy. For retirement ages under 65, this is the cost of private health insurance purchased on an individual basis.

Additional Costs — These costs consist of medical-related expenses besides premiums, such as deductibles, co-payments, and co-insurance associated with hospitalization, doctors and tests, and prescription drugs.

Long-term care — This includes expenses associated with the category of health care services required by individuals who have been certified as chronically ill due to the inability to fully execute activities of daily living or suffering from cognitive impairment; it can be provided by a variety of agencies in outpatient settings as well as on an inpatient basis. The three types of long-term care and respective usage based on claims filed are home health care (51%), assisted living (18%) and nursing home care (31%).¹

Client Facts

	Peter	Susan
Age/Gender:	Male, Age 61	Female, Age 62
Retirement Age:	65	62
Life Expectancy:	88	90
State:	FL	FL
Income Level:	Married Filing Jointly — \$170,000 or less	
Medicare Coverage:	Includes Medicare, out-of-pocket, and long-term care expense estimates	
Need to purchase private health insurance prior to 65:	No	Yes
Current Health		
High blood pressure:	No	No
High cholesterol:	No	No
Type 1 diabetes:	No	No
Type 2 diabetes:	No	No
Cardiovascular disease:	No	No
Cancer:	No	No
Multiple Sclerosis:	No	No
Lifestyle & health history		
Tobacco user:	No	No
Cardiovascular/Diabetes family history:	No	No
Dependency on cane, walker, or wheelchair:	No	No

¹ American Association for Long-term Care Insurance (AALTCI) 2014 Sourcebook.

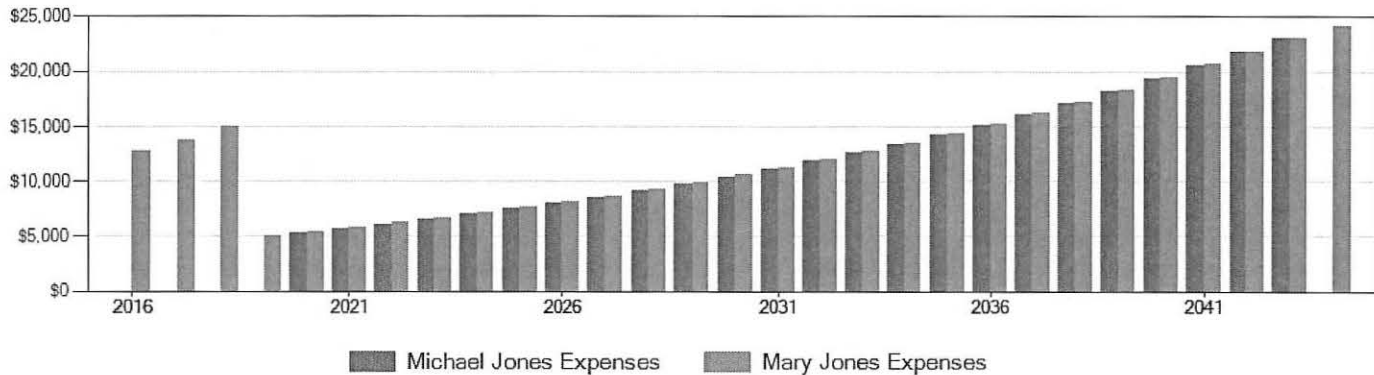
Personalized Health Care Cost Assessment

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Health Care Expenses in Retirement

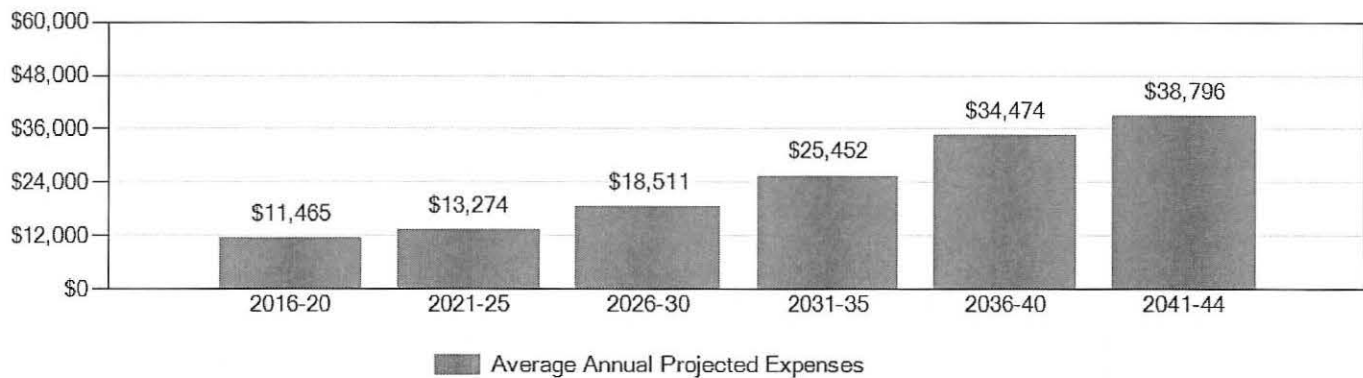
Per Spouse/Partner

The following graph depicts the estimated cost of health care in retirement for *Michael Jones and Mary Jones*.



Average Annual Expenses per 5-Year Period

The following graph shows the *average* estimated annual cost of health care in retirement.



Amounts for under age 65 assume 100% member responsibility for private health insurance premiums and other associated medical costs unless otherwise indicated. Amounts for age 65 and older assume coverage by Medicare Part A and include insurance premiums for Medicare Parts B, D, and supplemental insurance, plus additional associated medical costs.

Personalized Health Care Cost Assessment

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Annual Expense Detail

Assuming retirement in 2016, your average health care expense from that point on is estimated to be \$17,199 a year. Talk to your financial advisor about an accumulation strategy based on your individual situation to reach this goal.

Based on health care planning options, the following table estimates the annual health care expenses you could incur across two categories: premiums and additional costs.

Year	Peter					Susan					Household Total	Total Without Part B
	Age	Private or Part B Premiums	Part D and Supplemental Premiums	Additional Costs	Total	Age	Private or Part B Premiums	Part D and Supplemental Premiums	Additional Costs	Total		
2016	61					62	\$8,606		\$4,137	\$12,743	\$12,743	\$12,743
2017	62					63	\$9,208		\$4,603	\$13,811	\$13,811	\$13,811
2018	63					64	\$9,853		\$5,114	\$14,967	\$14,967	\$14,967
2019	64					65	\$1,613	\$2,873	\$587	\$5,073	\$5,073	\$3,460
2020	65	\$1,702	\$3,013	\$587	\$5,302	66	\$1,702	\$3,118	\$610	\$5,430	\$10,732	\$7,328
2021	66	\$1,800	\$3,270	\$614	\$5,684	67	\$1,800	\$3,380	\$636	\$5,816	\$11,500	\$7,900
2022	67	\$1,926	\$3,545	\$642	\$6,113	68	\$1,926	\$3,657	\$667	\$6,250	\$12,363	\$8,511
2023	68	\$2,032	\$3,835	\$677	\$6,544	69	\$2,032	\$3,954	\$700	\$6,686	\$13,230	\$9,166
2024	69	\$2,144	\$4,147	\$713	\$7,004	70	\$2,144	\$4,268	\$734	\$7,146	\$14,150	\$9,862
2025	70	\$2,262	\$4,475	\$753	\$7,490	71	\$2,262	\$4,603	\$771	\$7,636	\$15,126	\$10,602
2026	71	\$2,386	\$4,828	\$791	\$8,005	72	\$2,386	\$4,958	\$807	\$8,151	\$16,156	\$11,384
2027	72	\$2,517	\$5,200	\$832	\$8,549	73	\$2,517	\$5,349	\$843	\$8,709	\$17,258	\$12,224
2028	73	\$2,656	\$5,610	\$873	\$9,139	74	\$2,656	\$5,765	\$879	\$9,300	\$18,439	\$13,127
2029	74	\$2,802	\$6,046	\$915	\$9,763	75	\$2,802	\$6,207	\$917	\$9,926	\$19,689	\$14,085
2030	75	\$2,956	\$6,510	\$959	\$10,425	76	\$2,956	\$6,677	\$957	\$10,590	\$21,015	\$15,103
2031	76	\$3,118	\$7,004	\$1,005	\$11,127	77	\$3,118	\$7,181	\$998	\$11,297	\$22,424	\$16,188
2032	77	\$3,290	\$7,532	\$1,055	\$11,877	78	\$3,290	\$7,678	\$1,035	\$12,003	\$23,880	\$17,300
2033	78	\$3,471	\$8,053	\$1,096	\$12,620	79	\$3,471	\$8,208	\$1,072	\$12,751	\$25,371	\$18,429
2034	79	\$3,662	\$8,611	\$1,138	\$13,411	80	\$3,662	\$8,771	\$1,110	\$13,543	\$26,954	\$19,630
2035	80	\$3,863	\$9,203	\$1,182	\$14,248	81	\$3,863	\$9,370	\$1,151	\$14,384	\$28,632	\$20,906
2036	81	\$4,076	\$9,833	\$1,230	\$15,139	82	\$4,076	\$10,006	\$1,192	\$15,274	\$30,413	\$22,261
2037	82	\$4,300	\$10,500	\$1,278	\$16,078	83	\$4,300	\$10,709	\$1,227	\$16,236	\$32,314	\$23,714
2038	83	\$4,536	\$11,240	\$1,321	\$17,097	84	\$4,536	\$11,453	\$1,263	\$17,252	\$34,349	\$25,277
2039	84	\$4,786	\$12,021	\$1,365	\$18,172	85	\$4,786	\$12,246	\$1,302	\$18,334	\$36,506	\$26,934
2040	85	\$5,049	\$12,856	\$1,411	\$19,316	86	\$5,049	\$13,085	\$1,340	\$19,474	\$38,790	\$28,692
2041	86	\$5,327	\$13,738	\$1,457	\$20,522	87	\$5,327	\$13,981	\$1,379	\$20,687	\$41,209	\$30,555
2042	87	\$5,620	\$14,681	\$1,507	\$21,808	88	\$5,620	\$14,807	\$1,437	\$21,864	\$43,672	\$32,432
2043	88	\$5,929	\$15,551	\$1,569	\$23,049	89	\$5,929	\$15,614	\$1,487	\$23,030	\$46,079	\$34,221
2044						90	\$6,255	\$16,436	\$1,533	\$24,224	\$24,224	\$17,969
Total		\$82,210	\$191,302	\$24,970	\$298,482		\$117,745	\$214,354	\$40,488	\$372,587	\$671,069	\$498,781
Average*		\$3,425	\$7,971	\$1,040	\$12,437		\$4,060	\$8,244	\$1,396	\$12,848	\$23,140	\$17,199

*Averages are calculated from columns.



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prepared by Jason Daron of Nationwide

The information presented above is hypothetical. The accuracy or applicability of the tool's results to your circumstances is not guaranteed. We encourage you to talk to an investment professional about your situation. This tool is not an offer, representation or warranty by Nationwide or any of its affiliated companies and does not describe any specific products or services they offer. We are not responsible for the consequences of any decisions or actions taken in reliance upon or as a result of the information provided by this tool.

Personalized Health Care Cost Assessment

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Long-term Care Expense Detail

The costs estimated in this section are specifically for the purposes of providing funding for long-term care expenses. Long-term care begins after one demonstrates the inability to perform at least 2 out of 6 Activities of Daily Living (ADLs) - or- has cognitive impairment, which includes such conditions as Dementia and Alzheimer's.

Michael Jones

The following shows long-term care summary and cost information for Michael Jones in FL, metro region State Average. Projected amounts are expressed as future dollars.

Should you need long-term care, it is projected to begin around age 85 in 2040.

	Home Health Care	Assisted Living Facility	Nursing Home Care
Annual Cost Today	\$27,749	\$39,758	\$92,316
Projected Inflation Rate*	2.0%	4.0%	3.0%
Projected Annual Cost at Claim	\$44,633	\$101,913	\$187,660

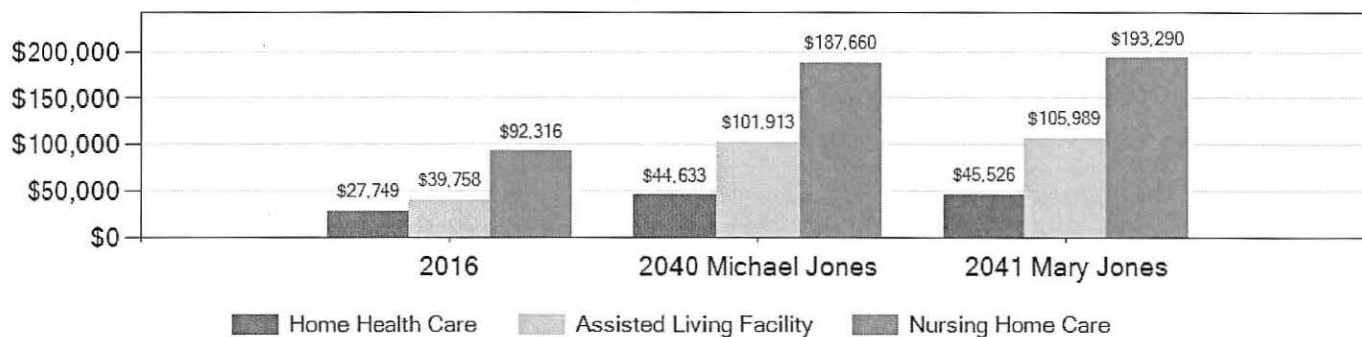
Mary Jones

The following shows long-term care summary and cost information for Mary Jones in FL, metro region State Average. Projected amounts are expressed as future dollars.

Should you need long-term care, it is projected to begin around age 87 in 2041.

	Home Health Care	Assisted Living Facility	Nursing Home Care
Annual Cost Today	\$27,749	\$39,758	\$92,316
Projected Inflation Rate*	2.0%	4.0%	3.0%
Projected Annual Cost at Claim	\$45,526	\$105,989	\$193,290

Annual Long-term Care Costs*



* The inflation rates assumed in this report are based on publicly available cost of care surveys from 2007 to 2012. Actual experience will be different from the average. The actual future inflation rates will be different from historical rates. The assumed inflation rates continue to be reviewed as data becomes available. The lowest and highest observations in the historical data do not represent the minimum or maximum possible future inflation rates. Future inflation may be higher or lower.

Personalized Health Care Cost Assessment

prepared by Jason Daron of Nationwide

You've taken the first step. What's next?

Work with your financial advisor to put a plan in place to help you cover these estimated costs.

Terms & Definitions

Activities of Daily Living (ADLs) — Everyday functions and activities individuals usually do without help. ADL functions include bathing, continence, dressing, eating, toileting and transferring.

Assisted Living Facility — A residential living arrangement that provides individualized personal care and health services for people who require assistance with activities of daily living. The types and sizes of facilities vary; they can range from a small home to a large apartment-style complex. They also vary in the levels of care and services that can be provided. Assisted living facilities offer a way to keep a relatively independent lifestyle for people who don't need the level of care provided by nursing homes.

Cancer — Also called malignancy, is characterized by an abnormal growth of cells. There are more than 100 types of cancer, including breast cancer, skin cancer, lung cancer, colon cancer, prostate cancer, and lymphoma. Cancer symptoms vary widely based on the type of cancer.

Cardiovascular Disease — Disease affecting the heart or blood vessels. Some conditions that fall under the umbrella of cardiovascular disease are aneurysm, angina, arrhythmia, cardiomyopathy, congenital cardiovascular defects, congenital heart disease, congestive heart failure, heart attack, diseases of pulmonary circulation, endocarditis, rheumatic fever, stroke, heart valve disease, diseases of the circulatory system.

Chronic Illness — A chronically ill individual is a person who has been certified by a licensed health care practitioner as being unable to perform, without assistance, at least two activities of daily living (ADLs) for at least 90 days - or - has been certified to have cognitive impairment.

Cognitive Impairment — Requires substantial supervision due to a deficiency in a person's short- or long-term memory; orientation as to person, place and time; deductive or abstract reasoning; or judgment as it relates to safety awareness.

Dependency on cane, walker, or wheelchair — A disability of physical function that requires dependency on devices such as a wheelchair, cane, crutches or walker to maintain mobility.

High Blood Pressure — (Hypertension) Blood pressure readings are measured in millimeters of mercury (mmHg) and usually given as two numbers — for example, 120 over 80 (written as 120/80 mmHg). One or both of these numbers can be too high. The top number is your systolic pressure. It is considered high if it is over 140 most of the time. It is considered normal if it is below 120 most of the time. The bottom number is your diastolic pressure. It is considered high if it is over 90 most of the time. It is considered normal if it is below 80 most of the time.

High Cholesterol — is the presence of high levels of cholesterol in the blood. It is not a disease but a metabolic derangement that can be secondary to many diseases and can contribute to many forms of disease, most notably cardiovascular disease. Primarily caused by diet and family history high cholesterol is defined as a measurement greater than 200 mg/dL. LDL cholesterol levels greater than 130 mg/dL and HDL cholesterol levels less than 60 mg/dL are considered high.

Home Health Care — Services for nursing care or occupational, physical, respiratory or speech therapy. Also included are medical, social worker, home health aide, and homemaker services.

Life Expectancy — The age which is calculated either actuarially or manually to estimate medical costs to.

Medicare — A federal system of health insurance for people over 65 years of age and for certain younger people with disabilities.

Personalized Health Care Cost Assessment

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Medicare Part A — Hospital insurance that helps cover inpatient care in hospitals, skilled nursing facility, hospice, and home health care.

Medicare Part B — Helps cover medically necessary services like doctors' services, outpatient care, home health services, and other medical services.

Medicare Supplemental Insurance (MediGap) — Medicare Supplemental Insurance policies fill in the gaps that Medicare Parts A & B do not cover. This report assumes premiums for MediGap Plan F and uses the average cost for this plan in the subscriber's state of residence.

Medicare Part D — Prescription drug coverage that is purchased through private insurance companies.

Medicare Premium — The amount of money a person pays to cover Medicare B, D, and C (MediGap).

Multiple Sclerosis — Multiple sclerosis is a nerve disorder that occurs when the insulating layer surrounding neurons in the brain and spinal cord are destroyed. The disease is a chronic autoimmune disorder that affects the movements, sensations, as well as body functions. Myelin, a part of the brain, helps in passing electrical signals between the brain and the other parts of the body. Thus when this part is destroyed the brain functioning is less efficient.

Nursing Home — A licensed facility that provides general nursing care to those who are chronically ill or unable to take care of daily living needs. May also be referred to as a Long-Term Care Facility.

Premium — The amount of money needed to pay for insurance coverage. Before age 65 this would reflect a payment to a COBRA policy or an Insurance company. After age 65 the Medicare premiums would be reflected.

Retirement Age — The age at which each person plans to retire.

Skilled Care — Daily nursing and rehabilitative care that can be performed only by, or under the supervision of, skilled medical personnel. This care is usually needed 24 hours a day, must be ordered by a physician, and must follow a plan of care. Individuals usually get skilled care in a nursing home but may also receive it in other places.

Type 1 Diabetes — aka juvenile diabetes or insulin-dependent diabetes which is a chronic condition in which the pancreas produces little or no insulin, a hormone needed to allow sugar (glucose) to enter cells to produce energy. Various factors may contribute to type 1 diabetes, including genetics and exposure to certain viruses. Although type 1 diabetes typically appears during adolescence, it can develop at any age.

Type 2 Diabetes — (formerly called non-insulin dependent diabetes mellitus (NIDDM), or adult-onset diabetes) is a disorder that is characterized by high blood glucose in the context of insulin resistance and relative insulin deficiency.



Personalized Health Care Cost Assessment

prepared by Jason Daron of Nationwide

Your privacy is important to us.

You may be concerned about sharing your personal health information with us. You can be assured we take your need for privacy very seriously.

When you complete the fact finder for the Personalized Health Care Cost Assessment, your personal health information will be kept confidential and will only be used to determine your health care cost estimate. Most importantly, you can feel confident that all personal information you share with us will be treated with the utmost respect for your privacy and need for confidentiality.

- We will not share your personal data with Nationwide affiliates or third-party vendors for any purpose, including for marketing additional products or services.
- We use physical and technical safeguards to protect personal information.
- Access to personal information is limited to those with a business-need to know.
- We comply with all data security laws.

Finally, all information shared with us is subject to the Nationwide corporate privacy policy. You can learn more about this policy online at nationwide.com/privacy-security.jsp.

Thank you for the trust you have placed in Nationwide.

NFM-11099M1.8 (03/16)

This report helps you understand if you are on track for retirement and gives actions for potential improvement. The estimates are based upon the information you entered and can be further personalized by using the My Interactive Retirement Planner.

Your retirement readiness is on track



	You're on track to receive:	What you may actually need:
	Surplus \$21/mo \$264/yr	
Projected Income \$10,213/mo; \$122,556/yr <i>Based on an Investment total of \$1,227, a monthly Social Security amount of \$2,265 and a monthly pension amount of \$8,902</i>	<div><div>\$10,213/mo \$122,556/yr</div><div>Projected Income</div></div>	Desired Income \$10,191/mo; \$122,292/yr <i>Based on 85% of your pre-retirement household income (\$90,000)</i> <div><div>\$10,191/mo \$122,292/yr</div><div>Desired Income</div></div>

The comprehensive view of your assets is dependent upon the accuracy of your inputs. Use My Interactive Retirement PlannerSM from your account overview to edit information. Calculations are based on information provided and assumptions.

Contributions modeled by account

457- ENTITY OF NATIONWIDE \$0/pay

Contribution amount(s) shown here reflect the hypothetical amounts you selected with My Interactive Retirement Planner. Actual contribution amount(s) may vary.

Take action

Maintain your momentum

A contribution increase may prevent a future income gap.

[Increase my contribution](#)

MY INFORMATION

Age: 45 **Salary:** \$90,000
Retirement Start Age: 66

Pay Frequency: Biweekly
Years in Retirement: 24

Average Annual Salary Increase: 2.5%

MY INVESTMENTS

Accounts included

457- ENTITY OF NATIONWIDE	
Balance	\$1,227
Ongoing Contributions	\$0/pay
Total Balance Included	\$1,227
Assumed Average Rate of Return Before Retirement: 6%	
Assumed Average Rate of Return After Retirement: 4%	

Investments

\$1,227 total

MY SOCIAL SECURITY

\$2,265/mo

The social security information listed below is based on an estimation.

Benefits begin at age: 65

Total Social Security: \$2,265/mo

MY PENSION

\$8,902/mo

The pension information listed below is based on an estimation.

State: Pennsylvania

Plan/Tier: Philadelphia Board of Pensions
and Retirement - Plan A - Fire - 10 yr.
vesting

Benefits begin at age: 60

Currently working full time: 100%

Annual cost of living adjustment: 1%

Years of service upon retirement: 40

Total Pension: \$8,902/mo

DESIRED INCOME

Calculated to replace 85% of your pre-retirement income.

\$10,191/mo

PROJECTED INCOME

How much you're on track to receive during retirement.

\$10,213/mo

SURPLUS

The difference between your desired income and projected income.

\$21/mo

If you want to update any of the numbers listed, you can do so within the My Interactive Retirement Planner. In Step 4, you can regenerate this report.

Disclosure

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition, or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

While taking all reasonable measures to protect the security of information, we assume no responsibility for the consequences of any decisions or actions taken in reliance upon, or as a result of, the information provided to or by this tool. **My Interactive Retirement PlannerSM** provides a hypothetical compounding example that is for informational purposes and is not intended to predict or project investment results of any specific investment. **The potential accuracy of the estimated retirement income is contingent upon the accuracy of the information you provide.** Investment return will vary depending upon your investment selection, market experience and existing economic conditions. Assumptions do not include fees and expenses. If fees were reflected returns would be lower. While using this tool, you may choose to submit personal and financial information. This information will be used to calculate your projected monthly retirement income, and may potentially be used for the purpose of marketing and/or sale of other Nationwide[®] products. We will not intentionally sell, share or distribute your personal information to third parties, except as required by law.

Investing involves market risk, including the possible loss of principal. There is no guarantee investment objectives will be achieved.

My Interactive Retirement PlannerSM Methodology & Assumptions

Important: Participants are encouraged to speak with qualified professionals to learn more about their specific goals and savings needs.

My Interactive Retirement Planner (MIRP) allows participants to enter current and ongoing financial information and projected rates of return for the purpose of hypothetically projecting monthly retirement income and defining a retirement income goal against which to measure progress.

Default Projected Income Calculation

Basic participant account information and various default data assumptions are combined to establish a pre-MIRP projected retirement income. These include:

Participant information can include*:	Default data includes:
<ul style="list-style-type: none">• Combined account balances minus any defaulted loan amounts• Pension estimation• Social Security estimation• Date of birth• Contribution amount• Paycheck frequency	<ul style="list-style-type: none">• Desired retirement age of 60• 30 years in retirement• A minimum of 10 years in retirement, regardless of age• 6% assumed average rate of return before retirement• 4% assumed average rate of return after retirement• 3% annual inflation

*Some of the information above may or may not include certain estimates.

MIRP allows for personalization of most default data points. Changes are archived and retrieved upon reentry.

*Not eligible for personalization.

Personalized Projected Income Calculation

As additional and/or updated information is included, a robust and personalized projected monthly retirement income is provided. Any updates made to the default data will be archived and reflected in the projected and desired income amounts.

The personalized projected income is calculated by projecting the total retirement assets value at retirement. Then, numerous future and present value calculations are brought together to determine the total income needs at the start of retirement and for every month during retirement. Streams of income with varying start dates are incorporated to estimate projected monthly retirement income. When compared to the desired monthly retirement income, a gap or surplus is presented.

Important: MIRP provides a detailed target income gap analysis based on user provided data points & account information. This level of granular detail provides a more robust, personalized experience versus other tools that may offer basic retirement income calculations. As a result, final calculations and assumptions may differ between MIRP and other retirement income calculation tools.

General

Annual Salary & Annual Salary Increase

Combined (participant and spouse) annual salary is used to project desired income needs in retirement. MIRP assumes that annual salary will increase at an average annual rate of 2.5%, which can be adjusted by the participant.

Pre-tax Contributions

For the purpose of this projection all hypothetical illustrations are assumed to be pretax. For answers to specific questions, please consult your personal financial or tax advisor.

Rate of Return

Hypothetical rates of return before and after retirement apply only to investment options – both retirement plan and outside investments. Rates of return do not apply to other potential sources of income, including pension and Social Security. Rates of return are not guaranteed. Investing involves market risk, including the possible loss of principal.

MIRP defaults before retirement rate of return to 6% and after retirement rate of return to 4%. Participants may adjust the rate of return from -12% to 10%.

Inflation

MIRP assumes average annual inflation of 3%.

Retirement Age & Years in Retirement

Retirement Age is the age at which distributions from your retirement account are assumed to begin. MIRP defaults to a retirement age of 60, which can be adjusted by the participant.

Years in Retirement is the number of years projected to be spent in retirement and taking distributions. Years in retirement is defaulted to 30 years, but can be adjusted by the participant.

Participant and spouse are assumed to share a retirement end date.

Today's Dollars & Retirement Dollars

Today's Dollars represents projected retirement income and desired retirement income based on the Future Dollar amount with respect to the average annual inflation rate from the selected retirement date until now. **Retirement Dollars** represents projected income, and income needs at retirement. MIRP defaults desired and projected income amounts to retirement dollars.

Required Minimum Distributions (RMD)

In retirement the IRS generally requires participants to take required minimum distribution (RMD) payouts from the account by April 1 in the year after you turn 70½. MIRP does not account for RMDs when calculating projected income in retirement. RMDs may affect the amount of retirement income participants will, or be required to, withdraw.

Projected Retirement Income & Desired Income

MIRP assumes the hypothetical total account balance to be the balance of the retirement plan accounts and other financial assets at the retirement date, taking into account ongoing investment amount(s) and growth at the assumed rates of return.

Numerous future and present value calculations account for total income needs at the start of retirement. Streams of income with varying start dates are incorporated to provide projected retirement income. When compared to the desired income, a gap or surplus is presented.

Desired income (retirement spending goal) is calculated based on your current annual income and the impact of your annual salary increase, if applicable, until your chosen retirement age. A default desired income of 85% is initially used and can be updated at any time.

The retirement readiness indicator displayed in the graph is determined by dividing the projected income by the desired income.

Other Assets

Hypothetical illustrations are contingent upon the accuracy of the information you provide and maintain over time. Financial assets are assumed to grow based on current account balance, ongoing investment amount(s) and rate(s) of return.

IRS Contribution Limits

MIRP does not restrict users from modeling hypothetical contribution changes that may exceed IRS contribution limits. These limits still apply per IRS rules. However, MIRP does not apply IRS contribution limit restrictions to nonplan assets.

Contributions

Contribution Amounts & Pay Frequency

To calculate monthly retirement income, MIRP uses pay frequency on file. If no pay frequency is on file, biweekly is assumed. For the purpose of hypothetical contribution amount modeling, MIRP uses the pay frequency of the first retirement account on file.

Employer Match

MIRP uses user defined employer match information to calculate total ongoing contributions.

'Retirement Outlook' Graph & Contribution Recommendation

If applicable, the income gap is based on the difference between desired and projected retirement income. The contribution amount needed to potentially fill the gap is based on the pay frequency file identified on the personal information page.

Pension

Income

Projected annual pension benefit estimation includes factors such as:

Years of service

Compensation

Pension factor determined by the plan

This is only an estimate - provided by Still River Retirement Planning Software, Inc. Results may vary depending on unanticipated exceptions in the plan, recent retirement plan changes, differing methods for rounding ages or years of service or by future events, such as salary increases, early or delayed retirement, changes in plan structure, etc.

As retirement approaches, you're encouraged to request official pension estimates from your retirement plan administrator. The estimates provided here should not be considered fully accurate projections of future benefits.

COLA

If applicable, projected pension income assumes an annual, participant-defined cost of living adjustment beginning following the pension benefits commencement age. MIRP accepts values between 1% and 10%. If nothing is entered, 0% is assumed.

Social Security

Income

Estimates provided by Social Security Timing are provided without express or implied warranties and do not account for the full complexity of Social Security related rules. Please consult the Social Security Administration for more accurate benefit estimates.

This estimate was calculated by projecting your current salary back to age 23, reducing it annually by the greater of: 1) the average wage index for that year or 2) the cap on Social Security taxable earnings. In addition a "relative growth factor" is used to adjust earnings based on the average national earnings. For example, most people begin their working careers at a lower wage, with relatively few skills then find their wage increasing with additional skills. And salary growth slows closer to retirement age.

Your salary is also projected forward to your stop work age, using inflation. This hypothetical earnings record is used to project your Primary Insurance Amount (PIA), which projects potential benefit amounts at each whole year age. Potential spousal benefits are also calculated from the estimated PIA. Benefit amounts displayed are the greater of the retirement benefit or the spousal benefit.

If applicable, projected retirement income includes participant-defined Social Security income, pay frequency and age at which payouts would begin. If an annual Social Security amount is entered, the total is divided by 12 to project monthly income amount.

COLA/CPI

If applicable, projected retirement income includes the Social Security Administration defined cost of living adjustment for each tax year. The SSA COLA is based on increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPIW). CPIWs are calculated on a monthly basis by the Bureau of Labor Statistics.

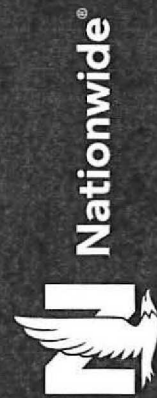
Non-factors

The following are not factored into projected retirement income. If any of the following were included, projected income may decrease.

Healthcare Expenses
Insurance Needs
Tax Payments
Unforeseen Expenses

¹Latest Cost-of-Living Adjustment, <http://www.ssa.gov/oact/cola/latestCOLA.html>. Accessed 06/02/2014.

NRW-4797AO



This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

Investing involves market risk, including possible loss of principal. No investment strategy can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience.

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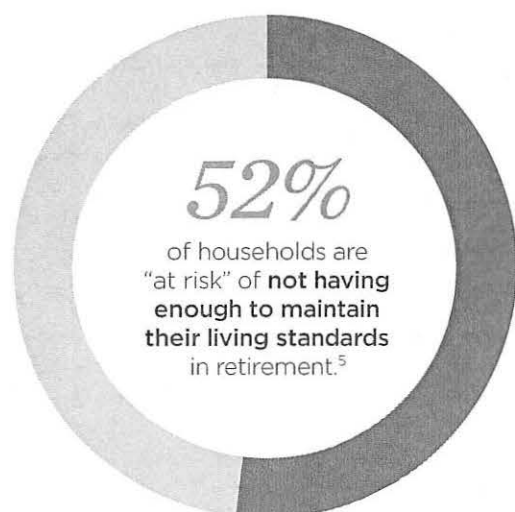
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Retirement *realities*

03

RETIREMENT *realities*

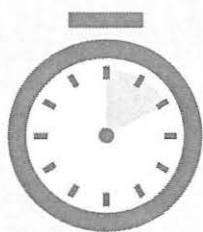


\$245,000

Amount a 65-year-old couple
can expect in **total out-of-**
pocket health care expenses
through retirement.⁶

90

Age that an estimated
one-in-four 65-year-olds today
will reach. One-in-ten are
expected to live past 95.⁷



10 minutes

Time it takes to get to get an idea of your current retirement
readiness using **My Interactive Retirement PlannerSM**,
available on the home page of your Plan website.

⁵National Retirement Risk Index, Center for Retirement Research at Boston College (September 2016).

⁶Health Care Costs for Couples in Retirement Rise to an Estimated \$245,000, Retirement Health Care Cost Estimate, Fidelity Investments (October 2015). Estimate based on a hypothetical couple retiring in 2015, 65-years-old, with average life expectancies of 85 for a male and 87 for a female.

⁷Data compiled by the Social Security Administration (accessed October 2016). Average life expectancy for a male is 85 years; for a female, 87.

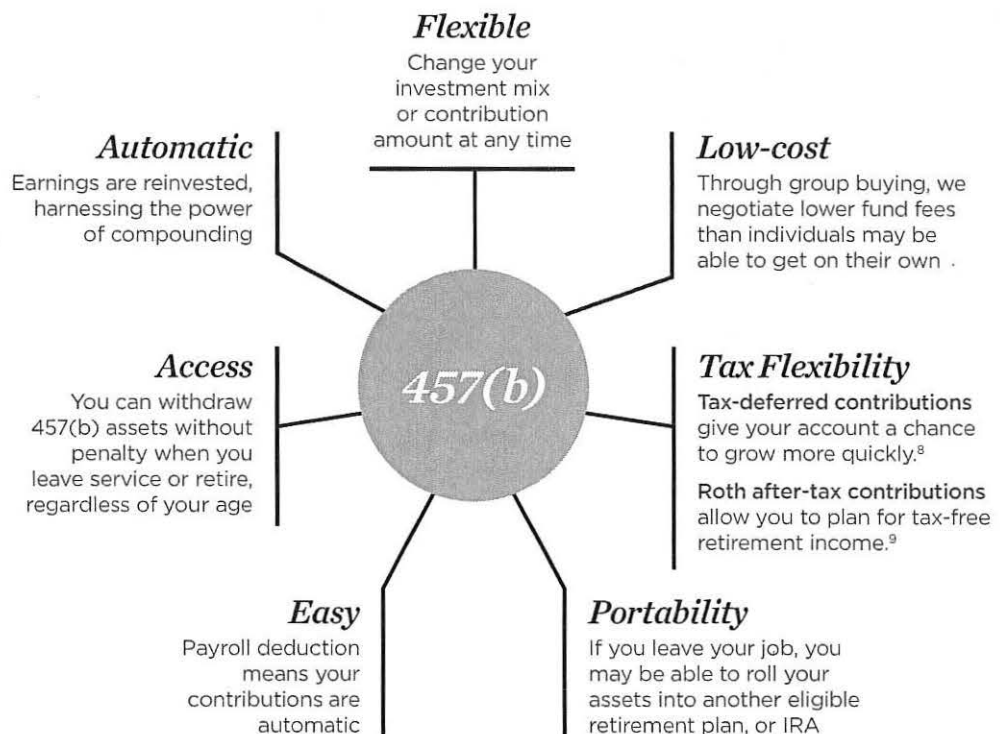
What is *deferred compensation*?

04

Sometimes, less is more. Retirement is not one of those times.

Your pension and any Social Security benefits may not provide the income you may need *through* retirement. That's why your employer sponsors a governmental 457(b) deferred compensation retirement plan — a tax-advantaged long-term investment savings plan created specifically for public employees like you.

Why you should participate in your plan:



TIP: Get to know My Interactive Retirement PlannerSM, a powerful resource available on your Plan website. Within 10 minutes, you will understand why enrolling in your employer's 457(b) deferred compensation plan is so important.

⁸Under current tax law, you would pay ordinary income taxes when you take withdrawals.

⁹After-tax contributions would be tax-free as long as you're at least 50% and do not take withdrawals from your designated Roth account.



The earlier you start saving, the less it may cost per pay period to reach your goal.

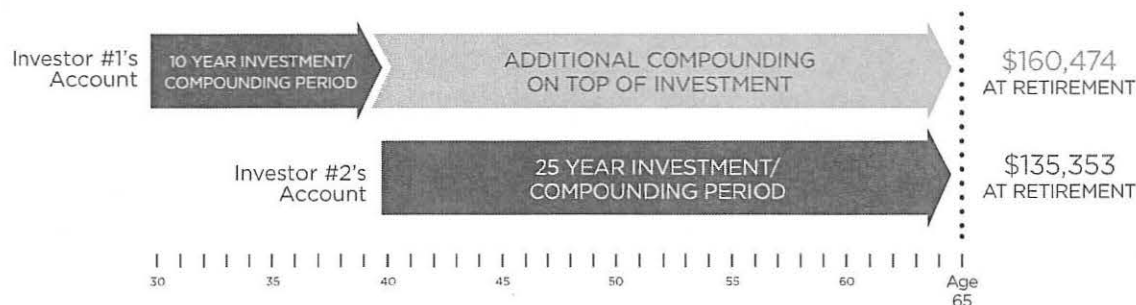
That's because your biweekly contributions and any earnings get continually reinvested. This process, called compounding, uses time to help your money make money for you. Like all investing strategies, compounding is not guaranteed to provide enough money through retirement. But it can be a powerful engine for potential asset growth, especially through long-term savings programs such as a 457(b) deferred compensation plan.

The snowball effect of compounding

In the example below, Investor #1 invests \$2,000 per year beginning at age 30 and then stops investing after 10 years (\$20,000 total contribution). Although she's no longer contributing to the account, she leaves her money in the account to grow for an additional 25 years.

Investor #2 procrastinates and doesn't start investing until age 40. He contributes \$2,000 per year for a total of 25 years up until the day he retires (\$50,000 total contribution).

Although Investor #1 invested \$30,000 less than Investor #2, she ended up with a much higher account balance at retirement. That's because she gave her money 10 more years to grow.



Get to know *investing*

06

The language of investing.

The core investment options in your employer's deferred compensation retirement plan are mutual funds, a mix of investments that may include stocks, bonds and/or capital preservations. Each fund is managed by a professional money manager and has a stated objective or investment style.

1 **International stock funds** invest primarily outside of the United States, which involves risks not associated with investing primarily in the U.S., such as currency fluctuation, political instability, foreign regulations, differences in accounting and limited availability of information.

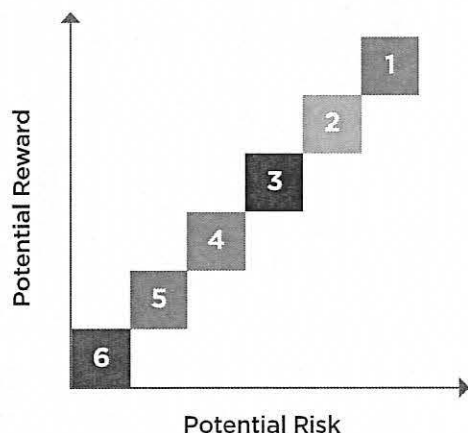
2 **Small-cap stock funds** refer to mutual funds that invest primarily in companies with **market values under \$2 billion**. These funds may have less liquidity, may be subject to greater price volatility and may involve greater market risk than the overall market.

3 **Mid-cap stock funds** refer to mutual funds that invest primarily in companies with **market values between \$2 and \$10 billion**. These funds may have less liquidity, may be subject to greater price volatility and may involve greater market risk than the overall market.

4 **Large-cap stock funds** refer to mutual funds that invest primarily in companies with **market values greater than \$10 billion**. These funds can be appropriate for investors who have longer-term investment timelines, or looking for stability as they enroll in the retirement plan.

5 **Bond funds** refer to mutual funds that invest primarily in bonds. These funds have the same interest rate, inflation and credit risks associated with the underlying bonds owned by the fund. These funds may be categorized by the types of bonds the manager invests in.

6 **Capital preservation funds** refer to mutual funds that invest primarily in options that can be turned into cash relatively easily. Returns may not keep pace with inflation, and may produce a negative rate of return when fund expenses are factored in.



Every investment has a risk level associated with it. That risk level also corresponds with the likelihood of a reward. Use the chart below to better understand the components of mutual funds available through your deferred compensation retirement plan. The higher the risk, the greater the potential for growth, but at a higher risk of losing value. The lower the risk, the less the potential for return, but at a lower risk of losing value.

Investing involves market risk, including possible loss of principal. No investment strategy can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience.



Find your comfort zone.

Depending on your age, risk tolerance, investing experience and personal preference, you may consider one of these investment options a good fit for you.



Help me do it

Consider investing in an asset allocation fund geared either to your tolerance for market risk or to the year in which you plan to retire. If you decide this is the approach you prefer, you should select one asset allocation fund and only that fund for your retirement account. The fund manager will provide diversified asset allocation appropriate to the designated level of risk or the target date for retirement.



Do it myself

You can create your own mix of investments from the options available through your Plan's funds menu, and then manage and regularly rebalance your account on your own.



Do it for me

If your employer offers this service, you may enroll in a managed account service. Then, for a small annual fee, a professional investment management firm will select the funds for your retirement plan account and manage your asset allocation for you. Even with professional management, there is no guarantee that your investment objectives will be met.

Please remember there is no assurance that the investment objective of any fund (or that of any underlying fund) will be achieved, nor that a diversified portfolio will produce better results than a nondiversified portfolio. Asset allocation and diversification do not guarantee returns or insulate an investor from potential losses, including the possible loss of principal.


Target date funds typically invest in underlying funds to reach their investment objectives. Therefore, in addition to the expenses of the target date funds, an investor indirectly pays a proportionate share of the applicable costs and expenses of the underlying funds. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. It's important to remember that these funds are designed to provide a profit and growth over a long-term period. A target date fund's performance

Finding your *investment strategy*

08

Choose convenience. Consider an asset allocation fund or target date fund.

How you split up the money you invest may be the most important decision you make for your retirement account. Asset allocation funds or target date funds can help make that decision easier for you. Whether you select a fund based on your tolerance for investment market risk or on the year you plan to retire, you should select one — and only one — of these funds for all assets in your retirement account.

Features and Benefits	 Help me do it	
	Asset Allocation Fund	Target-Date Fund
Simplifies investment decisions by allowing participant to select one fund based on goals and needs	✓	✓
Provides asset diversification by investing in a broad variety of asset classes in a single fund	✓	✓
Attempts to maximize return at a risk level that is comfortable for you	✓	✓
Manages investment mix to maintain the level of market volatility and risk described by the fund's name	✓	
Manages investment mix to become gradually more conservative as the retirement date described by the fund's name approaches		✓
Potentially lowers overall cost by having some underlying assets in lower-cost index funds	✓	✓

Because asset allocation and target-date funds invest in other funds, investors pay a proportionate share of the costs and expenses of those funds. However, you can feel more confident about your investment decision because — in addition to the features and benefits above — the manager of the fund you select continually monitors the underlying funds and their managers.

Please remember there is no assurance that the investment objective of any fund (or that of any underlying fund) will be achieved, nor that a diversified portfolio will produce better results than a nondiversified portfolio. Asset allocation and diversification do not guarantee returns or insulate an investor from potential losses, including the possible loss of principal.

Target date funds typically use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. It's important to remember that no strategy can assure a profit or prevent a loss in a declining market. A target date fund's principal value is not guaranteed at any

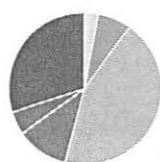


To do it yourself, know your investing style

There's more than one way to get to retirement. Your primary goal might be to keep your risk low or maybe you just want to maximize possible reward. Maybe you're concerned with how much time you have to save before you retire. That's why it's important to identify a personal investing style that can help you reach your specific goals.

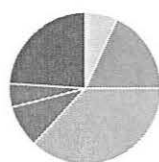
Take a look at the profiles below to see what fund mix might make sense for your portfolio. All the fund types are color-coded according to the previous Risk vs. Reward chart so you can see how risk and reward relate to aggressive, moderate and conservative profiles. For example: the Aggressive profile has more international funds, the Conservative profile has more bonds, and the other three profiles fall somewhere in between. You'll also see how time factors into things in the descriptions below the chart.*

	Aggressive	Moderately Aggressive	Moderate	Moderately Conservative	Conservative
International	30%	24%	19%	14%	9%
Small-cap	5%	5%	4%	2%	1%
Mid-cap	11%	9%	7%	6%	4%
Large-cap	44%	37%	30%	23%	16%
Bonds	7%	18%	28%	38%	40%
Short-term Investments	3%	7%	12%	17%	30%



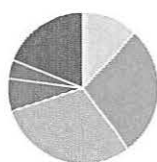
Aggressive

Appropriate for an investor with both a high tolerance for risk and a long time horizon.



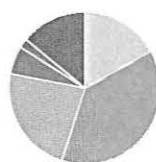
Moderately Aggressive

Designed for an investor with a high tolerance for risk and a longer time horizon.



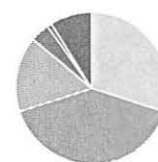
Moderate

Best suits an investor who seeks relatively stable growth and a low level of income.



Moderately Conservative

Appropriate for an investor who seeks both modest investment value increases and income from his/her portfolio.



Conservative

Designed for an investor with a low risk tolerance and/or a short time horizon.

* Asset allocation models provided by Nationwide Asset Management, LLC.

Choose confidence. Choose professional account management.

You can be more confident about reaching your retirement goals when you have **Nationwide ProAccount®** making the investment decisions for you. Nationwide ProAccount is your Plan's managed account service. When you enroll, you complete a Risk Tolerance Questionnaire that tells us about you and your personal tolerance for risk, and use that information to provide professional management of your investments.



Do it for me

What you get with Nationwide ProAccount:

- Experienced investment manager with the time and knowledge to make informed investment decisions for the portfolios
- Investment management based on your age and risk tolerance
- Periodic adjustments as market conditions change
- Oversight by Nationwide Investment Advisors, LLC (NIA)
- Ongoing support and communications

*Ask your Retirement Specialist
for more information about
Nationwide ProAccount.*

Is Nationwide ProAccount right for you?

If you answer Yes to any of the following questions, then ProAccount may be a good choice.

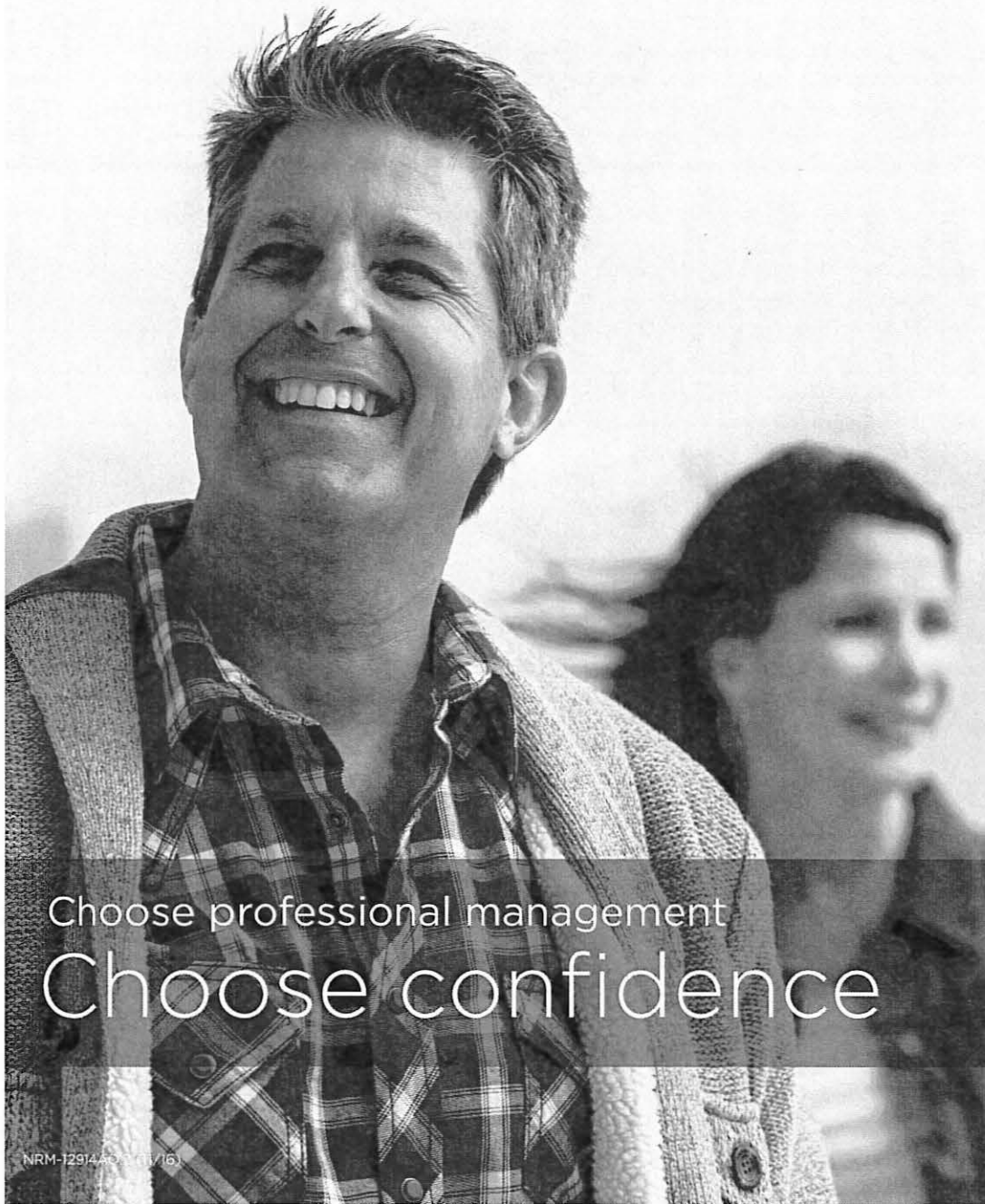
- ☐ Do you sometimes find yourself overwhelmed by choosing investments and maybe even a little intimidated by the process?
- ☐ Would you feel more confident knowing that a respected investment management firm was managing your portfolio?
- ☐ Would it give you more confidence to know that professionals are making adjustments to your portfolio as needed to keep it in line with your objectives?

There is an annual fee for Nationwide ProAccount. The fee is listed in the Participant Agreement and is calculated daily, based on the market value of your assets, and deducted from your account at the end of each quarter. If you change your mind, you don't have to pay a fee to cancel the service.



Take advantage of your Plan.

Go to the Plan website, and create a Username and Password. Then, you can access your account and the Plan's resources anytime, anywhere from any device. You'll find a wealth of knowledge in our Learning Center as well as a page full of interactive tools to help you decide how to participate in your Plan.



Feel more confident about how your retirement account is invested.

Nationwide ProAccount® is a managed account service designed to help you feel more confident about investing for retirement.

Nationwide ProAccount offers:

- Professional investment management to research, select and monitor portfolios
- Personalized asset allocation based on your age and personal tolerance for risk
- Periodic adjustments to your account as market conditions change

Choose professional management
Choose confidence

Nationwide
ProAccount



Contact your Nationwide Retirement Specialist:
Will Angus
(817) 371-1870
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This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

No investment strategy or program, including participation in Nationwide ProAccount, can guarantee a profit or avoid loss. Nationwide Investment Advisors, LLC (NIA) provides investment advice to plan participants enrolled in Nationwide ProAccount. NIA is an SEC-registered investment adviser.

NIA has retained Wilshire® as an Independent Financial Expert for Nationwide ProAccount. Wilshire provides investment allocation portfolios based on participant ages and their personal tolerance for investment risk.

NIA assesses participants an asset-based fee for the managed account services.

Retirement products are offered by Nationwide Trust Company, FSB, a unit of Nationwide Bank®, or Nationwide Life Insurance Company.

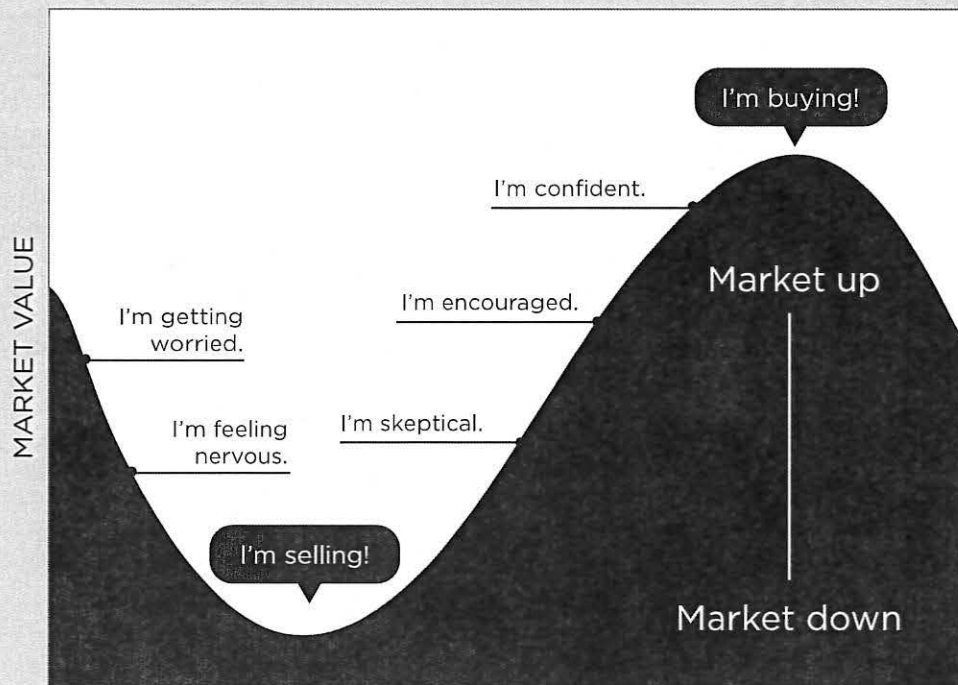
Wilshire is a registered service mark of Wilshire Associates, which is not an affiliate of Nationwide or NIA.

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Nationwide®

Avoid common emotional ups and downs



NRM-5141M1.5 (05/15)

Investing involves risk, including possible loss of principal. Information provided by Retirement Specialists is for educational purposes only and not intended as investment advice.

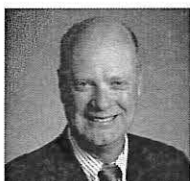
Think long-term when investing.

Three tips to deal with market turmoil:

- 1 A good strategy is a good strategy regardless of market conditions. Stick with it.
- 2 You're in for the long-term. Don't make emotional decisions. Instead, focus on your long-term goals.
- 3 Talk with your local plan rep. They can provide you with educational information about long-term investing.

Retirement Readiness Workshop

December 1, 2018 - 1:00pm - Town Hall



Contact your Nationwide Retirement Specialist:
Will Angus
(817) 371-1870
angusw1@nationwide.com

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The Nationwide Group Retirement Series includes unregistered group fixed and variable annuities and trust programs. The unregistered group fixed and variable annuities are issued by Nationwide Life Insurance Company. Trust programs and trust services are offered by Nationwide Trust Company, FSB, a division of Nationwide Bank. Nationwide Investment Services Corporation, member FINRA. Nationwide Mutual Insurance Company and Affiliated Companies, Home Office: Columbus, OH 43215-2220.

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Nationwide®

Dallas County, TX

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Financial Strength

As a mutual company, the quarterly earnings pressures of publicly held companies don't sway us. Our diversified corporate portfolio allows us to navigate all manner of economic ups and downs — and positions us well to avoid being overly exposed to any single business or risk. Further evidence of our financial stability can be found in our A+ "Superior" rating by A.M. Best, A1 "Good" rating by Moody's, and A+ "Strong" rating by Standard & Poor's.

Holistic Approach

We think differently about retirement, taking an integrated approach to all retirement accounts including the Dallas County, TX (the County) 457(b) Plan, Social Security and pension benefits. We engage participants in the ways that are most convenient for them — in person, over the phone, or on the web. Our industry-leading Retirement Readiness Report shows participants their potential retirement income, including their pension benefits and Social Security, all in one place. And our award-winning technology and local Retirement Specialists help make sure your employees are ready for retirement.

Your Service Team

Our local and home-based service model is dedicated to engaging you and your employees and to providing a remarkable retirement plan experience:



Greg Russell, Program Director
russeg4@nationwide.com
(470) 216-6872

Greg will continue to serve as the County's Program Director. He oversees the local service of Nationwide's public-sector retirement plans throughout Texas and provides management of the on-site education services provided by the local Retirement Specialist teams.



Will Angus, Retirement Specialist
angusw1@nationwide.com
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Wilson will continue to provide on-site education and outreach for all participants through educational presentations and one-on-one consultations. He is dedicated to educating employees on the importance of their deferred compensation accounts and helping them achieve better income outcomes in retirement. Wilson will continue working closely with the County's staff to develop a personalized, long-term education campaign and strategy centered on the Plan's needs and goals, and is your primary point of contact for any Plan concerns.



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We Support Your Participants to Help Them Reach Their Retirement Goals

Your retirement program's success and your employees' retirement readiness is dependent on the partner you choose and the plan developed to help them prepare for and live in retirement. We will continue to surround your employees with multiple touch-points to help drive their retirement readiness: *Personal Interaction*, *Targeted Communications*, and our *Digital Experience*.



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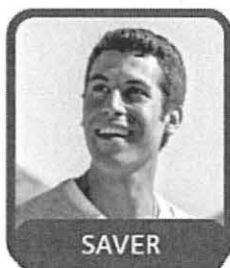
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Deliver compelling information that explains the benefits of enrollment in their 457 plan.



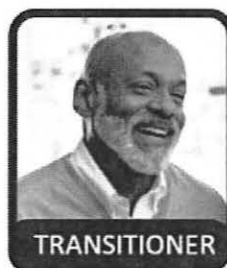
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Provide a personalized "Welcome" experience to guide a strong start.



SAVER

Deliver education, and tools that improve retirement readiness.



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Provide education for a successful transition into retirement.



RETIREE

Continue support in retirement years to sustain plan effectiveness.

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The County's custom website will continue to provide a unique set of tools that help your employees plan for more a more secure retirement including:

- **Retirement Readiness Reports**

This free online report provides a comprehensive view of participant assets, including pension benefits and Social Security, and how that money translates into retirement income. Participants can view their report in real-time through the website and receive an annual notification encouraging them to review their personalized report. This report, unique to the industry, gauges their progress and recommends steps that can be taken to help improve their retirement readiness.



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Our two Tier IV data centers are available 24 hours a day, 365 days a year, and are also Leadership in Energy & Environmental Design (LEED) certified, with natural indoor lighting, a recycling program and 77% of the centers' cooling coming from outside air. LEED is a green building certification program that recognizes best-in-class building strategies and practices. Our redundant Tier IV data centers have proximity enabling us to replicate data with near real-time business continuity between our data centers.

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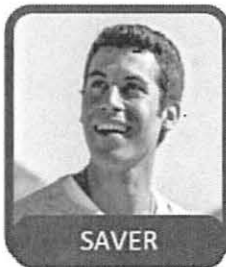
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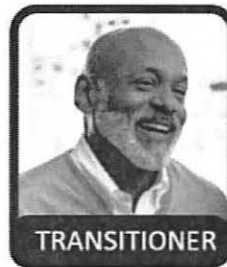
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 - Dallas County Plan Sponsor Statement – Q3 2018
 - Legislative Update Newsletter – September 2018
 - Strategic Advantage Newsletter – Spring 2018
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 - Sample Financial Needs Analysis
 - Sample Participant Statement
 - Meet Your Representative Flyer
 - Retirement Readiness Flyer
 - Why Enroll Flyer
 - Market Volatility Flyer
 - ProAccount Flyer
 - Enrollment Kit
- Investment Information
 - Proposed Fund Lineup
 - Fund House List
- Additional Information
 - Sample Administrative Services Agreement
 - Sample NTC Trust Agreement
 - Sample Plan Document
 - Language Line List
- Optional Services & Enhancements
 - ProAccount Brochure
 - NIA Form ADV Part 2A
 - NIA Form ADV Part 2B
 - NFS Privacy Statement
 - SDBO Pricing Summary
 - SDBO Pricing Guide
 - SDBO Participant Statement

Financial Stability (Separate Envelope)

- 2013 NFS Financial Statement
- 2014 NFS Financial Statement
- 2015 NFS Financial Statement
- 2016 NFS Financial Statement
- 2017 NFS Financial Statement
- Litigation

Small Business Enterprise Forms (Separate Envelope)

- Good Faith Effort Plan
- Good Faith Effort Affirmation
- Good Faith Effort Documentation

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 - Dallas County Plan Sponsor Statement – Q3 2018
 - Legislative Update Newsletter – September 2018
 - Strategic Advantage Newsletter – Spring 2018
- Participant Communications
 - Sample Participant Retirement Readiness Report
 - Sample Financial Needs Analysis
 - Sample Participant Statement
 - Meet Your Representative Flyer
 - Retirement Readiness Flyer
 - Why Enroll Flyer
 - Market Volatility Flyer
 - ProAccount Flyer
 - Enrollment Kit
- Investment Information
 - Proposed Fund Lineup
 - Fund House List
- Additional Information
 - Sample Administrative Services Agreement
 - Sample NTC Trust Agreement
 - Sample Plan Document
 - Language Line List
- Optional Services & Enhancements
 - ProAccount Brochure
 - NIA Form ADV Part 2A
 - NIA Form ADV Part 2B
 - NFS Privacy Statement
 - SDBO Pricing Summary
 - SDBO Pricing Guide
 - SDBO Participant Statement

Financial Stability (Separate Envelope)

- 2013 NFS Financial Statement
- 2014 NFS Financial Statement
- 2015 NFS Financial Statement
- 2016 NFS Financial Statement
- 2017 NFS Financial Statement
- Litigation

Small Business Enterprise Forms (Separate Envelope)

- Good Faith Effort Plan
- Good Faith Effort Affirmation
- Good Faith Effort Documentation



Nationwide®

Background, Experience, Qualifications and Expertise

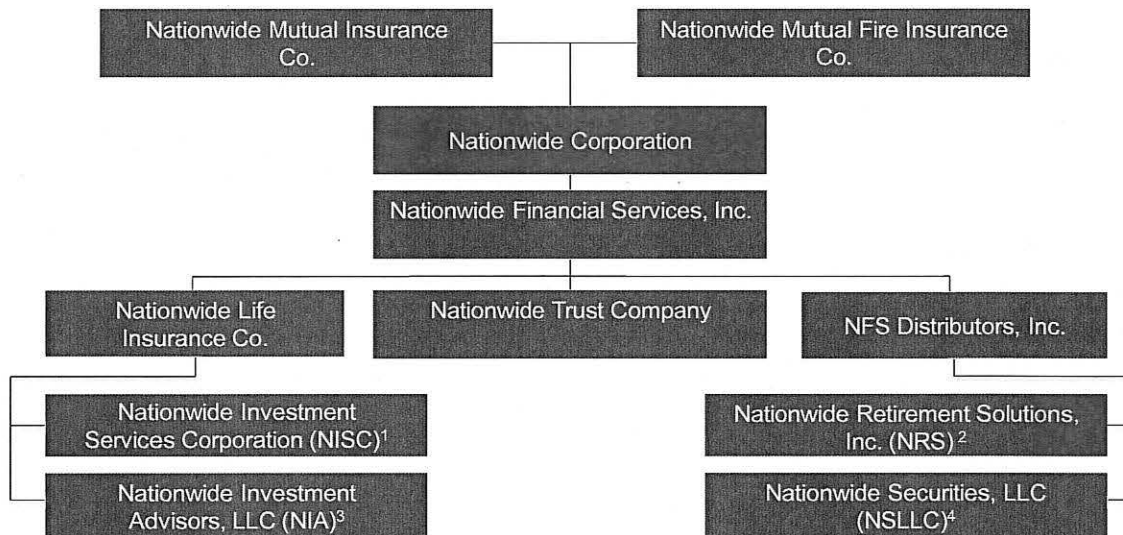
Nationwide is an American company founded by farmers in 1926 to collectively protect what mattered most to them. Since then, we have continued our focus on our customers while growing into one of the largest, financially stable financial services companies in America. As a Fortune 100 company, we have built a diversified business portfolio that provides the financial stability to deliver on our promises.

In 1973, Nationwide Retirement Solutions, Inc. (NRS) was founded to focus on the needs of governmental employees. We have grown to be the largest retirement plan provider serving the public sector with over 7,700 government sector retirement plans, ranging from smaller county plans to mega state plans. In addition to the public sector, Nationwide also administers retirement plans in the private sector defined contribution marketplace. We serve 2.5 million total participants with more than \$133 billion in retirement plan assets.

NRS, the legal entity providing recordkeeping, third-party administrative and communication / education services described in this RFP, is a Delaware corporation and is wholly owned by NFS Distributors, Inc. (NFS), which is in turn wholly owned by Nationwide Financial Services, Inc. (NFI), a holding company for long-term savings operations and financial services. NFI is wholly owned by Nationwide Corporation, which in turn is jointly owned by Nationwide Mutual Insurance Company (NMIC) and Nationwide Mutual Fire Insurance Company.



Nationwide Organization Illustration



¹Wholesale Broker Dealer for NRS Representatives

²NRS Provides third-party administration, recordkeeping and education

³Investment adviser registered with the Securities and Exchange Commission (SEC) and offers Nationwide ProAccountSM, a managed account program

⁴Retail Broker Dealer supporting Participant Solutions Center sales and service

For matters pertaining to this RFP, please contact:



Lou Moreno, Regional Vice President
10 West Nationwide Blvd.
Columbus, OH 43215
(561) 213-2177
(877) 677-4329
morenol@nationwide.com

The County's Service Team



Greg Russell, Program Director
russeg4@nationwide.com
(470) 216-6872

Greg will continue to serve as the County's Program Director and single point of contact. He oversees the local service of the County's plan and provides management of the on-site education services provided by the local Retirement Specialist, Will Angus. Greg will continue to partner with the County to share best practices in plan design and operational efficiencies that result in measurable participant outcomes. He will organize and lead quarterly Plan Review meeting which address Plan update and initiatives, compliance, operations and participant education.



Will Angus, Retirement Specialist
angusw1@nationwide.com
(817) 371-1870

Wilson will continue to provide on-site education and outreach for all participants through educational presentations and one-on-one consultations. He is dedicated to educating employees on the importance of their deferred compensation accounts and helping them achieve better income outcomes in retirement. Wilson will continue working closely with the County's staff to develop a personalized, long-term education campaign and strategy centered on the Plan's needs and goals, and is your primary point of contact for any Plan concerns.



Sarah Carlo, Relationship Consultant
carlos@nationwide.com
(614) 435-5471

Sarah will continue serving as the County's day-to-day administration and operations Relationship Consultant based in our Corporate Headquarters in Columbus, Ohio. As the Relationship Consultant, she partners closely with Greg to oversee all aspects of the services provided. She also helps to ensure the Plans are administered according to the contracts and plan documents.

Dallas County, TX
Request for Proposals
457(b) Deferred Compensation Plan

Client References

Client name	El Paso TX
Contact name	Veronica Acosta, HR Supervisor
Phone number	(915) 546-2218
Services provided	457(b) Recordkeeping and Administrative Services
Serviced since	1980

Client name	Harris County TX
Contact name	H. Shain Carrizal, Human Resources & Risk Management
Phone number	(713) 755-3030
Services provided	457(b) Recordkeeping and Administrative Services
Serviced since	1987

Client name	Tarrant County, TX
Contact name	Joyce Kirk, HR Benefits Director
Phone number	(817) 212-7035
Services provided	457(b) Recordkeeping and Administrative Services
Serviced since	1994

Client name	Miami Dade County, FL
Contact name	Daniel Gonzales, Benefits Supervisor
Phone number	(305) 375-5633
Services provided	457(b) Recordkeeping and Administrative Services
Serviced since	1981





COUNTY OF EL PASO

HUMAN RESOURCES DEPARTMENT

MELISSA CARRILLO, PHR, SHRM-CP
CHIEF HUMAN RESOURCES OFFICER

October 18, 2018

Jose Garza
Nationwide
South Texas Program Director

Dear Mr. Garza,

We would like to Congratulate Nationwide on being selected as our exclusive provider and we want to thank you and Sarita Null.

The process was a procedure by the procurement office during which we were able to take a look at our existing providers.

The one provider solution going forward will help our employees understand their options and choices better.

El Paso County is exercising it's fiduciary responsibility and oversight.

We are appreciative of Greg Watson in assisting us in our determination of investment options going forward and are looking forward to our robust communication for El Paso County employees.

Sincerely,

Verenice Acosta, PHR, SHRM-CP
HR Supervisor
County of El Paso – HR Department

Background, Experience, Qualifications and Expertise

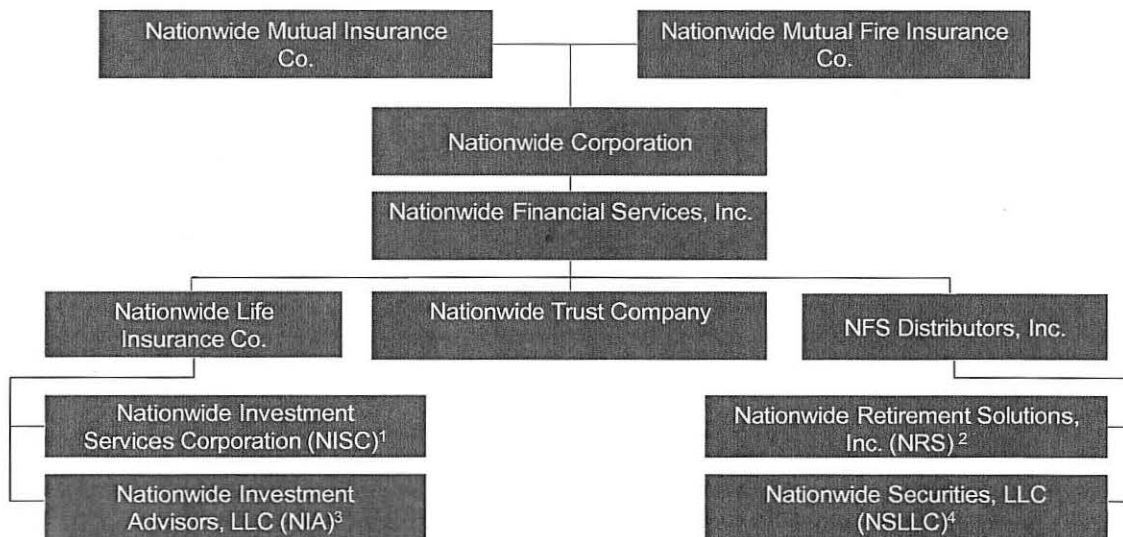
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MELISSA CARRILLO, PHR, SHRM-CP
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Sincerely,

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Verenice Acosta, PHR, SHRM-CP
HR Supervisor
County of El Paso – HR Department

Customer Service - Describe the vendors' philosophy and approach to satisfying this need through the following responses.

- a. **Describe the vendor's philosophy of customer service. What is distinctive about the vendor's approach to customer service? How does the vendor anticipate satisfying the County's need for customer service on both operational and technical issues?**

With a solid foundation and a personalized approach, we think differently about retirement. Our story is uniquely ours because our foundation is built on three pillars that are core to who we are and how we support our participants. Each pillar is a powerful part of our strategy and a key driver of participant outcomes.

Experience & Leadership

We are a US based company that is more than a business providing stability for our plans and participants. While there is tough competition in the retirement plan market, our heritage and foundation position us above many of our competitors. Over our 44-year history, we have grown to be the largest retirement plan provider serving the public sector with over 7,800 government sector retirement plans and more than \$95 billion in assets.

While other recordkeepers are merging or exiting the industry, Nationwide continues to thrive and reinvest in our public sector business. We saw our business grow 17% in 2017 and this growth allows us to reinvest back into our business and improve upon our products and services. Recent wins like Seattle, Sacramento, Scottsdale, San Luis Obispo County, Philadelphia and Baltimore show that the industry is recognizing our experience and leadership and they are placing their trust and their participants' futures in Nationwide's care.

Retirement Readiness

Nationwide's mission statement is to *help America's workers prepare for and live in retirement* and we believe we do this better than any other firm. While the concept of retirement readiness may not be exclusive to our retirement plans, the way we drive toward it certainly is. Being retirement ready deserves an all day, every day partnership so we offer a comprehensive approach to retirement readiness by surrounding participants with proactive education, digital tools, and in-person support. Our holistic approach to retirement readiness tackles the challenges retirees face today and provides solutions to overcoming those challenges. Leveraging the experience and leadership of the Nationwide Retirement Institute, we conduct group workshop presentations and one-on-one consultations to help educate employees about advanced retirement topics such as income planning and optimizing Social Security benefits in simple, easy to understand ways.

Furthermore, our suite of online tools allows employees to view their retirement outlook at any time and helps them understand how they're tracking towards retirement by comparing their projected income to replacement ratio. They can immediately see their projected gap and the next steps to close the gap, including tailored contribution and automatic increase recommendations.

People & Culture

Diversity and Inclusion are a way of life at Nationwide where voices are heard and valued, and our customers know Nationwide Is On Your Side. Nationwide associates know we have lot to be proud of and other organizations are recognizing us for who we are and what we have accomplished.



#53

Fortune "100 Best Companies to Work For" list

"Culture is more than a word — it's a key ingredient for our success — today and in the future."

- CEO Steve
Rasmussen



2018 Honoree

Best Places to Work for LGBTQ Equality

"Beyond the recognition, what's really important is that it's all of our associates' contributions that makes Nationwide great."

- CEO Steve
Rasmussen

At Nationwide, we create lasting change in our communities with a focused approach combining philanthropy, volunteerism and workplace giving. But what really sets us apart from other companies is the dedication of our associates and the deep relationships with our national partners that make a real impact across the country. In the words of Eric Stevenson, Sr. Vice President of Nationwide Retirement Plans Distribution, *"Competitors can mimic our products. They can mimic our pricing. But they can't mimic our culture."*



\$10 million

Contributed by the Nationwide Foundation in 2017

For more than 60 years, Nationwide and the Nationwide Foundation have been working with Nationwide Children's Hospital to help ensure every child has access to quality medical care.



\$136.9 million

Pledged to the United Way by our associates, partners and retirees since 2000

We're proud to say that our associates have been giving to United Way since our first workplace campaign in 1951. Today, almost 70% of our associates contribute to benefit local United Ways across the country.



16,000

Units of blood donated to the American Red Cross by Nationwide associates in 2017

For more than 70 years, Nationwide and the American Red Cross have partnered together to help communities across the country through blood donation and disaster relief. Nationwide associates give around 14,000 pints of blood annually, benefiting approximately 42,000 lives.



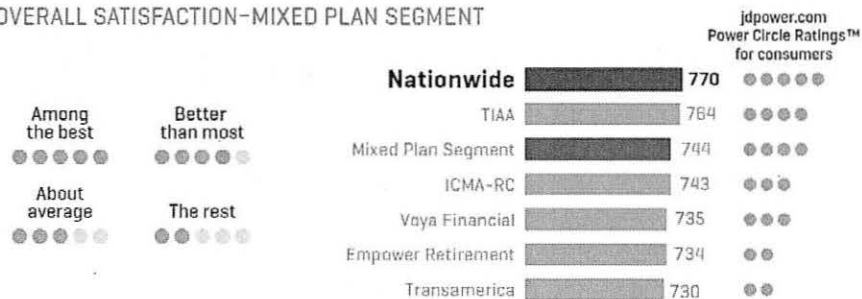
3.4 million

Meals raised by Nationwide associates in 2017 for Feeding America member food banks

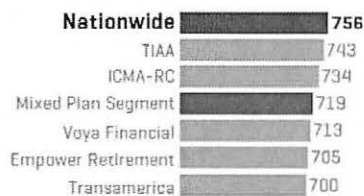
The Nationwide Foundation supports Feeding America, its National Produce Program and 22 of its member food banks across the nation, granting more than \$10.9 million since 2000.

We were recently honored above our top competitors when J.D. Power ranked Nationwide "Highest in Group Retirement Satisfaction among Mixed Plan Providers" for 2018. This was based on responses from more than 9,500 participants.

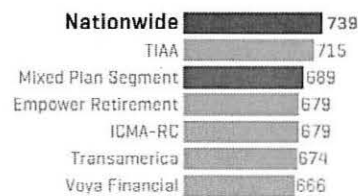
OVERALL SATISFACTION-MIXED PLAN SEGMENT



INFORMATION AND RESOURCES



COMMISSIONS AND FEES



Nationwide was also recognized for rising above their peers for service to retirement plan participants, receiving the 2018 DALBAR Plan Participant Service Award. Nationwide earned this award by excelling in categories of attitude, expertise, call interruptions and accommodation.

b. What plan does the vendor have for providing the County with relationship support for its services?



Greg Russell, Program Director

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c. What services are provided at the holding company level or vendor-wide level as opposed to the local level?

Your local service team provides education and outreach to the County and its participants. From our home office in Columbus, OH, we provide third-party administration, recordkeeping, marketing/communication services, website and VRU support, and participant service through our customer service center.

d. How are local service and overall contract performance monitored at the holding company level? Is an issue tracking structure or system in place?

Nationwide has been developing communication and education materials specific to the public sector defined contribution market since we were founded in 1973. Program Director, Gregory Russell, and Retirement Specialist, Will Angus, have access to a global library of governmental plan education, enrollment, and general financial services materials for use with the County's employees. They will partner with the County to create an annual marketing plan that will utilize these materials to assist in meeting your specific Plan goals.

Retirement Readiness Tool

Retirement Readiness Report helps participants understand whether they are on track to meet their retirement goal by providing a monthly retirement income projection based on their 457(b), pension and social security income streams.

Plan Sponsor Scorecard

We use a scorecard, based upon the goals set forth in the annual marketing plan, to ensure we are aligned with the County's goals and that the activities used to achieve the objectives are driving the expected results. Results are shared on a regular cadence (monthly, quarterly, semi-annually and annually) based on the defined measures.

Gauging Success Report

In addition to the scorecard, Gregory Russell will conduct a quarterly Plan Review with the County, where we would present the Gauging Success report, a quantitative analysis which includes measurable goals such as enrollments, average deferral rate, and increased asset allocation classes which can be measured against the County's goals for desired outcomes. The Gauging Success report will also provide a status on the Plan's overall Retirement Readiness.

Participant Satisfaction Survey

To measure participant satisfaction of the education programs, we will provide an annual participant satisfaction survey. We have developed a questionnaire that is used by a third-party vendor to reach out to participants via telephone to compile the results. Surveys evaluate our performance, participants' overall satisfaction, the perceived value of the deferred compensation Plan, and the success of various educational programs and services provided to participants including but not limited to:

- Local availability and service
- Customer Service Center
- Deferred Compensation website
- Participant Statements

Once the results are collected, we evaluate with the County and discuss how to utilize the results to enhance the service we provide.

e. What, if anything, is distinctive about the vendor's approach to customer service? How will this benefit and impact the County?

Nationwide's service model is focused on our participants. Our goal is to help improve the retirement readiness of your employees, and we work to achieve this goal by meeting with your employees where and when it's convenient for them. Through our industry-leading mobile website, our team of Internal Retirement Specialists and the Plan's on-site Retirement Specialists, we stand by our commitment to make education and participant satisfaction the cornerstone of what makes our service model unique to the industry.

The following participant education services are available to all participants and are included in our offer to the County at no additional cost:

Local Retirement Specialist

Your Retirement Specialist, Will Angus, provides on-site education and outreach for current and prospective Plan participants through enrollment meetings, educational presentations and one-on-one consultations at worksites throughout the County. Will is dedicated to educating your employees on the importance of their deferred compensation accounts and helping them achieve better income outcomes in retirement.

Internal Retirement Specialists

An extension of the services offered through the County's Local Retirement Specialist, Nationwide's full team of 18 Internal Retirement Specialists are available via toll-free telephone lines to help participants address retirement questions and concerns over the phone with the same experience participants would receive face-to-face.

Internal Personal Retirement Counselors (PRC)

In addition to the services provided through your Retirement Specialist, Nationwide offers an internal team of PRCs to provide education when it's convenient for your employees. The PRCs offer your participants retirement planning and analysis services, including asset allocation education at no additional cost. These representatives provide a detailed analysis of each participant's holistic financial situation, allowing him or her an opportunity to better understand their preparedness for a successful retirement.

Personal Retirement Counselors develop relationships with participants, understand their needs, and provide tools and education to enable smarter investment decisions. In partnership with each participant, the Personal Retirement Counselors will:

- Aggregate all retirement savings sources including pensions, supplemental savings, personal savings and Social Security benefits
- Assess retirement financial needs and priorities of the participant's goals

- Understand the participant's investment history and experience
- Identify optional solutions based on the participant's personal risk tolerance, time horizon and future asset needs
- Provide a personalized Financial Needs Analysis

Please refer to the **Optional Services and Enhancements** section of our response to view a sample participant Financial Needs Analysis.

Please refer to the **Important Disclosures** section at the end of the questionnaire response for more information.

Customer Call Center

Customer Service Representatives (CSRs) assist participants with financial transactions, benefit options, plan forms, and other topics including the benefits of participating in the Plan, how to use asset allocation and investment options available for participants. CSRs are available six days a week between the hours of 7 a.m. and 10 p.m. CT, Monday through Friday, and 8 a.m. to 5 p.m. CT on Saturday.

Participant Website

Nationwide offers a mobile-enhanced website with full transactional capabilities. Nationwide is constantly working to enhance online capabilities for an on-the-go world, bringing the ease of mobile communications to retirement planning. Our commitment to making retirement planning easier and more efficient through technology is evidenced by our mobile-responsive website, ranked the industry's #1 mobile experience by DALBAR. The following resources and tools are available through the participant website.

Retirement Readiness Reports

This free online report provides a comprehensive view of participant assets, including pension benefits and Social Security, and how that money translates into retirement income. Participants can view their report in real-time through the website and receive an annual notification encouraging them to review their personalized report. This report, unique to the industry, gauges their progress and recommends steps that can be taken to help improve their retirement readiness.

My Interactive Retirement Planner

This online tool illustrates the importance of saving for retirement and enables participants to compare their progress with their personal retirement goals. My Interactive Retirement Planner allows your employees to input their financial assets, including their pension benefits, and allows them to model different investment savings and retirement scenarios to reach their goals.

My Investment Planner

Nationwide makes investment advice available to participants through the online My Investment Planner tool at no additional cost to your or your participants. Participants are asked to complete a six-part questionnaire (the Risk Tolerance Questionnaire) to assess their individual risk tolerance and investment time horizon. Using this information, Wilshire's methodology identifies the appropriateness of one of five unique risk-based profiles for each participant. The tool provides specific investment advice at the fund level using the Plan's investment options.

Health Care Estimator

The Health Care Estimator allows participants to estimate their health care costs in retirement by answering a few basic questions. This personalized, monthly estimate of health care costs in retirement helps motivate participants to save more today to ensure a secure tomorrow.

Online Appointment Scheduling

Participants can use the Appointment Scheduler to register for workshops in advance and select dedicated time slots for personal consultations with the County's Retirement Specialist, helping to ensure increased participation in group seminars and one-on-one consultations.

Learning Center

A dedicated learning center library on the www.nrsforu.com website offers educational articles, videos, tools and calculators for participants in each stage of their career, including retirees.

More Financial Tools and Calculators include:

- Paycheck Impact Calculator
- Future Value Calculator
- Payout Illustrator Tool
- College Savings Calculator
- Peer Comparison

Print materials

A suite of print materials is available to drive Plan awareness, aid in enrollment and provide ongoing education on the benefits and services of the Plan. Materials are provided to highlight features such as loans, fee transparency and distributions. Our library of materials is continually updated and available to Retirement Specialists to drive Plan awareness. Materials include:

- Plan brochures and marketing pieces
- Plan forms
- Plan flyers and posters to advertise on site visits and account reviews at all worksites

Please refer to the **Participant Communications** section of our response for sample participant communication pieces.

- f. **What is distinctive about the vendor's approach to its service automation? How does the vendor intend to support the new and ongoing automation needs of the County? How will this impact the County now and throughout the contract period?**

Nationwide is dedicated to public sector employers and provides a simple, all-inclusive plan for administrative services to the County that makes administering the Plan easier for the County's staff. We will continue to provide the administrative services below for the County:

- Payroll automation
- Payroll processing
- Verification reports
- Administration and Plan Sponsor reports
- Participant statements
- Participant transaction confirmations
- Unforeseeable Emergency Withdrawal review and processing
- Domestic Relations Orders review and processing
- Loan administration
- Brokerage accounts
- Managed accounts
- Voice Response System (VRS)
- Participant website
- Plan Sponsor website
- Account valuation & adjustments
- Plan Document updates, when utilizing Nationwide's Plan Document
- Loan program reviews
- Quantitative Investment Menu Reports, if desired by the Plan and its consultant
- Plan Sponsor fiduciary training
- Marketing collateral
- Legislative and regulatory updates

Nationwide offers the Plan payroll automation options that may make the County staff's job easier, at no additional cost. Nationwide will accept payroll information through any one of the following media:

- Web processing tool (Nationwide SecurePaySM)
- Electronic transmission (HTTPS, FTPS, SFTP, FTP/PGP)

Nationwide SecurePaySM

Nationwide SecurePay brings deferred compensation plan sponsors upgraded functionality that streamlines the way you submit payroll online. Through Nationwide SecurePay, you can:

- Select from six pay period templates, or create one of your own
- Delete participants from payroll detail
- Identify participants whose accounts are not yet setup, reducing contributions going into suspense
- Sort detail by Amount, Social Security Number and Name, helping to identify where a detail submission may be out of balance
- Edit your submissions multiple times if needed
- Print the payroll acknowledgement for your records
- Access an enhanced, more thorough and easy to read User Guide
- View payroll submission history

g. Are there any new services planned which may impact the County? When are these planned to be available?

We are committed to investing \$175 million in the next three years on technology and system upgrades. Specific programs and features currently in development are considered proprietary information until implementation and we look forward to sharing this information with the County as capabilities become available.

h. Is the vendor offering any transition or retention incentives? Describe fully and quantify completely.

Nationwide's offer includes a retention incentive in the form of a \$10,000 performance guarantee. The performance guarantee will be based upon a mutually agreeable timeline of events associated with the RFP such as investment changes, price enhancements, etc.

i. What support will the vendor be able to offer the County in a disaster situation to maintain stable operational functions? Focus on systems, telecommunications and power, operational facilities, and transportation.

Disaster Recovery Procedures.

To provide continuous service operations, Nationwide utilizes a Disaster Recovery program. Should business functions be interrupted by the loss of a primary business facility, associates would be relocated to an alternate site. In the event of a systems facility loss, applications would be redirected to their primary recovery location, which could be an alternate Nationwide facility or a remote recovery service provider. The hierarchical structure of the recovery plans includes the ability to address incidents that are department, facility, city, state or regional in nature.

Testing Frequency & Results

Plans are reviewed, updated and exercised on an annual basis in accordance with the criticality of the plan. Recovery tests are conducted on an annual basis.

Recovery Time Objective / Recovery Point Objective

The front-end web interface and back-end Public Sector Retirement Plans Record Keeping applications are considered business critical. They have an RTO of 0 to 8 hours and an RPO of no data loss.

Nationwide Data Centers

Nationwide has two Tier IV data centers located outside of Columbus in central Ohio, designed to provide 99.995% availability and the highest level of fault tolerance. There are over 500,000 data centers in the world, and only four in the United States have been given the highest rating of 'Tier IV' by the Uptime Institute.

Our two Tier IV data centers are available 24 hours a day, 365 days a year, and are also Leadership in Energy & Environmental Design (LEED) certified, with natural indoor lighting, a recycling program and 77% of the centers' cooling coming from outside air. LEED is a green building certification program that recognizes best-in-class building strategies and practices. Our redundant Tier IV data centers have proximity enabling us to replicate data with near real-time business continuity between our data centers.

Deviations from the RFP

Identify the location of any provision in your proposal that does not conform to the standards described in this RFP. For each of these deviations, provide a detailed explanation as to how the provision differs from the RFP and why.

Nationwide confirms that we meet and agree to the Scope of Work and Mandatory Requirements as outlined in the RFP as well as all RFP Addendums.

General Information

Provide the following information regarding the responding vendor:

- ***Name, address and telephone number of the responding organization.***

Nationwide Retirement Solutions, Inc.
10 West Nationwide Blvd.
Columbus, OH 43215
(877) 677-3678

- ***Name, title, mailing address, telephone number, FAX number, and email address of contact person for this RFP.***

Lou Moreno, Regional Vice President
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(561) 213-2177
(877) 677-4329
morenol@nationwide.com

- ***Name, title, mailing address, telephone number, FAX number, and email address of the person authorized to execute any agreement(s) that may be awarded.***

Eric Stevenson, VP Retirement Plan Sales
10 West Nationwide Blvd.
Columbus, OH 43215
(614) 435-8372
(877) 677-4329
stevene2@nationwide.com

- ***Name, title, mailing address, telephone number, FAX number, and email address of the person who will serve as responding vendor's legal counsel.***

Nationwide employs a team of experienced attorneys to support Retirement Plans. While a specific

attorney will not be dedicated to the County's Plan, the County will have access to the team through communication with Relationship Consultant, Sarah Carlo. Sarah will engage the appropriate team members as needed to assist the County and its staff.

- **Provide a brief overview of your company and history of your organization including an organizational chart of your retirement plan operations. Please describe any parent/subsidiary/affiliate relationships.**

Nationwide is an American company founded by farmers in 1926 to collectively protect what mattered most to them. Since then, we have continued our focus on our customers while growing into one of the largest, financially stable financial services companies in America. As a Fortune 100 company, we have built a diversified business portfolio that provides the financial stability to deliver on our promises.

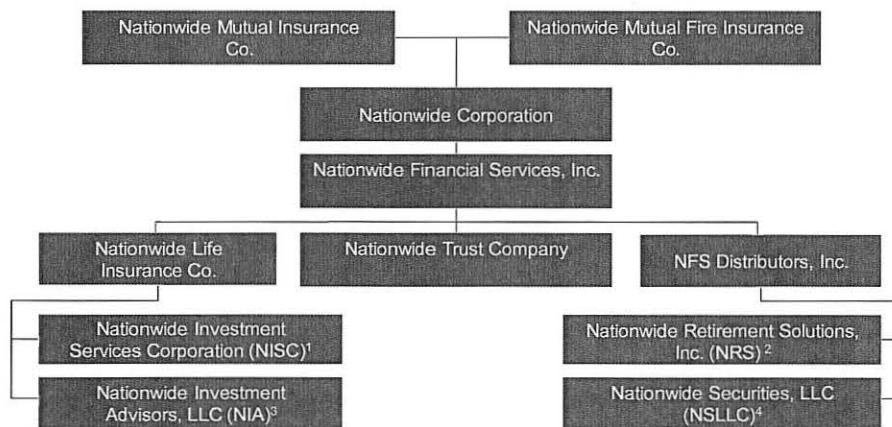
In 1973, Nationwide Retirement Solutions, Inc. (NRS) was founded to focus on the needs of governmental employees. We have grown to be the largest retirement plan provider serving the public sector with over 7,900 government sector retirement plans, ranging from smaller county plans to mega state plans. In addition to the public sector, Nationwide also administers retirement plans in the private sector defined contribution marketplace. We serve 2.5 million total participants with more than \$133 billion in retirement plan assets.

NRS, the legal entity providing recordkeeping, third-party administrative and communication / education services described in this RFP, is a Delaware corporation and is wholly owned by NFS Distributors, Inc. (NFS), which is in turn wholly owned by Nationwide Financial Services, Inc. (NFI), a holding company for long-term savings operations and financial services. NFI is wholly owned by Nationwide Corporation, which in turn is jointly owned by Nationwide Mutual Insurance Company (NMIC) and Nationwide Mutual Fire Insurance Company (NMFIC).



Nationwide®
It's on your side.

Nationwide Organization Illustration



¹Wholesale Broker/Dealer for NRS Representatives
²NRS Provides third-party administration, recordkeeping and education

³Investment adviser registered with the Securities and Exchange Commission (SEC) and offers: Nationwide ProAccount®, a managed account program
⁴Metall Broker/Dealer supporting Participant Solutions Center sales and service

Dallas County, TX
Request for Proposals
457(b) Deferred Compensation Plan

- Indicate how many years your company has been active in the defined contribution business, i.e., 457(b), 403(b), 415(m), 401(a), 457(f), etc.

Plan Type	Number of Years
457(b)	45 years
401(k)	32 years
403(b)	32 years
401(a)	29 years
Investment Management	45 years
Trustee Services	20 years

- Indicate the total value of assets in all deferred compensation plans for which you provide recordkeeping services

As of September 30, 2018, Nationwide provides recordkeeping services for a total of \$82.5 billion in deferred compensation plan assets.

- Indicate the total number of participants in all deferred compensation plans for which you provide recordkeeping services.

As of September 30, 2018, Nationwide provides recordkeeping services for a total of 1.5 million participants in all deferred compensation plans.

- State the number of deferred compensation plans you currently administer.

As of September 30, 2018, Nationwide provides recordkeeping and administrative services for 7,313 deferred compensation Plans.

References

- With regard to the 457(b) Plans, provide four governmental references of current clients who have similar plan demographics (i.e., size and plan design). Please provide client name, contact name, address, phone number, services provided, and year they became a client.

Client name	El Paso TX
Contact name	Veronica Acosta, HR Supervisor
Phone number	(915) 546-2218
Services provided	457(b) Recordkeeping and Administrative Services
Serviced since	1980

Client name	Harris County TX
Contact name	H. Shain Carrizal, Human Resources & Risk Management
Phone number	(713) 755-3030
Services provided	457(b) Recordkeeping and Administrative Services
Serviced since	1987

Client name	Tarrant County, TX
Contact name	Joyce Kirk, HR Benefits Director
Phone number	(817) 212-7035
Services provided	457(b) Recordkeeping and Administrative Services
Serviced since	1994

Dallas County, TX
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457(b) Deferred Compensation Plan

Client name	Miami Dade County, FL
Contact name	Daniel Gonzales, Benefits Supervisor
Phone number	(305) 375-5633
Services provided	457(b) Recordkeeping and Administrative Services
Serviced since	1981

Note: By responding to this request, you authorize the County to contact the current clients to discuss the services you have provided for these current clients, you authorize the current clients to provide such information to the County, and you agree to release the County and the current clients from any liability arising from their actions.

- With regard to the 457(b) Plans, provide four governmental references of former clients who had similar plan demographics (i.e., size and plan design). At least one of the three should have left within the last year. Provide the former client name, contact name, address, phone number, services provided, and year they became a client and the year they ceased to be a client and the reason(s).

Client name	City of Amesbury, MA
Contact name	James Lynch, Chief Financial Officer
Phone number	(978) 388-5447
Services provided	457(b) Recordkeeping and Administrative Services
Service dates	June 2001 – April 2018

Client name	City of Fort Worth, Texas
Contact name	Margaret Wise, Assistant HR Director
Phone number	(817) 392-7750
Services provided	457(b) Recordkeeping and Administrative Services
Service dates	June 1982 – May 2014

Client name	City of Atlanta, Georgia
Contact name	Louis Amis, Employee & Retiree Benefits Director
Phone number	(404) 330-6930
Services provided	457(b) Recordkeeping and Administrative Services
Service dates	October 1982 – December 2014

Client name	Village of Beach Park, IL
Contact name	Tracy Miracle, Assistant Admin Services Director
Phone number	N/A
Services provided	457(b) Recordkeeping and Administrative Services
Service dates	July 1998 – August 2016

Note: By responding to this request, you authorize the County to contact the former clients to discuss the services you have provided for these former clients, you authorize the former clients to provide such information to the County, and you agree to release the County and the former clients from any liability arising from their actions.

- How many 457 (b) plan clients (and participants) has the Firm **GAINED** in the last three years as of 03/31/2018?

704 clients.

- **How many 457 (b) plan clients (and participants) has the Firm LOST in the last three years as of 03/31/2018?**

156 clients.

Firm Strength, Experience and Qualifications

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Firm Strength, Experience and Qualifications. This summary should include:

Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services or detailed articulation of qualifications, if any.

- **Brief overview of your company, history of your organization and any parent/subsidiary/affiliate relationships.**

Nationwide is an American company founded by farmers in 1926 to collectively protect what mattered most to them. Since then, we have continued our focus on our customers while growing into one of the largest, financially stable financial services companies in America. As a Fortune 100 company, we have built a diversified business portfolio that provides the financial stability to deliver on our promises.

In 1973, Nationwide Retirement Solutions, Inc. (NRS) was founded to focus on the needs of governmental employees. We have grown to be the largest retirement plan provider serving the public sector with over 7,700 government sector retirement plans, ranging from smaller county plans to mega state plans. In addition to the public sector, Nationwide also administers retirement plans in the private sector defined contribution marketplace. We serve 2.5 million total participants with more than \$133 billion in retirement plan assets.

NRS, the legal entity providing recordkeeping, third-party administrative and communication / education services described in this RFP, is a Delaware corporation and is wholly owned by NFS Distributors, Inc. (NFSD), which is in turn wholly owned by Nationwide Financial Services, Inc. (NF), a holding company for long-term savings operations and financial services. NF is wholly owned by Nationwide Corporation, which in turn is jointly owned by Nationwide Mutual Insurance Company (NMIC) and Nationwide Mutual Fire Insurance Company.

- **Discussion of any recently announced or unannounced upcoming changes to ownership or leadership structure, including any pending agreements to merge or sell the company or its parent.**

Nationwide has no upcoming plans to make changes to our ownership or leadership structure.

- **Discussion of any current alliances or joint marketing efforts related to any services to be provided under a successful contract.**

Nationwide has endorsement relationships with the National Association of Counties (NACo) and the International Association of Fire Fighters-Financial Corporation (IAFF-FC).

Nationwide partners with and makes payments to NACo and the NACo Financial Services Center Partnership (FSC) for the value of services and endorsements that they provide generally for all their members related to Nationwide's products and services. NACo and FSC chose to endorse Nationwide and its products and services because they believed Nationwide to be best qualified to provide the retirement education, comprehensive investment choices and superior service for public employees.

Nationwide makes payments to the International Association of Fire Fighters – Financial Corporation (IAFF-FC) for services and endorsements that IAFF performs generally for all its members related to Nationwide's products and services sold exclusively in public sector retirement markets.

More information on our endorsement and monetary relationships can be found at www.nrsforu.com.

- **Clear statement outlining whether the Firm or any officer or principal has been involved in any litigation, threat of litigation or governmental investigation surrounding its defined contribution plan, 457 plan, mutual fund, annuity, third party administration (TPA), recordkeeping, education services, and/or universal life services. Please explain the issue(s) and any resolution(s).**

Nationwide is currently involved in lawsuits common to the industry, which stem from routine business practices associated with administering employee benefit plans. These suits have not had an impact on our ability to service any of our plans nor does Nationwide foresee them having an impact on our ability to service your plan.

- **Long- and short-term ratings from AM Best, Moody's, and Standard & Poors (if applicable).**

Rating Organization	Current Financial Strength Rating
AM Best:	A+ "Superior" (affirmed 10/2/17)
Moody's:	A1 "Good" (affirmed 11/7/17)
S&P:	A+ "Strong" (affirmed 5/10/18)

These rankings reflect Rating Agency assessment of the financial strength and claims paying ability of Nationwide Mutual Insurance Company (NMIC) and Nationwide Life Insurance Company (NLIC) and are subject to change at any time. They are not intended to reflect the investment experience or financial strength of any variable account, which is subject to market risk.

- **Identification of your Firm's target market and primary area of focus.**

NRS is 100% dedicated to servicing governmental defined contribution plans and participants. We are the industry leader in plans served and we provide On Your Side service to more than 7.800 governmental plans.

- **Identification of how many years your company has been active in the defined contribution plan business, e.g., 403(b), 457(b), 457(f), 401(k) profit sharing, 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.) In particular, specify how long your Firm has provided 457 plan services and describe those services.**

Plan Type	Number of Years
457(b)	45 years
401(k)	32 years
403(b)	32 years
401(a)	29 years
Investment Management	45 years
Trustee Services	20 years

- **Identification of the total value of assets in all defined contribution plans for which you provide recordkeeping services.**

\$133.7 billion

- **Identification of the total number of participants and assets in all defined contribution plans for which you provide recordkeeping services.**

2,535,236 participants

- **Identification of the total number of participants and liabilities tracked in all non-qualified deferred compensation plans for which you provide recordkeeping services.**

Nationwide currently services 55 non-qualified plans with 2.013 participants and \$329.3 million in assets.

- **Indicate the number of Certified Financial Planners on staff supporting participants.**

Nationwide's Retirement Resource Group, which provides County Participants with comprehensive financial planning, education and enrollment services via toll-free number, has two Certified Financial Planners on staff.

- **Disclose any potential conflict of interests from parent/subsidiary/affiliate relationships from cross- selling of products.**

Nationwide does not foresee any potential conflicts of interests.

- **Please indicate the number of registered representatives who are authorized to make on-site client visits that the Firm currently has supporting the Austin, TX area (within 100 miles).**

Seven. Will Angus, the County's Retirement Specialist, will continue to service the County and your participants and provide on-site education and enrollment support. Greg Russell, the County's Program Director, manages five additional Retirement Specialists in the region which would be available for backup support if needed. Mr. Russell is also included as a registered representative in the total of seven.

- **Please disclose the professional turnover rates for relationship management, client service, and participant service personnel in your recordkeeping division.**

Nationwide Retirement Plans turnover rates are low as evidenced by the average tenure our staff holds in each of the categories in the chart below.

Customer Service Representatives (CSRs)	4 years
CSR managers	9 years
Processing/operations staff	11 years
Processing/operations managers	16 years
Senior management	18 years
Employee meeting specialists/on-site education staff	10 years
Communications staff	11 years
System programming staff	14 years

- **What insurance does your Firm have against liabilities incurred through servicing plans of this type (Fiduciary insurance, E&O, etc.)?**

Nationwide maintains errors & omissions coverage underwritten by Steadfast Insurance Company with a \$10 million per claim limit. Nationwide and its affiliated Broker Dealer, Nationwide Investment Services Corporation, have fidelity bond coverage underwritten by The Fidelity and Deposit Company of Maryland with a \$15 million single loss limit.

Type of Insurance	\$ Amount of Coverage	\$ Amount of Deductible	Provider
Professional liability (E&O)*	50 MM	15 MM	Zurich on first 10 MM
Cyber Insurance	0	0	
Fidelity Bonds**	15 MM	5 MM	Zurich

**Dallas County, TX
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457(b) Deferred Compensation Plan**

Directors and Officers Liability (D&O)	50 MM	10 MM/ 0 Side A	Chubb
Primary General Liability / Automobile Liability	5 MM	0	Arch
Excess / Umbrella Liability	50 MM	0	
Property	750 MM	25,000	Lexington
Workers Compensation / Employers Liability	Statutory Limit	0	Arch

**We use Steadfast Insurance Company for E&O, a wholly owned subsidiary of Zurich.*

***The Fidelity Bond is underwritten by The Fidelity and Deposit Company of Maryland, also a wholly owned subsidiary of Zurich.*

- **Would the Firm consider itself a fiduciary or co-fiduciary in the performance of administration and investment services 457(b) to the Plan? What limitations exist?**

Nationwide

Nationwide will serve the County as a nondiscretionary provider of bundled third-party administrative and record keeping services and will not be exercising any discretionary control or authority over the County or Plan assets. We agree to perform all services for the Plans as a professional in defined contribution/deferred compensation administration and agree to hold ourselves out as possessing greater knowledge and skill than the average person with respect to third-party administrator services. As a nondiscretionary provider, we are not a plan fiduciary, but will adhere to the prudent person standard of care.

NIA

NIA accepts and discloses fiduciary responsibility for My Investment Planner investment advice provided to your employees.

The Risk Tolerance Questionnaire and the investment selections for NIA Advice Portfolios are provided to Nationwide Investment Advisors, LLC (NIA) by Wilshire®. Investors are responsible for implementing and maintaining the suggested allocations. Wilshire is a service mark of Wilshire Associates Incorporated, which is not an affiliate of NIA or Nationwide.

- **Attach a copy of a recordkeeping services contract as well as other documentation that would be required to enter into a relationship with your Firm (trust agreement, etc.).**

Please refer to the **Additional Information** section of our response to review the requested documents.

- **Describe the hardware platform(s) and software system(s) you use to provide recordkeeping and administration services to defined contribution plans (as applicable).**

Hardware

We utilize multiple HP Blade G7 servers for recordkeeping and customer support functions. All hardware components are located off-site in our secure data center facility located outside of Columbus, Ohio.

Software

Our computer software system is a proprietary system that provides a single record keeping function. We maintain individual participant records and consolidated plan records, including current transaction data and cumulative history for all deferrals, disbursements, and daily balances.

- **Was the software developed internally, leased, or bought from another provider? Who has the ultimate responsibility/authority to make sure the software remains current to laws, regulations, client needs, etc.?**

Nationwide's recordkeeping system was developed internally and Nationwide has the ultimate responsibility/authority to ensure the software remains current to laws, regulations and client needs.

- **How often are the plan administration systems upgraded? What protocols are in place to ensure security, data loss prevention, and the integrity of data?**

Nationwide is continuously upgrading and enhancing our system to meet client needs, industry changes, government regulations, and technology advances. Our system is upgraded on a monthly basis.

Integrity

Nationwide's record keeping system has many error detection checks, which are integrated into its production processes to ensure accurate participant account information. They take into consideration specified plan requirements and mandated Internal Revenue Service requirements, and are applied from the time of enrollment through account disbursements.

In order to maintain a high level of accuracy, when information is entered and processed by an administrative representative, it is verified by another member of the administrative team, and monitored by the team's manager.

Security

The foundation of Nationwide's information security starts with our Information Security Policy. It provides a comprehensive framework for adhering to sound information security practices and is modeled on ISO 27002. We are also working to validate that our information security program aligns with the NIST Cyber Security Framework. The Policy is then implemented through dozens of more specific Information Security Standards, which are actively managed to map to a wide variety of federal, state, and industry information security guidelines. The policy and standards are regularly reviewed by a standing Policy Review Board and updates.

A key aspect of Nationwide's security program is the wide set of tools and processes that Nationwide uses to monitor activity on its network systems, including workstations. For example, Nationwide uses a suite of tools to scan the network and endpoints to protect against viruses and malware. These tools are routinely updated by the vendor to address newly discovered threats. Furthermore, Nationwide uses intrusion detection services and intrusion protection services to detect and block unusual or malicious activity on the network. Nationwide also use data loss prevention tools to monitor and block confidential information on endpoints. All of these tools report into the company's centralized log review systems where the data is assessed daily by information security professionals.

Penetration tests on Nationwide information assets are planned and performed annually. Third party suppliers are used every other year for our external attack and penetration testing. In 2014, TrustedSec was contracted to complete the Attack and Penetration test of Nationwide's externally facing web applications. Their testing methodology centers on the OWASP Top 10 to attempt to infiltrate secure controls through common web application vulnerabilities. If a gap is identified in our secure controls as a result of the test, the vulnerability is validated and remediated accordingly. The results of these Attack and Penetration tests are sensitive and confidential.

Prevention

All associates are required to complete an annual Information Security and Privacy training course. In addition, Nationwide has a robust awareness program called "Protect the Network," which delivers information security and privacy training through a variety of methods, including:

- Posters and creative displays throughout Nationwide buildings,
- A dedicated intranet site, and
- Featured online stories and videos.
- This training and awareness activities include, but are not limited to the following topics:
- Enterprise security and privacy policy and requirements
- Secure password training
- Secure Wi-Fi practices
- Data confidentiality

- Social media training
- Phishing education through simulated phishing events
- Classify and protect information
- Mobile security training
- What to do when a possible security breach occurs.

Online

Participants must enter their account number, not their Social Security number, and Personal Identification Number (PIN) to gain access to their accounts via the telephone. Participants may change their PIN as frequently as they deem necessary to maintain account security.

Upon their first visit to the website, users must be authenticated before they can access their plan information. During this initial visit, users must enter key personal identification information and then create a unique password. Once authenticated, participants from this point forward can access their plan information by entering their account number and the password they created. They are also able to create their own personal user name and password so they do not need to use their account number to enter the site. As an added security measure, participants are unable to use their Social Security number as their username.

Nationwide utilizes a Multi Factor Authentication for our websites. This level of added security is focused on protecting participants accessing their accounts using mobile devices by prompting a participant to confirm their email address, provide a mobile number and provide the ability to register their device (laptop, smart phone, internet device, etc.).

The next time the participant logs in they may be challenged if the device they are using is not recognized by our system. If this occurs, the participant will need to obtain and enter a confirmation code by answering a challenge question before they can access their account. A confirmation code will be emailed to their registered email address. Upon introduction we will have the capability to email the code but a future enhancement will include the ability to text the code.

These security enhancements go beyond the current user name and password log-in process to look at several additional criteria, such as the physical device and its IP address. If something doesn't look right and access is challenged, a verification code is sent to the participant.

If a participant enters the incorrect confirmation code that is emailed to them 6 or more times, they will be locked out and required to be unlocked via CSR. Additionally, if a participant requests 6 or more confirmation codes to enter, they will be locked out and required to be unlocked via CSR.

The following measures are also in place to ensure participant online accounts are secure:

- All accounts require a unique user ID, which cannot be the participant's Social Security number, and password for access.
- If an incorrect password is entered three times, the account is locked-out.
- The website user will be automatically disconnected after 15 minutes of inactivity.
- Each time a participant enters the website or performs a transaction, an audit trail is written for that specific visit to the website.
- Once a participant completes a transaction, a confirmation is automatically sent.

In order to ensure only the intended recipient can read information sent to or from our site, all information is encrypted. Information between the website and users is encrypted using security technology called Secure Sockets Layer (SSL). A firewall prevents unauthorized access to Nationwide's systems and data.

Customer Service Representatives

Prior to releasing any information CSRs ask participants to provide at least two of the following data points which will be maintained in the participant account record:

- Participant name
- Participant address
- Social security number
- Date of Birth

Participants also have the ability to request a special security question and response be added to the account. The question is asked each time and the caller must provide the correct response prior to the release of any information.

Nationwide's security protocols have never been compromised.

Federal and state law requires financial institutions to develop a response program to protect against and address reasonably foreseeable risks associated with internal and external threats to the privacy of information that could result in substantial harm or inconvenience to a customer. We have documented procedures describing how Nationwide will address an event involving the unauthorized disclosure of confidential customer information and when Plan Sponsors and participant are notified. This process equally governs data compromised by vendors acting on behalf of Nationwide.

- **What system enhancements do you have planned over the next three years for:**

We are committed to investing \$175 million in the next three years on technology and system upgrades. Specific programs and features currently in development are considered proprietary information until implementation and we look forward to sharing this information with the County as capabilities become available.

- **Describe the hardware and software system you use for your voice response system. For how many years has this version been in place and when is the next scheduled upgrade?**

Nationwide currently uses Genesys – Genesys Voice Platform – Version 8.5. This platform was deployed into production on January 1, 2013. This system is continuously monitored and reviewed to remain current.

- **Describe the hardware and software system you use for your internet transaction system. For how many years has this version been in place and when is the next scheduled upgrade?**

There is one application release per month which typically occurs the evening of the first or second Saturday of the month. The application release covers any software changes to support the public sector business. Also, each month, an infrastructure release occurs during the third or fourth Sunday of the month. This release applies to any software or hardware that supports the application software. Other off-release schedule application and infrastructure updates can occur on an as needed basis.

Users of the site are notified of the scheduled maintenance weeks prior to the date.

Enhancement requests should be communicated to the Program Director or Relationship Consultant.

- **Describe the system of controls and practices your Firm has put in place to guard against unauthorized access to sensitive participant and financial data as well as a description of any insurance coverage(s) maintained for cyber breach related costs.**

Fraud Detection and Prevention

Nationwide is continuously investing in fraud detection and prevention controls to protect indicative data. We focus on three key areas as follows when discussing identity theft and fraud prevention:

People

- All Associates within Nationwide Financial and Retirement Plans are required to attend fraud identification and prevention training.
- Call centers have daily stand-up's in which they are briefed on trends, 'red-flag' refreshers, and social engineering attacks coming in through the call center.
- Quarterly fraud training is offered for all associates across nationwide to increase associate awareness.

Process

- Nationwide has a dedicated team of professionals who work across capabilities to investigate any attempted fraud.
- They leverage a defined response process by which all suspected fraud is investigated completely to secure customer data and financials. Required paperwork is filed with Financial Crimes and Sanctions in the event of an actual fraud.
- Nationwide conducts an annual distribution risk assessment to identify and remediate any risks associated with loan and withdraw requests.
- Daily reconciliation controls are in place to ensure zero net balances. Day two reporting is enabled as well, along with audit logging reports to identify and prevent suspected fraud. Suspense holds on participant accounts can also be enabled if there is suspected fraud as well.

Technology

- Multi-factor authentication (MFA) is deployed on the Retirement Plans participant and business partner facing websites.
 - Nationwide partners with our MFA provider to obtain device specific information to identify and stop fraudulent devices from accessing our network.
 - Enhanced registration controls require entry of a unique case or account number for participant web profile registration.
 - ACH verification is performed with consortium of banks to validate account owners prior to out-bound money processing.
- **Have any plans retaining your services experienced unauthorized access or distribution of participant and financial data due to a breach of your Firm's information systems? If so, please describe fully.**

No.

- **Describe the Firm's documented disaster recovery plan. How often do you test your recovery system?**

Disaster Recovery Procedures.

To provide continuous service operations, Nationwide utilizes a Disaster Recovery program. Should business functions be interrupted by the loss of a primary business facility, associates would be relocated to an alternate site. In the event of a systems facility loss, applications would be redirected to their primary recovery location, which could be an alternate Nationwide facility or a remote recovery service provider. The hierarchical structure of the recovery plans includes the ability to address incidents that are department, facility, city, state or regional in nature.

Testing Frequency & Results

Plans are reviewed, updated and exercised on an annual basis in accordance with the criticality of the plan. Recovery tests are conducted on an annual basis.

Recovery Time Objective / Recovery Point Objective

The front-end web interface and back-end Public Sector Retirement Plans Record Keeping applications are considered business critical. They have an RTO of 0 to 8 hours and an RPO of no data loss.

Nationwide tests disaster recovery procedures annually on both a scheduled and unscheduled basis. Nationwide's disaster recovery plans are reviewed, updated and tested on an annual basis. It is Nationwide's intention to transact business during an interruption whenever possible. Depending on the nature and severity of the interruption, recovery timeframes may vary. To help mitigate risk, redundant networks and alternate remote systems recovery sites are included in our recovery strategy. The last full-scale disaster recovery test was performed in the month of November of 2017 with no incidents.

- **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?**

System Backup Procedures

Back-ups are performed daily, and on weekends, a complete system backup-to-tape is performed of all data. The back-ups are rotated, on both a weekly and monthly basis. They are stored on-site in a fireproof vault, and off-site in a climate controlled, Halon-protected vault of records with a management firm providing 24-hour pickup and delivery services. Daily back-ups are kept for one week. Weekly back-ups are kept for one month, with the last week of each month kept for one year. Monthly back-ups are kept for a minimum of one year and year-end back-ups are kept permanently.

Off-site Storage

Nationwide has two Tier IV data centers located outside of Columbus in central Ohio, designed to provide 99.995% availability and the highest level of fault tolerance. There are over 500,000 data centers in the world, and only five in the United States have been given the highest rating of 'Tier IV' by the Uptime Institute. This unbiased organization is recognized globally for the creation and administration of the Tier Standards & Certifications for Data Center Design, Construction and Operational Sustainability.

Our two Tier IV data centers are available 24 hours a day, 365 days a year, and are also Leadership in Energy & Environmental Design (LEED) certified, with natural indoor lighting, a recycling program and 77% of the centers' cooling coming from outside air. LEED is a green building certification program that recognizes best-in-class building strategies and practices.

Our redundant Tier IV data centers have proximity enabling us to replicate data with near real-time business continuity between our data centers. We have regular tests of our failover to maintain business continuity, ensuring that our operations can seamlessly move to our backup site.

- **Do you guarantee service performance? If so, please describe and include samples of items that you would agree to as part of a contract for plan administration services clearly specifying any penalty compensation.**

Nationwide is willing to commit \$25,000 annually towards performance guarantees. Nationwide looks forward to working with the County to mutually agree upon specific service guarantees and monetary risk amounts.

	Benchmark	Amount at Risk
Phone		
Plan sponsor services response time:	Same Day	TBD
Participant services response time:	Same Day	TBD
Return all calls to plan sponsor within:	Within 1 business day	TBD
Return all calls to participants within:	Within 1 business day	TBD
Statements		
Participant statement mail time:	Within 15 business days of the end of the reporting period	TBD
Sponsor plan statement mail time:	Within 30 days of the end of the reporting period	TBD

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	Benchmark	Amount at Risk
Participant online statement posting:	Within 15 business days of the end of the reporting period	TBD
Sponsor online statement posting:	Within 30 days of the end of the reporting period	TBD
Participant Services		
Number of on-site individual meetings:	100 service days per year	TBD
Number of on-site group meetings:	100 service days per year	TBD
Financial planning services:	Quarterly targeted email communications	TBD
Plan participation rate increases:	Nationwide will discuss expectations with the Plan	TBD
Deferral rate increases:	Nationwide will discuss expectations with the Plan	TBD
Administration		
Contribution posting:	Same business day if received in good order by 3 p.m. CT	TBD
Withdrawals processed:	Within 3 business days of receipt in good order	TBD
Emergency withdrawals processed:	Within 3 business days of receipt in good order	TBD
Rollovers/transfers out:	Within 3 business days of receipt in good order	TBD
Loan processing (if applicable):	Within 3 business days of receipt in good order	TBD
Plan Sponsor Services		
Report delivery:	Within 30 days of the end of the reporting period	TBD
Training:	We would like to discuss requirements and expectations with the Plan	TBD

- Do you have or can you make available recent SSAE 16 or SSAE 18 auditor's report on internal controls (Yes/No)? If yes, please provide any recent copies of the SSAE 16 or SSAE 18 auditor's report on internal controls covering all service areas covered by this RFP and its scope (attach multiple reports as necessary).

KPMG, LLP conducts an annual SOC-1, Type 2 Audit. Please refer to the **About Nationwide** section of our response for a copy of the most recent audit from 2017.

- Describe the account team that would deal directly with County during the transition and ongoing. Indicate staff size, experience and turnover rates.

A significant advantage of retaining Nationwide is the elimination of the transition process.

Nationwide's ongoing service model is focused on the County's participants. Our goal is to help improve the retirement readiness of your employees and we work to achieve this goal by meeting with your employees where and when it's convenient for them. Through your team consisting of a Regional Vice President, Program Director, onsite Retirement Specialists and internal and onsite consultants, we stand by our commitment to make education and participant satisfaction the cornerstone of what makes our service model unique to the industry.

Internal Retirement Specialists

An extension of the services offered through your local Retirement Specialists our phone-based department is available via toll-free telephone lines to help participants address retirement questions and



concerns including, but not limited to, Retirement Income Analysis, Social Security, health care costs, and holistic household needs. The Internal Retirement Specialists utilize the same software and provide the same services as your local Retirement Specialist. These individuals carry the same licensing requirements, including FINRA Series 6, Series 63, Registered Investment Advisor Representative (Series 65), and State Life and Health license.

Customer Service Representatives

CSRs are available between the hours of 7 a.m. and 10 p.m. CST, Monday through Friday and Saturday from 8 a.m. to 5 p.m. CST. CSRs are specifically trained on the intricacies of the Dallas County Plan to assist participants with most account questions, including but not limited to:

- All account information
 - Account maintenance
 - Assistance with enrollment paperwork
 - Distribution questions and calculations
 - Deferral amount changes and exchanges
 - Death claims
 - Beneficiary changes
 - Assistance with Unforeseeable Emergency withdrawal questions
 - Provide forms and packets to participants
 - Information on fund choices
- **What is the average number of clients managed by the account team for plans of this size?**

Greg Russell, Will Angus, and Sarah Carlo serve as the local service team for 28 Plans. Dallas County will continue to be the largest of those Plans and, therefore, their highest priority.

- **How many of your employees work on defined contribution plans? Provide a breakdown by functional area.**

Nationwide employs nearly 1,400 employees in our Retirement Plans division, with over 1,000 supporting the governmental sector. Please refer to the chart below for an employee count by functional area:

Nationwide Retirement Plans Departments	Number of Dedicated Staff	Location of Department
Business Development & Process Mgmt	56	Columbus, OH
Nationwide Retirement Institute	12	Columbus, OH
Public/Private Sector Sales	462	Regional/Columbus, OH
Operations Administration	587	Columbus, OH
Information Technology	145	Columbus, OH
Finance	51	Columbus, OH
Compliance	7	Columbus, OH
Legal	17	Columbus, OH
Marketing	22	Columbus, OH
Communications	2	Columbus, OH

- **What are your client retention statistics for each of the last three years?**

Nationwide's client retention rate is greater than 99% for each of the past three years.

- **Describe your organization's commitment to quality and your philosophy/approach to client services.**

Experience & Leadership

We are a US based company that is more than a business providing stability for our plans and participants. While there is tough competition in the retirement plan market, our heritage and foundation position us above many of our competitors. Over our 44-year history, we have grown to be the largest retirement plan provider serving the public sector with over 7,800 government sector retirement plans and more than \$95 billion in assets.

While other recordkeepers are merging or exiting the industry, Nationwide continues to thrive and reinvest in our public sector business. We saw our business grow 17% in 2017 and this growth allows us to reinvest back into our business and improve upon our products and services. Recent wins like Seattle, Sacramento, Scottsdale, San Luis Obispo County, Philadelphia and Baltimore show that the industry is recognizing our experience and leadership and they are placing their trust and their participants' futures in Nationwide's care.

Retirement Readiness

Nationwide's mission statement is to help America's workers prepare for and live in retirement and we believe we do this better than any other firm. While the concept of retirement readiness may not be exclusive to our retirement plans, the way we drive toward it certainly is. Being retirement ready deserves an all day, every day partnership so we offer a comprehensive approach to retirement readiness by surrounding participants with proactive education, digital tools, and in-person support. Our holistic approach to retirement readiness tackles the challenges retirees face today and provides solutions to overcoming those challenges. Leveraging the experience and leadership of the Nationwide Retirement Institute, we conduct group workshop presentations and one-on-one consultations to help educate employees about advanced retirement topics such as income planning and optimizing Social Security benefits in simple, easy to understand ways.

Furthermore, our suite of online tools allows employees to view their retirement outlook at any time and helps them understand how they're tracking towards retirement by comparing their projected income to replacement ratio. They can immediately see their projected gap and the next steps to close the gap, including tailored contribution and automatic increase recommendations.

People & Culture

Diversity and Inclusion are a way of life at Nationwide where voices are heard and valued, and our customers know Nationwide Is On Your Side. Nationwide associates know we have lot to be proud of and other organizations are recognizing us for who we are and what we have accomplished.



#53

Fortune "100 Best Companies to Work For" list

"Culture is more than a word — it's a key ingredient for our success — today and in the future."

- CEO Steve Rasmussen



HUMAN
RIGHTS
CAMPAIGN®

2018 Honoree

Best Places to Work for LGBTQ Equality

"Beyond the recognition, what's really important is that it's all of our associates' contributions that makes Nationwide great."

- CEO Steve Rasmussen

At Nationwide, we create lasting change in our communities with a focused approach combining philanthropy, volunteerism and workplace giving. But what really sets us apart from other companies is the dedication of our associates and the deep relationships with our national partners that make a real impact across the country. In the words of Eric Stevenson, Sr. Vice President of Nationwide Retirement Plans Distribution, "Competitors can mimic our products. They can mimic our pricing. But they can't mimic our culture."



\$10 million
Contributed by the Nationwide Foundation in 2017

For more than 60 years, Nationwide and the Nationwide Foundation have been working with Nationwide Children's Hospital to help ensure every child has access to quality medical care.



\$136.9 million
Pledged to the United Way by our associates, partners and retirees since 2000

We're proud to say that our associates have been giving to United Way since our first workplace campaign in 1951. Today, almost 70% of our associates contribute to benefit local United Ways across the country.



16,000
Units of blood donated to the American Red Cross by Nationwide associates in 2017

For more than 70 years, Nationwide and the American Red Cross have partnered together to help communities across the country through blood donation and disaster relief. Nationwide associates give around 14,000 pints of blood annually, benefiting approximately 42,000 lives.

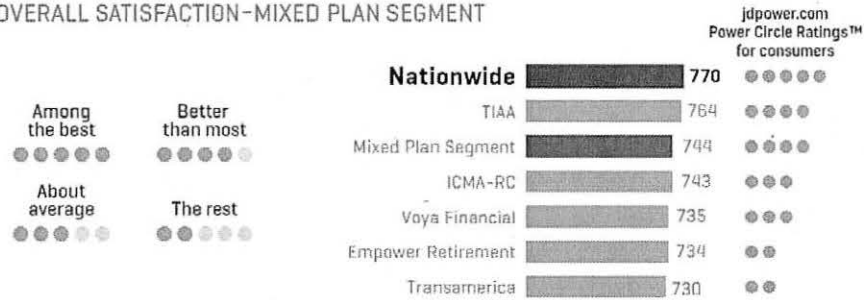


3.4 million
Meals raised by Nationwide associates in 2017 for Feeding America member food banks

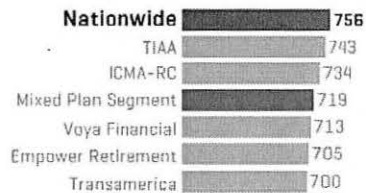
The Nationwide Foundation supports Feeding America, its National Produce Program and 22 of its member food banks across the nation, granting more than \$10.9 million since 2000.

We were recently honored above our top competitors when J.D. Power ranked Nationwide "Highest in Group Retirement Satisfaction among Mixed Plan Providers" for 2018. This was based on responses from more than 9,500 participants.

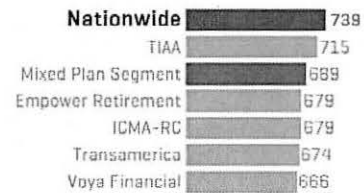
OVERALL SATISFACTION-MIXED PLAN SEGMENT



INFORMATION AND RESOURCES



COMMISSIONS AND FEES



Nationwide was also recognized for rising above their peers for service to retirement plan participants, receiving the 2018 DALBAR Plan Participant Service Award. Nationwide earned this award by excelling in categories of attitude, expertise, call interruptions and accommodation.

These pillars are core to who we are and what ultimately help us provide the Best Overall Value!

- Describe your procedures for monitoring client and participant satisfaction.

Client Satisfaction

Our highest priority is ensuring the County's satisfaction with the services we provide. Our service team commits to quarterly meetings with the County to discuss performance, service improvements, participant outcomes and opportunities for Nationwide to better serve the Plans and its participants.

We frequently survey plan sponsors; through a program we call the Client Enthusiasm Metric (CEM). CEM is a rolling survey sent out to a broad cross-section of Plan Sponsors, asking sponsors to rate us and comment on our performance, including:

- Overall Customer Satisfaction
- Likelihood to Recommend Us
- Likelihood to Continue to do Business with Us
- Touch Point Evaluation
- On-site Field Service Representatives
- Plan Administration Contact
- Customer Service Center
- Communication
- Website
- Program Director
- Products and Services
- Problem Resolution

The feedback received from the CEM survey drives Nationwide's plan enhancement strategy and ensures we continue to provide a superior client experience.

Real-Time Participant Survey

To execute on our commitment to deliver On Your Side service, Nationwide offers an opportunity to provide feedback to each person who contacts us through our Call Center. Participants have the option to opt in or opt out of the short survey following the call. Participants are asked to rate their experience on the following topics:

- Quality of service
- Was the question resolved
- Overall quality of the CSR
- Desire of the CSR to assist
- Knowledge of the CSR
- Overall Value

Results are updated in real-time to the results database. If feedback is negative, the CSR's manager receives an email alert allowing them to provide coaching and feedback in close proximity to the call. All Call Center leaders have access to feedback for each CSR on their team. The results are reviewed weekly and monthly.

- **Describe your service/timing standards.**

Transaction	Turnaround Time
Issuance of Participant statements	Within 15 business days of the end of the reporting period
Transaction Confirmation statements	Within two business days of processing
Hard Copy Plan Level Administrative Reports (hard copies)	Within 30 days of the end of the reporting period
Processing Payroll Contributions	Same business day if received in good order by close of the New York Stock Exchange, general 3 p.m. CST
Hardship/Unforeseen Emergency Withdrawals	Within three business days of receipt in good order
Termination/Rollovers/Direct Transfers for Distribution	Within three business days of receipt in good order
Fund Balance Transfers	Same business day if received in good order by close of the New York Stock Exchange, general 3 p.m. CST
Investment Election Requests	Updated real-time
Error corrections and adjustments	No standard. Nationwide works to make corrections and adjustments same day
Contribution Percentage Elections/ Changes	Updated real-time
QDRO Processing	Within 30 days once received in good order

- **What checks and balances do you have in place to assure plan administration integrity and accuracy including participant account data?**

We have a number of processes in place to ensure the delivery of high quality products and services. Initiatives are in place to ensure the quality of our recordkeeping products and services include:

- Complete quality checking of financial and non-financial data input on a pre-flow basis at Nationwide
- Electronic confirmations transmitted
- Account reconciliation procedures
- Daily "suspense" monitoring and reporting internally and externally
- Procedures that include complete internal auditing controls

- Measurement of all data entry for each individual and service team, with results included in each team member's performance evaluation
- Annual evaluations by an outside accounting firm of adherence to internal audit procedures and SOC 1 documentation

After this information is entered and processed by one of our representatives it is verified and checked by another member of the team. In addition, the unit manager monitors the services provided to maintain a high level of accuracy.

Recordkeeping/Administration

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Recordkeeping, Technology, Investment Access and Fee Administration. This summary should include:

Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services and a detailed articulation of qualifications, if any.

- **Discussion of how trustee services are provided (directly, via affiliate, via third-party, etc.), additional fees for trustee services, and any limitations that exist on holding assets.**

Nationwide offers directed trustee (non-discretionary) or custodial services via the Nationwide Trust Company (NTC), regulated by the Office of the Comptroller of the Currency and a wholly owned subsidiary of Nationwide Financial Services, Inc. NTC's duties are to establish and maintain a trust or custodial account and take direction from the fiduciary or its authorized representative with respect to the administration and investment of the account in accordance with the Plan Document and federal law. NTC is not a plan fiduciary with respect to the trustee services that it provides and assumes no responsibility for the administration or management of the plan. A separate agreement would be required for the trustee or custodial services outlined above.

- **Discussion of trust interface and integration with recordkeeping platform, plan sponsors, and investment managers.**

NTC's trust platform is fully integrated with our recordkeeping platform. As part of our services we provide comprehensive reporting on plan assets and activity to the County.

- **Discussion of how your Firm monitors the plans to ensure it is administered in accordance with its provisions? What controls are in place?**

Nationwide administers Plans in accordance with current federal law and the Plan documents. Documented procedures are in place to ensure that the Plan is administered appropriately, including:

- Periodic plan reporting
- Administrative performance guarantees
- Internal and third-party audits

As the regulatory and legal landscape of the public sector defined contribution market evolves, Nationwide has the capabilities to ensure ongoing compliance for recordkeeping and administrative services.

- **Discuss the Firm's ability to provide the 475(b) plan design features discussed in this RFP. Clearly identify design features described in the Scope of Services that would present challenges for your Firm to administer, if any.**

As the County's current 457(b) provider, Nationwide provides the administrative and recordkeeping

services described in the RFP. We see no features that present a challenge.

- **Discussion of data transmission methods related to payroll systems.**

Nationwide offers the Plan payroll automation options that may make the Plan Sponsor's job easier. Nationwide will accept payroll information through any one of the following media:

- Web processing tool (Nationwide SecurePaySM)
- Electronic transmission (HTTPS, FTPS, SFTP, FTP/PGP)

Nationwide SecurePaySM

Nationwide SecurePay brings deferred compensation plan sponsors upgraded functionality that streamlines the way you submit payroll online. Through Nationwide SecurePay, you can:

- Select from six pay period templates, or create one of your own
- Delete participants from payroll detail
- Identify participants whose accounts are not yet setup, reducing contributions going into suspense
- Sort detail by Amount, Social Security Number and Name, helping to identify where a detail submission may be out of balance
- Edit your submissions multiple times if needed
- Print the payroll acknowledgement for your records
- Access an enhanced, more thorough and easy to read User Guide
- View payroll submission history

Nationwide SecurePay takes security seriously. Nationwide uses encrypted processing through a 128-bit SSL: The Plan Sponsor's data is protected behind billions of possible combinations. The user will be logged off after 15 minutes of inactivity – an extra layer of protection safeguarding the Plan's data.

- **Discuss your abilities and services related to the life-cycle of participant interaction:**

- **Enrollment;**

The education and enrollment services we offer are based on our knowledge of behavioral finance principles. Using our insights, we work with all eligible employees, both new hires and employees who are not enrolled in the 457(b) Plan, to help them understand the benefits of the Plan, how it complements their retirement benefits and can help them prepare for retirement. And because all employees are different and have different styles and preferences, we offer several enrollment options, including hard copy enrollment kits.

Online enrollment

Employees who prefer self-service can enroll online through our mobile-enhanced website on any device. Nationwide recently invested in iPads that our service team uses for online enrollment during individual and group meetings. The website's enrollment feature guides participants through the simple enrollment process in a few easy steps, while helping them make informed decisions around what they may need to save to be retirement ready.

Over-the-phone enrollment

For employees who want assistance at times convenient to them, Nationwide's internal Retirement Resource Group provides asset allocation review and enrollment assistance over the phone.

Auto Enrollment

Nationwide offers auto-enrollment capabilities and can offer this feature for plans where applicable state and local laws allow.

- **Investment Elections, including default and rebalancing features;**

Investment Elections

Participants have access to view and change their current investment elections on the website. They can also verify and change them over the phone via the VRU or through a CSR. All changes are documented with a confirmation which is mailed within two business days of processing the request. Participant enrolled in eDelivery will receive a confirmation via email notification.

Default Options

If the participant contribution is received and Nationwide does not have investment instructions from the participant, there are options available to the Plan based on the Plan Document. One of the actions below will be completed within 2 business days of designating the contribution as Not In Good Order (NIGO).

If the Plan has selected a default investment option, Nationwide will use that investment option to process the contribution for the participant. The participant will receive a confirmation after the transaction is processed that notifies them of the transaction and where it was invested.

If the Plan has not selected a default investment option, Nationwide will attempt to collect the information by the preferred method of the Plan, by either contacting the Plan or contacting the participant via phone, email or letter to have the participant select an investment option.

If all options are exhausted, we will follow the directions of the Plan and the Plan Document.

Rebalancing

Nationwide supports automatic rebalancing at the plan level. The County has the ability to offer a monthly, quarterly or semi-annual rebalance feature for its participants. Participant may enroll or unenroll from the feature at any time via the website or through a CSR.

○ **Beneficiary Designation;**

Participants may update their beneficiary information via hardcopy or via the website. They can review their current beneficiary information on the website or their quarterly statement. When enrolling online, it is mandatory for participants to name a beneficiary to complete the process. Beneficiary information is tracked and maintained in our record keeping system. Hard copy beneficiary forms are imaged and retained in an offsite Nationwide storage facility until it is deemed obsolete and destroyed.

○ **Investment Exchanges and Reallocations;**

Participants may request fund transfers via the following methods:

- Our fully transactional website
- Our Voice Response System
- Via an appropriately licensed CSR during normal business hours
- Via hard copy request

All fund transfers received in good order by the close of the NYSE, typically 3 p.m. CST, will be processed the same business day. Files and funds received after 3 p.m. CST will be processed the following business day. Following the transfer, a written confirmation is mailed to the address on file within two business day. Participant enrolled in eDelivery will receive a confirmation via email notification.

○ **Rollovers In / Rollovers Out;**

Nationwide provides incoming rollover and plan-to-plan services at no additional cost to the County or the participant. The County may delegate this process in its entirety to Nationwide.

Once a participant has submitted the appropriate rollover form in good order, Nationwide will process the request and issue a letter of acceptance, that verifies the source from the issuing institution. The participant can elect to have the rollover be invested per their current investment election or the participant can specify a different investment election for their rollover to be invested. We also accept rollover submitted directly from other firms.

○ **Distributions;**

Nationwide informs participants of their available transfer options, benefit settlement options, and amounts due participants or beneficiaries who leave the plan by reason of retirement, termination of employment or death.

The following distribution options are available to participants:

- Lump sum payment
- Systematic withdrawal plan
- Periodic payments

Lump Sum Payments – distributions are processed within three business days of receipt of request.

Systematic Withdrawal – the participant's account remains active and continues to realize fund investment performance throughout the payout period. We offer two types of systematic withdrawals:

- Installment payments of a designated amount – equal monthly installments are made until the balance of the account is exhausted.
- Installment payment of a designated period – payments are recalculated either on a per payment or annual basis to exhaust the account balance in the number of years selected

Periodic Partial Lump Sum Payments – participants complete a distribution form anytime they desire a payment. Requests can be made at any time and for any amount and are processed within three business days of receipt.

For all distribution options, participants are required to begin taking Internal Revenue Service mandated minimum required distributions at age 70 ½, unless the plan document states otherwise.

○ **Participant Loans; and**

Nationwide services nearly 8,000 plans and many of them offer loans. We have a dedicated Loans Team that works to help ensure loan administration is working properly on existing loans and that participants have a positive experience when requesting new loans at Nationwide. We have the capability to handle the entire loan process and we look forward to working with the Plan Sponsor to review the processes and procedures in place today to ensure they meet your needs.

Nationwide provides loan modeling and amortization scheduling on all loans. Balances must be paid in full over a maximum term of five years – except for residential loans, which can be taken up to a maximum of 15 years. We administer loans directly through the Plan permitting participants to take loans from their account and repay it with after-tax dollars.

We provide amortization schedules, all required paperwork, and loan disbursements and keep the Plan Sponsor informed of total outstanding loan principal through the customized website and quarterly Plan Statement.

The information below describes provisions that many plans follow in their loan programs:

Minimum and Maximum Loan Amounts

The minimum loan amount is \$1,000. The maximum loan amount is the lesser of:

- 50% of the participant's vested account balance (not including deemed IRA account, if applicable) less any outstanding balances under the Plan, or
- \$50,000 less the highest outstanding loan balance during the preceding one-year period.

Loan Application

- Online – The Plan Sponsor's provisions currently do not allow online loan modeling or initiation; however, online modeling and initiation is available, if permitted by the Plan and Plan Documents. If allowed, only General Purpose loans can be modeled and initiated online. Primary Residence loans can be modeled online but additional documentation will be required to initiate. We look forward to reviewing the loan provisions with the Plan Sponsor.
- Call Center – Customer Services Representatives (CSRs) generate and send loan application paperwork through email, fax or mail.

Loan Guidelines for Participants

Participants can apply for a loan from the Plan subject to limitations and other provisions outlined below:

- Repayment Method – Loan repayments are made through payroll deduction or via ACH payment from a participant's bank account
- Participant Eligibility – All Plan participants are eligible to take a loan from their account, based on Plan provisions outlined by the Plan Sponsor's Plan Document. To qualify, participants must also complete and sign a loan application and pay an application fee.
- Number of Loans – A participant may only have the number of outstanding loans allowed in the agreed-upon Loan Administrative Procedures.
- Suspension of Loan Payments – A participant may suspend loan repayment while on military or medical leave documented with the employer. The employer is responsible to notify Nationwide when a participant is on leave. At the expiration of any suspension of loan payments period, the outstanding loan balance, including any accrued interest and fees, will be re-amortized.
- Interest Rate – The interest rate will be determined by the Plan Sponsor. Currently, the County's loan interest rate is the Prime Rate plus 1%.

○ **Other Transaction / Interface Categories.**

Self-Directed Brokerage Account services are offered through Charles Schwab's Personal Choice Retirement Account. The Schwab Personal Choice Retirement Account allows participants to contribute retirement plan savings into a greatly expanded range of investment choices including stocks, bonds and mutual funds

Once enrolled, participants can transfer funds from their core account to the PCRA with Schwab. The process for transferring to the Schwab Personal Choice Retirement Account® (PCRA) is described below.

Day 1 – The participant contacts Nationwide via the participant call center or via the website to request to move money from their core account to their PCRA. Nationwide sends transfer information in a cashing file specifying how many of the wired funds from the core account are to be allocated to each participant's PCRA.

Day 2 – Wired funds are deposited into cash accounts for each participant. The participant cannot view the amount of cash on the Schwab website, but if the wired funds are deposited prior to market close, the participant can place trades at Schwab.

Day 3 – Cash accounts are deposited in a money market at Schwab and the participant can then see the amount on the Charles Schwab website, and can begin trading in their PCRA.

The participant can then use one of the following options to place trade orders in their PCRA:

- www.schwab.com
 - Mobile Applications for iPhone, iPad, and other devices
 - Dedicated PCRA Call Center at (888)393-7272
 - TeleBroker® touch tone
 - Schwab by Phone™ voice recognition
- **Discussion of Federal and State tax reporting for 457(b) plans including discussion of tax form preparation and filing and support for tax reporting.**

Nationwide uses a system that calculates applicable federal and state withholding taxes for distributions, and also generates required federal and state tax reports. This is an automated process that is administered by a separate administrative group within our record keeping area.

Copies of 1099-R reporting forms are sent annually to both the IRS and the participant/beneficiary no later than January 31st of the year following the distribution. Copies are posted online no later than January 31st of the year following the distribution, as well.

Nationwide's system will automatically default to a 30% federal withholding for participants who reside outside of the United States. They will receive a 1099-R as described above. The participant is responsible for filing with all appropriate entities.

- **Discussion of Qualified Domestic Relations Orders (QDROs) and other outsourced document administration services (including powers of attorney, beneficiary documentation, death processing, and others).**

Approval

Nationwide is capable of processing any Qualified Domestic Relations Order (QDRO) or any other court ordered division of the account received in good order, if directed by the County. We correspond with the requestor of the court order, explaining our services and will maintain files on our computer system relative to the alternate payee.

Process

Once we receive a QDRO in good order, we will establish an account for the alternate payee and transfer the correct assets into the account. We inform participants when payments are due from a QDRO or court ordered distribution and provide all of the appropriate tax reporting of these distributions. We work with the attorneys representing their parties, as needed.

- **Discussion of checks and balances in place to ensure transactional integrity including plan administration manuals and other controls.**

We have a number of processes in place to ensure the delivery of high quality products and services. Initiatives are in place to ensure the quality of our recordkeeping products and services include:

- Complete quality checking of financial and non-financial data input on a pre-flow basis at Nationwide
- Electronic confirmations transmitted
- Account reconciliation procedures
- Daily "suspense" monitoring and reporting internally and externally
- Procedures that include complete internal auditing controls

- Measurement of all data entry for each individual and service team, with results included in each team member's performance evaluation
- Annual evaluations by an outside accounting firm of adherence to internal audit procedures and SOC 1 documentation

After this information is entered and processed by one of our representatives it is verified and checked by another member of the team. In addition, the unit manager monitors the services provided to maintain a high level of accuracy.

- **Description of any customized or ad hoc reporting capabilities including Internet capabilities for the Plan Sponsor.**

Online Ad-Hoc Reporting

This reporting feature gives the County the ability to independently obtain participant or financial data that's pertinent to your needs. All reports can be filtered by IRS money type, date, and participant age range. After gathering the information, you can then save the report to your "report inbox" to view it again at a future date. The reports include:

- Plan Assets Report – This report details asset holdings and total number of participants invested within each investment option.
- Participant Census Data Report – This report details basic information about the Plan Participants, including: demographics and basic account information. The report offers customizable options to add or omit data by clicking the "customize table" link within the report.
- Plan Contributions Report – This report details information relating to contributions submitted on behalf of Plan participants.
- Loan Activity Report – This report provides Plan level loan activity and information about active and defaulted outstanding loans.
- Rollover/Transfers Report – This report provides data relating to transfers and rollover activity in and out of the Plan.
- Participant Distributions Report – This report provides data on distributions that have been taken by participants.
- Enrollment Detail Report – This report provides enrollment activity for participants within the Plan for a selected date range. Plan Sponsors may choose to view results for single or multiple IRS codes and for specific channels and may also choose to display Tax IDs in a redacted view.
- Participant Details Report – This customizable report provides detailed information at a participant level including demographic, account and census information. The following outputs are available:
 - Account Holder Name
 - Employment Status
 - SSN
 - Contribution Status
 - Latest Contribution Amount
 - Latest Contribution Date
 - Entry Date
 - Salary Reduction Amount or Percentage
 - Ownership Percentage
 - Auto Enroll Entry Status
 - Employee Type

- Date of Birth
- Gender
- Address
- Participant Setup Date
- Hire Date
- Entry Date Type
- Roth Reduction Amount or Percentage
- Relationship to Owner
- Refund Deadline
- Email Address
- Account Number
- Account Balance
- Initial Contribution Date
- Service Termination Date
- Date of Rehire
- Date of Death
- Officer
- Related to Owner SSN
- Auto Enroll Entry Date
- Auto Increase Date

Specialty Reports

The following reports are available through the County's Relationship Consultant, Kim Lovell, upon request:

- Enrollment reports
- Managed Accounts reports
- Money Source reports (i.e. Roth)
- Participants VRS Usage reports
- Participants Web Usage reports

Please refer to the **Plan Sponsor Communications** section of our response for sample reports.

- **Description of your standard participant-level statements and documents (provide samples).**

Nationwide's participant statement provides an integrated and comprehensive quarterly review of the participant's 457(b) account. Account balances are provided separately and in a combined total. Participant statements are customized with the Plan's name and logo.

Participant indicative information displayed on the statement includes name, address, and their unique Plan Account number.

The statement is designed in sections that allow participants to quickly locate and review information. A brief description of each section is provided below:

- **Quarterly Activity at a Glance** displays the totals of all activity during the reporting period.
- **Historical Performance** provides total contributions and gain/loss over the period that Nationwide has been the record keeper.
- **Contribution and Distribution Summary** displays contribution and distribution totals for the quarter and year-to-date.
- **Your Asset Allocation** displays, with both a visual and narrative depiction, how the participant's assets are invested among the Plan's seven asset classes.
- **Investment Option Summary** displays how future deferrals will be invested along with ending prices, number of shares, and the corresponding value for each investment option.

- **Your Account Values by Investment Option** displays beginning and ending dollar values by investment option and contribution type.
- **Transaction Details** itemizes all activity that occurred during the reporting period. Transactions display the type of request, the share price applied, and the number of shares affected.
- **Your Beneficiary Information** displays the named beneficiaries on the participant's account.
- **Your Loan Information** displays for only those participants who have an outstanding loan during the report periods and summarizes loan payment activity.
- **Your Personalized Rate of Return** shows by percentage how much participant account values have gained/lost over the previous twelve months.
- **Self-Directed Brokerage Account** displays the participant's total SDBA account balance with Schwab.
- **Investment Performance Information** provides the 3-month, 1-year, 5-year, 10-year, and inception-to-date performance for all Plan investment options along with the Gross Expense Ratio for each.

Additionally, the Plan Sponsor has the flexibility to create custom messaging totaling 170 characters, including any disclosures.

Through our eDelivery program, participants now have the option of receiving an email notification when their statements and confirmations are posted online.

Please refer to the **Participant Communications** section of our response for a sample participant statement.

- **Review of the standard hours of account access and transactional availability via customer service call centers, online, and voice response channels.**

Our website averages 99% availability monthly.

Our VRS is available 24 hours per day/7 days per week with the exception of pre-schedule maintenance which usually occurs on a Saturday night/Sunday morning between the hours of 11 p.m. and 5 a.m. CT.

Our Customer Service Center is open Monday through Friday, 7 a.m. to 10 p.m., and Saturday from 8 a.m. to 5 p.m. CT to accommodate the diverse work schedules of your employees.

- **Provide a summary of capabilities (denoting capability to effect transaction type) by access channel using the chart below:**

This item was removed from the RFP per Addendum #4 issued on November 7th, 2018.

- **Discuss training provided to service center representatives before they are allowed to handle incoming calls. Do you require any certifications?**

Licensing Requirements

All CSRs are required to hold the FINRA Series 6 license.

New Employee Training

To prepare new CSRs to assist participants, we have developed a four-week training course that educates new representatives in policies, procedures, regulations and the ability to provide an "On Your Side" experience for each participant. During the training course, CSRs are trained on:

- Nationwide's products and services
- Applicable regulations for supplemental retirement plans
- Our proprietary recordkeeping system, website, and voice response technologies
- Service concept training on how to empathize, correct word choice, and tone

Throughout the four-week session, CSRs shadow experienced CSRs who model how to successfully handle participant inquiries. Once the training has been completed, CSRs are prepared to begin handling calls.

Ongoing Training

Our CSRs receive ongoing training to ensure they stay current with industry changes, trends, and legislation. They also take part in continuing education for their FINRA registrations, along with manager coaching. All training and coaching is delivered through classroom settings, computer based training, and one-on-one sessions.

All of our licensed CSRs are trained on the specific details of your plan and have access to multiple resources to allow them to effectively answer participant questions. Nationwide utilizes an online repository, Nationwide Knowledge Base, to house all training and reference materials for the County's defined contribution plans. Nationwide Knowledge Base's electronic format allows the information to be updated at a moments notice. The CSRs have the ability to access information including but not limited to the Plan's investment options and performance, administrative procedures, and all communications being shared with participants.

As new personnel join the team, our training department will make sure that they are well versed on how to access the information on the County's Plan. New personnel will be familiar with general provisions of 457(b) defined contribution plans as well as the specifics of the County's plan prior to interacting with participants. In addition, personnel assigned to take the County calls will be seasoned CSRs.

Nationwide will work with the County to find a mutually agreeable process for proposed training and instituting modifications that can be completed in an efficient and timely manner.

- **Discuss your case management procedures for calls that have service issues.**

CSRs will immediately escalate inquiries upon the caller's request. In addition, CSRs will escalate a call to a Team Lead or a Manager, if they are unable to resolve an issue while the caller is on the line. If the Team Lead or Manager is unable to resolve the issue or additional research/action is needed for resolution, they will communicate with our Issue Resolution Team to determine a resolution. The caller will be provided with an expected timeline for resolution and they will be kept informed of the progress until final resolution is reached.

- **A description of the Firm's following policies and procedures: quality control, information access management and security.**

Quality Control

We have a number of processes in place to ensure the delivery of high quality products and services. Initiatives are in place to ensure the quality of our recordkeeping products and services include:

- Complete quality checking of financial and non-financial data input on a pre-flow basis at Nationwide
- Electronic confirmations transmitted
- Account reconciliation procedures
- Daily "suspense" monitoring and reporting internally and externally
- Procedures that include complete internal auditing controls
- Measurement of all data entry for each individual and service team, with results included in each team member's performance evaluation
- Annual evaluations by an outside accounting firm of adherence to internal audit procedures and SOC 1 documentation

After this information is entered and processed by one of our representatives it is verified and checked by another member of the team. In addition, the unit manager monitors the services provided to maintain a high level of accuracy.

Access Management

Nationwide Associates are only provisioned the access necessary to do their jobs. A centralized, automated tool is leveraged to manage the life-cycle of an ID, and to enforce least-privileged access. The tool integrates with our directory systems. These tools work in conjunction to enforce identity, authentication, authorization, auditing & accountability.

- Access to provision ID's is handled through a centralized ID administration team.
- Newly provisioned access must be approved by People Leaders prior to roles being granted and ID's being created.
- If an associate transfers department, their access is required to be reviewed within the tool by the new hiring manager prior to the Associate beginning the new role.
- People Leaders are required to complete access reviews of their direct reports on a quarterly basis.
- The tool is integrated with our directory systems to immediately revoke access upon termination.
- Privileged access to record-keeping applications is tightly monitored using a Privilege Identity Management Tool.

Participant Data

Access to participant data is restricted to those who require such access to perform their job function, and to control the confidentiality, integrity and availability of the data. All workstations, portable media devices, and removable media containing participant data is monitored using data loss prevention tools to block any confidential data exfiltration. Alerts are sent to our Security Command Center based upon defined thresholds for further review. These professionals are responsible for the investigation and review of any attempted data exfiltration to external devices and for enforcing compliance with Nationwide's Confidentiality Agreement and Information Security Policy.

Finally, secure waste containers are available on every floor, and a clean desk policy prohibits sensitive information being left in plain sight.

- **Description of the standard reporting package that you would provide County as well as the medium(s) used (provide samples).**

The following comprehensive reports are issued at the end of each applicable reporting period:

- Participant Statement – This report summarizes participant financial activities for the current period and from inception with Nationwide-to-date. This comprehensive quarterly report is issued within 15 business days of the end of the report period.
- Employer Statement of Account – This report is produced in conjunction with participant statements and provides a summary of participant activity that transpired during the reporting period.
- Gauging Success Report – This report encompasses deferrals, participation, assets, average account balances, and asset allocation for the Plan as a whole. In addition, it provides peer group comparisons to determine how the Plan compares against similar size plans. This report can be delivered quarterly and can assist in designing education and service to best serve your employees. This report is available online within 30 business days of the quarter end.
- Plan Sponsor Retirement Readiness Report – To better understand the overall health of the Plan and how ready your employees are for retirement, Nationwide will enhance the current Gauging Success Report to include a Retirement Readiness status and action plan. Details of the new report include:
 - A section that summarizes the overall readiness of your participants
 - Illustrates how many participants (number and percentage) are currently ready for retirement (i.e., on track to replace over 85% of their pre-retirement income) vs not ready
 - Show the trend over time (i.e., how has the overall readiness improved year over year)

- Summarizes the actions your participants are taking to improve their retirement readiness, including:
 - accessed the website to view their holistic Retirement Readiness Report
 - utilized the My Interactive Retirement Planner
 - increased contribution
 - updated asset allocation
 - called or visited a Retirement Specialist
- An action plan will suggest opportunities to partner with Nationwide to further improve your employees' retirement readiness, such as participant communications, group meetings, invitations to take advantage of a comprehensive financial needs assessment.
- Tax Reporting – Tax forms are prepared for participants who received distributions under the Plan during the calendar year. 1099-R forms are issued within 31 days of the close of the calendar in year that the distribution was made. Income reported on 1099-R forms is taxable subject to applicable federal, state or local laws. Distributions made to beneficiaries and alternate payees are also reported on Form 1099-R.

Please refer to the **Plan Sponsor Communications** section of our response for sample reports

- **Do you have a mobile application (as differentiated from a mobile-optimized web page) for participant usage? If so, clearly describe the features available (and whether access is inquiry only or transactional).**

No. Our robust mobile-responsive website features a layout that adapts to mobile devices of all sizes while avoiding the drawbacks of a mobile app, including:

- Mobile apps need to be downloaded and installed by the participant; many participants will not take that step. Also, some devices may not have space to install the app.
- Mobile apps need to be kept updated to provide the most recent features; many users do not keep their apps updated.
- Mobile apps need to be kept updated to patch security vulnerabilities; many users do not keep their apps updated.
- Updates to a mobile app need to be done on both the Android and iOS platforms.
- Mobile apps may not offer all the features available on the website.
- Mobile apps may confuse the user with a different look and feel than is offered on the website.
- **Do you monitor and/or tape toll-free calls? How long are tapes stored? Can representatives of plan sponsors review recorded calls for quality assurance?**

Yes. All calls to the Call Center are recorded for quality assurance and retained for three years.

Recordings are made available to the County upon request.

- **Do you offer a ROTH accounts? If so, please describe your offering.**

Yes. Nationwide provides optional Roth 457(b) accounts to Plan Sponsor. The Roth option includes key capabilities such as:

- Ability for participant to make Roth contribution elections via paper or online
- Make Roth contributions via post-tax payroll deduction
- Rollover/transfer-in assets from another Roth account to NRS
- Request various forms of distribution from Roth assets

The Roth solution includes standard functionality applicable to 457(b) plans such as exchanges, ability to

reallocate and set automatic asset rebalancing, etc.

- **Do you provide one main contact for the daily administrative needs of the plan?**

Yes. Sarah Carlo will continue to serve as the County's Relationship Consultant and primary contact for daily administrative needs. Sarah is based in our Corporate Headquarters in Columbus, Ohio and works closely with the County's Program Director, Greg Russell, to oversee all aspects of the service provided. She also helps ensure the Plan is administered according to the contracts and Plan Document.

- **Do you provide daily valuation? Describe in detail how your system allocates earnings.**

Daily Market Valuation

Nationwide's system calculates daily account values for all investment options, providing daily rates and/or factors. Using the Net Asset Value (NAV) of the respective funds, Nationwide' portfolio system calculates a daily unit value, which is used in the daily valuation of participant accounts.

- **What methods of data transmission are available?**

Nationwide prefers Secure File Transfer for data transmission between the County and Nationwide. It uses standard internet protocols to provide security for business-critical information. The three options below are available for the County to use:

- FTPS (FTP/SSL) and SFTP (FTP/SSH) – Unencrypted data over an encrypted transport.
- PGP – Encrypted data. Once encrypted you can send the data over the Internet using FTP or HTTP. The file must be digitally signed for Nationwide to accept.
- Web Browser or HTTPS – Unencrypted data over secure connection. This option requires client to log onto secure web site and attach the file for transfer.

Secure File Transfer ensures the security of the data to or from Nationwide to our business partners. By using this method to send and receive your files, no one on the internet can access data you are transmitting to Nationwide.

Nationwide has the ability to accommodate almost all types of systems and file formats and will work with the County to find mutually agreed solutions.

- **Describe in detail how your system processes contributions, including how your company verifies the source of the incoming contributions.**

All payroll contribution files and funds received in good order by the close of the NYSE, typically 3 p.m. CST, will be processed the same business day. Files and funds received after the close of the NYSE will be processed the following business day.

- **Describe in detail, including timing, how your system processes withdrawals.**

In service

Once a participant has submitted the appropriate form in good order, Nationwide will process the request and issue a check or ACH distribution within 3 to 5 business days. We strive to process every request on the same business day it is received in good order.

Unforeseeable Emergency Withdrawals

Once a participant has submitted the appropriate form and supporting documentation in good order, Nationwide will review based on applicable guidelines from the Plan document and IRS if these duties are delegated to us by the Plan Sponsor. If approved, we issue a check or ACH distribution within 3 business days. If further information is needed we will contact the participant and place the request in pending status. If the request cannot be approved, we will notify the participants in writing.

- **Describe in detail, including timing, how your system processes: a) lump-sum distributions, b) systematic payments/installments, c) rollovers to another plan or an IRA, and d) required minimum distributions.**

While Nationwide's service standard is to process all requests received in good within 3 to 5 business days, we strive to process all requests on the same day it is received.

Once a participant has submitted the appropriate form in good order, Nationwide will process the request and issue a check or ACH distribution within 3 to 5 business days.

We offer two types of systematic withdrawals:

- Installment payments of a designated amount – equal payments are made until the balance of the account is exhausted.
- Installment payments of a designated period – payment amounts are paid over the period chosen by a participant.

We monitor required minimum distributions (RMD) annually for all participants, spousal beneficiaries, non-spousal beneficiaries, alternate payees and non-person account holders to ensure the appropriate rules are applied.

We calculate the amount of the RMD by using the December 31st prior year balance and dividing it by the IRS life expectancy table, based on the given situation (i.e. participant, beneficiary or alternate payee). If a participant fails to take the full amount of their RMD payment, we will automatically issue a supplemental payment before December 31st to ensure tax penalties are not incurred. No action is required by the County.

- **Describe in detail how your system processes transfers/rollovers (including frequency/limitations). Are confirmations sent?**

All financial requests received prior to the close of the NYSE, general 3 p.m. CST, will be processed the same business day using that day's closing prices. Confirmations are mailed within 2 business days of processing. Participants who have enrolled in eDelivery will receive a notification that their confirmation is available within 2 business days.

- **Describe your process and methods of reallocation (percent and/or dollar).**

Nationwide supports both percent and dollar exchange and reallocation functionality.

- **Can employer and employee contributions be tracked separately?**

Yes.

- **Describe in detail how your system handles federal and state tax reporting and how you will provide tax form preparation and filing.**

Yes. Nationwide has a system that calculates applicable federal and state withholding taxes for distributions, and also generates required federal and state tax reports. This is an automated process that is administered by a separate administrative group within our record keeping area.

Copies of 1099-R reporting forms are sent annually to both the IRS and the participant/beneficiary no later than January 31st of the year following the distribution. Copies are posted online no later than January 31st of the year following the distribution, as well.

Nationwide's system will automatically default to a 30% federal withholding for participants who reside outside of the United States. They will receive a 1099-R as described above. The participant is

responsible for filing with all appropriate entities.

- **Describe in detail how you administer and qualify domestic relations orders (DROs).**

Nationwide has the ability to handle any QDRO processing, including communications with legal counsel and, as directed by the Plan Document and pursuant to agreed upon criteria, policies and procedures, to review court orders.

Approval

Nationwide is capable of processing and will process any Qualified Domestic Relations Order (QDRO) or any other court ordered division of the account. We correspond with the requestor of the court order, explaining our services and will maintain files on our computer system relative to the alternate payee.

The Plan Sponsor may take ownership of approving QDRO requests if it so desires. We have experience handling this both ways, and will service QDROs as the Plan directs.

Process

Once we receive a QDRO in good order, we will establish an account for the alternate payee and transfer the correct assets into the account. We inform participants when payments are due from a QDRO or court ordered distribution and provide all of the appropriate tax reporting of these distributions. We work with the attorneys representing their parties, as needed.

- **What checks and balances do you have in place to ensure transaction integrity?**

We have a number of processes in place to ensure the delivery of high quality products and services. Initiatives are in place to ensure the quality of our recordkeeping products and services include:

- Complete quality checking of financial and non-financial data input on a pre-flow basis at Nationwide
- Electronic confirmations transmitted
- Account reconciliation procedures
- Daily "suspense" monitoring and reporting internally and externally
- Procedures that include complete internal auditing controls
- Measurement of all data entry for each individual and service team, with results included in each team member's performance evaluation
- Annual evaluations by an outside accounting firm of adherence to internal audit procedures and SOC 1 documentation

After this information is entered and processed by one of our representatives it is verified and checked by another member of the team. In addition, the unit manager monitors the services provided to maintain a high level of accuracy.

- **Do you provide an administration manual?**

Yes

- **Will you record keep nonproprietary investment vehicles? Describe the process and systems used.**

Yes. Nationwide currently has agreements in place with over 200 fund houses and more than 13,000 mutual funds. We are willing to work with investment companies to establish agreements for investment products that are not currently available through our platform, as long as we can establish a selling agreement.

- **What other administrative services do you provide?**

Nationwide is dedicated to public sector employers and provides a simple, all-inclusive plan for administrative services to the County that makes administering the plan easier for the County's staff. Our administrative services include:

- Payroll automation
- Payroll processing
- Verification reports
- Administration and Plan Sponsor reports
- Participant statements
- Participant transaction confirmations
- Unforeseeable Emergency Withdrawal review and processing
- Domestic Relations Orders review and processing
- Loan administration
- Brokerage accounts
- Managed accounts
- Voice Response System
- Participant website
- Plan Sponsor website
- Account valuation & adjustments
- Plan Document updates, when utilizing Nationwide's Plan Document
- Loan program reviews
- Quantitative Investment Menu Reports, if desired by the Plan and its consultant
- Plan Sponsor fiduciary training
- Marketing collateral
- Legislative and regulatory updates

- **Describe in detail the fees and revenue sharing amounts you receive with any nonproprietary investment vehicles.**

Nationwide's offer includes open architecture for all variable investments. Once the County selects an investment lineup, Nationwide can provide the County in detail the fees and revenue sharing amounts associated with the investment vehicles.

- **Provide a sample contract with all applicable guaranteed rates, investment periods, annuitization rates, surrender fees, mortality and expense fees and all other numerical entries inserted therein for any variable or fixed annuity contract proposed to be in use or introduced shortly after September 1, 2012.**

Please refer to the **Additional Information** section of our response for our sample Administrative Services Agreement.

- **Describe any value-added benefits or features not mentioned within this RFP but available through your company that would be beneficial to a participant's overall financial planning.**

Nationwide Retirement Institute

The Nationwide Retirement Institute was formed to help advance the collective thought leadership of Nationwide and improve the financial health and retirement outcomes of Nationwide's clients and their employees. The Nationwide Retirement Institute identifies and looks for solutions for the challenges retirees face today and in the future. We will leverage the experience and leadership the Nationwide Retirement Institute provides to help educate your employees about advanced retirement topics such as income planning, health care, long-term care and social security in simple, easy to understand ways.

Health Care Estimator

The Health Care Estimator, available on the participant website, allows participants to estimate their health care costs in retirement by answering a few basic questions. This personalized, monthly estimate of health care costs in retirement helps motivate participants to save more today to ensure a secure tomorrow.

Communication and Education

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Communication and Education Services. This summary should include:

Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services or detailed articulation of qualifications, if any.

- **Brief description of your Firm's background and experience in providing Employee and Employer communication and education programs.**

Nationwide has more than 45 years of experience developing and delivering retirement savings education focused on the needs of the public sector. Our materials are developed to assist participants in understanding their individual retirement goals, what their retirement readiness is, and how to spot any potential gaps.

- **Discussion of the key elements provided as part of a standard communication and education program package included in your proposal.**

Our marketing and communication strategy is based on surrounding your employees with the information they need to make informed choices that help them prepare for and live in retirement. We know every employee has different preferences and learning styles; therefore, we allow them to choose when and how they engage in the education process. Some employees prefer to research online, while others favor an in-person conversation. Regardless of their style, participants have access to the information and tools they need to make informed decisions.

The initial and ongoing marketing and communication strategy is designed to build awareness of the Plan to increase plan participation and engagement.

To educate your employees about the Plan and its benefits, we implement a "surround and support" communication and education strategy. This strategy gives your employees the tools and resources they need to assess their situation, learn about plan features, and take actions that help them save for retirement. Our approach allows your employees to choose how (in person, over the phone or online) and when they interact with Nationwide.

Our marketing and communication plan is based on two key strategies:

Segmented marketing and communication campaign – deliver relevant information to your employees to encourage better retirement planning behavior. Your employees will be segmented into five unique groups that each have varying needs:

- **Eligible employees** – We inform non-participating employees about the benefits of the Plan and drive them to enroll.
- **New enrollees** – We deliver a personalized "Welcome Experience" that introduces new enrollees to the Plan and informs them of the available tools and resources.
- **Savers** – We engage participants so they continue saving for retirement along with their multiple savings goals (college saving, increased household expenses, etc.).
- **Transitioners** – We help pre-retirees plan for their transition to retirement by helping them understand their options as they convert their savings into retirement income.

- **Retirees** – We educate retirees to help them understand how to manage their savings to support their retirement lifestyle.

Promote personal consultation and group education seminars – Will Angus, the County's experienced Retirement Specialist, makes Quarterly visits to the County but is available to conduct one-on-one consultations and group workshops as needed. We will make it convenient for your employees to take advantage of these individual and group educational opportunities to help them confidently improve their retirement readiness.

- **Discussion of how representatives are compensated; include all components of compensation. If your representatives receive any form of commission-based pay, provide a detailed description of how their commission is earned, and whether there is any financial incentive for representatives to recommend one product over another.**

Retirement Specialists' compensation is a combination of base salary and available incentives tied to individual goals. Base salary is 75% with a target incentive of 25%. Incentives are based upon successfully servicing the plan in areas such as enrollments, educational workshops, retention of current plan assets, and flow of assets into the plan via eligible transfers-in. In addition, the Retirement Specialists do receive compensation for offering the Nationwide ProAccount® managed account program and helping enroll participants who have selected the service. This incentive is based on the amount of participant assets under management within the Nationwide ProAccount program. Our representatives receive no incentive or commission based upon individual investment option elections or ancillary products that are unrelated to the plan.

- **Please indicate the number of registered representatives who are authorized to make on-site client visits that the Firm currently has supporting the Dallas, TX area (within 50 miles).**

While Will Angus will continue providing all on-site visits for the County, there are an additional five Retirement Specialist located in the Dallas, TX area.

- **Discussion of (and providers of, if via a third-party or affiliate) advice services offered to participants related to asset allocation, investment vehicle selection, understanding of fees and investments.**

Through Nationwide Investment Advisors, LLC (NIA), an affiliate of Nationwide, we offer access to online investment advice, My Investment Planner, and a managed account solution, Nationwide ProAccount. NIA has engaged Wilshire Associates Incorporated (Wilshire) as the Independent Financial Expert (IFE). Wilshire is based in Los Angeles, CA. The methodology for determining appropriate recommendations is consistent across both tools.

The County can elect to offer one or both services at your discretion.

Online investment advice

Nationwide makes investment advice available to participants through the online My Investment Planner® tool at no additional cost to participants or Plan Sponsors. Nationwide Investment Advisors, LLC (NIA), the registered investment adviser for My Investment Planner, has retained Wilshire Associates Incorporated (Wilshire) as an Independent Financial Expert (IFE) for My Investment Planner. My Investment Planner provides individualized investment advice using an investment process developed and maintained by Wilshire.

Participants are asked to complete a six-part questionnaire (the Risk Tolerance Questionnaire) to assess their individual risk tolerance and investment time horizon. Using this information, Wilshire's methodology identifies the appropriateness of one of five unique risk-based profiles for each participant. The tool provides specific investment advice at the fund level using the Plan's investment options. A link is provided to the "Manage My Account" page increasing the likelihood that the participant will take the appropriate action in their account. There is no fee for this service but participants have to manually

implement the advice that is provided should they choose to do so.

Managed Accounts

Nationwide affiliated investment adviser, Nationwide Investment Advisors, LLC (NIA), a SEC registered investment adviser, offers a discretionary managed account service called Nationwide ProAccount®. NIA has engaged Wilshire Associates Incorporated (Wilshire) as the Independent Financial Expert (IFE) for Nationwide ProAccount. Wilshire has developed a risk tolerance questionnaire for ProAccount participants. Based on the results of the questionnaire, Wilshire determines the investment allocations and then NIA implements their decisions into the enrolled participants' retirement plan accounts. Wilshire is not affiliated with Nationwide or NIA. For Nationwide ProAccount, NIA is a fiduciary with respect to the provision of services described in the investment advisory agreement signed by each participant enrolled in ProAccount. For participants enrolled in ProAccount, NIA assesses an advisory fee, which is deducted from the participants' retirement plan account on a quarterly basis, in arrears.

For Nationwide ProAccount, Wilshire utilizes a four-step institutional process for the creation and management of the ProAccount models.

- **Asset allocation** - Wilshire develops forward-looking strategic forecasts on a wide array of core and specialty asset classes based on institutional data by leveraging their access to asset class preferences of large institutional pools.
- **Portfolio Construction** - Wilshire utilizes a combination of target risk and target date methodologies. They blend managers with complementary styles into risk controlled portfolios while maintaining awareness of active risk and fees. The number of funds used and size of allocations are driven by the magnitude of the policy allocation.
- **Monitoring and Rebalancing** - Wilshire uses a quarterly dynamic reallocation methodology which rebalances the portfolios to minimize policy and style drift and maximize use of high conviction funds while dynamically shifting investment policies to become more conservative over time.

Benefits of Nationwide ProAccount include:

- The experience of a professional investment firm to manage participants' retirement plan accounts
- In-depth research of fund selection and asset allocation
- Portfolio monitoring and refinement as market conditions change and participants get closer to retirement
- Periodic adjustments designed to help keep participants on track toward their retirement goals
- Communications and updates so participants know what's going on in their account

For additional information regarding Nationwide ProAccount, please refer to the **Optional Services and Enhancements** section of our response.

Online Advice Tool

Nationwide will make investment advice available to participants through the online My Investment Planner tool at no additional cost to participants or the Plan Sponsor.

Nationwide ProAccount

Account Balance	Enhanced Offer
The first \$99,999	0.55%
The next \$150,000	0.50%
The next \$150,000	0.45%
The next \$100,000	0.40%
Assets of \$500,000 and above	0.35%

Nationwide's revenue requirement applies to all Plan assets, including managed accounts.

Please refer to the **Optional Services & Enhancements** section of our response for additional information regarding the Nationwide ProAccount.

- **Review of how communication and education material are produced and fulfilled (i.e. in-house or through third-parties), including diversity materials.**

To execute on our commitment to reach your employees in the manner that is best for each individual through our Participant Engagement Program, we have retained a nationally recognized Customer Relationship Marketing firm as a vendor. Nationwide uses the marketing firm to assist in collecting and segmenting participant data through strategic analytics for use with the Program. We have partnered with this firm since 2011 and they are a leading data-driven, technology-enabled, global performance marketing agency that specializes in the delivery of unique, personalized customer experiences across platforms and devices. The agency's heritage in data, technology, analytics and security forms the foundation for its unmatched skills in understanding consumer insights that drive people-based marketing strategies.

Using certain participant data securely shared by Nationwide, the marketing firm helps us target the appropriate retirement plan messages to each participant based on the participant's individual characteristics, demographics, and behaviors while taking into account the participant's preferences for accessing information, electronically or otherwise. Our experience and results have shown that such strategic analytics enable greater improvements in participant saving behavior because they receive relevant messaging through impactful delivery. -Because Nationwide provides the Participant Engagement Program and utilizes the marketing firm to collect and segment participant data through strategic analytics for use with the Program, we do not consider them to be a subcontractor for any purpose, including the applicability of any subcontractor provisions in any resulting contract between the parties.

- **Review of how onsite investment education services are provided including a summary of the types of costs, if any, which apply for these services.**
 - The County's Retirement Specialist, Will Angus, will continue to provide a personalized experience for participants through one-on-one meetings, group workshops, new hire orientations and payroll meetings. Retirement Specialists educate participants on a variety of topics, including the benefits of investing in the Plan, how to use asset allocation, investment options available and income planning.
 - Will Angus will continue to be onsite at the County on a quarterly basis. To maximize the impact of our education efforts, we strongly encourage all participants to meet with Will at least annually. During these meetings Will is available to provide a one-on-one consultation to your employees.
 - Those employees who are not available to attend a one-on-one meeting can set up an appointment to meet with Will or can contact an Internal Retirement Specialist via toll free phone lines.
 - The County's participants can utilize our Online Appointment Scheduler to register for workshops in advance and select dedicated time slots for personal consultations with their Retirement Specialist. An email reminder containing the appointment date and time is also sent to the participant, helping to ensure increased participation in group seminars and one-on-one consultations.
- **Discussion of how the Firm helps plan sponsors measure the effectiveness of employee education efforts.**

We measure and benchmark the impact of our efforts in several ways and we commit to detailed performance guarantees. At the Plan level, the most basic measurement is based on year-over-year growth across multiple areas, including participation percentage, participant contributions, the number of group workshops, the number of workshop attendees and the number of one-on-one consultations conducted.

At a more in-depth level, we analyze and measure participant activity as the result of targeted marketing campaigns such as updating beneficiary designations, age 50 catch-up, the number of asset classes and the number of investment options utilized by participants. At the end of the campaign, your Program Director, Gregory Russell, will report the results in his quarterly updates with the Plan Sponsor.

To measure participant satisfaction of the education programs, we provide an annual participant satisfaction survey. Surveys evaluate our performance, participants' overall satisfaction, the perceived value of the deferred compensation Plan, and the success of various educational programs and services provided to participants including but not limited to:

- Local Retirement Specialists
 - Customer Service Center
 - Deferred Compensation website
 - Participant Statements
- **Affirm in writing, the Firm's willingness to provide plan education and communication support with a strict rule against any cross-selling of services or investment products and to provide and maintain appropriate controls to limit and inhibit such services. Are you willing to apply monetary penalties to staff that do not follow such guidelines?**

Retirement Specialists are prohibited from cross-selling any products that unrelated to the Plan and they do not receive a commission or any form of incentive compensation based on individual participant investment option elections or other products.

- **Discussion of resources the Firm offers to support IRA rollovers and/or retirement distributions including a detailed discussion of any revenue to your Firm or affiliates generated and transparency of reporting thereof.**

Personal Retirement Counselors offer your participants retirement planning and analysis services, including asset allocation education at no additional cost. These representatives provide a detailed analysis of each participant's holistic financial situation, allowing them an opportunity to better understand their preparedness for a successful retirement at no additional cost to the Plan or participants.

Personal Retirement Counselors develop relationships with participants, understand their needs, and provide tools and expertise to enable smarter investment decisions. In partnership with each participant, the representatives will:

- Aggregate all retirement savings sources including pensions, supplemental savings (e.g. 457 accounts), personal savings, and Social Security benefits
- Identify the participant's financial needs and goals for retirement along with retirement distribution strategies
- Understand the participant's investment history and experience
- Identify optional solutions based on the participant's personal risk tolerance, time horizon and future asset needs
- Provide a personalized Financial Needs Analysis

Personal Retirement Counselors have access to other products focused on protection, income, and investments to support the diverse financial needs of participants if the County elects to offer this.

- **Describe any on-going program your company offers to increase client participant participation.**

One of the fundamental aspects of Nationwide's commitment to the County is an emphasis on service provided by a knowledgeable team through multiple touch points; local, over the phone, online and print.

In-Person

Local Retirement Specialists – The County's local Retirement Specialists are available to provide a personalized experience for participants through one-on-one meetings, group workshops, new hire orientations and payroll meetings. Our on-site commitment to the County ensures all employees at all worksites and during all shifts have an opportunity meet with the Retirement Specialists and obtain the education necessary to make informed decisions on their retirement benefits. Retirement Specialists educate participants on a variety of topics, including the benefits of investing in the Plan, how to use asset allocation, investment options available and income planning.

Personal Retirement Counselor – The County's Personal Retirement Counselor provides analysis personalized to each participant household that is based on financial needs identified through the consultation. The complexity of the analysis and solutions provided vary; however, we recognize that participants with higher savings balances or who are within five years of retirement are most interested in this service. As a result, the majority of these experiences contain a comprehensive analysis of net worth, cash flow, retirement income, household asset allocation, healthcare costs in retirement and Social Security optimization strategies.

Your Personal Retirement Counselor provides financial analysis on the following:

- Retirement Income
- Net Worth
- Cash Flow (pre and post retirement)
- College funding
- Life Insurance Needs
- Long-Term Disability
- Healthcare in retirement
- Social Security Optimization

Over-the-phone

Internal Retirement Specialist – Supporting our local efforts, Nationwide also makes our Internal Retirement Specialists available, via a toll free phone line, to assist participants when it's most convenient for them. Internal Retirement Specialists are located at our corporate headquarters and offer account assessments and the same level of service and investment education as the County's local Retirement Specialist and are separate and distinct from the Call Center. Internal Retirement Specialists also work collaboratively with their field partners to promote and invite your employees to group workshops and increase overall plan awareness and participation. All Internal Retirement Specialists are appropriately registered with FINRA as well as being non-resident Life and Health licensed in your state.

Participant Call Center - We also provide a staff of experienced, FINRA licensed CSRs in our call center who are available between the hours of 8:00 a.m. - 11:00 p.m. EST Monday through Friday and 9:00 a.m. - 6:00 p.m. EST on Saturdays.

Online

Communication and education will be delivered through the participant website, and will feature access to both 457 information. The site offers investment education information such as how to use asset allocation, the power of tax-deferred investing and retirement checklists. A variety of easy-to-use tools and calculators can be found, including the following:

- **Retirement Readiness Report** – Through our website, Retirement Readiness Reporting is available to all participants. This free online report provides a comprehensive view of participant assets, including pension benefits and Social Security, and how that money translates into retirement income. Participants are able to view their report in real-time through the website and also receive an annual notification encouraging them to review their personalized report.
- **My Interactive Retirement Planner** – My Interactive Retirement Planner allows participants to take an in-depth look at their 457(b) retirement savings but is intuitive to use and can take as little as 10

minutes from start to finish. Participants can input pension benefits, other retirement plan savings, personal investments, and Social Security benefits to personalize the output from the Interactive Retirement Planner.

- Health Care Estimator – We are proud to offer the innovative Health Care Estimator to the County's participants. The Health Care Estimator allows participants to estimate their health care costs in retirement by answering a few basic questions. This personalized, monthly estimate of health care costs in retirement helps motivate participants to save more today to ensure a secure tomorrow.
- More Financial Tools and Calculators include:
 - Morningstar® Retirement Calculator
 - Paycheck Impact Calculator
 - Future Value Calculator
 - Payout Illustrator Tool
 - College Savings Calculator
 - Peer Comparison
- My Investment Planner – Nationwide will continue to make investment advice available to participants through the online My Investment Planner® tool at no additional cost to participants or Plan Sponsors. Nationwide Investment Advisors, LLC (NIA), the registered investment adviser for My Investment Planner, has retained Wilshire® Associates Incorporated (Wilshire) as an Independent Financial Expert (IFE) for My Investment Planner. My Investment Planner provides individualized investment advice using an investment process developed and maintained by Wilshire.

Print materials

A suite of print materials is available to drive Plan awareness, aid in enrollment and provide ongoing education on the benefits and services of the Plan. Materials are provided to highlight Plan features such as loans, fee transparency and distributions. A library of materials is continually updated and available to Retirement Specialists to drive Plan awareness. Materials include:

- Plan brochures and marketing pieces
- Plan forms
- Plan flyers and posters to advertise on site visits and account reviews at County worksites

Targeted participant and employer mailings are scheduled throughout the year to aid in pertinent issues such as beneficiary capture and required minimum distributions.

Please refer to the **Participant Communications** section of our response for sample education and communication materials.

Yes. Nationwide offers automatic enrollment in states where local and state law permit. Our experience has shown that plans that enable automatic enrollment tend to have a low "opt out" rate. However, industry data states that it's best to couple automatic enrollment with automatic increase/escalation to avoid a high number of low-balance accounts. Plan Sponsors also need to consider the default fund which serves as the enrollment option invested in until participants make investment changes following the account set-up.

- **Briefly describe your background and experience in providing communication and education programs in a multi-vendor environment.**

Nationwide has more than 45 years of experience developing and delivering retirement savings education focused on the needs of the public sector. Our materials are developed to assist participants in understanding their individual retirement goals, what their retirement readiness is, and how to close any potential gaps.

- **Identify the key elements provided as part of a standard communication and education program package included in your proposal.**

Will Angus and Gregory Russell will partner with the County to develop an education/communication plan that focuses on the things that are important to you. The initial and ongoing communication and education program is designed to create awareness of the Plan enhancements and increase employee plan participation to help better prepare them to live in retirement.

After the plans have been agreed upon, Nationwide will lead the implementation and activation strategies. Throughout the year, Nationwide continually monitors and measures the effectiveness of the plan with a strategic view toward achieving the stated goals as well as reviewing the individual campaign tactics. Results are shared with the Plan, along with recommendations for adjustments based on the results.

Education and Communication Strategy

Your retirement program's success and your employees' retirement readiness is dependent on the partner you choose and the plan developed to help them prepare for and live in retirement.

We base our custom communication strategy for your plan on four key principles. In partnership with you, we will:

- **Define the current situation** to understand how prepared your employees are for retirement; review metrics used to gauge plan success and uncover insights key to developing an effective plan
- **Understand your goals** for the plan and your employees' retirement readiness; this allows us to plan targeted education and communication initiatives
- **Create and implement** a personalized communication and education plan to achieve your goals and increase employee retirement readiness
- **Measure effectiveness**, review and refine communication activity to ensure we're meeting the goals we established

The proposed education plan below is based on our knowledge of your plan, current situation and needs you have stated. The proposed plan will be refined to meet your unique needs if we are selected as your recordkeeper.

Education and Communication Philosophy

Our proposed education and communication program helps your employees build a better plan for their future to help them meet their income needs in retirement. Our approach delivers relevant messages to the right employees when they need them. Your employees want to choose when and how they interact with Nationwide—that's why we surround them with educational resources through multiple channels:



In person

- Retirement education
- Group meetings and webinars
- 1:1 consultations



By phone

- Retirement education
- Needs assessment
- Investment education



Online

- Financial tools and calculators
- Education videos and webinars
- Mobile-responsive website



Direct marketing

- Marketing campaigns & programs
- Direct mail
- Email

We use these tools expertly to deliver the right message, to the right employee, at the right time to help your employees be ready for retirement.

Zone and Rotation Schedule

Meeting with your employees is another ingredient of success. To provide the best service, we will divide the County based on employee density to set a schedule for Retirement Specialist coverage.

Your employees will know when to expect to see their Retirement Specialist, and we can provide in-person (individual and group) support to employee groups and departments.

Ongoing Education & Communication

Employee and Participant Communication & Education

The communication and education program is designed to increase employee participation and improve retirement readiness. The plan is based on three key strategies:

1. **Driving Retirement Readiness** – provide a retirement readiness meter on a participant's account login page to help employees understand their progress, produce their individual Retirement Readiness report, and take action to be ready to retire based on their retirement benefits and savings (pension, social security, and personal savings). Our retirement specialists will review participants' retirement savings throughout the year so they're prepared for retirement.
2. **Delivering targeted communication and education to drive action** – delivering relevant information with specific calls to action to encourage better retirement planning behavior based on each individual's life stage.
3. **Providing personal consultation and group education** – regularly meeting with employees face-to-face for one-on-one consultations, at new employee orientations, workshops, group seminars, and by phone to help educate and help your employees as they make decisions to increase their retirement readiness.

The communication and education plan is based on our knowledge of behavioral finance principles. We'll implement an insight-based communication strategy that segments your employees based on their retirement saving phase. This allows us to deliver meaningful messages that drive specific retirement planning actions across all life stages.

Audience	Communication Objective	Tactics
Eligible employees	Motivate employees to enroll in the plan	<ul style="list-style-type: none"> Digital messages One-on-one meetings Webinars Group meetings Phone-based meetings Website Social media Direct mail New employee orientation
New enrollees	Deliver a personalized "Welcome Experience" that introduces them to the plan and informs them of the tools and resources available	
Savers	Engage participants and educate them to continue saving for retirement as they manage multiple needs based on their life stage (e.g. saving for their child's college tuition, saving for their retirement, supporting a parent, etc)	<ul style="list-style-type: none"> Onsite promotions Financial expos Statement mailings Newsletters Intranet messaging Educational videos
Transitioners	Help pre-retirees plan for their transition from working to retirement by helping them understand their options as they convert their savings into retirement income	
Retirees	Educate retirees and help them manage their savings to support their retirement lifestyle	

Plan Sponsor Communication & Education

Nationwide will implement an education program to assist plan fiduciaries with understanding their fiduciary responsibilities. Through a combination of workshops, one-on-one conversations, videos and reports, Nationwide will help plan fiduciaries stay informed about how the plan is performing, industry changes and implications for their plan. Additionally, we'll help you ensure that your plan is adhering to the

rules set forth in the plan document.

Audience	Communication Topics
Plan Fiduciaries	<p>Fiduciary Education – online modules that educate plan fiduciaries about the duties and obligations that may apply to them. The modules cover:</p> <ul style="list-style-type: none"> • History of fiduciary roles • Roles that can be considered fiduciaries • Basic fiduciary duties • Fulfilling fiduciary duties • Consequences of fiduciary breach
Plan Fiduciaries & Staff Administrators	<p>Legislative & Regulatory Updates – Relevant and timely information about legislative, regulatory and industry issues that affect the design and features of your deferred compensation plan, such as:</p> <ul style="list-style-type: none"> • Federal Legislative and Regulatory Reports provide detailed information about legislative and regulatory activity in Washington D.C. and explanations of proposed bills • Quarterly Plan Sponsor newsletter, Strategic Advantage, includes articles on topics of interest and how we can help you help participants prepare for and live in retirement while meeting all requirements that govern governmental deferred compensation plans • Special Alerts provide background on questionable trading practices within the mutual fund industry. These alerts discuss the reasons for any subsequent probes, how Nationwide is responding, and provide a listing and summary of each fund house involved in the issue • Ad-hoc e-mail communications are issued as needed to provide news about immediate issues of concern, such as proposed or enacted legislation • Face-to-face meetings with your Program Director are a part of our ongoing communication plan, helping your plan stay informed of any regulatory and legislative changes • Training and education are provided as needed to address changes to federal laws and regulations that affect government sector retirement plans
	<p>Investment Menu Review – quarterly investment menu reviews that are based on the criteria detailed in the plan's investment policy statement. The review clarifies procedures and criteria for selecting, evaluating and deselecting investment options. The report also provides periodic investment performance detail.</p>
	<p>Industry Best Practices – to help you maintain awareness of what the industry is doing around recordkeeping process, driving employee preparedness, fiduciary education, product selection and more. Trends are shared with you as you make decisions about your plan.</p> <p>Thought Leadership – Through the Nationwide Retirement Institute, you have access to thought leadership that provides education on relevant retirement-oriented issues that affect your employees. Our approach educates you on these critical topics and gives you tools and consultative support. You have access to experts on:</p> <ul style="list-style-type: none"> • Health care in retirement • Long term care • Social security • Market and economic conditions

- Identify the key elements provided as part of a financial literacy program included in your proposal.

In addition to providing onsite Retirement Specialists an enhancement to our service model will be the addition of a Personal Retirement Counselor (PRC). This position will be staffed by a licensed representative with advanced financial designations, such as a Certified Financial Planner (CFP) or Chartered Financial Consultant (ChFC). The PRC offers a more comprehensive financial review, planning, distribution counseling and financial wellness consultation. They develop relationships with participants, understand their personal and financial needs, and provide tools and education to enable smarter investment decisions. In partnership with each participant, they will:

- Provide holistic view of retirement income, which includes income sources such as pensions, supplemental savings (457(b)), personal savings, Individual Retirement Accounts (IRAs), and Social Security benefits
- Deliver strategies that show participants how to optimize social security income
- Project the cost of healthcare costs in retirement
- Assist participants with prioritizing financial goals (e.g. saving for college vs. saving for retirement)
- Develop investment risk profile that assists participants with understanding their household asset allocation

Your local Retirement Specialists and Personal Retirement Counselor will account review services during one-on-one consultations through Nationwide's My Interactive Retirement Planner. This online tool will prepopulate Dallas County pension plans, social security benefits and has a range of replacement options to select, with our default being at 85% of pre-retirement income. In addition, the tool facilitates conversation to capture household assets and outside investments to create a holistic financial picture.

My Interactive Retirement Planner (MyIRP) allows participants to take an in-depth look at their retirement savings but is intuitive to use and can take as little as 10 minutes from start to finish. Participants can input pension benefits, other retirement plan savings, personal investments, and Social Security benefits to personalize the output from the Interactive Retirement Planner. MyIRP has inputs to account for growth over time which participants can adjust to see the effect how contribution amounts, retirement age and investment returns impact their goal. We will load the specific Dallas County pension plans and include social security estimator into the MyIRP tool. Results are integrated into the participant Retirement Readiness Report and provide participants a holistic view of their projected income in retirement.

- Set a retirement goal
- Track retirement plan progress
- Model scenarios to improve retirement outlook

The Interactive Retirement Planner calculates how much participants may need to reach their goal and allows them to model different investment savings and retirement scenarios. Participants can save data to a PDF file or print for their records and use this information to have a conversation with their Retirement Specialist to explore savings solutions to help them meet their goals.

Please refer to the **Participant Communications** section of our response to see a sample Retirement Readiness Report and Financial Needs Analysis.

- **Who will you provide as personnel resources as part of both the initial and ongoing communication and education program?**

Your experienced Retirement Specialist, Will Angus, will continue to provide onsite service to the County and its participants through group workshops and individual one-on-one appointments.

- **Do you provide communication and education material in a foreign language? If so, what language(s) and what material?**

Yes. Communication and education material is available in Spanish.

- **Do you create all of your communication and education material in-house or through third parties?**

In-house.

- **Describe the process you use to help plan sponsors measure the effectiveness of employee education efforts.**

We measure and benchmark the impact of our efforts in several ways and we commit to detailed performance guarantees. At the Plan level, the most basic measurement is based on year-over-year growth across multiple areas, including participation percentage, participant contributions, the number of group workshops, the number of workshop attendees and the number of one-on-one consultations conducted.

At a more in-depth level, we analyze and measure participant activity as the result of targeted marketing campaigns such as updating beneficiary designations, age 50 catch-up, the number of asset classes and the number of investment options utilized by participants. At the end of the campaign, your Program Director, Gregory Russell, will report the results in his quarterly updates with the Plan Sponsor.

To measure participant satisfaction of the education programs, we provide an annual participant satisfaction survey. Surveys evaluate our performance, participants' overall satisfaction, the perceived value of the deferred compensation Plan, and the success of various educational programs and services provided to participants including but not limited to:

- Local Retirement Specialists
 - Customer Service Center
 - Deferred Compensation website
 - Participant Statements
- **Does your organization provide any services (e.g., personal questionnaires, software) that would help individual participants with financial planning? Describe any electronic education tools you provide, both software-based and web-based.**

My Interactive Retirement Planner

My Interactive Retirement Planner (MyIRP) allows participants to take an in-depth look at their retirement savings but is intuitive to use and can take as little as 10 minutes from start to finish. Participants can input pension benefits, other retirement plan savings, personal investments, and Social Security benefits to personalize the output from the Interactive Retirement Planner. MyIRP has inputs to account for growth over time which participants can adjust to see the effect how contribution amounts, retirement age and investment returns impact their goal. Nationwide recently implemented a pension and social security estimator into the MyIRP tool. Results are integrated into the participant Retirement Readiness Report and provide participants a holistic view of their projected income in retirement.

Using the Interactive Retirement Planner, participants have the ability to:

- Set a retirement goal
- Track retirement plan progress
- Model scenarios to improve retirement outlook

The Interactive Retirement Planner calculates how much participants may need to reach their goal and allows them to model different investment savings and retirement scenarios. Participants can save data to a PDF file or print for their records and use this information to have a conversation with their Retirement Specialist to explore savings solutions to help them meet their goals.

My Investment Planner®

Nationwide makes available investment advice to participants through our new My Investment Planner® at no additional cost to participants or Plan Sponsors. Nationwide Investment Advisors, LLC (NIA), the registered investment adviser for My Investment Planner, has retained Wilshire Associates Incorporated (Wilshire), as an Independent Financial Expert (IFE) for My Investment Planner. My Investment Planner provides individualized investment advice using an investment process developed and maintained by Wilshire.

Once a participant has logged into their secure online account, they will be able to access the My Investment Planner tool from multiple locations throughout the website including the Tools and Calculators page and the Manage My Funds page.

Participants are asked to complete a six-part questionnaire (the Risk Tolerance Questionnaire) to assess their individual risk tolerance and investment time horizon. Using this information, Wilshire's methodology identifies the appropriateness of one of five unique risk-based profiles for each participant. The tool provides specific investment advice at the fund level using the Plan's investment options. A link is provided to the "Manage My Account" page increasing the likelihood that the participant will take the appropriate action in their account.

Health Care Estimator

We are proud to offer the innovative Health Care Estimator to the County's participants. The Health Care Estimator allows participants to estimate their health care costs in retirement by answering a few basic questions. This personalized, monthly estimate of health care costs in retirement helps motivate participants to save more today to ensure a secure tomorrow.

Retirement Readiness Tool

Nationwide's new Retirement Readiness Tool gives Plan participants an assessment of their current retirement picture and helps them set a goal for their future. The Retirement Readiness Report helps participants understand whether they are on track to meet their retirement goal by providing a monthly retirement income projection based on their 457(b), the County's Pension System and social security income streams.

In addition to the local Retirement Specialists and the financial tools listed above, participants will be able to utilize the services of the following areas:

- **Future Value Calculator** - Shows how participants' retirement investments could grow and demonstrates the importance of investing tax-deferred dollars.
- **Paycheck Impact Calculator** - Helps participants see how reducing their paycheck will increase their contribution to their deferred compensation account with the County's plan.
- **Asset Allocation Tool** - Answer eight important questions to learn about individual risk tolerance to develop an investment style and how it may change as you get closer to retirement.
- **Payout Illustrator** - Examine various scenarios for taking payouts with either a fixed-period or a fixed-amount method.
- **Roth Analyzer** - Determine the possible tax advantages of making after-tax contributions to your plan by using the Roth Analyzer, which will provide you with a detailed summary based on your answers.
- **College Savings Calculator** - Find the right balance between saving for your retirement and your children's college tuition with details on how much you may need to save each month.
- **Peer Comparison Tool** - see how your 457 retirement contributions compare with your peers.

The Personal Retirement Counselor takes this a step further by incorporating these tools to provide a retirement income analysis which is designed to help them evaluate how well their savings strategies are preparing them for retirement. The retirement income analysis will take into account a participant's retirement plans, investments, savings accounts and Social Security as well as their pension.

- **Describe your position on providing investment advice to participants. What fiduciary responsibility do you assume if advice is provided?**

Nationwide Retirement Specialists, based both locally and at our corporate headquarters, do not provide investment advice. However, a Licensed Personal Retirement Counselor will be assigned to the County and will offer investment education. Personal Retirement Counselors are required to maintain the Series 6 or 7, 63 and 65 or 66 licenses.

NIA accepts the fiduciary responsibility for advice provided through the My Investment Planner tool.

- **If advice is offered, is it in-house or via a third party? Describe your process, mode and scope of advice.**

Through Nationwide Investment Advisors, LLC (NIA), an affiliate of NRS, we offer access to online investment advice, My Investment Planner, and a managed account solution, Nationwide ProAccount. NIA has engaged Wilshire Associates Incorporated (Wilshire) as the Independent Financial Expert (IFE). Wilshire is based in Los Angeles, CA. The methodology for determining appropriate recommendations is consistent across both tools.

The County can elect to offer one or both services at your discretion.

Online investment advice

Nationwide makes investment advice available to participants through the online My Investment Planner® tool at no additional cost to participants or Plan Sponsors. Nationwide Investment Advisors, LLC (NIA), the registered investment adviser for My Investment Planner, has retained Wilshire Associates Incorporated (Wilshire) as an Independent Financial Expert (IFE) for My Investment Planner. My Investment Planner provides individualized investment advice using an investment process developed and maintained by Wilshire.

Participants are asked to complete a six-part questionnaire (the Risk Tolerance Questionnaire) to assess their individual risk tolerance and investment time horizon. Using this information, Wilshire's methodology identifies the appropriateness of one of five unique risk-based profiles for each participant. The tool provides specific investment advice at the fund level using the Plan's investment options. A link is provided to the "Manage My Account" page increasing the likelihood that the participant will take the appropriate action in their account.

Managed Accounts

Nationwide affiliated investment adviser, Nationwide Investment Advisors, LLC (NIA), a SEC registered investment adviser, offers a discretionary managed account service called Nationwide ProAccount®. NIA has engaged Wilshire Associates Incorporated (Wilshire) as the Independent Financial Expert (IFE) for Nationwide ProAccount. Wilshire has developed a risk tolerance questionnaire for ProAccount participants. Based on the results of the questionnaire, Wilshire determines the investment allocations and then NIA implements their decisions into the enrolled participants' retirement plan accounts. Wilshire is not affiliated with Nationwide or NIA. For Nationwide ProAccount, NIA is a fiduciary with respect to the provision of services described in the investment advisory agreement signed by each participant enrolled in ProAccount. For participants enrolled in ProAccount, NIA assesses an advisory fee, which is deducted from the participants' retirement plan account on a quarterly basis, in arrears.

For Nationwide ProAccount, Wilshire utilizes a four-step institutional process for the creation and management of the ProAccount models.

- **Asset allocation** - Wilshire develops forward-looking strategic forecasts on a wide array of core and specialty asset classes based on institutional data by leveraging their access to asset class preferences of large institutional pools.
- **Portfolio Construction** - Wilshire utilizes a combination of target risk and target date methodologies. They blend managers with complementary styles into risk controlled portfolios while maintaining

awareness of active risk and fees. The number of funds used and size of allocations are driven by the magnitude of the policy allocation.

- **Monitoring and Rebalancing** - Wilshire uses a quarterly dynamic reallocation methodology which rebalances the portfolios to minimize policy and style drift and maximize use of high conviction funds while dynamically shifting investment policies to become more conservative over time.

Benefits of Nationwide ProAccount include:

- The experience of a professional investment firm to manage participants' retirement plan accounts
- In-depth research of fund selection and asset allocation
- Portfolio monitoring and refinement as market conditions change and participants get closer to retirement
- Periodic adjustments designed to help keep participants on track toward their retirement goals
- Communications and updates so participants know what's going on in their account

For additional information regarding Nationwide ProAccount, please refer to the **Optional Services and Enhancements** section of our response.

- **Describe education tools or programs designed to support IRA rollovers and/or retirement distributions.**

Personal Retirement Counselors offer your participants retirement planning and analysis services, including asset allocation education at no additional cost. These representatives provide a detailed analysis of each participant's holistic financial situation, allowing them an opportunity to better understand their preparedness for a successful retirement at no additional cost to the Plan or participants.

Personal Retirement Counselors develop relationships with participants, understand their needs, and provide tools and expertise to enable smarter investment decisions. In partnership with each participant, the representatives will:

- Aggregate all retirement savings sources including pensions, supplemental savings (e.g. 457 accounts), personal savings, and Social Security benefits
- Identify the participant's financial needs and goals for retirement along with retirement distribution strategies
- Understand the participant's investment history and experience
- Identify optional solutions based on the participant's personal risk tolerance, time horizon and future asset needs
- Provide a personalized Financial Needs Analysis

Personal Retirement Counselors have access to other products focused on protection, income, and investments to support the diverse financial needs of participants if the County elects to offer this.

- **Provide samples of initial enrollment and ongoing communication and enrollment materials. Provide the result of the communication (e.g., increased participation, increased contribution etc.)**

Samples of initial and ongoing communication education materials have been provided in the **Participant Communications** section of our response.

- **Provide samples of financial literacy information or tools.**

Please refer to the **Participant Communications** section of our response for samples.

- **Provide samples of communication and education materials used to target different age groups and employees at different life stages. This could be print, email, web-based or designs appropriate for social media.**

Please refer to the **Participant Communications** section of our response for samples.

- **Explain your method of providing one-on-one financial education to County employees.**
 - The County's Retirement Specialist, Will Angus, is available to provide a personalized experience for participants through one-on-one meetings, group workshops, new hire orientations and payroll meetings. Retirement Specialists educate participants on a variety of topics, including the benefits of investing in the Plan, how to use asset allocation, investment options available and income planning.
 - Will Angus will continue to be onsite at the County on a quarterly basis. To maximize the impact of our education efforts, we strongly encourage all participants to meet with the County at least annually. During these meetings Will is available to provide a one-on-one consultation to your employees.
 - Those employees who are not available to attend a one-on-one meeting can set up an appointment to meet with Will or can contact an Internal Retirement Specialist via toll free phone lines.
 - Online Appointment Scheduler
The County's participants can utilize our Online Appointment Scheduler to register for workshops in advance and select dedicated time slots for personal consultations with their Retirement Specialist. An email reminder containing the appointment date and time is also sent to the participant, helping to ensure increased participation in group seminars and one-on-one consultations.
- **How many of the investment representatives will be paid on a commission versus a salary basis?**

Program Directors are compensated based on a 65% base salary and 35% goal based incentives. Goal based incentives include new enrollments, manager effectiveness, strategic growth, plan retention and territory sales.

Retirement Specialists are compensated by a combination of a base salary and incentive compensation, roughly a 75%/25% split, to educate participants on the features and benefits of the plan, plan services and the underlying investment options that the Plan Sponsor has selected. The incentive compensation may be tied to individuals' goals related to servicing the plan, such as enrollments, education workshops, and retention of plan assets. In certain circumstances, the Retirement Specialists may receive incentive compensation based on some categories of rollovers into the plan, (excluding rollovers from ERISA covered plans or IRAs) and on the design of the plan. In addition, if the Plan Sponsor chooses to offer ProAccount, Retirement Specialists may receive incentive compensation based on participant assets under management in ProAccount. Retirement Specialists do not receive a commission or any form of incentive compensation based on individual participant investment option elections, or other products that are unrelated to the plan.

Relationship Consultants are salaried employees.

- **What training is provided to investment representatives before they are allowed to service employees?**

Nationwide Retirement Specialists, based both locally and at our corporate headquarters, do not provide investment advice. However, a Licensed Personal Retirement Counselor will be assigned to the County and will offer investment education. Personal Retirement Counselors are required to maintain the Series 6 or 7, 63 and 65 or 66 licenses.

- **What ongoing training do you provide to investment representatives?**

Retirement Specialists

Retirement Specialists are required to participate in company-wide on-going training:

- Our Education Teams are required to participate in on-going training to support our Core Plans, including:
 - Periodic training meetings throughout the year on key industry items, such as IRS plan changes, product modifications, account/transactions enhancements, etc.
 - Additional online, live web-trainings focused on new core plan features, investment options, economic updates, operational enhancements, etc.
 - Bi-weekly team meetings and training on plan needs and information
 - State Department of Insurance and FINRA Licenses required, along with appropriate continuing education
 - Program Director monitoring/coaching of Retirement Specialists in person (i.e. workshops, presentations, 1:1 interactions) and via email on a daily basis to ensure these standards are met
- In addition to the licensing and training in the administrative manual, Nationwide also trains and develops the Account Executives and Program Directors by:
 - Requiring all Retirement Plans Education Specialists and Retirement Specialists to earn the Certified Retirement Counselor (CRC) designation from INFRe. Nationwide has the most CRC certificate-holders of any financial services company in the industry, per INFRe, the designation provider.
 - Requiring Program Directors and leaders to earn the Worldwide Association of Business Coaches (WABC) accreditation, a leading global authority on business coaching.

Call Center

Nationwide Call Center managers conduct a call quality program entitled "*The ACT Call Quality Program*". The program includes monthly reviews of each CSR, with written and oral feedback provided by Call Center management. Continuous improvements are made based on these observations, ensuring excellence in the service provided.

Representatives are graded on the following quality criteria:

- Providing accurate, detailed, appropriate information
- Taking ownership of the participant's request
- Clearly setting expectations and meeting the expectations of the customer
- Maintaining a professional and courteous tone
- Offering above and beyond service to the customer

Additionally, Nationwide is the only firm in the retirement plans industry to earn the Service Excellence Award from DALBAR, Inc. in 2014, 2015 and 2016. This award proves our dedication to ensuring the customer service experience we provide to our participants continues to exceed market standards.

Nationwide's focus is to provide a positive and comprehensive response for participants on their first call. To ensure quality interactions, we have engaged DALBAR, an industry leader third-party evaluation firm, to measure and evaluate our CSRs. The testing conducted by DALBAR includes a full year of call reviews and calibration. Customer Service Representatives are graded in four main areas: Attitude, Expertise, Call Interrupts and Accommodation.

CSRs and other operational representative receive extensive training on our recordkeeping system during their initial four-week training course. As new features and or regulatory/legislative changes are implemented, our staff is trained to understand the changes to our system.

All associates are required to complete an annual Information Security and Privacy training course. In addition, Nationwide has a robust awareness program called "Protect the Network," which delivers information security and privacy training through a variety of methods, including:

- Posters and creative displays throughout Nationwide buildings,
- A dedicated intranet site, and
- Featured online stories and videos.

This training and awareness activities and training includes, but is not limited to the following topics:

- Enterprise security and privacy policy and requirements
- Secure password training
- Secure Wi-Fi practices
- Data confidentiality
- Social media training
- Phishing education through simulated phishing events
- Classify and protect information
- Mobile security training
- What to do when a possible security breach occurs.

- **How do you respond to employee complaints and concerns regarding investment representatives?**

In the event the Plan Sponsor is not satisfied with a member of our team, we will work closely with the Plan Sponsor to evaluate the dissatisfaction. Based on the details, we will work with our Human Resources department to develop a plan for corrective action. We have a formalized coaching program to provide constructive feedback to our associates to assist in their performance and personal development. If the actions or behavior do not change, removal from the Plan Sponsor or termination may result.

- **Will your investment representatives be dedicated to providing financial education and service to County or will they service multiple clients?**

While Will Angus will continue servicing other clients in addition to Dallas County, Dallas County will remain his highest priority and serving the County will consume the majority of his time.

Compliance Services

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Compliance Services. This summary should include:

Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services or detailed articulation of qualifications, if any.

- **Summary discussion of compliance and regulatory resources and with all applicable current and future State and federal laws.**

Nationwide has a team of professionals, our Government Relations Team, located in Washington DC, focused on Federal legislation, and professionals throughout the country focused on city and state level legislation to ensure we maintain expertise and remain involved in all changes impacting the financial services industry. In addition, John Carter, our President, sits on the Board of Trustees for the Employee Benefit Research Institute and the Executive Board for the Insured Retirement Institute. Mr. Carter's involvement in both institutes ensures Nationwide stays connected with all industry level retirement strategies.

Additionally, Nationwide is supported by a team of 13 attorneys, eight compliance staff and retirement plan professionals. Nationwide monitors legislative and regulatory changes that may affect our products and services. Should a change be needed, we will work with plan sponsors to implement changes with a focus on minimal impact to participants.

While Nationwide and its support team do not provide legal or tax advice to plan sponsors or participants, we provide a number of beneficial services to help keep our clients informed about matters that may impact their plans. These services include:

- Legislative updates
- Regulatory updates
- Plan sponsor educational seminars
- Plan sponsor fiduciary education tools
- Consultative services related to:
 - Plan design
 - Administrative processes
 - Services Agreements
 - Webinars
 - Alternative plan designs
- **A general review of how the Firm helps ensure that plans remain in compliance and specifically review how this is accomplished for a 457(b) plan.**

Nationwide administers each Plan in accordance with current federal law and the Plan documents. Documented procedures are in place to ensure that the Plan is administered appropriately, including:

- Quarterly plan reporting
- Administrative performance guarantees
- Internal and third-party audits

As the regulatory and legal landscape of the public sector defined contribution market evolves, Nationwide has the capabilities to ensure ongoing compliance for recordkeeping and administrative services.

- **Discussion of audit support.**

We will supply any information stored within our recordkeeping system as requested by the County's auditor. The complexity of the request will drive the turnaround time to deliver the information.

- **Discussion of other types of outsourced services.**

All services provided to the County as described in our response is provided by Nationwide.

- **Does the Firm have a policy that governs the Code of Ethics for the Firm's employees? Provide a copy of this policy.**

Nationwide maintains a robust compliance program through our corporate Office of Ethics. Nationwide provides each associate with a Code of Conduct which reinforces our corporate values around honesty and integrity. All associates are required to read and acknowledge the Code of Conduct annually. Failure to comply with the Code may result in appropriate disciplinary action, up to and including termination of employment.

Please refer to the **Additional Information** section of our response for our Code of Conduct document.

- **Describe the procedures and methodology in place to retain, preserve, backup, delete, and search data in a manner that meets the requirements of electronic discovery rules. Specifically, how and in what format County data is kept and what tools are available to County to access County data.**

Our server infrastructure is backed up weekly with a full backup and incremental backups are completed nightly. Backups are retained for 30 days.

For our file storage (NAS), we create a checkpoint every 4 hours with 24 hours of recovery available. We also complete a nightly incremental backup of the data which is retained for 30 days.

For systems with a short or zero Recovery Point Objectives (RPO), we provide replication for SAN storage across our Tier IV data centers, with both synchronous and asynchronous replication.

All backups are written to disk and replicated to a second copy in the opposite data center. The backups are protected from corruption by writing the data in a different, proprietary format to dedicated hardware appliances that operate independently from our server infrastructure. Our standard retention is 30 days, but backups can be retained for as long as needed if legal or contractual agreements require.

- **Describe the physical access controls used to limit access to the responding vendor's data center and network components.**

Data Center Security

Nationwide's Office of Internal Audit assesses the adequacy of Data Center Physical and Logical Security Controls.

In addition to the work performed by the Office of Internal Audit, Physical Security Controls are evaluated as part of our Annual Payment Card Industry Assessment Activities.

Use of appropriate facility entry controls to limit and monitor physical access to systems
Use of video cameras and/or access control mechanisms to monitor individual physical access to sensitive areas

Implement physical and/or logical control to restrict access to publicly accessible network jacks
Visitors are authorized before entering, and escorted at all times
A visitor log is used to maintain a physical audit trail of visitor activity

Business Office Security

Nationwide maintains 24-hour security personnel that monitor entry to our facilities. Access to our facility is via key-card or through the main entrance, which requires clearance from a security guard.

In order to keep our information, hardware, software, facilities, and most importantly, your Plan's information secure, we have implemented many security processes including:

- Our personnel have limited access to the online database, with access to information granted on a need-to-know basis.
- CSRs and all local representatives gain access to the system through passwords, which are changed periodically to maintain a high level of security.
- Participants must enter their social security number and Personal Identification Number (PIN) to gain access to their accounts via the telephone.
- Participants must establish a user profile and password on our website. Participants may change their PIN or password as frequently as they deem necessary to maintain account security.

The following measures are also in place to ensure that participant accounts are secure:

A new multi-factor security enhancement was released that will prompt participants to confirm their email address, provide a mobile number and the ability to register their device – laptop, smart phone, internet

device, etc. Answering security questions will no longer be a requirement when setting up an account. The next time the participant logs in, they could be challenged and need to enter a confirmation code before they can access their account if they don't login from a remembered device. A confirmation code will be emailed to their registered email address.

All accounts require a unique participant account number and password/PIN for access. If an incorrect password/PIN is entered three times, the account is locked-out. The Web user will be automatically disconnected after 15 minutes of inactivity. Each time a participant enters the Web site or performs a transaction, an audit trail is written for that specific visit to the Web site.

Once a participant completes most transactions, a confirmation is automatically sent. Our record keeping system and the website offer additional security questions to verify identity.

In order to guarantee that only the intended recipient can read information sent to or from our site, all information is encrypted. Information between the Web site and users is encrypted using security technology called Secure Sockets Layer (SSL). A firewall prevents unauthorized access to Nationwide's systems and data.

The following steps are taken to protect customer data:

- All information is encrypted.
 - Information between the website and users is encrypted using security technology called Secure Sockets Layer (SSL).
 - A firewall prevents unauthorized access to Nationwide's systems and data.
 - Plan participants are given the option of disabling Internet access to their accounts. This ensures that no one will be able to access the account via the Internet.
- **What procedures and best practices does the responding vendor follow to harden all systems that would interact with the service proposed including any systems that would hold, process?**

Yes. Nationwide maintains a System and Information Integrity IT Security standard which requires that information systems must protect themselves from malware and other malicious code. All electronic information systems in the Nationwide network must use the corporate standard antivirus and anti-malware solution(s).

In addition to the traditional anti-virus and anti-malware protection deployed on all Nationwide endpoints, Nationwide has added an additional non-signature based malware detection software to aid in the detection and prevention of advanced persistent threats and 'zero-day' attacks whereby there is no signature for the such malware.

Nationwide has a formal patch management and malware protection program in place. Nationwide has a team of over 300 professionals who are responsible for the regular up-keep and ongoing maintenance of the infrastructure and operations for our network, O/S and all Nationwide-owned endpoints.

This includes but is not limited to hardware currency, refreshes which typically occur every three years, and administration of application software which includes regular upgrade of equipment, ongoing distribution of patches, and scheduled software maintenance.

In addition to the traditional malware protection deployed on all Nationwide endpoints, Nationwide has added an additional non-signature based malware detection software to aid in the detection and prevention of advanced persistent threats and 'zero-day' attacks whereby there is no signature for such malware.

- **What technical security measures does the responding vendor take to detect and prevent unintentional [accidental] and intentional corruption or loss of County data?**

Our server infrastructure is backed up weekly with a full backup and incremental backups are completed nightly. Backups are retained for 30 days.

For our file storage (NAS), we create a checkpoint every 4 hours with 24 hours of recovery available. We also complete a nightly incremental backup of the data which is retained for 30 days.

For systems with a short or zero Recovery Point Objectives (RPO), we provide replication for SAN storage across our Tier IV data centers, with both synchronous and asynchronous replication.

All backups are written to disk and replicated to a second copy in the opposite data center. The backups are protected from corruption by writing the data in a different, proprietary format to dedicated hardware appliances that operate independently from our server infrastructure. Our standard retention is 30 days, but backups can be retained as long as needed if legal or contractual agreements require.

- **If the responding vendor were to be selected, would the responding vendor agree to a vulnerability scan by the County of the web portal application that would interact with the service proposed including any systems that would hold, process, or from which County data may be accessed? If responding vendor objects to the vulnerability scan, responding vendor must, as part of its proposal, identify and describe in detail the reasons for responding vendor's objection.**

Nationwide has a formal vulnerability management program in place. Nationwide has a team of over 300 professionals who are responsible for the regular up-keep and ongoing maintenance of the infrastructure and operations for our network, O/S and all Nationwide-owned endpoints. This includes but is not limited to hardware currency, refreshes which typically occur every three years, and administration of application software which includes regular upgrades of equipment, ongoing distribution of patches, and scheduled software maintenance. In order to protect our members and customers, we do not permit our business partners or customers to perform simulated attacks on our network, which if performed incorrectly, could result in outages, performance issues, or other unintended consequences.

- **Does the responding vendor have a Data Backup and Recovery Plan supported by policies and procedures, in place for the hosted environment? If yes, describe the outline of the Plan and how often it is updated. If no, describe what alternative methodology the responding vendor uses to ensure the restoration and availability of County data.**

Our server infrastructure is backed up weekly with a full backup and incremental backups are completed nightly. Backups are retained for 30 days.

For our file storage (NAS), we create a checkpoint every 4 hours with 24 hours of recovery available. We also complete a nightly incremental backup of the data which is retained for 30 days.

For systems with a short or zero Recovery Point Objectives (RPO), we provide replication for SAN storage across our Tier IV data centers, with both synchronous and asynchronous replication.

All backups are written to disk and replicated to a second copy in the opposite data center. The backups are protected from corruption by writing the data in a different, proprietary format to dedicated hardware appliances that operate independently from our server infrastructure. Our standard retention is 30 days, but backups can be retained for as long as needed if legal or contractual agreements require.

- **Does the responding vendor encrypt County data backups? If yes, describe the methods used by the responding vendor to encrypt backup data. If no, what alternative safeguards does the responding vendor use to protect County data backups against unauthorized access?**

Encryption (In Storage & At Rest)

To protect data at rest, Nationwide applies encryption methodology that conforms to the NIST approved algorithms, key lengths, and related standards as outlined on the NIST website:

(<https://csrc.nist.gov/projects/cryptographic-standards-and-guidelines>).

Data which resides on all end-points, and laptops utilizes full disk encryption. In addition, Personally Identifiable Data (PII) may only be copied to a Nationwide approved encrypted device. This is enforced through data loss prevention tools deployed on every endpoint. Email at rest is encrypted and structured application data at rest on network storage is encrypted as well. All data which resides on the mainframe is encrypted at rest. Finally, we leverage Mobile Device Management (MDM) technology which allows for remote wipe and device encryption for all mobile end-points.

- **Describe any assumptions made in the preparation of your proposal regarding information security outside those already supplied by your company in the proposal.**

No Additional assumptions.

- **Provide the name and contact person for the person in your organization that is responsible for submission of all required HUB compliance information.**

Not applicable.

Access Control

- **How will users authenticate to the proposed web portal application?**

Upon their first visit to the website, users must be authenticated before they can access their plan information. During this initial visit, users must enter their account number and plan number, and then create a unique password.

Once authenticated, participants from this point forward can access their plan information by entering their account number and the password they created. They are also able to create their own personal user name and password so they do not need to use their account number to enter the site. As an added security measure, participants are prohibited from using their Social Security number as their username.

Nationwide uses Multi Factor Security for our websites. This level of added security is focused on protecting participants accessing their accounts using mobile devices by prompting a participant to confirm their email address, provide a mobile number and provide the ability to register their device (laptop, smart phone, internet device, etc.).

The next time the participant logs in they may be challenged if the device they are using is not recognized by our system. If this occurs, the participant will need to obtain and enter a confirmation code before they can access their account.

In order to help ensure only the intended recipient can read information sent to or from our site, all information is encrypted. Information between the website and users is encrypted using security technology called Secure Sockets Layer (SSL). A firewall prevents unauthorized access to Nationwide's systems and data.

- **Describe the responding vendor's password policy including password strength, password generation procedures, and frequency of password changes. If passwords are not used for**

authentication to the proposed system, describe what alternative controls are used to manage user access.

Please see the section on Password Standards (Pg. 14) and Identity Validation Standards (pg. 16) in the *Identity Access Management IT Security Standard* for details which is located in the **Additional Information** section of our response.

- **What procedures and best practices does the responding vendor have in place to ensure that user credentials are updated and terminate as required by changes in role and employment status?**

Nationwide has implemented an automate access review process that executes whenever an employee is terminated or transferred. In addition, the automated system provides a quarterly review of access on all IDs in all key financial systems.

- **Does the proposed web portal application provide the capability to use local credentials (i.e., federated authentication) for user authentication and login? If yes, describe how the product provides that capability.**

Yes. Nationwide supports federated Login by using Ping Federation.

Use of Data

- **What administrative safeguards and best practices does the responding vendor have in place to vet responding vendor's and third-parties' staff members that would have access to the environment hosting all systems that would hold, process, or from which County data may be accessed to ensure that the County System data and resources will not be accessed or used in an unauthorized manner**

In order to keep our information, hardware, software, facilities, and most importantly, your Plan's information secure, we have implemented many security processes including:

- Our personnel have limited access to the online database, with access to information granted on a need-to-know basis.
- CSRs and all local representatives gain access to the system through passwords, which are changed periodically to maintain a high level of security.
- Participants must enter their social security number and Personal Identification Number (PIN) to gain access to their accounts via the telephone.
- Participants must establish a user profile and password on our website. Participants may change their PIN or password as frequently as they deem necessary to maintain account security.

The following measures are also in place to ensure that participant accounts are secure:

A new multi-factor security enhancement was released that will prompt participants to confirm their email address, provide a mobile number and the ability to register their device – laptop, smart phone, internet device, etc. Answering security questions will no longer be a requirement when setting up an account. The next time the participant logs in, they could be challenged and need to enter a confirmation code before they can access their account if they don't login from a remembered device. A confirmation code will be emailed to their registered email address.

All accounts require a unique participant account number and password/PIN for access.

If an incorrect password/PIN is entered three times, the account is locked-out.

The Web user will be automatically disconnected after 15 minutes of inactivity.

Each time a participant enters the Web site or performs a transaction, an audit trail is written for that specific visit to the Web site.

Once a participant completes most transactions, a confirmation is automatically sent. Our record keeping system and the website offer additional security questions to verify identity.

In order to guarantee that only the intended recipient can read information sent to or from our site, all information is encrypted. Information between the Web site and users is encrypted using security technology called Secure Sockets Layer (SSL). A firewall prevents unauthorized access to Nationwide's systems and data.

The following steps are taken to protect customer data:

- All information is encrypted.
 - Information between the website and users is encrypted using security technology called Secure Sockets Layer (SSL).
 - A firewall prevents unauthorized access to Nationwide's systems and data.
 - Plan participants are given the option of disabling Internet access to their accounts. This ensures that no one will be able to access the account via the Internet.
- **What safeguards does the responding vendor have in place to segregate County data from system and other customers' data to prevent accidental and/or unauthorized access to County data?**

Access Management

Nationwide Associates are only provisioned the access necessary to do their jobs. A centralized, automated tool is leveraged to manage the life-cycle of an ID, and to enforce least-privileged access. The tool integrates with our directory systems. These tools work in conjunction to enforce identity, authentication, authorization, auditing & accountability.

- Access to provision ID's is handled through a centralized ID administration team.
- Newly provisioned access must be approved by People Leaders prior to roles being granted and ID's being created.
- If an associate transfers department, their access is required to be reviewed within the tool by the new hiring manager prior to the Associate beginning the new role.
- People Leaders are required to complete access reviews of their direct reports on a quarterly basis.
- The tool is integrated with our directory systems to immediately revoke access upon termination.
- Privileged access to record-keeping applications is tightly monitored using a Privilege Identity Management Tool.

Participant Data

Access to participant data is restricted to those who require such access to perform their job function, and to control the confidentiality, integrity and availability of the data. All workstations, portable media devices, and removable media containing participant data is monitored using data loss prevention tools to block any confidential data exfiltration. Alerts are sent to our Security Command Center based upon defined thresholds for further review. These professionals are responsible for the investigation and review of any attempted data exfiltration to external devices and for enforcing compliance with Nationwide's Confidentiality Agreement and Information Security Policy.

Finally, secure waste containers are available on every floor, and a clean desk policy prohibits sensitive information being left in plain sight.

- **What safeguards does the responding vendor have in place to prevent the unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access, or disclosure of County data?**

All remote infrastructure connections originating from Public Networks into the Nationwide Internal Network must be approved and provisioned by the Infrastructure & Operations group. All remote access connections originating from Public Networks into the Nationwide Internal Network must be approved and

provisioned by the ID Admin group. This includes, but is not limited to Virtual Private Networks (VPN), Virtual Desktop Technologies, and Dial up Modems. To ensure the data maintains confidentiality, connections from Public Networks must employ the use of the most recent Nationwide approved encryption protocol.

- **What procedures and safeguards does the responding vendor have in place for sanitizing and disposing of County data according to prescribed retention schedules or following the conclusion of a project or termination of a contract to render it unrecoverable and prevent accidental and/or unauthorized access to County data?**

Encryption (In Storage & At Rest)

To protect data at rest, Nationwide applies encryption methodology that conforms to the NIST approved algorithms, key lengths, and related standards as outlined on the NIST website:

(<https://csrc.nist.gov/projects/cryptographic-standards-and-guidelines>).

Data which resides on all end-points, and laptops utilizes full disk encryption. In addition, Personally Identifiable Data (PII) may only be copied to a Nationwide approved encrypted device. This is enforced through data loss prevention tools deployed on every endpoint. Email at rest is encrypted and structured application data at rest on network storage is encrypted as well. All data which resides on the mainframe is encrypted at rest. Finally, we leverage Mobile Device Management (MDM) technology which allows for remote wipe and device encryption for all mobile end-points.

Data Transmission

- **How does Institution data go between County and responding vendor's proposed system? If connecting via a private circuit, describe what security features are incorporated into the private circuit. If connecting via a public network (e.g., the Internet), describe the way the responding vendor will safeguard Institution data.**

Nationwide prefers Secure File Transfer for data transmission between the County and Nationwide. It uses standard internet protocols to provide security for business critical information. The three options below are available for the County to use:

- FTPS (FTP/SSL) and SFTP (FTP/SSH) – Unencrypted data over an encrypted transport.
- PGP – Encrypted data. Once encrypted you can send the data over the Internet using FTP or HTTP. The file must be digitally signed for Nationwide to accept.
- Web Browser or HTTPS – Unencrypted data over secure connection. This option requires client to log onto secure web site and attach the file for transfer.

Secure File Transfer ensures the security of the data to or from Nationwide to our business partners. By using this method to send and receive your files, no one on the internet can access data you are transmitting to Nationwide.

Nationwide has the ability to accommodate almost all types of systems and file formats and will work with the County to find mutually agreed solutions.

- **Does the product secure the data transmission between County institution and the responding vendor? If yes, describe how the responding vendor provides that security. If no, what alternative safeguards are used to protect County institution data in transit?**

Nationwide applies encryption methodology that conforms to the NIST approved algorithms, key lengths, and related standards as outlined on the NIST website (<https://csrc.nist.gov/projects/cryptographic-standards-and-guidelines>).

Data which resides on all end-points, and laptops utilizes full disk encryption. In addition, Personally

Identifiable Data (PII) may only be copied to a Nationwide approved encrypted device. This is enforced through data loss prevention tools deployed on every endpoint. Email at rest is encrypted and structured application data at rest on network storage is encrypted as well. All data which resides on the mainframe is encrypted at rest. Finally, we leverage Mobile Device Management (MDM) technology which allows for remote wipe and device encryption for all mobile end-points.

- **Does the product encrypt confidential data in transit and at rest? If yes, describe how the product provides that security. If no, what alternative methods are used to safeguard confidential data in transit and at rest?**

Encryption (In Storage & At Rest)

To protect data at rest, Nationwide applies encryption methodology that conforms to the NIST approved algorithms, key lengths, and related standards as outlined on the NIST website:

(<https://csrc.nist.gov/projects/cryptographic-standards-and-guidelines>).

Data which resides on all end-points, and laptops utilizes full disk encryption. In addition, Personally Identifiable Data (PII) may only be copied to a Nationwide approved encrypted device. This is enforced through data loss prevention tools deployed on every endpoint. Email at rest is encrypted and structured application data at rest on network storage is encrypted as well. All data which resides on the mainframe is encrypted at rest. Finally, we leverage Mobile Device Management (MDM) technology which allows for remote wipe and device encryption for all mobile end-points.

- **Notification of Security Incidents**

Security Incident Response Process

If the Security Command Center detects a security incident the team works cross-functionally with the Event Management and Response Team to investigate the security incident fully and take appropriate action to respond, mitigate, report recover and remediate if necessary.

As the incident develops and impact is understood, the necessary internal teams will be engaged. This is typically comprised of a core team and responding organizations. Core teams are responsible for communicating incident status/updates to executive leadership & responding organizations.

Security Breach Communication

In addition, if a security breach is identified we'll notify affected participants and the plan according to the requirements in the administrative services agreement.

- **Describe what procedures the responding vendor has in place to isolate or disable all systems that would interact with the service proposed in case a security breach should be identified? Including any systems that would hold, process, or from which County institution data may be accessed.**

Nationwide maintains a System and Information Integrity IT Security standard which requires that information systems must protect themselves from malware and other malicious code. All electronic information systems in the Nationwide network must use the corporate standard antivirus and anti-malware solution(s).

Upon discovery of a security incident, a prompt investigation is conducted to determine whether a security breach, as that term is defined under applicable law, has occurred. In accordance with applicable law, we notify affected individuals of security breaches. By performing a root cause analysis, we are constantly learning how to improve our information security program. For example, we now encrypt laptop computers to reduce the potential of a security breach if the laptop is stolen or misplaced.

- **What procedures, methodology, and timetables does the responding vendor have in place to detect information security breaches and notify County and customers?**

Auditing and Monitoring

Auditing and Monitoring occurs at each of the three lines of defense through different forms of media and toolset integration.

First Line

The first line of defense includes our Nationwide Financial Lines of Business & Business Solution Areas. These are the IT & Business areas closest to the IT asset and related business processes. They are responsible for implementing and adhering to our security Policy, IT Security Standards, and secure configuration. As part of these controls, record keeping applications include audit logging and monitoring to identify changes made to the application, authentication attempts, and user transactions as well.

Second Line

The second line of defense includes over 200+ IT Security Professionals in our Information Risk Management (IRM) department. Our IRM department, in conjunction with our Security Command Center are an experienced staff of Security Professionals who support the first line of defense. The Security Command Center leverages multiple logging and monitoring tools to monitor network performance and integrates security tool logs to help identify and prevent potential malicious attacks.

Third Line

Internal Audit comprises our third line of defense. Their job is to ensure that the aforementioned lines are executing their job responsibilities and adhering to and complying with security requirements as outlined within the Security Policy, IT Standards, and Secure Configuration documentation. They review first and second lines to ensure they are capturing audit logs and regularly reviewing each according to policy and related standards.

Security Incident Response Process

If the Security Command Center detects a security incident the team works cross-functionally with the Event Management and Response Team to investigate the security incident fully and take appropriate action to respond, mitigate, report recover and remediate if necessary.

As the incident develops and impact is understood, the necessary internal teams will be engaged. This is typically comprised of a core team and responding organizations. Core teams are responsible for communicating incident status/updates to executive leadership & responding organizations.

Security Breach Communication

In addition, if a security breach is identified we'll notify affected participants and the plan according to the requirements in the administrative services agreement.

- **Describe the procedures and methodology in place to detect information security breaches and notify customers in a manner that meets the requirements of the state breach notification law.**

Policy

The foundation of Nationwide's information security starts with our Information Security Policy. It provides a comprehensive framework for adhering to sound information security practices and is modeled on NIST 800-53. The Policy is then implemented through dozens of more specific Information Security Standards, which are actively managed to map to a wide variety of federal, state, and industry information security guidelines.

Nationwide retains a formal Information Security Policy which is reviewed, updated as necessary, and approved at least annually by Executive Leadership & the Board of Directors. It was last reviewed in November, 2017.

Incident Response Standard

Nationwide's Incident Response & IT Security Standard outlines the purpose, scope, and applicability for personnel and IT systems to identify and respond to a security incident.

The document outlines incident response training, and testing requirements for associates, and incident monitoring, reporting and adherence and ownership of the incident response plan.

Process

Nationwide has a mature Incident Management program to identify, isolate, respond and remediate suspected or actual cybersecurity events. A holistic approach is taken to incident management to ensure triggers are monitored and incidents are uncovered. This involves log aggregation, a security information and event management system (SIEM) and end-user education.

An Incident Response process is required in order to systematically respond to an identified IT security incident that could threaten the confidentiality, integrity or availability of an information resource.

If the Security Command Center identifies a security event the team works cross-functionally with the Event Management and Response Team to investigate the security event fully and takes appropriate action to remediate if necessary.

Technology

Nationwide's Security Command Center is a team of Security Professionals who continuously monitor our external network perimeter 24 x 7 x 365. This team receives intel from a variety of sources: the central logging system, suspicious activity reports, the latest threats and vulnerabilities from industry groups, and reports from employees. Our team of Security Professionals leverage advanced web application firewalls, Intrusion Detection and Prevention tools, data protection tools, and Security Incident and Event Management tools as well to identify and respond to suspicious activity.

Legal and Regulatory Cyber Security Requirements

Nationwide has a legal duty under federal and state information security laws, contracts, and industry standards to protect its customers' nonpublic personal information (NPI), including any NPI in the custody of a third-party service provider.

There are a wide variety of federal, state, and industry information security rules that create a duty to detect, prevent, and respond to any anticipated threats or hazards to the security or integrity of customer records.

In general, these laws require financial services companies to implement a comprehensive written information security program that includes administrative, technical, and physical safeguards for the protection of customer information.

The Nationwide Information Security Policy and Standards were specifically created to implement Nationwide's Information Security Program, as required by law. Additionally, these policies have been adopted by the Board of Directors of the Nationwide Mutual Insurance Company, the parent company of the Nationwide Corporation and, as such, it is every Nationwide associate's legal responsibility to comply with them. Deviation from these policies could subject Nationwide and associates to legal damages, including fines, penalties and, in some instances, even criminal prosecution.

Regulatory Exams and Oversight

Nationwide responds to cyber security inquiries through multiple regulatory requests and exams which typically include a review of our IT governance controls and information security. Regulators include, but are not limited to the following:

- Federal Reserve
- Office of Comptroller of the Currency (OCC)
- Finance Industry Regulatory Authority (FINRA)
- Securities and Exchange Commission (SEC)
- Payment Card Industry Data Security Standard (PCI-DSS)

- System and Organization Controls Report evaluation (SOC 1).
- Ohio Department of Insurance (ODI)

Participant Data – Identity Validation

Prior to any account change or inquiry over the phone, Customer Service Representatives (CSRs) are required to execute identity proofing whereby the customer will be required to correctly answer questions relating to their uniquely identifiable data elements. Customer Service Representatives are required to use both static and dynamic data elements and security questions.

Further, CSR's are required to attend annual anti-fraud training. All Associates within Nationwide Financial and Retirement Plans are required to attend fraud identification and prevention training. Call centers have daily stand-up's in which they are briefed on trends, 'red-flag' refreshers, and social engineering attacks coming in through the call center. Quarterly anti-fraud training is offered for all associates across Nationwide to increase associate awareness.

Nationwide recordkeeping applications are required to comply with our Security Reference Architecture standards which outline secure networking requirements and compliance segmented architecture to logically separate traffic flow between the application & presentation tier to the data tiers. Nationwide's firewall configurations are designed to deny all connections between tiers and between VLANs that are not explicitly approved for business purposes. Further, dematerialized zones and advanced web application firewalls help filter legitimate vs. anonymous traffic for external facing servers

Regulatory and Legal Services

- **Describe the type of legal support included in your proposal and any fees that apply.**

While Nationwide and its support team do not provide legal or tax advice to plan sponsors or participants, Nationwide does provide a number of beneficial services to help keep our clients informed about matters that may impact their plans. These services include:

- Trust Sponsor and Participant educational materials
- Trust Sponsor fiduciary education tools
- Legislative and Regulatory updates
- Consultative services related to
 - Plan design
 - Administrative processes
 - Service agreements

Nationwide monitors legislative and regulatory changes that may affect our products and services. Should a change be needed, we will work with Trust sponsors to implement changes with a focus on minimal impact to participants.

- **How do you keep plan sponsors informed and updated on any regulatory and legislative changes?**

Greg Russell, the County's Program Director, will provide quarterly updates to the Plan Sponsor that include pending legislative or regulatory changes that may impact the Plan.

Additionally, Nationwide is committed to administering your Plan in accordance with current federal law and the Plan Document. We have the corporate resources and backing of our parent company, Nationwide Mutual Insurance Company (NMIC), including its government relations, legislative affairs and other regulatory experts who keep us up to date on pending and new legislation, regulatory actions, and other matters pertaining to our record keeping system and the plans we administer.

Although we cannot provide the Plan with legal or tax advice, we will keep the Plan informed of current legislative and regulatory actions that may affect your plan through alerts and communications such as

our monthly Legislative and Regulatory Report. Furthermore, if the Plan Sponsor uses Nationwide's standard plan documents, we will keep the plan documents up to date with current laws and regulations.

- **How do you ensure that your recordkeeping system is in compliance with all regulations?**

Our recordkeeping system is built to ensure our plans are in compliance with all applicable federal and state statutes, rules and regulations. Our team of attorneys, compliance staff and retirement plan professionals dedicated to deferred compensation plans monitor industry, legislative and regulatory changes. Nationwide updates the recordkeeping system with the appropriate changes to keep plans in compliance.

- **Describe any past or pending litigation, within the last five years, relating to or regarding services similar to the services you are proposing to provide.**

Nationwide is currently involved in lawsuits common to the industry, which stem from routine business practices associated with administering employee benefit plans. These suits have not had an impact on our ability to service any of our plans nor does Nationwide foresee them having an impact on our ability to service your plan.

Information Security: General Data Protection

- **Describe the security features incorporated into the proposed products and services.**

Systems Development Life Cycle

Nationwide adheres to commonly accepted software development and change management methodologies. The software development lifecycle integrates analysis and requirements solicitation, design, development, testing, deployment and ongoing maintenance.

Regular code reviews and application source code scanning for vulnerabilities are integrated within the software development lifecycle to identify and remediate common coding issues early in the development lifecycle prior to production deployment. Further, all changes are required to go through the normal request for change (RFC) process whereby each is reviewed, approved and implemented using automated code deployment tools to help reduce errors and enforce appropriate segregation of duties therefore, no single individual can develop and deploy code into production.

Regularly scheduled releases typically occur monthly. Code can be deployed during an off-release but it is still subject to the normal RFC process, security code scans and code review.

The majority of the development teams who support the Nationwide Financial Record Keeping applications are located in Columbus, Ohio. Retirement Plans retains multiple development teams comprised of dedicated and shared resources. Teams typically include developers, test leads, requirements analysts and business impact analysts.

- **List all products, including imbedded products, in the proposal and their corresponding owning company**

All products offered to the County have been disclosed in our response and are proprietary products.

Investments and other Services

Provide a summary of how your Firm meets or exceeds the Scope of Services Requirements related to Investment Management Services. This summary should include:

Clear statement outlining either an unqualified ability to meet all areas outlined in the scope of services or detailed articulation of qualifications, if any.

- **Discussion of your ability (and any procedural, platform, due diligence, or other requirements) to provide investment vehicles for defined contribution plans, including expressly identifying any aspects that are unique to, or not available to, 457(b) plans. Be sure to disclose if you are providing proprietary, non-proprietary, or a combination of both investment management services.**

Nationwide has agreements in place with over 190 fund houses offering nearly 13,000 mutual funds across a wide spectrum of asset classes. Additionally, we are willing to establish agreements for investment products that are not currently available through our platform.

Please refer to the **Investment Information** section of our response for the Fund House List.

- **Please provide a standard or representative roster of individual investment funds/products available to plan participants, inclusive of both short and long term absolute and relative return information and management fee/expense ratio data for each fund/product offered.**

Please refer to the **Investment Information** section of our response for the full fund lineup included in our offer to the County and all requested information.

- **Discussion of your ability and willingness to provide TMRS access to institutional class shares of mutual funds that do not provide embedded revenue sharing and structuring a flexible “tack-on” fee structure in either an asset-based or per-participant manner that creates a revenue-neutral arrangement to pay for plan administration expenses. Provide a detailed explanation of your Firm’s position on this topic.**

Nationwide can provide fee leveling by utilizing an investment lineup that provides minimal mutual fund payments. Nationwide can apply an asset management charge to all assets in participant accounts to meet our required revenue. Any mutual fund payments that may be generated by the investment lineup can be reimbursed back to participant accounts no less frequently than annually.

Nationwide can return revenue share from investment providers in a pro rata fashion directly back to the participants. Nationwide provides this feature for other Plan Sponsors systematically every quarter.

- **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.**

Nationwide’s offer includes open architecture for all variable investments, meaning the County has full discretion to select any variable investments which Nationwide has a selling agreement with. The County can choose from nearly 13,000 funds from over 190 companies we have agreements with. The County has discretion to select the lowest expense share class funds desired.

- **Please identify the number and types of investment vehicles you would make available. How do you determine which investment vehicles to make available?**

Nationwide’s offer includes open architecture for all variable investments, meaning the County has full discretion to select any variable investments which Nationwide has a selling agreement with. The County can choose from nearly 13,000 funds from over 190 companies we have agreements with. The County has discretion to select the lowest expense share class funds desired.

- **Discuss your organizations ability to make available the lowest expense share class funds for our plans. How else can you make investment fees and expenses as low as possible for our employees?**

Nationwide’s offer includes open architecture for all variable investments, meaning the County has full discretion to select any variable investments which Nationwide has a selling agreement with. The County

can choose from nearly 13,000 funds from over 190 companies we have agreements with. The County has discretion to select the lowest expense share class funds desired.

- **Does your organization offer a self-directed brokerage window as a potential investment option? Please fully describe the service and fees associated with the administration of the brokerage accounts.**

Yes. In collaboration with Charles Schwab, Nationwide offers participant access to Schwab's Self-Directed Option, the Personal Choice Retirement Account (PCRA). We have developed an informational kit in conjunction with Schwab that provides all the forms required to enroll in the service and establish an account with Schwab. Our Retirement Specialists are trained on the Schwab PCRA service and can assist participant with questions and completing the forms.

Schwab will consult with the County to customize the securities available to your participants from the following options:

- Any or all mutual funds
- Any stock listed on the major U.S. exchanges, including over the counter ("OTC") securities and ETFs
- Equities - OTC Bulletin Board securities
- Equities - Pink Sheet securities
- Taxable fixed income securities
- Tax-Exempt fixed income securities
- Tax exempt funds/securities only
- Foreign securities
- Exchange traded Limited Partnerships
- Company stock
- Non-speculative option contracts (covered calls, protective puts)

Participants enrolling in the Schwab SDBO option will be assessed a start up fee of \$50 and, starting on the first anniversary, an annual \$50 maintenance fee in addition to any fees assessed by Schwab.

Please refer to the **Optional Services and Enhancements** section of our response for more information.

Loans

- **Describe in detail your loan processing capabilities.**

Nationwide services nearly 8,000 plans and many of them offer loans. We have a dedicated Loans Team that works to help ensure loan administration is working properly on existing loans and that participants have a positive experience when requesting new loans at Nationwide. We have the capability to handle the entire loan process and we look forward to working with the Plan Sponsor to review the processes and procedures in place today to ensure they meet your needs.

Nationwide provides loan modeling and amortization scheduling on all loans. Balances must be paid in full over a maximum term of five years – except for residential loans, which can be taken up to a maximum of 15 years. We administer loans directly through the Plan permitting participants to take loans from their account and repay it with after-tax dollars.

We provide amortization schedules, all required paperwork, and loan disbursements and keep the Plan Sponsor informed of total outstanding loan principal through the customized website and quarterly Plan Statement.

The information below describes provisions that many plans follow in their loan programs:

Minimum and Maximum Loan Amounts

The minimum loan amount is \$1,000. The maximum loan amount is the lesser of:

- 50% of the participant's vested account balance (not including deemed IRA account, if applicable) less any outstanding balances under the Plan, or
- \$50,000 less the highest outstanding loan balance during the preceding one-year period.

Loan Application

- Online – The Plan Sponsor's provisions currently do not allow online loan modeling or initiation; however, online modeling and initiation is available, if permitted by the Plan and Plan Documents. If allowed, only General Purpose loans can be modeled and initiated online. Primary Residence loans can be modeled online but additional documentation will be required to initiate. We look forward to reviewing the loan provisions with the Plan Sponsor.
- Call Center – Customer Services Representatives (CSRs) generate and send loan application paperwork through email, fax or mail.

Loan Guidelines for Participants

Participants are able to apply for a loan from the Plan subject to limitations and other provisions outlined below:

- Repayment Method – Loan repayments are made through payroll deduction or via ACH payment from a participant's bank account
- Participant Eligibility – All Plan participants are eligible to take a loan from their account, based on Plan provisions outlined by the Plan Sponsor's Plan Document. To qualify, participants must also complete and sign a loan application and pay an application fee.
- Number of Loans – A participant may only have the number of outstanding loans allowed in the agreed-upon Loan Administrative Procedures.
- Suspension of Loan Payments – A participant may suspend loan repayment while on military or medical leave documented with the employer. The employer is responsible to notify Nationwide when a participant is on leave. At the expiration of any suspension of loan payments period, the outstanding loan balance, including any accrued interest and fees, will be re-amortized.
- Interest Rate – The interest rate will be determined by the Plan Sponsor. Currently, the County's loan interest rate is the Prime Rate plus 1%.

- **Do you have paperless loan capabilities? If so, describe.**

Participants may initiate general purpose loans using an electronic signature through the County's customized website. Primary residence loans may be modeled online but require supporting documentation and submission in hard copy.

- **Do you have paperless, online plan sponsor approval capabilities? If so, describe.**

Yes. Participants may initiate general purpose loans using an electronic signature through the Plan website without requiring Plan Sponsor approval. Primary residence loans may be modeled online but require supporting documentation and submission in hard copy.

- **Describe the flexibility in your loan repayment processing (i.e., additional loan payments, multiple loans, missed payments).**

Unscheduled loan repayments are permitted and are applied toward the loan principal only. Participants are still required to make the scheduled monthly repayment amount, in line with the amortization schedule. Additional payments do not permit participants to skip payments.

Participants may elect to have loan payments deducted from a personal bank account via Automatic Clearing House (ACH).

- **How do you handle delinquent and/or defaulted loans?**

Nationwide notifies participants of missed payments and provides options to keep loans in good standing. For many of our plans, failure to make a payment for two consecutive pays will result in a default of the loan unless the participant is on a military or approved non-military leave of absence. A letter is issued to the participant when a loan default occurs.

Once the loan is in default, if any repayment is not received by the end of the applicable cure period, the entire unpaid loan amount and accrued interest will be reported to the Internal Revenue Service as a deemed distribution as required by law, and the participant will receive a 1099-R. There will be a \$50 annual default fee assessed on the participant's account until the loan is repaid in full. Once in default, the participant will not be granted another loan until the defaulted loan is repaid in full (principal and interest).

No Plan Sponsor assistance is required.

- **Describe any other features and/or limitations of the loan system not detailed above (e.g., loan modeling, amortization scheduling, etc.).**

The following participant level loan fees are applicable:

Additional Loan Fees	Cost of Services (\$)
Loan Initiation Fee:	\$50
Annual Loan Fee:	\$50
Refinance Fee:	\$50
Loan Default Fee:	\$50
Insufficient Funds Fee:	\$25
Annual Loan Default Fee (until loan is repaid):	\$50

Hardship and Unforeseeable Emergency Withdrawals

- **Describe in detail your hardship or unforeseeable emergency processing capabilities.**

If delegated to Nationwide, we will review unforeseeable emergency withdrawal requests and first-level appeals as directed by the County pursuant to agreed-upon criteria, Plan Document, and policies and procedures. Participants requesting an unforeseeable emergency withdrawal are required to complete the Unforeseeable Emergency Request form (UE form) and provide evidence that the participant's situation satisfies the Plan's unforeseeable emergency withdrawal requirements prior to the approval of any such requests. This evidence typically includes proof of loss in the form of bills, photos and/or estimates and a detailed accounting of current financial resources. Participants must also provide documentation that they have attempted to access other sources to meet their need, that these attempts were unsuccessful and that there are no other means available.

The approved applications will be issued a check in the amount requested. We will normally issue payment to participants within 48 hours of approval. For those applications that require additional documentation, a notification letter is mailed to the participant at the address on file. The participant will have the ability to submit additional documentation to satisfy the additional request.

In the event that an Unforeseeable Emergency is denied, meaning it does not meet the IRS guidelines and the Plan Document guidelines, or if the participant doesn't meet the set criteria for the UE the participant has the option to request an appeal. At the time an appeal is requested, an appeal packet is compiled including a summary document and all documentation submitted by the participant. The Unforeseeable Emergency Appeal Committee, consisting of management and trained associates, meets once per week to review all appeals of denied Unforeseeable Emergency requests.

We have a feature that will automatically stop contributions to the 457(b) plan after a UE is processed. This stop can be for any period of time and is a field that is editable based on the Plan Document and Plan Sponsor. We can then restart contributions after the given suspended period of time has passed.

- **Do you have paperless hardship or unforeseeable emergency capabilities? If so, describe.**

To ensure compliance with the Plan Document and governing legislation, Nationwide does not offer paperless Unforeseeable Emergency/Hardship withdrawals.

Once a participant has submitted the appropriate form and supporting documentation in good order, Nationwide will review based on applicable guidelines from the Plan Document and IRS if these duties are delegated to us by the County. If approved, we issue a check or ACH distribution within three to five business days. If further information is needed, we contact the participant and place the request in pending status. If the request cannot be approved, we will notify the participants and/or the County in writing.

Reporting

- **Describe the standard reporting package that you would provide County as well as the medium(s) used (provide samples).**

Our administrative system produces a package of reports, which provide comprehensive accounting of all financial transactions for participants under the Plan. Online access can be made available to standard reports on the employer website for the County as desired. Representatives for the County will be issued user ID and password to access these standard on-line reports. The following reports will be provided on either a quarterly or an annual basis:

Employer Statement of Account – This report is produced in conjunction with participant statements and provides a summary of all participant activity that transpired during the reporting period. This report is available in both hard copy and online. It is available within 15 business days following the end of the quarter.

Tax Reporting – Tax forms are prepared for all participants who received distributions under the Plan during the calendar year. 1099-R forms are issued within 31 days of the close of the calendar in year that the distribution was made.

Income reported on 1099-R forms is taxable subject to applicable federal, state or local laws. Distributions made to beneficiaries are also reported on Form 1099-R.

Gauging Success Report – This report encompasses deferrals, participation, assets, average account balances, and asset allocation for the Plan as a whole and may be customized to provide additional information as mutually agreed upon. In addition, it provides peer group comparisons to determine how the Plan compares against similar size plans. This report can be delivered quarterly and can assist in designing education and service to best serve your employees. This report is available online within 30 business days of the end of the reporting period.

To further assist the County, Nationwide has developed enhanced Plan Sponsor reporting. These customizable reports will bring an added level of detail to existing reports and will be available on-demand on the plan sponsor website. New enhanced plan sponsor reporting includes:

- **Build and save reports with your own data**

Our reporting feature gives you the ability to independently obtain participant or financial data that's pertinent to your needs. After gathering your information, you can then save the report to your "report inbox" to view it again at a future date.

- **Predefined reports for go-to information**

In addition to giving you control of your reporting needs, we have reports that reflect the most in-demand information for easier access. The reporting feature offers a self-service suite to include:

- Plan Assets
- Contributions
- Distribution
- Participant census data
- Rollovers/transfers
- Loans, if offered

Our predefined reports reduce the turnaround time on building reports – delivering you more flexibility to get information.

- **Comprehensive and flexible reporting**

Filter your reports by age range or date and then export your data in your preferred format – in a PDF, Excel spreadsheet or CSV file. All reports also give you the ability to obtain data by selecting IRS plan or viewing information, including all IRS codes, at an aggregate level.

Part of helping America prepare for and live in retirement is providing our plan sponsors with the tools to effectively manage and monitor their plans. Nationwide's reporting feature puts the information you need right at your fingertips.

Please refer to the **Plan Sponsor Communications** section of our response for samples of the reports mentioned above.

- **Describe any customized or ad hoc reporting capabilities including Internet capabilities.**

Online Ad-Hoc Reporting

This reporting feature gives the County the ability to independently obtain participant or financial data that's pertinent to your needs. All reports can be filtered by IRS money type, date, and participant age range. After gathering the information, you can then save the report to your "report inbox" to view it again at a future date. The reports include:

- **Plan Assets Report:** This report details asset holdings and total number of participants invested within each investment option
- **Participant Census Data Report:** This report details basic information about the Plan Participants, including: demographics and basic account information. The report offers customizable options to add or omit data by clicking the "customize table" link within the report.
- **Plan Contributions Report:** This report details information relating to contributions submitted on behalf of Plan participants
- **Loan Activity Report:** This report provides Plan level loan activity and information about active and defaulted outstanding loans
- **Rollover/Transfers Report:** This report provides data relating to transfers and rollover activity in and out of the Plan
- **Participant Distributions Report:** This report provides data on distributions that have been taken by participants
- **Enrollment Detail Report:** This report provides enrollment activity for participants within the Plan for a selected date range. Plan Sponsors may choose to view results for single or multiple IRS codes and for specific channels and may also choose to display Tax IDs in a redacted view
- **Participant Details Report:** This customizable report provides detailed information at a participant level including demographic, account and census information. The following outputs are available:
 - Account Holder Name
 - Employment Status
 - SSN

- Contribution Status
- Latest Contribution Amount
- Latest Contribution Date
- Entry Date
- Salary Reduction Amount or Percentage
- Ownership Percentage
- Auto Enroll Entry Status
- Employee Type
- Date of Birth
- Gender
- Address
- Participant Setup Date
- Hire Date
- Entry Date Type
- Roth Reduction Amount or Percentage
- Relationship to Owner
- Refund Deadline
- Email Address
- Account Number
- Account Balance
- Initial Contribution Date
- Service Termination Date
- Date of Rehire
- Date of Death
- Officer
- Related to Owner SSN
- Auto Enroll Entry Date
- Auto Increase Date

- **Describe your standard participant-level statements and documents (provide samples).**

Nationwide's participant statement provides an integrated and comprehensive quarterly review of the participant's 457(b) account. Account balances are provided separately and in a combined total. Participant statements are customized with the Plan's name and logo.

Participant indicative information displayed on the statement includes name, address, and their unique Plan Account number.

The statement is designed in sections that allow participants to quickly locate and review information. A brief description of each section is provided below:

- **Quarterly Activity at a Glance** displays the totals of all activity during the reporting period.
- **Historical Performance** provides total contributions and gain/loss over the period that Nationwide has been the record keeper.
- **Contribution and Distribution Summary** displays contribution and distribution totals for the quarter and year-to-date.
- **Your Asset Allocation** displays, with both a visual and narrative depiction, how the participant's assets are invested among the Plan's seven asset classes.
- **Investment Option Summary** displays how future deferrals will be invested along with ending prices, number of shares, and the corresponding value for each investment option.
- **Your Account Values by Investment Option** displays beginning and ending dollar values by investment option and contribution type.
- **Transaction Details** itemizes all activity that occurred during the reporting period. Transactions display the type of request, the share price applied, and the number of shares affected.
- **Your Beneficiary Information** displays the named beneficiaries on the participant's account.

- **Your Loan Information** displays for only those participants who have an outstanding loan during the report periods and summarizes loan payment activity.
- **Your Personalized Rate of Return** shows by percentage how much participant account values have gained/lost over the previous twelve months.
- **Self-Directed Brokerage Account** displays the participant's total SDBA account balance with Schwab.
- **Investment Performance Information** provides the 3-month, 1-year, 5-year, 10-year, and inception-to-date performance for all Plan investment options along with the Gross Expense Ratio for each.

Additionally, the Plan Sponsor has the flexibility to create custom messaging totaling 170 characters, including any disclosures.

Through our eDelivery program, participants now have the option of receiving an email notification when their statements and confirmations are posted online.

Please refer to the **Participant Communications** section of our response for a sample participant statement.

- **Describe your customization capabilities for participant-level statements.**

Our offer to the County includes the ability to customize print materials with the Plan name, the County's logo, information about the Plan's customized investment line-up, and specific content as necessary utilizing Nationwide best-practice templates for conveying participant education and information. Customized print materials include:

- Enrollment kit
 - Select administrative forms
 - Participant statements
 - Education brochures and flyers as mutually agreed upon
- **What is the standard timeframe for providing each report after the reporting period ends?**

Reports available online/immediately:

- Plan Assets Report
- Participant Census Data
- Contributions report
- Distributions report
- Rollovers in/transfers out reports
- Loans reports
- Payroll Historical reports

Reports available upon request within five business days of request:

- Enrollments reports
- Managed Accounts reports
- Money Source reports (i.e. Roth)
- Participants VRU Usage reports
- Participants Web Usage reports

Periodically issued statements and reports:

- Plan Quarterly Statements – issued within 15 business days of the quarter end
- Gauging Success Report – available online within 30 business days of the quarter end

- Plan Sponsor Retirement Readiness Report – available online within 30 business days of the quarter end
- Tax Reports – issued within 31 days of the close of the calendar year

**Customer Service
Voice Response System**

- **Describe the services available through your voice response system (VRS).**

Yes. Participants can reach our VRS via our toll-free number, 1-877-677-3678, 24 hours a day, 365 days a year. At their convenience, participants can:

- Check account balances
- Check account balance by fund
- Change investment elections
- Check fund performance
- Check outstanding loan balance, if applicable
- Exchange funds
- Request fund prospectus
- Review historical and current share values

- **How are transactions processed? How are transactions documented? Are confirmations sent?**

All financial requests received prior to the close of the NYSE, general 4 p.m. ET, will be processed the same business day using that day's closing prices. Confirmations are mailed within 2 business days of processing. Participants who have enrolled in eDelivery will receive a notification that their confirmation is available within 2 business days as well.

- **Describe how data is secured within the system (e.g., PIN, audit trail, confirmations).**

The following measures are in place to ensure participant accounts are secure:

- All accounts require the participant's unique account number, date of birth and PIN for access.
- If the incorrect PIN is entered three times, the account is locked-out.
- Each time a participant enters the VRS or performs a transaction, an audit trail is written for that specific transaction.
- Once a participant completes a transaction, a confirmation is automatically sent.

- **Describe the level of customization available within your VRS.**

Nationwide's offer to the County includes our standard VRS.

- **What are the standard hours of operation?**

Our VRS is available 24 hours per day/7 days per week with the exception of pre-schedule maintenance which usually occurs on a Saturday night/Sunday morning between the hours of midnight and 6 a.m. ET.

- **Are there any transactions that cannot be processed through the VRS?**

Yes. Enrollments, beneficiary changes, deferral amount changes, address changes, loans and withdrawals are not supported through the VRS.

- **Is the menu easy for participants to use? Does it include “help” information? Describe the structure in detail.**

Yes. The VRS menu is easy to use. Participants can transfer to a CSR for help at any time by pressing “0”.

The VRS navigational menu is provided below.

For account information

- 1 - For account balances.
 - 3 - For a Breakdown by Investment Fund
 - 4 - For Account Balance for a specific fund
 - 5 - Optional – Breakdown by Money Source.
 - 6 - Optional – SDO Balance.
 - 7 - Optional – Loan Balance
 - 8 - Work with another account
-
- 2 - For number of units or shares and prices of funds in which you are invested.
 - 1 - Current day values
 - 2 - Prior day values
 - 3 - To hear your current contribution and how it's being directed

To makes changes to your account, or change your PIN

- 1 - For exchanges of existing balances
 - 1 - To exchange a percentage from one fund to another
 - 2 - For an end-result exchange
- 2 - To change how your future deferrals will be invested.
- 3 - To change your PIN.

For fund information Call transferred to a CSR

- 4 - To order a fact sheet or prospectus Call transferred to a CSR

- **Can a participant elect to move from the VRS to a service representative? When and what services are available?**

Yes. Participants may opt out of the VRS at any time by hitting 0, at which point they are immediately directed to a licensed CSR. CSRs are available Monday through Friday from 8 a.m. to 11 p.m. and Saturday from 9 a.m. to 6 p.m.

- **How often is the data on the VRS updated? How does the VRS interface with the recordkeeping system?**

Our web, VRS, and record keeping systems are integrated and are updated in real time. Nonfinancial requests such as an address change are updated immediately. Financial transactions are processed after the close of the market, and each participant account is updated with the requested changes.

The VRS is updated each business day no later than 8 a.m. Our recordkeeping system, website, and VRS are fully integrated and update in real-time.

Call Center

- Identify your toll-free service center standards. Please include for each of the last three calendar quarters, statistics related to actual performance, including number of calls, average length of calls, average response time, percentage of calls requiring follow-up, call abort rate, percentage of incoming calls totally handled via VRS versus toll-free live service center representative assistance, and percentage of service requests handled via website versus call center and VRS.

	2017	2016	2015	2014	2013
Total Number of Calls	1,032,769	657,576	680,024	570,807	647,556
Average Call Response Time (min:sec)	0:27	0:41	0:12	0:19	0:38
Service Goal	80% within 20 seconds				
Average Length of Calls (min:sec)	5:16	5:22	4:36	4:15	3:58
Percentage of Calls Requiring Follow-Up	Nationwide does not track this metric				
Quality Standard for Call Abandonment	Less than 2%				
Call Abandonment Rate	2.05%	3.20%	0.84%	1.24%	2.70%
% of Transactions Handled by VRU	*	0.42%	6.25%	6.50%	8.52%
% of Transactions Handled by web	*	90.25%	90.25%	90.08%	97.92%

*Nationwide no longer tracks this metric.

- What training is provided to toll-free service center representatives before they are allowed to handle incoming calls?

Licensing Requirements

All Customer Service Representatives (CSR) associates are required to hold the FINRA Series 6 license.

New Employee Training

To prepare new CSRs to assist participants, we have developed a four-week training course that educates new representatives in policies, procedures, regulations and the ability to provide an "On Your Side" experience for each participant. During the training course, CSRs are trained on:

- Nationwide's products and services
- Applicable regulations for supplemental retirement plans
- Our proprietary recordkeeping system, website, and voice response technologies
- Service concept training on how to empathize, correct word choice, and tone

Throughout the four-week session, CSRs shadow experienced CSRs who model how to successfully handle participant inquiries. Once the training has been completed, CSRs are prepared to begin handling calls.

Ongoing Training

Our CSRs receive ongoing training to ensure they stay current with industry changes, trends, and legislation. They also take part in continuing education for their FINRA registrations, along with manager coaching. All training and coaching is delivered through classroom settings, computer based training, and one-on-one sessions.

All of our licensed CSRs are trained on the specific details of your plan and have access to multiple resources to allow them to effectively answer participant questions. Nationwide utilizes an online repository, Nationwide Knowledge Base, to house all training and reference materials for the County's defined contribution plan. Nationwide Knowledge Base's electronic format allows the information to be updated at a moments notice. The CSRs have the ability to access information including but not limited to the Plan's investment options and performance, administrative procedures, and all communications being shared with participants.

As new personnel join the team, our training department will make sure that they are well versed on how to access the information on the County's Plan. New personnel will be familiar with general provisions of

457(b) defined contribution plans as well as the specifics of the County's plan prior to interacting with State participants. In addition, personnel assigned to take the County's calls will be seasoned CSRs.

Nationwide will work with the County to find a mutually agreeable process for proposed training and instituting modifications that can be completed in an efficient and timely manner.

- **Do you monitor and/or tape toll-free calls?**

Yes. All calls are recorded and stored for three years.

Nationwide's focus is to provide a positive and comprehensive response for participants on their first call. To ensure quality interactions, we have engaged DALBAR, an industry leader third-party evaluation firm, to measure and evaluate our CSRs. The testing conducted by DALBAR includes a full year of call reviews and calibration. CSRs are graded in four main areas: Attitude, Expertise, Call Interrupts and Accommodation.

In addition to the DALBAR evaluation, Nationwide Call Center managers conduct a call quality program entitled "*The ACT Call Quality Program*". The program includes monthly reviews of each CSR, with written and oral feedback provided by Call Center management. Continuous improvements are made based on these observations, ensuring excellence in the service provided.

Representatives are graded on the following quality criteria:

- Providing accurate, detailed, appropriate information
- Taking ownership of the participant's request
- Clearly setting expectations and meeting the expectations of the customer
- Maintaining a professional and courteous tone
- Offering above and beyond service to the customer

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- Maintaining a professional and courteous tone
- Offering above and beyond service to the customer

- **What are your case management procedures for calls that have service issues?**

CSRs will immediately escalate inquiries upon the caller's request. In addition, CSRs will escalate a call to a Team Lead or a Manager, if they are unable to resolve an issue while the caller is on the line. If the Team Lead or Manager is unable to resolve the issue or additional research/action is needed for resolution, they will communicate with our Issue Resolution Team to determine a resolution. The caller will be provided with an expected timeline for resolution and they will be kept informed of the progress until final resolution is reached.

- **What information is available to toll-free service representatives to allow them to effectively answer participant questions? How many languages are spoken?**

Nationwide maintains an internal Knowledge Management database that houses Plan specific information and rules for each of our clients. All CSRs have access to this database along with an appropriate level

of access to participant account information when responding to participant questions.

Nationwide subscribes to the AT&T Language Line which provides access to translators. This service allows for translation of over 300 languages including Spanish. Our VRU is also available in Spanish.

Please refer to the **Additional Information** section of our response for a complete list of languages offered through the Language Line List.

Access by Disabled Persons

- **Describe your methods of providing access to the voice response system, the participant website, and the call center to disabled persons, including the visually impaired.**

Hearing impaired participants can access account balances and ask questions via the Customer Service Center's Teletypewriter/ Telecommunication Device for the Deaf (TTY/TDD). Services are available toll-free from 8 a.m. to 11 p.m. EST. During evenings and weekends, the TTY/TDD will accept messages from participants who have access to a TTY/TDD at home. A customer service team lead will respond to these messages on the following business day.

While the TTY/TDD does not process transactions itself, it provides a means by which participants can leave messages requesting exchanges, allocation changes, or other transactional requests. When responding to the messages, customer service leads will verify the requests, and process them.

- **Explain the procedures you have implemented or will implement to assure compliance with the provision of Section 508 of the Rehabilitation Act (29 U.S.C. 794d) and the Section 508 Standards adopted under that section (36 C.F.R. Part 1194).**

Not applicable. However, Nationwide does comply with the Americans with Disabilities Act.

- **Describe the safeguards in place to ensure that all systems that would interact with the service proposed including any systems that would hold, process, or from which the County data may be accessed reside within the United States of America.**

All systems that hold and process data are hosted in our two Tier IV Data Centers located in Central Ohio.

- **Describe the monitoring procedures and tolls used for monitoring the integrity and availability of the systems interacting with the service proposed, detecting security incidents and ensuring timely remediation.**

Critical security event logs are transferred to the Enterprise centralized logging solution in real time or as close to real time as the technology in question permits. Nationwide collects security event information from across the Enterprise for analysis and review related to investigations and responding to suspicious activities. To ensure security logs are consistent across the Enterprise, all systems capturing security log events utilize Network Time Protocol (NTP). Security event information is processed leveraging various tools to correlate and analyze the information analysis and reviews related to investigations and responding to suspicious activities. The primary device used for this function is our Enterprise Security Event and Incident Management system (SEIM). The SEIM correlates the data from security events collected and report on parameters outside the acceptable range for further review. Reports from the SEIM are monitored and responded to on a 24x7x365 basis.

Some of the tools and procedures in place include Data Loss Prevention (DLP), network segmentation, behavior and signature based anti-virus, Next Generation firewalls, DDOS attack protection, and a file integrity manger.

Dallas County, TX
Request for Proposals
457(b) Deferred Compensation Plan

Please complete the following table regarding 457 (b) and defined contribution plan clients by asset size.

Asset Size	# of 457 (b) Plan Clients	% of Total 457 (b) Clients
<\$10 Million	6,508	93.06%
\$10 Million - \$50 Million	375	5.36%
\$50 Million - \$249 Million	84	1.20%
>\$250 Million	26	<1% (0.37%)
Total	6,993	100%

Please provide a breakdown of clients across bundled or administrative services by number and assets in the tables below.

Plan Type	# of Clients Bundled Services (Investment & Administration)	# of Clients Administration Only
All 457 (b) Plans	7,313	0
All DC Plans	26,457	0
Total	26,457	0

Plan Type	By Clients \$\$ Bundled Services (Investment & Administration)	By Clients \$\$ Administration Only
All 457 (b) Plans	\$1.50 M	0
All DC Plans	\$2.53 M	0
Total	\$2.53 M	0

Important Disclosures

Nationwide Guaranteed Fund

The objective of the Nationwide Guaranteed Fund is to provide a low-risk, competitive-option for participants. The Nationwide Guaranteed Fund seeks to achieve a competitive return, consistent with, and providing for, preservation of capital, credit quality, liquidity to pay plan benefits, and reasonable tracking of interest rates. Stability and consistency while providing a competitive return are key attributes.

Although the Nationwide Life Guaranteed Fund currently does not have any explicit asset management charges, Nationwide Life's compensation is derived from the difference between what NLIC earns on investments and what it credits to participants. Costs and expenses (such as plan charges and any expense credits issued to the Plan, including Nationwide Life's compensation) are reflected in the crediting rate. The crediting rate is determined by the investment return earned on Nationwide Life's portfolio, reduced by expenses (including compensation to Nationwide Life).

Market Value Adjustment

If the County terminates the Guaranteed Fund contract and withdraws its assets in a lump sum, a Market Value Adjustment ("MVA") may apply. The MVA is the amount that Nationwide Life Insurance Company ("NLIC"), an affiliate, determines would be the net capital loss, if any, resulting to NLIC if investments were liquidated to satisfy the lump sum withdrawal. The MVA would be calculated using NLIC's current procedures applicable to all contracts of this type and class at the time of withdrawal. If the County withdraws its assets over a 60 – month period (5 years) instead of in a lump sum, the MVA would not apply. There are no fees associated with early withdrawal at the participant level.

NACo Endorsement

Nationwide Retirement Solutions and Nationwide Life Insurance Company (collectively 'Nationwide') have endorsement relationships with the National Association of Counties (NACo). More information about the endorsement relationships may be found online at www.nrsforu.com.

Mutual Fund Service Fee Payments

Nationwide Retirement Solutions, Inc. and its affiliates (Nationwide) offer a variety of investment options to public sector retirement plans through variable annuity contracts, trust or custodial accounts. Nationwide may receive payments from mutual funds or their affiliates in connection with those investment options. Additionally, Nationwide may enter into arrangements to allocate all or a portion of these payments to plan sponsors for plan expenses. For more detail about the payments Nationwide receives, please visit www.nrsforu.com

NIA/ProAccount

Nationwide Investment Advisors, LLC (NIA) provides investment advice to plan participants enrolled in Nationwide ProAccount. NIA is an SEC-registered investment adviser.

NIA assesses participants an asset-based fee for the managed account services.

When applicable, retirement products are offered by Nationwide Trust Company, a division of Nationwide Bank®, or Nationwide Life Insurance Company.

NIA/My Investment Planner

The Risk Tolerance Questionnaire and the investment selections for NIA Advice Portfolios are provided to Nationwide Investment Advisors, LLC (NIA) by Wilshire®. Investors are responsible for implementing and maintaining the suggested allocations. Wilshire is a service mark of Wilshire Associates Incorporated, which is not an affiliate of NIA or Nationwide. 151215.

Personal Retirement Consultants

Nationwide offers access to Personal Retirement Consultants through our affiliate NSLLC and the products and services offered by NSLLC are separate and distinct from the third party plan administration services that are provided by Nationwide.

Securities offered through Nationwide Securities, LLC, P.O. Box 183137, Columbus, OH 43218, (888) 753-7364, member FINRA, SIPC. NSLLC is an affiliate of Nationwide. The products and services offered by NSLLC are separate and distinct from the third party plan administration services that are provided by Nationwide.



Federal Legislative & Regulatory Report

September 2018

Inside this issue

Senator Introduces Bill to Give Part-time Workers Access to Retirement Plans	Page 2
State-run Retirement Plans Continue to Receive Attention.....	Page 2
Senate Confirms New SEC Commissioner.....	Page 3
References and links used in this publication	Page 4

House Advances Retirement Security Package, President Signs Executive Order

Retirement Security Package. On September 27, the House passed H.R. 6757, the Family Savings Act of 2018 (FSA), as part of Tax Reform 2.0. The FSA is a collection of retirement security improvements, including some pulled from the Retirement Enhancement and Savings Act (RESA). From RESA, the FSA incorporated open multiple employer plans (MEPs), portability of lifetime income investments and A fiduciary safe harbor for annuity provider selections.

New provisions in the bill allow for

- Universal Savings Accounts
- Expanded 529 education accounts
- Penalty free withdrawals for expenses related to a new child
- Required minimum distribution (RMD) exemption for those with less than \$50,000 in retirement savings

The FSA still lacks several important RESA provisions, including life time income illustrations from defined contribution plans and increased plan startup and automatic enrollment credits for small employers.

No action on the FSA is expected in the Senate until after the midterm election in November.

Executive Order. On August 31, the President issued an Executive Order directing the Labor and Treasury departments to review regulations related to MEPs, notice requirements, and RMD.

Specifically, the Order seeks to ease the “nexus requirement” for MEPs, thereby allowing businesses to more easily join to offer retirement plans (i.e., open MEPs), update notice requirements by allowing the use of electronic delivery for plan information, and modernize the mortality tables applied to RMD. Legislative fixes such as the Retirement Enhancement and

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Savings Act (RESA) may still be needed to fully realize the benefits intended by the regulatory review directed by the Order.

Retirement Plan Access for Part-time Workers. On September 12, Sen. Patty Murray (D-WA) introduced S. 3436, the Women's Pension Protection Act. The bill would:

- Expand access to retirement savings plans by changing the minimum participation standards for long-term, part-time workers — most of whom are women
- Strengthen consumer protections to safeguard retirement savings by expanding existing spousal protections for defined benefit plans to defined contributions plans to prevent one spouse from making decisions that might undermine a couple's retirement resources without the other's knowledge and consent
- Provide community grants to increase financial literacy and support low-income women and survivors of domestic abuse seeking retirement benefits following a divorce or legal separation

State-run Retirement Plans Continue to Receive Attention

Across the country, states and cities continue to show interest in advancing government-run retirement plans for private sector workers.

Nevada. Most recently, on August 29 the Nevada Task Force on Financial Security voted to support a state-run retirement plan for private sector workers. The plan, called the Nevada Employees Savings Trust (NVEST), would enroll private sector workers without an employer-sponsored retirement plan in a state-administered IRA with the option to opt-out.

While the task force doesn't have the authority to introduce bills, Democratic Assemblywoman Ellen Spiegel said she is considering introducing the bill during the 2019 Legislature.

New Jersey. On August 27, the New Jersey legislature released a bill creating the Secure Choice Savings Program Act (S. 2891). Based on the released language, the measure differs from previous versions of the bill by requiring qualifying employees to contribute six percent, instead of three percent of their salary, to a retirement account unless they opt-out.

The bill would prohibit administrative costs from exceeding 0.6% of the fund's total balance. The next voting session in the Senate and Assembly is September 27 and if this bill is on the fast-track, it could be possible that will be ready for a vote by such date.

Illinois. The New Jersey Secure Choice Savings Program Act is modeled after the Illinois Secure Choice Savings Program Act, which last July began the volunteer pilot phase of its Secure Choice savings program. The pilot phase includes only eight volunteer employers, with the mandatory employer participation beginning in November and expanding through 2019.

Oregon. Illinois' program follows the launch of OregonSaves, the first fully operational "state(k)" program, which most recently reported assets of almost \$5 million, but an opt-out rate around 30 percent.

Connecticut. As states continue to show interest in these state-run IRA programs, implementation of already authorized plans remains slow. Legislation creating the Connecticut Retirement Security Exchange was passed in 2016, with a January 2018 implementation date. However, the CRSA deferred implementation in late 2017. On September 11, the CRSA reiterated that there is still no specific date set for the program to start and that it continues to seek an executive director to run it.

Senate Confirms New SEC Commissioner

On September 5, the Senate voted 85-14 to confirm the nomination of Elad Roisman to the Securities and Exchange Commission (SEC). Roisman replaces former commissioner Michael Piwowar, giving Republicans a 3-2 majority at the SEC. The majority will enhance the prospects for the agency's pending standard of conduct proposals and reduce the degree to which Democratic Commissioners Kara Stein and Robert Jackson can influence the final regulations. A replacement for outgoing Commissioner Stein has yet to be formally announced, but it's widely expected to be former SEC enforcement attorney Allison Lee.

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References and source material used in this publication

Page 1

Text of H.R. 6757, the Family Savings Act (FSA)

<https://www.congress.gov/115/bills/hr6757/BILLS-115hr6757rfs.pdf>

Summary of the Retirement Enhancement and Savings Act (RESA)

<https://www.finance.senate.gov/imo/media/doc/3.8%20RESA%20Section-by-Section.pdf>

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Text of S. 3436, Women's Pension Protection Act

<https://www.congress.gov/115/bills/s3436/BILLS-115s3436is.pdf>

Don't Have a 401(k)? State Governments Have a Retirement Plan for You

<https://www.marketwatch.com/story/dont-have-a-401k-state-governments-have-a-retirement-plan-for-you-2018-10-05>

State-run IRA for Private Workers in Nevada Endorsed

<https://www.nnbusinessview.com/news/state-run-ira-for-private-workers-in-nevada-endorsed/>

Text of New Jersey Secure Choice Savings Program Act

https://www.njleg.state.nj.us/2018/Bills/A4500/4134_11.HTM

New Illinois Program to Offer Retirement Savings Plan

<https://www.dailyherald.com/article/20180715/news/307159980/>

State Program Can Help Assure Secure Retirement for Thousands

<https://www.dailyherald.com/discuss/20180726/state-program-can-help-assure-secure-retirement-for-thousands>

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State Rolls Out OregonSaves Retirement Program

<https://www.seattletimes.com/nation-world/state-rolls-out-oregonsaves-retirement-program/>

Connecticut Retirement Security Authority Seeks Executive Director

<http://www.pionline.com/article/20180122/ONLINE/180129966/connecticut-retirement-security-authority-seeks-executive-director>

Elad Roisman Sworn in as SEC Commissioner

<https://blocktelegraph.io/elad-roisman-sworn-sec-commissioner/>

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Keeping watch

You can find the most recent information on issues affecting governmental defined contribution plans, plan sponsors and plan participants in the Employer page of our plan website, NRSforu.com. In addition, we report guidance on legislative and regulatory activity relevant to government sector plans through:

- *Federal Legislative and Regulatory Report* – distributed monthly and posted in the Plan Sponsor section of NRSforu.com. It's available online and for download.
- *Plan Sponsor Alerts* – published as needed to announce breaking news.
- *Governmental 457(b) Guidebook*

About this report

BOB BEASLEY, CRC, Communications Consultant, edits this report. Beasley brings nearly 30 years of financial services communications experience to your plan. He has contributed to past editions of the *457(b) Governmental Guidebook*, edits countless newsletters and plan sponsor communications, and in 2001 authored "What you should know about the Economic Growth and Tax Relief Reconciliation Act of 2001." He often voices Nationwide's online presentations and telephone greetings.

Beasley has served on the Education and Communication Committee for the Plan Sponsor Council of America and as a member of the National Association of Government Defined Contribution Administrators.

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NRM-17207AO (10/18)



Strategic Advantage

Insights & solutions for retirement plan success

Spring 2018

Inside this issue

Nationwide® places special emphasis on service and resources. In this newsletter, you can learn more about:

- » *Our award-winning retirement planning services*
- » *Our enhanced Plan-level reporting*
- » *How we're helping you protect your Plan from cyber threats*
- » *New Plan Sponsor self-service reports*
- » *How to help ease Participants' market volatility worries*
- » *Building employee retirement-investing confidence*

As you review this edition of **Strategic Advantage**, keep in mind that we continue to invest in enhancements to participant education, retirement planning and plan support services, so that employers can promote their retirement plan with confidence.



Questions?

Contact your Nationwide representative at
1-855-463-4977.

DALBAR again recognizes Nationwide's high-quality service

This year, Nationwide earned three separate DALBAR awards recognizing the level of service being provided to its retirement plan partners, Plan Sponsors and Participants:

- » **2017 Plan Participant Service Award** for contact center support for the fourth straight year
- » **2017 Recognition for Excellence** through the New Plan Implementation and Conversions processes for the third straight year
- » **2017 Recognition for Excellence** for email support and relationship management with Plan Sponsors, third-party administrators and financial advisors

The recognition of excellence is awarded only to firms that exceed strict standards for communication. The service award is based on systematic testing of customer service throughout the year—thousands of tests measuring how financial companies respond to the service needs of their customers.

"Nationwide's focus on the customer experience extends across the life cycle of its retirement plans, from the initial implementation through disbursement," said Brendan Yeager, DALBAR director. "Nationwide is committed to providing an award-winning experience to all of its stakeholders, from the financial advisor and third-party administrator to the

Plan Sponsor and, of course, individual Participant. The company excels at both transactional interactions through its contact center and at building trust-based relationships with Plan Sponsors and business partners."

Wendy Shaw, Nationwide's Vice President of Retirement Plan Operations, said the awards demonstrate the company's commitment to providing a superior standard of care to retirement plan customers, and its ongoing investments in its people and technology.

"We've worked hard to build a culture that's committed to excellence and continuous improvement," said Shaw. "Our commitment extends from the

Plan Sponsor or third-party administrator all the way to individual Plan Participants. It starts from the time a retirement plan comes to Nationwide and carries through to each and every Plan Sponsor and Participant interaction—from their first payroll contribution all the way through retirement. These awards are clear evidence that we are delivering on that promise, and we're extremely proud of our service leaders and associates who consistently deliver an outstanding experience to our retirement plan clients."

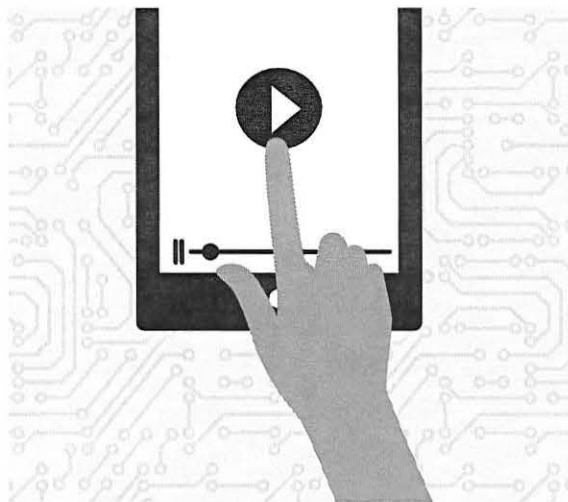
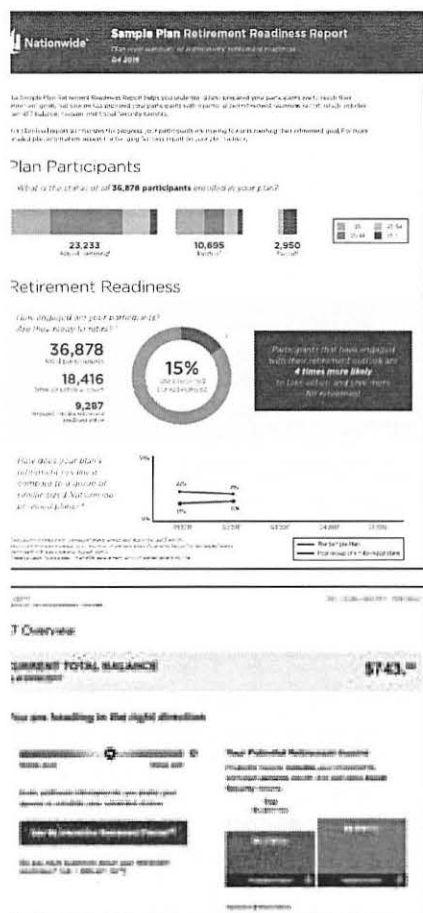
To learn more about how Nationwide's award-winning retirement

planning services help your employees better prepare for the future, **contact a Nationwide Representative.**



The awards demonstrate Nationwide's commitment to providing a superior standard of care to retirement plan customers.

is new report is another way we are working to help you improve your employees' retirement readiness through your Plan.



Our cyber security webinar offers strategies for protecting your Plan

Your Plan data is among the most valuable assets you have. Nationwide helps you stay aware of the latest threats through articles and online resources, and offers information about strategies to help you enhance cyber security at the Plan and Participant levels.

We recently hosted "Cyber security: Trends and Strategies to Protect Plan Data," the latest in our series of informational and actionable webinars. In it, we discussed:

- » Global cyber security trends and their financial impact on retirement plans
- » Challenges and considerations for developing strategies to protect participant data
- » Solutions to help prepare against increasingly sophisticated cyber threats

For investment decisions, others prefer a more *Do It For Me* approach. For them, there's Nationwide ProAccount®, a managed account service, available for an additional fee.

Participants enrolled in Nationwide ProAccount have their investments professionally selected, based on their age and risk tolerance. Those investments are then monitored and adjusted to keep them on track toward their retirement goals.



For more information, contact a Nationwide 1-877-496-1630 or email us at nrsplan@nationwide.com

Help ease Participants' market volatility

With the market recently completing more than a year of consecutive monthly gains, investors may have forgotten about the downside. The recent spike in volatility has remedied that. However, stocks often recover quickly after market corrections and continue to rise, offsetting losses suffered in the short term.

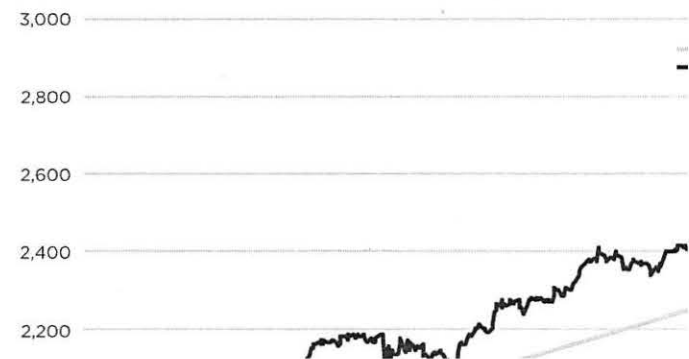
History shows that investment markets have grown over time despite short-term ups and downs. In fact, these fluctuations can actually create buying opportunities that may lead to greater earnings over time. Investing is all about striking a

balance between market risk and return. Rather than trying to avoid market swing understanding some key principles for long-term investing can help participants navigate a sometimes-volatile market.

When investing for retirement, participants should have a plan that recognizes market volatility as a factor. They also should understand their investment style and contribute to their retirement plan regularly. You can help employees cope with market volatility by encouraging them to:

The early February 2018 market correction returned the S&P 500 to its long-term trend

Source: FactSet (February 2018).



Self-service

Delivering to you more flexibility in obtaining information. You can filter our reports by age range or date. All reports also give you the ability to obtain data by selecting an IRS plan or viewing information—including all IRS codes—at an aggregate level. You can export your data in your preferred format: PDF,



Strategic Advantage

Insights & solutions for retirement plan success



This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should discuss their specific situation with their financial professional.

Investing involves market risk, including possible loss of principal. No investment strategy or program can assure a profit or guarantee against loss in a declining market. Neither Nationwide nor its representatives offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

Nationwide Investment Advisors LLC (NIA) provides investment advice to plan participants enrolled in Nationwide ProAccount. NIA is an SEC-registered investment adviser. NIA has retained Wilshire® as an Independent Financial Expert for Nationwide ProAccount. Wilshire provides investment allocation portfolios based on participant ages and their personal tolerance for investment risk.

NIA assesses participants an asset-based fee for the managed account services.

Retirement products are offered by Nationwide Trust Company, Columbus, Ohio, a division of Nationwide Bank, or Nationwide Life Insurance Company.

Wilshire is a registered service mark of Wilshire Associates, which is not an affiliate of Nationwide or NIA.

Nationwide representatives are Registered Representatives of Nationwide Investment Services Corporation, member FINRA.

Nationwide, through its affiliated retirement plan service and product providers, has endorsement relationships with the National Association of Counties, United States Conference of Mayors and International Association of Fire Fighters-Financial Corporation. More information about the endorsement relationships may be found online at www.nrsforu.com.

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NRM-15294M1 (05/18)



PURCHASING DEPARTMENT

DATE November 6, 2018

ADDENDUM NO. 3

RFP NO. 2018-065-6758

Request for Proposal for 457 b Deferred Compensation Plan

This Addendum to the specifications and contract documents is issued to provide additional information and clarification to the original RFP. In case of a conflict, this Addendum shall govern.

PROPOSERS shall acknowledge receipt of this Addendum by inserting this Addendum Number and Date issued in Proposal Form – Transmittal Letter located within the original RFP documents. Failure to do so subjects PROPOSER to a determination of non-responsiveness.

WHEREAS, the below information and requirements have been removed from the aforementioned RFP (page 26, referring to EIR checklist and responses).

Electronic and Information Resources (EIR) Warranty

County is required to acquire all EIRs in compliance with the legal requirements governing access to such EIRs by individuals with disabilities (EIR Accessibility Requirements). The EIR Accessibility Requirements applicable to the System are set forth in Chapter 2054, Subchapter M of the Texas Government Code, Title 1, Section 206.70 of the Texas Administrative Code, and Title 1, Chapter 213, Subchapter C of the Texas Administrative Code. In order for County to ensure that the EIRs offered by each vendor responding to this RFP are in compliance with the EIR Accessibility Requirements, vendor must include all of the following in its proposal:

Compliance with this statute and these rules is not optional and their applicability cannot be waived.

The responding vendor must warrant that the website complies with the requirements set forth in Title 1, Rules §§ 206, 213.30 and 213.36 of the Texas Administrative Code (as authorized by Chapter 2054, Subchapter M of the Texas Government Code). The proposal must provide that to the extent vendor becomes aware that the website does not satisfy the EIR Category Warranty, vendor will, at no cost to System, perform all necessary remediation to make the website satisfy the EIR Category Warranty.

Responding vendor is required to submit a completed Electronic and Information Resources (EIR) Accessibility Checklist Appendix G along with proposals. Proposals or bids without a completed checklist will be disqualified.

Responding vendor must provide a written explanation for each of its responses to the requirements in the Checklist with respect to the website:

- If responding vendor determines that the website complies with an applicable accessibility requirement in the Checklist, vendor's written response to that requirement must identify how vendor made such a determination (merely responding with "Complies" or similar non-explanatory language is not acceptable).
- If the responding vendor determines that the website does not or will not comply with an applicable accessibility requirement in the Checklist, vendor's written response to that requirement must identify the cause of such noncompliance and the specific efforts and costs that vendor would need to assume to remedy such noncompliance (merely stating "Does not comply" or similar non-explanatory language is not acceptable).
- If responding vendor determines that an accessibility requirement in the Checklist is not applicable to the website, then vendor's written response to that requirement must identify the reason for such inapplicability (merely stating "N/A" or similar non-explanatory language is not acceptable).

Except as provided herein/above, all other specification requirements of the original bid referenced shall remain unchanged and in full force and effect. This addendum should be signed and returned with your proposal package on or before Monday, November 19, 2018 @ 2:00 P.M. (CDT)

This addendum is hereby acknowledged, understood and considered in our proposal.

Signature: _____



Printed Name: Eric Stevenson - VP, Retirement Plan Sales

Company: Nationwide Retirement Solutions, Inc.

Date: November 13, 2018

1 | Introduction

Welcome to the Nationwide Code of Conduct

Chances are you will find yourself faced with ethical dilemmas during your career. The Code of Conduct is a resource to guide you through those moments of uncertainty and equip you to handle ethical dilemmas successfully. It is important to ask questions or report issues if you experience a situation that might have ethical implications. Talk to your manager, call the Office of Associate Relations or contact the Office of Ethics for help and guidance.

Honesty and integrity are the cornerstones of our foundation and these core values should never be compromised to meet a business plan or objective. Additionally, it's never permissible to use a contractor, consultant, agent, broker or other third party to do anything prohibited by law or policy. We expect our business partners to abide by the spirit of the Code when doing business with us and for us.

We work hard to build an environment of trust with each associate and the members we serve. Acting with integrity, complying with applicable laws, rules and regulations (both the letter and the spirit), and living up to the Code are basic requirements to earn that trust. Even companies with the highest ethical standards occasionally have issues. When we do, we want them reported so they can be addressed. It takes courage to report a situation that is, or has the appearance of being, contrary to these values. All associates have a duty to report such concerns. We will listen to your concerns and take the appropriate action. You may remain anonymous when reporting issues to the Office of Ethics.

As an associate, you are expected to read and acknowledge the Code annually. Failure to comply with the Code may result in appropriate disciplinary action, up to and including termination of employment. Only in exceptional circumstances and only with approval of the Chief Ethics Officer will a waiver of any part of the Code be granted. A waiver requested by an executive officer or board member requires approval by the Board of Directors or a designated committee of the board. Waivers will be promptly disclosed as required.

Know that the Office of Ethics is an independent resource to provide guidance in making ethical business decisions and to investigate possible misconduct.

Thank you for all that you do to make Nationwide a company of which we can be proud.

Steve Rasmussen, CEO

2 | How to Contact the Office of Ethics

Here's how you can contact the Office of Ethics

1. **Phone:** 1-800-45-ETHIC (1-800-453-8442). This is the Ethics Helpline. You may choose to remain anonymous when calling. No caller ID or recording devices are used. A confidential case number will be assigned to you, allowing you to follow up on your concerns.
2. **Fax:** (614) 249-8442 Access to this secure fax is restricted to the Office of Ethics.
3. **Email:** Ethics directly
Or send an anonymous email by completing this form.
4. **Mail:** (**Mail to this box is delivered unopened to the Office of Ethics*)
5. Office of Ethics
One Nationwide Plaza
P. O. Box 182653
Columbus, Ohio 43218-2653

Q. Can you tell me what to expect if I call the Ethics Helpline?

A. When you call the Ethics Helpline, you can report a concern or ask a question. Questions will be answered and concerns will be investigated. Depending on the nature of a concern, the Ethics staff may investigate the concern alone or may partner with another area such as the Office of Associate Relations or General Counsel to conduct the investigation. If you report a concern, you will be told what to expect in terms of the time to complete the investigation, your role in the investigation, and the resolution of the investigation.

3 | No-Retaliation Policy

If you have a concern to report, your concern will be investigated and handled in as confidential a manner as possible. You are assured that there will be no retaliation against you for participating in an investigation or reporting a concern with the reasonable belief that misconduct may have occurred. Retaliation against anyone who makes a good faith report of misconduct is strictly forbidden. Reports of possible retaliation will be investigated and appropriate action will be taken if substantiated. Filing false or misleading reports violates the Code.

Nothing in this Code or any other policy of the company prohibits you from reporting possible violations of state or federal law or regulation to any governmental agency or entity, including, but not limited to the EEOC, SEC, FINRA or the NLRB, or making disclosures protected under state or federal whistleblower laws or regulation. You are not required to obtain prior authorization of the Company to make such reports or disclosures and are not required to notify the company if you have made such reports or disclosures.

4 | Values

Our Values

At Nationwide, we value our members, ethical behavior, diversity and our mutual heritage. We incorporate our values in each transaction we conduct and in each relationship we build, everywhere we do business.

Core Values

We value people
We are member-focused
We act with honesty and integrity
We trust and respect each other

Performance Values

We have a bias for action and passion for results
We act accountably
We value coaching and feedback
We work as one team
We have fun
We sell Nationwide in everything we do

4.1 Expectations for Leaders

Every leader is both a role model and a resource for associates, and is expected to promote an ethical work environment. An ethical workplace requires open and honest two-way communication, as well as being alert to indications that illegal or unethical conduct has occurred.

While every associate is the keeper of Nationwide's reputation, officers and board members have a special responsibility to safeguard and promote a culture of integrity and honesty and are subject to the requirements of the Code. It is the duty of all officers, particularly senior executive and financial officers, to report any violations of the Code or conflicts of interest to the Chief Ethics Officer as soon as they are identified.

5 | Work Environment

5.1 Strength through Diversity

Nationwide values the many ways people differ. Every day we see the power of different viewpoints at work. Associates who act consistently with our commitment to a culture of inclusion make others feel valued, appreciated and respected.

5.2 Maintaining a Respectful Workplace

We value the contributions of each individual and are highly committed to providing an environment that supports and encourages each associate to do his or her best work. Should you have a concern about discrimination, harassment or other unlawful conduct,

talk with your manager, call the Office of Associate Relations, or contact the Office of Ethics.

Q. I've been passed over for several promotional opportunities for which I believe I am qualified. It feels like discrimination. What should I do?

A. The first thing to do is talk with your manager about the qualifications and performance necessary for a promotion, and what you need to do to be considered. If this conversation doesn't provide you with the information you need, or you still believe you may have been discriminated against, contact the Office of Associate Relations or the Office of Ethics to discuss your concern.

Q. At a recent off-site meeting, several associates ended the evening making disparaging and prejudice comments about others. This made me uncomfortable. What should I do?

A. Please express your concerns to your manager. Respect for people – associates, agents, members, and the public – has been a long-standing Nationwide value. If the situation continues, please contact the Office of Associate Relations or the Office of Ethics.

Q. My boss has asked me to go to dinner socially on several occasions. I am not comfortable with this and I have declined each time, but I'm running out of excuses. What should I do?

A. Inform your manager that you desire to keep your working relationship strictly business and ask that the invitations to dinner stop. If the situation continues, please contact the Office of Associate Relations or the Office of Ethics.

5.3 Workplace Safety and Health

Your safety is our priority. Nationwide works to provide all associates with a safe and healthy work environment. You're expected to follow health and safety guidelines, and make management aware of potential safety hazards or threats of violence. Nationwide does not tolerate violence or

Q. I overheard a co-worker making threatening comments which involved the use of a weapon. What should I do?

A. You should immediately notify your manager, the Office of Associate Relations or Corporate Security. We are committed to maintaining a safe work environment for all associates.

Q. I'm concerned about a co-worker's use of alcohol. If I report this concern will my friend be fired? What should I do?

A. The health and safety of all associates is of critical importance to Nationwide. Accordingly, our initial response is to assist the associate with his or her challenge, not to terminate employment. If you are concerned that a co-worker is working under the influence of alcohol or drugs, speak with your manager, Associate Health Services or the Office of Associate Relations.

6 | Earning our Members' Trust

The guidelines for working with members are simple: treat them like you would like to be treated if you were in their situation. You are expected to treat members honestly, fairly and courteously.

6.1 Sales and Advertising

Nationwide strives to provide truthful, accurate and clear advertising, promotional literature, projections, quotes and communications with customers.

Full disclosure of risks and limitations is as important as accurate portrayal of benefits and advantages.

6.2 Keep Privacy Protected

In accordance with Nationwide's Privacy Policy, you must protect the personal medical, financial, and claims records of members, associates, agents and brokers. Never compromise the trust that people place in Nationwide by disclosing confidential information to anyone, internally or externally, other than those with a legitimate business need for the information. If you're not sure, ask your manager.

Protecting the integrity and privacy of all confidential information is an important responsibility. Protecting computer passwords, securing sensitive documents and following corporate records retention policies are examples of prudent protection. You should also guard against unintentionally disclosing confidential information. Conversations on mobile phones, in airplanes, elevators and other public places, for example, may reveal far more than anticipated. What's more, your obligation to preserve confidential information continues even after your employment with Nationwide ends.

Q. A long-time friend and policyholder recently had an insurance loss with us. He wants me to review the claims notes and tell him if he's getting a fair shake. I know we're supposed to be customer-oriented, but this still seems inappropriate.

A. It is. While your friend's interests are important, sharing confidential information with him is a violation of the trust Nationwide has placed in you. Violations of the law, regulations or company policy in order to please a customer are not acceptable.

6.3 Social Networking

Nationwide recognizes that social media can be a powerful communication tool for sharing ideas and exchanging information.

However, if not done properly, use of social media may expose us to additional risk. Never post information about or discuss any product, service, or other company business, unless approved by your manager and an authorized member of the Corporate Communications team.

If you see anything posted on a social media site that may include misinformation or a customer complaint, please notify Corporate Communications.

Q. While visiting a social network site, I noticed a post related to a Nationwide claim. The thread included comments about the user's claims experience. It also included a post from a Nationwide associate who added information about Nationwide's stance on this claim. Is that acceptable?

A. No. Sharing information regarding a specific claim on a social media site would be a violation of our privacy policies. Please discuss this matter with your manager or the Office of Ethics.

7 | Compliance

7.1 Business Records and Financial Reporting

You must comply with all laws, rules and regulations regarding business records and financial reporting. Information must be recorded and reported accurately and honestly. This includes reporting of hours worked, legitimate business expenses incurred, sales made, claims adjusted, and all other activities related to Nationwide business.

Financial reports and records must accurately reflect real transactions and conform to Nationwide policy. No entry may be made on the company's books that hides or disguises the true nature of any transaction. Undisclosed or unrecorded accounts, funds or assets are not allowed. All reports and documents that Nationwide may be required to file with the United States Securities and Exchange commission (SEC) and with state regulators must be accurate, timely, and easy to understand in compliance with the requirements of the Sarbanes-Oxley Act of 2002.

Q. Although close, our department did not meet the year-end objectives. My boss just left my office after telling me, "I don't care how you do it but make the numbers happen! Our bonuses are riding on this." What should I do?

A. Approach your boss candidly and sincerely. Seek to clarify the direction you understood, and discuss your concerns. If your manager's direction hasn't changed after your discussion, contact the Office of Ethics for assistance

7.2 Keep Sales Real

No goal, objective or contest is worth jeopardizing your reputation – or your job. Sales must only be recorded when they reflect real transactions. If you are engaged in sales, you must be properly licensed.

7.3 Audits

You are expected to cooperate fully with all audits and compliance programs. Supply accurate, complete and truthful information at all times.

7.4 Responses to Governmental Agencies

Nationwide cooperates with reasonable and required requests for information from governmental agencies. All information provided should be truthful and accurate. Requests for information other than routine forms must be forwarded to the Office of General Counsel.

7.5 Business Abroad

Nationwide complies with all applicable laws, rules and regulations wherever we do business. As a U. S.-based company, many U. S. Laws apply to our business activities both inside and outside of the United States. For example, these laws address prohibitions against money laundering and foreign corrupt practices. The Foreign Corrupt Practices Action (FCPA) prohibits associates, agents, or other parties acting on our behalf from directly or indirectly offering or paying anything of value to government officials, political parties, and candidates for political office or officers of public international organizations to obtain or retain business. If you engage in business involving a foreign country or business partner from outside the U. S., you should seek additional guidance from the Office of General Counsel.

7.6 Suspected Violations

Any suspected violation of securities laws, rules or regulations must be reported immediately to the Chief Compliance Officer or the Office of Ethics. Failure to report may lead to disciplinary action up to and including termination of employment.

8 | Illegal, Fraudulent and Dishonest Acts

You are required to notify Nationwide within 30 days of any felony conviction, or any conviction involving fraudulent or dishonest actions.

Any associate who commits a dishonest or fraudulent act resulting in actual or attempted financial loss will be subject to disciplinary action, which may include termination of employment.

If you suspect that an applicant, associate or vendor is engaged in possible fraud, embezzlement, or any form of dishonesty, report all available facts to the Office of Ethics for investigation.

9 | Solicitations and Endorsements

9.1 Solicitations

Within the course of normal business activities, you may, on occasion, be solicited for participation in, or donation to, a variety of causes, functions or activities. In an effort to minimize unnecessary interruptions in work production and schedules, Nationwide prohibits solicitation and distribution of literature or other materials. Exceptions to these practices are made for limited company-sponsored activities, such as United Way and Operation Feed, with the prior approval of HR.

Q. My daughter is selling items for a school project. Can I set up a display at my desk or circulate an order sheet at work?

A. No. This is considered solicitation, which is not permitted.

9.2 Endorsements

The Nationwide brand has great value in the marketplace. To protect this brand value, only use the Nationwide name and logo on approved products and services. Do not use the Nationwide identity or publicly endorse the products and services of other companies, unless approved in advance by Corporate Communications and the Office of General Counsel.

Q. One of our key vendors has asked me for a statement describing our great experience with their product. Can I provide this?

A. This is a form of endorsement. Seek advice from Corporate Communications before providing such a statement.

10 | Fair Competition and Antitrust

We seek competitive advantage through superior performance, never through illegal or unethical business practices. We comply with all applicable fair competition and antitrust laws everywhere we operate. These laws are complex. They are intended to provide customers with a variety of products at competitive prices unrestricted by artificial constraints such as price fixing, illegal cartels, boycotts and tie-ins.

If you have questions about potential antitrust activity, consult the Office of General Counsel. Here are some examples of situations that have fair competition and antitrust implications:

- You should not discuss or disclose, either directly or indirectly, any of the following subjects with competitors: prices, bids, discounts, promotions, profits, costs, terms or conditions of sale, boycotts or refusals to deal, and choices of customers or markets.
- If, at any meeting where competitors are present, formal or informal discussion of prices, discounts, terms and conditions of sale, or market segmentation occurs, you should leave the meeting and notify the Office of General Counsel immediately.
- Pricing, marketing and similar competitive information should primarily be obtained from sources such as insurance departments, published articles, advertisements, brochures, surveys or customers. If you contact a competitor directly for such information, clearly disclose that you work for Nationwide, and only inquire about information that is available in the public domain. Inquiries related to future pricing, marketing, underwriting practices or other anti-competitive information should not be pursued directly with competitors.

10.1 Competitive Intelligence

Information about competitors, customers and suppliers is a valuable asset in a highly competitive market. However, no illegal or unethical means of obtaining or retaining this information will be tolerated at Nationwide.

Q. While at a local restaurant I overheard a competitor's associate describing their new marketing plan. Can I share this with my co-workers?

A. Generally, information overheard in a public setting would be acceptable to share. However, there could be exceptions, so contact your manager and the Office of General Counsel before disclosing any information.

Q. At a professional conference, a competitor gave a presentation on some recent research. Can I use this information in my work?

A. Yes. Using public information is perfectly appropriate. Presentations at conferences, published articles and reports of financial analysts are all considered public information.

10.2 Trade Secrets

No information should be sought, obtained, retained or used that would violate fair competition and antitrust laws or laws protecting proprietary data. Possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present associates of other companies is prohibited.

Q. What are “antitrust laws” and do they apply to me?

A. The term “antitrust” typically refers to the U.S. laws that promote fair competition. As a U.S.-based national company, these laws apply to all Nationwide associates, even those based in business operations outside the United States. Many other countries have laws designed to promote fair competition. Nationwide is required to comply with those laws as well.

Q. Several of us who have been in the industry for a long time get together every month or so to shoot the breeze and exchange gossip. There's no problem with this, is there?

A. Not if you keep your conversations away from areas where you could appear to be colluding, fixing prices, dividing customers, and so on. One way to stay clear of inappropriate topics is to imagine what an investigative reporter listening to the conversation would think – and maybe report!

10.3 Insider Info / Securities Trading

Whether you're an associate, agent, or board member, you may not buy or sell stock or any other kind of property, based on material information that comes from your job, if that information has not been reported publicly. This is known as insider trading. It is against Nationwide policy and the laws of the United States and many countries. Any information, positive or negative, is material if it might be of significance to an investor in determining whether to purchase, sell or hold securities. Examples include:

- a potential business acquisition
- internal information about revenues, earnings or performance that differs from market expectations
- the acquisition or loss of a major customer
- rating agency actions, or
- important transactions or business developments

If any doubt exists as to whether the information is material or has been released to the public, you should contact the Office of General Counsel for specific instructions.

Q. How do I know if something is material insider information?

A. Insider information is news that has not been published outside the company. "Materiality" depends on what is important for an investor to know when making an investment decision. If you have any doubt, contact the Office of General Counsel.

10.4 Disclosure Policy

United States securities laws prohibit associates who are in regular communications with brokers and analysts from making selective disclosure of non-public material information.

10.5 Special Rules

There are special rules for all associates working for affiliates of the Nationwide Funds Group and Nationwide Investments, including significant restrictions on personal securities trading. Contact the Office of Ethics for further information. The Office of Compliance website has helpful information on each of these topics.

11 | Community and Political Activities

11.1 Political Contributions

All associates and business units are prohibited from making (or directing or soliciting anyone else to make) any contribution to or for the benefit of any political candidate, incumbent or political party for the purpose of obtaining or retaining business (a practice sometimes referred to as "pay to play"). The laws applicable to political contributions are complex. Contact the Office of General Counsel or the Office of Government Relations for guidance in case of any questions.

Q. How do I know whether certain types of political contributions/activities would be okay?

A. Compliance with political contribution laws can be complex. Certain restricted associates and officers (they have been told who they are) must pre-clear contributions under the company's policy for compliance with SEC Rule 206(4)-5. If you are not one of those, and you still have a question, the best course is to contact the Office of General Counsel or Office of Government Relations for guidance in your specific situation.

Q. If I, or a household member (e.g. spouse), run for political office, how will it impact my career, Nationwide, and its customers?

A. All forms of governmental involvement are subject to Nationwide's conflict of interest policies, including (but not limited to) the requirement that no Nationwide resources or work time can be used in connection with personal governmental activities. Your involvement in these activities must not interfere with your job performance, attendance expectations, or overall company responsibilities. Contact the Office of Ethics for further guidance.

11.2 Nationwide Political Activities

Corporate campaign contributions of all types are highly regulated. Any political or campaign contributions using corporate funds or other resources must be approved by the Office of General Counsel or the Office of Government Relations.

11.3 Gifts to Public Officials

Gifts to - or expenditures made on behalf of – public officials are subject to strict limitations and in most cases are prohibited by law. Bribes and kickbacks are unacceptable and illegal. Questions should be directed to the Office of General Counsel or the Office of Government Relations.

11.4 Corporate Citizenship

At Nationwide, we strongly believe in being good corporate citizens in the communities where we work and live. Our Corporate Citizenship programs help us transform lives in three focused ways: philanthropy, volunteerism, and workplace giving. Using our time, energy, knowledge, and personal donations, we make a difference that is widespread, deliberate, and above all, delivered at the most critical moments.

Philanthropy: The Nationwide Insurance Foundation awards grants to nonprofit organizations meeting urgent needs in communities where Nationwide members, agents, associates and their families live and work.

Volunteerism: Nationwide empowers its more than 35,000 associates across the U.S. to donate their time and energy to important causes and charities when they are most in need of support.

Workplace giving: Nationwide encourages its associates to invest in strategic efforts that improve the quality of life in their communities.

Go Green: As a Nationwide associate we encourage you to act responsibly toward the environment. Minimize, reuse and recycle waste at Nationwide facilities wherever possible, and dispose of remaining waste responsibly. Strive to improve energy efficiency in all facilities.

12 | Media Contact

Only spokespersons designated by the Office of Corporate Communications are authorized to communicate to the media on behalf of Nationwide, or to explain Nationwide business practices, procedures and policy positions. Associates receiving requests from the media should immediately contact Nationwide Corporate Communications at 614-249-6349.

Q. The local newspaper just called me because a recent storm damaged quite a few homes in the area. They want to write a story about how to file a claim. They are also asking about plans of insurers to limit their exposure in the area. How should I handle the situation?

A. It is important to refer these questions to Corporate Communications. Only designated personnel are authorized to talk to the media.

13 | Conflicts of Interest

Because we are expected to act in the best interest of Nationwide at all times, we need to watch for potential conflicts of interest. A conflict of interest arises when personal, social, or financial activities or business relationships could interfere with an employee's objectivity and loyalty to Nationwide.

Your position at Nationwide cannot be used for personal gain for you or a member of your family or household. Any situation that may create, or even appear to create, a conflict between personal interests and the interests of Nationwide must be avoided. Carefully consider your own situation for any actual or apparent conflicts of interest. In such situations, seek approval from your manager and the Office of Ethics as soon as you become aware of the potential conflict and disclose it on the Conflict of Interest Disclosure on our website:

13.1 Business Relationships

You have an actual or potential conflict of interest if you or members of your immediate family or household are affiliated with an outside business or organization and:

- It interferes with your job
- You use Nationwide equipment, personnel, facilities or supplies in performance of your duties with the outside business or organization
- The business is a vendor of Nationwide, whether directly or through a third party
- The business competes with Nationwide

Q. My spouse is a certified trainer for a course on negotiating effective claims settlements. My team needs this training. Can we contract with my spouse to deliver this training?

A. Doing business with family members may create a conflict of interest and damage your credibility with your team. Consider seeking other vendors, where there is no personal relationship, who can deliver the same training. Supply Management Services (SMS) is your resource for vendor selection and contracting. In the rare instances where a comparable vendor cannot be secured, approval by your manager and the Office of Ethics is required before proceeding.

Q. I have a friend who is a Nationwide Agent. My friend needs help with a special marketing effort in the agency. Is there any problem if I work in the agency if it doesn't interfere with my position at Nationwide?

A. Due to your position as an associate of Nationwide, it would be a conflict of interest for you to also work in the agency. As a Nationwide associate, you potentially have access to files and information, which could be of benefit to the agent. Even if you would not share information inappropriately, it is difficult to manage the perception this would create.

Q. I am a Marketing Analyst with Nationwide. I have an opportunity to work part-time with a competitor in their collections department. Is there any problem with me working in this capacity with a competitor, since it is not related to my position at Nationwide?

A. Yes, this does present a problem. You may not work for any company that competes with Nationwide regardless of your position with Nationwide or the competing organization.

13.2 Ownership

You have an actual or potential conflict of interest when you or members of your immediate family or household own more than one tenth of one percent of:

- A company which does business, directly or indirectly, with Nationwide
- A company which competes with Nationwide
- A company in which Nationwide has invested

Q. A member of my household owns a business that sells products to some of Nationwide's On Your Side auto repair centers. I work in Nationwide Financial, and have no dealings with the claims process. Is this a conflict of interest?

A. In the situation you described, your household member's business is receiving revenue indirectly from Nationwide. Thus, this is potentially a conflict of interest and should be discussed with the Office of Ethics.

13.3 Vendors

Vendors will be treated legally and fairly in all business dealings. Products and services are to be purchased solely based on the value they bring to Nationwide. Supply Management Services is your resource for vendor selection.

13.4 Opportunities

You have a duty to advance the legitimate interests of Nationwide when opportunities arise. If you become aware of a business opportunity through your employment at Nationwide, you must first offer the opportunity to Nationwide before pursuing it.

Q. I have an idea for an application for mobile phones that would be helpful to insurance customers during the claims process. If I develop this app on my own time, is there any concern with my marketing the product to Nationwide and other insurance carriers?

A. Seek guidance from the Office of Ethics before you initiate work to develop such a product or service. We will need to confirm whether the app will belong to you or Nationwide. If you proceed to market the product while you are a Nationwide associate, it could be a conflict of interest to conduct business with Nationwide or a competitor of Nationwide.

13.5 Company Assets

Each of us is entrusted with company assets in order to do our jobs. You have a responsibility to protect those assets (e.g. your computer, phone, corporate credit card, etc.) from misuse, loss, damage or theft.

Checks, drafts, cash and financial records are especially important. No one, without the prior approval of management, may use Nationwide equipment, supplies, facilities, information or personnel for activities not related to Nationwide business. Do not use company equipment to access, store or distribute content that is illegal, harassing or offensive.

Q. I've started my own business, and transact much of my business over the Internet. I've been using my computer at work for e-mail and Internet access, but only on my lunch break or after work. Is this OK?

A. No. Using company equipment, supplies and/or Internet service for outside business interests is not permitted.

14 | Gifts, Favors and Entertainment

Gifts, favors and entertainment can create goodwill in our business relationships, but can also make it hard to be objective about the person providing them. Our choice of suppliers, vendors and partners must be based on objective factors like cost, quality, value, service and ability to deliver. We must avoid even the appearance of making business decisions based on the generosity of the supplier. Determining what is reasonable and appropriate can be challenging. As a point of reference, entertainment you accept should be in line with entertainment you can offer under our Travel and Expense policy guidelines.

Gifts include tangible objects, food, sporting or entertainment tickets, loans, contributions to charity, prizes from drawings and recreational activities when not accompanied by the provider.

Favors include discounted or free products or services, or access to products/services that otherwise would not be available to you.

Entertainment includes meals, sporting events, golf outings and other recreational activities when accompanied by the provider.

Gifts, favors and entertainment fall into one of three categories:

Acceptable

- Gifts or favors that total less than \$50 in fair market value, from any one source annually.
- Infrequent meals which are modest in value if you are accompanied by the provider.
- Participation in prize drawings that are fair, nondiscriminatory, and drawn in a public forum if the prize is worth less than \$50.

Prior approval required from your manager and the Office of Ethics

- Entertainment (exception: infrequent individual meals may be accepted without prior approval).
- Group meals or other food/beverages provided to a group of Nationwide associates.

Unacceptable

- Gifts of cash or cash equivalent (gift cards, vouchers, gift certificates, securities or negotiable instruments).
- Offers of travel or lodging.
- Anything that is illegal, offensive, or would damage Nationwide's reputation.
- Gifts, favors or entertainment that you solicit from a vendor or business partner or which creates or has the appearance of creating undue influence.
- Offers to attend major sporting events such as the Super Bowl, the World Series, college championships, or the Olympics.
- Anything offered as part of an agreement to do anything in return (quid pro quo).

- Any entertainment or gift from a vendor during contract negotiations if you can influence vendor selection or contract terms.
- An offer of discounted products or services.

If you receive an unacceptable gift, notify your manager, and whenever possible return the gift with an explanation of Nationwide's policy to the provider.

Here are some other things to consider if/when you receive a prohibited gift:

- If the gift is perishable and/or impractical to return, it should be shared with the department or donated to a charitable organization with a letter of explanation to the provider.
- If turning down a gift or favor would cause undue embarrassment to Nationwide, you may accept it on behalf of the company and turn it over to management for appropriate disposition.
- Gifts to a charitable organization on behalf of you or Nationwide should not be made by a vendor, supplier, customer or other business contact. The Office of Corporate Citizenship is a helpful resource for such situations.

Q. I have been asked to speak at a conference, and the conference provider has offered to pay for my travel expenses. What are the guidelines for this situation?

A. Travel costs (hotel, airline, etc.) should be charged to Nationwide as a business expense. As a presenter, it is permissible to accept waived conference fees and a nominal gift as long as the value is under \$50.

Q. A vendor has offered to give a contribution to a charity on Nationwide's behalf. What should I do?

A. Gifts to a charitable organization on behalf of you or Nationwide should not be made by a vendor. The Office of Corporate Citizenship is a helpful resource for such situations.

Q. I entered a drawing at a professional conference and won an I-Pad. Can I keep it?

A. Since the value of the prize exceeds \$50, it is not appropriate for you to keep it. Consult with your manager and the Office of Ethics for guidance in this matter. It is best if you do not enter drawings of this type in the future.

Q. I have a long-time friend who is a Nationwide vendor. While on vacation with my family, my friend invited us to stay at his home. Is there any problem with me accepting this offer?

A. It is even more important to strictly follow all gift, entertainment and conflict of interest guidelines when working with vendors who are friends. Your actions will

probably be more closely scrutinized by business colleagues and therefore, you must strive to keep your personal relationship separate from the business one. Discuss this situation with your manager and the Office of Ethics before accepting the offer.

Q. I am repairing my personal vehicle. Rather than renting space, one of our vendors has offered to let me use their space at no cost. Is this OK?

A. Consider the fair market value of renting the space. If it would exceed \$50, it would not be permissible to accept this favor.

Q. A vendor has offered to provide food and beverages for our team during a training session. This will save us the cost of providing this food ourselves. Is there any problem with accepting this offer from the vendor?

A. Possibly. Since this will involve a group of associates, please discuss this with your manager and the Office of Ethics before accepting this offer.

Q. I have been invited to play golf with one of our business partners. May I accept the offer?

A. There are a few factors to consider before accepting this offer. Please discuss this with your manager and the Office of Ethics first.

Q. Do I really need to contact my manager and the Office of Ethics every time I am offered entertainment by a vendor? Can't I make the decision on my own whether it is appropriate for me to accept an invitation or entertainment offer?

A. Offers of entertainment may seem harmless on the surface. However, there are several factors to consider. For this reason, we require approval by your manager and the Office of Ethics before accepting entertainment offers. This requirement is designed to protect you, as well as Nationwide, from concerns of wrongdoing in this area.

14.1 Exceptions

- Officers may impose stricter requirements for their area of responsibility with the concurrence of the Chief Ethics Officer.
- Associates in certain departments and roles may be subject to other or stricter requirements by law or policy. Registered representatives of Nationwide affiliated broker-dealers and investment advisor representatives of affiliated registered investment advisors must comply with all applicable rules, regulations and policies regarding giving and receiving gifts, non-cash compensation and entertainment.
- Vendors may be asked to make charitable contributions on Nationwide's behalf only with the prior approval of an OCEO member.

14.2 Conducting Personal Business with a Nationwide Vendor

Added caution should be exercised if you are considering conducting personal business with a Nationwide vendor. It is often difficult to manage the relationship and perception of favoritism appropriately. You must pay fair market value for any products or services purchased individually from a Nationwide vendor, and your personal purchases cannot interfere with your business relationships. Seek guidance from the Office of Ethics in questionable situations.



Nationwide®
is on your side

Federal Legislative & Regulatory Report

September 2018

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House Advances Retirement Security Package, President Signs Executive Order

Retirement Security Package. On September 27, the House passed H.R. 6757, the Family Savings Act of 2018 (FSA), as part of Tax Reform 2.0. The FSA is a collection of retirement security improvements, including some pulled from the Retirement Enhancement and Savings Act (RESA). From RESA, the FSA incorporated open multiple employer plans (MEPs), portability of lifetime income investments and A fiduciary safe harbor for annuity provider selections.

New provisions in the bill allow for

- Universal Savings Accounts
- Expanded 529 education accounts
- Penalty free withdrawals for expenses related to a new child
- Required minimum distribution (RMD) exemption for those with less than \$50,000 in retirement savings

The FSA still lacks several important RESA provisions, including life time income illustrations from defined contribution plans and increased plan startup and automatic enrollment credits for small employers.

No action on the FSA is expected in the Senate until after the midterm election in November.

Executive Order. On August 31, the President issued an Executive Order directing the Labor and Treasury departments to review regulations related to MEPs, notice requirements, and RMD.

Specifically, the Order seeks to ease the “nexus requirement” for MEPs, thereby allowing businesses to more easily join to offer retirement plans (i.e., open MEPs), update notice requirements by allowing the use of electronic delivery for plan information, and modernize the mortality tables applied to RMD. Legislative fixes such as the Retirement Enhancement and

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Savings Act (RESA) may still be needed to fully realize the benefits intended by the regulatory review directed by the Order.

Retirement Plan Access for Part-time Workers. On September 12, Sen. Patty Murray (D-WA) introduced S. 3436, the Women's Pension Protection Act. The bill would:

- Expand access to retirement savings plans by changing the minimum participation standards for long-term, part-time workers — most of whom are women
- Strengthen consumer protections to safeguard retirement savings by expanding existing spousal protections for defined benefit plans to defined contributions plans to prevent one spouse from making decisions that might undermine a couple's retirement resources without the other's knowledge and consent
- Provide community grants to increase financial literacy and support low-income women and survivors of domestic abuse seeking retirement benefits following a divorce or legal separation

State-run Retirement Plans Continue to Receive Attention

Across the country, states and cities continue to show interest in advancing government-run retirement plans for private sector workers.

Nevada. Most recently, on August 29 the Nevada Task Force on Financial Security voted to support a state-run retirement plan for private sector workers. The plan, called the Nevada Employees Savings Trust (NVEST), would enroll private sector workers without an employer-sponsored retirement plan in a state-administered IRA with the option to opt-out.

While the task force doesn't have the authority to introduce bills, Democratic Assemblywoman Ellen Spiegel said she is considering introducing the bill during the 2019 Legislature.

New Jersey. On August 27, the New Jersey legislature released a bill creating the Secure Choice Savings Program Act (S. 2891). Based on the released language, the measure differs from previous versions of the bill by requiring qualifying employees to contribute six percent, instead of three percent of their salary, to a retirement account unless they opt-out.

The bill would prohibit administrative costs from exceeding 0.6% of the fund's total balance. The next voting session in the Senate and Assembly is September 27 and if this bill is on the fast-track, it could be possible that will be ready for a vote by such date.

Illinois. The New Jersey Secure Choice Savings Program Act is modeled after the Illinois Secure Choice Savings Program Act, which last July began the volunteer pilot phase of its Secure Choice savings program. The pilot phase includes only eight volunteer employers, with the mandatory employer participation beginning in November and expanding through 2019.

Oregon. Illinois' program follows the launch of OregonSaves, the first fully operational "state(k)" program, which most recently reported assets of almost \$5 million, but an opt-out rate around 30 percent.

Connecticut. As states continue to show interest in these state-run IRA programs, implementation of already authorized plans remains slow. Legislation creating the Connecticut Retirement Security Exchange was passed in 2016, with a January 2018 implementation date. However, the CRSA deferred implementation in late 2017. On September 11, the CRSA reiterated that there is still no specific date set for the program to start and that it continues to seek an executive director to run it.

Senate Confirms New SEC Commissioner

On September 5, the Senate voted 85-14 to confirm the nomination of Elad Roisman to the Securities and Exchange Commission (SEC). Roisman replaces former commissioner Michael Piwowar, giving Republicans a 3-2 majority at the SEC. The majority will enhance the prospects for the agency's pending standard of conduct proposals and reduce the degree to which Democratic Commissioners Kara Stein and Robert Jackson can influence the final regulations. A replacement for outgoing Commissioner Stein has yet to be formally announced, but it's widely expected to be former SEC enforcement attorney Allison Lee.

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References and source material used in this publication

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Text of H.R. 6757, the Family Savings Act (FSA)

<https://www.congress.gov/115/bills/hr6757/BILLS-115hr6757rfs.pdf>

Summary of the Retirement Enhancement and Savings Act (RESA)

<https://www.finance.senate.gov/imo/media/doc/3.8%20RESA%20Section-by-Section.pdf>

Page 2

Text of S. 3436, Women's Pension Protection Act

<https://www.congress.gov/115/bills/s3436/BILLS-115s3436is.pdf>

Don't Have a 401(k)? State Governments Have a Retirement Plan for You

<https://www.marketwatch.com/story/dont-have-a-401k-state-governments-have-a-retirement-plan-for-you-2018-10-05>

State-run IRA for Private Workers in Nevada Endorsed

<https://www.nnbusinessview.com/news/state-run-ira-for-private-workers-in-nevada-endorsed/>

Text of New Jersey Secure Choice Savings Program Act

https://www.njleg.state.nj.us/2018/Bills/A4500/4134_I1.HTM

New Illinois Program to Offer Retirement Savings Plan

<https://www.dailyherald.com/article/20180715/news/307159980/>

State Program Can Help Assure Secure Retirement for Thousands

<https://www.dailyherald.com/discuss/20180726/state-program-can-help-assure-secure-retirement-for-thousands>

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State Rolls Out OregonSaves Retirement Program

<https://www.seattletimes.com/nation-world/state-rolls-out-oregonsaves-retirement-program/>

Connecticut Retirement Security Authority Seeks Executive Director

<http://www.pionline.com/article/20180122/ONLINE/180129966/connecticut-retirement-security-authority-seeks-executive-director>

Elad Roisman Sworn in as SEC Commissioner

<https://blocktelegraph.io/elad-roisman-sworn-sec-commissioner/>

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Keeping watch

You can find the most recent information on issues affecting governmental defined contribution plans, plan sponsors and plan participants in the Employer page of our plan website, NRSforu.com. In addition, we report guidance on legislative and regulatory activity relevant to government sector plans through:

- *Federal Legislative and Regulatory Report* – distributed monthly and posted in the Plan Sponsor section of NRSforu.com. It's available online and for download.
- *Plan Sponsor Alerts* – published as needed to announce breaking news.
- *Governmental 457(b) Guidebook*

About this report

BOB BEASLEY, CRC, Communications Consultant, edits this report. Beasley brings nearly 30 years of financial services communications experience to your plan. He has contributed to past editions of the *457(b) Governmental Guidebook*, edits countless newsletters and plan sponsor communications, and in 2001 authored "What you should know about the Economic Growth and Tax Relief Reconciliation Act of 2001." He often voices Nationwide's online presentations and telephone greetings.

Beasley has served on the Education and Communication Committee for the Plan Sponsor Council of America and as a member of the National Association of Government Defined Contribution Administrators.

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NRM-17207AO (10/18)



Strategic Advantage

Insights & solutions for retirement plan success

Spring 2018

Inside this issue

Nationwide® places special emphasis on service and resources. In this newsletter, you can learn more about:

- » *Our award-winning retirement planning services*
- » *Our enhanced Plan-level reporting*
- » *How we're helping you protect your Plan from cyber threats*
- » *New Plan Sponsor self-service reports*
- » *How to help ease Participants' market volatility worries*
- » *Building employee retirement-investing confidence*

As you review this edition of **Strategic Advantage**, keep in mind that we continue to invest in enhancements to participant education, retirement planning and plan support services, so that employers can promote their retirement plan with confidence.



Questions?

Contact your Nationwide representative at
1-855-463-4977.

DALBAR again recognizes Nationwide's high-quality service

This year, Nationwide earned three separate DALBAR awards recognizing the level of service being provided to its retirement plan partners, Plan Sponsors and Participants:

- » **2017 Plan Participant Service Award** for contact center support for the fourth straight year
- » **2017 Recognition for Excellence** through the New Plan Implementation and Conversions processes for the third straight year
- » **2017 Recognition for Excellence** for email support and relationship management with Plan Sponsors, third-party administrators and financial advisors

The recognition of excellence is awarded only to firms that exceed strict standards for communication. The service award is based on systematic testing of customer service throughout the year—thousands of tests measuring how financial companies respond to the service needs of their customers.

"Nationwide's focus on the customer experience extends across the life cycle of its retirement plans, from the initial implementation through disbursement," said Brendan Yeager, DALBAR director. "Nationwide is committed to providing an award-winning experience to all of its stakeholders, from the financial advisor and third-party administrator to the

Plan Sponsor and, of course, individual Participant. The company excels at both transactional interactions through its contact center and at building trust-based relationships with Plan Sponsors and business partners."

Wendy Shaw, Nationwide's Vice President of Retirement Plan Operations, said the awards demonstrate the company's commitment to providing a superior standard of care to retirement plan customers, and its ongoing investments in its people and technology.

"We've worked hard to build a culture that's committed to excellence and continuous improvement," said Shaw. "Our commitment extends from the

Plan Sponsor or third-party administrator all the way to individual Plan Participants. It starts from the time a retirement plan comes to Nationwide and carries through to each and every Plan Sponsor and Participant interaction—from their first payroll contribution all the way through retirement. These awards are clear evidence that we are delivering on that promise, and we're extremely proud of our service leaders and associates who consistently deliver an outstanding experience to our retirement plan clients."

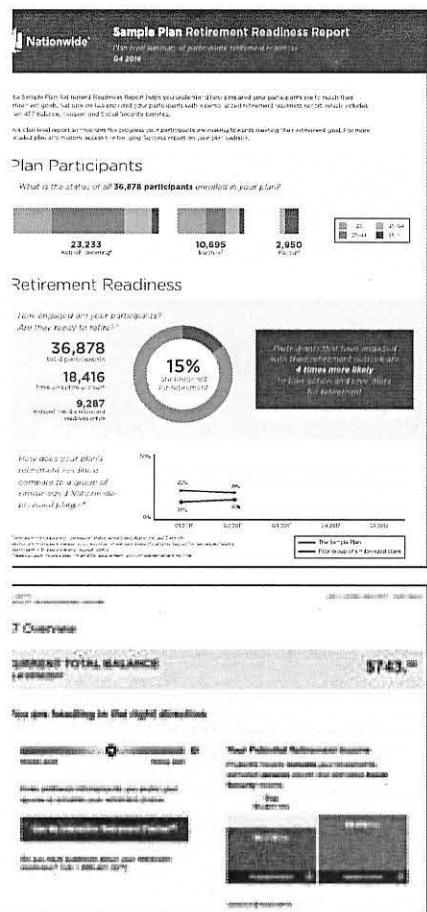
To learn more about how Nationwide's award-winning retirement

planning services help your employees better prepare for the future, **contact a Nationwide Representative.**



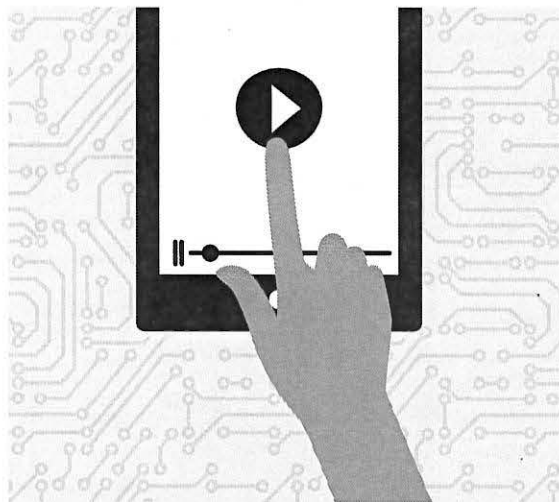
The awards demonstrate Nationwide's commitment to providing a superior standard of care to retirement plan customers.

is new report is another way we e working to help you improve your nployees' retirement readiness rough your Plan.



Self-service used

Delivering to you more flexibility in obtaining information. You can filter our reports by age range or date. All reports also give you the ability to obtain data by selecting an IRS plan or viewing information—including all IRS codes—at an aggregate level. You can export your data in your preferred format: PDF,



Our cyber security webinar offers strategies for protecting your Plan

Your Plan data is among the most valuable assets you have. Nationwide helps you stay aware of the latest threats through articles and online resources, and offers information about strategies to help you enhance cyber security at the Plan and Participant levels.

We recently hosted "Cyber security: Trends and Strategies to Protect Plan Data," the latest in our series of informational and actionable webinars. In it, we discussed:

- » Global cyber security trends and their financial impact on retirement plans
- » Challenges and considerations for developing strategies to protect participant data
- » Solutions to help prepare against increasingly sophisticated cyber threats

For those making their own investment decisions, others prefer a more *Do It For Me* approach. For them, there's Nationwide ProAccount®, a managed account service, available for an additional fee.

Participants enrolled in Nationwide ProAccount have their investments professionally selected, based on their age and risk tolerance. Those investments are then monitored and adjusted to keep them on track toward their retirement goals.



For more information, contact a Nationwide 1-877-496-1630 or email us at nrsplan@nationwide.com

Help ease Participants' market volatility

With the market recently completing more than a year of consecutive monthly gains, investors may have forgotten about the downside. The recent spike in volatility has remedied that. However, stocks often recover quickly after market corrections and continue to rise, offsetting losses suffered in the short term.

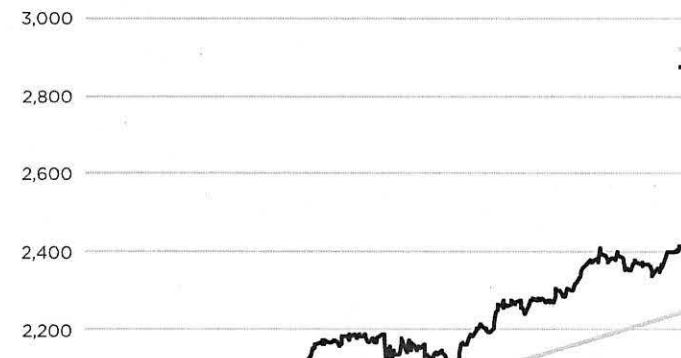
History shows that investment markets have grown over time despite short-term ups and downs. In fact, these fluctuations can actually create buying opportunities that may lead to greater earnings over time. Investing is all about striking a

balance between market risk and return. Rather than trying to avoid market swings, understanding some key principles for long-term investing can help participants navigate a sometimes-volatile market.

When investing for retirement, participants should have a plan that recognizes market volatility as a factor. They also should understand their investment style and contribute to their retirement plan regularly. You can help employees cope with market volatility by encouraging them to:

The early February 2018 market correction returned the S&P 500 to its long-term trend

Source: FactSet (February 2018).





Nationwide®
is on your side

Strategic Advantage

Insights & solutions for retirement plan success



Nationwide®
is on your side

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should discuss their specific situation with their financial professional.

Investing involves market risk, including possible loss of principal. No investment strategy or program can assure a profit or guarantee against loss in a declining market. Neither Nationwide nor its representatives offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

Nationwide Investment Advisors LLC (NIA) provides investment advice to plan participants enrolled in Nationwide ProAccount. NIA is an SEC-registered investment adviser. NIA has retained Wilshire® as an Independent Financial Expert for Nationwide ProAccount. Wilshire provides investment allocation portfolios based on participant ages and their personal tolerance for investment risk.

NIA assesses participants an asset-based fee for the managed account services.

Retirement products are offered by Nationwide Trust Company, Columbus, Ohio, a division of Nationwide Bank, or Nationwide Life Insurance Company.

Wilshire is a registered service mark of Wilshire Associates, which is not an affiliate of Nationwide or NIA.

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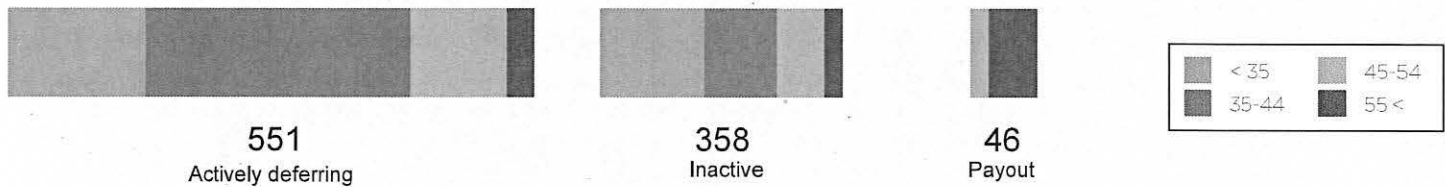
NRM-15294M1 (05/18)

The Plan Sponsor Retirement Readiness Report helps you understand how prepared your participants are to reach their retirement goals. Nationwide has provided your participants with a personalized retirement readiness report, which includes their 457 balance, pension, and Social Security benefits.

This plan-level report summarizes the progress your participants are making towards meeting their retirement goal. For more detailed plan information, access the Gauging Success report on your plan website.

Plan Participants

What is the status of all 955 participants in your plan?



Retirement Readiness

How engaged are your participants?
Are they ready to retire?¹

955
total participants

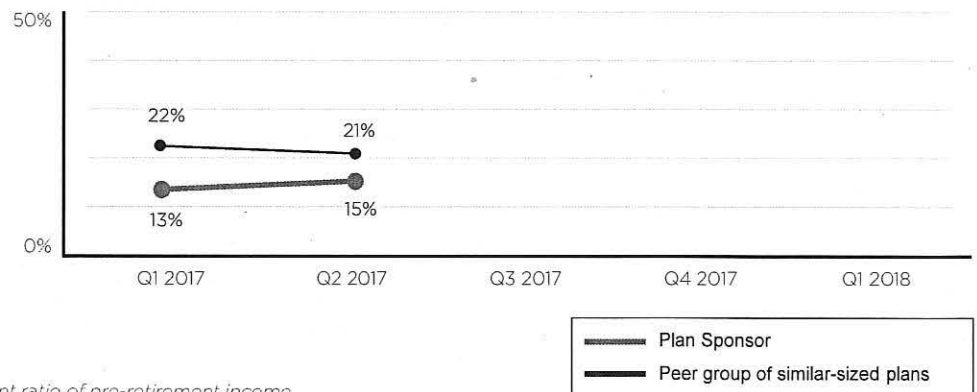
416
have an online account

287
have used My Interactive Retirement PlannerSM



Participants that have engaged with their retirement outlook are **4 times more likely** to increase their contributions

How does your plan's retirement readiness compare to a group of similar-sized Nationwide-provided plans?¹



¹These calculations are based on an 85% replacement ratio of pre-retirement income.

Account Activity in the Past Quarter

What key activities are your participants taking to improve their retirement readiness?



Top Opportunities

Encourage enrollment



One step towards improving a participant's financial well-being is to enroll in their retirement plan. Take this opportunity to promote to plan participants the benefits of enrolling in their retirement plan.



Encourage increased contributions

Small increases can really add up. By encouraging participants to increase their contribution, time and compounding may build momentum for their retirement readiness.

Encourage online account usage



44% of participants have set up an online account. By establishing an online account, participants can access their personalized Retirement Readiness Report and take action to improve their readiness.

FOR PLAN SPONSOR AND CONSULTANT USE ONLY

Investment advice for Nationwide ProAccount is provided to plan participants by Nationwide Investment Advisors, LLC ("NIA"), an SEC-registered investment advisor. There is an additional fee for the Nationwide ProAccount managed account service.

Retirement specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA.

Not a deposit * Not FDIC or NCUSIF insured * Not guaranteed by the institution * Not insured by any federal government agency * May lose value

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NRM-15148AQ1 (02/17)



Gauging Success

PLAN REVIEW
Dallas County, TX

As of September 30, 2018



WELCOME

Our goal is to help you objectively evaluate your plan's performance and how it performed against other plans like yours. Since Nationwide Retirement Solutions is one of the largest 457 providers in the industry we are in the unique position of being able to compare your plan to many others.

By comparing the current year information to previous years, you can see how your plan is performing, where your educational efforts are working, and what areas offer opportunities for additional improvement.

The "Peer Group" comparisons used in this report are based on NRS cases, within your region, with assets of:

\$100 million - \$1 billion

Table of Contents

3	Executive Summary
4	Plan Participation
5	Plan Assets
6	Plan Contributions
7-8	Summary
9-21	Appendix

Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA. The information they provide is for educational purposes only and is not legal, tax or investment advice.

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Nationwide Retirement Solutions, Inc. and Nationwide Life Insurance Company (collectively "Nationwide") have endorsement relationships with the National Association of Counties, the International Association of Fire Fighters-Financial Corporation and the National Association of Police Organizations. More information about the endorsement relationships may be found online at www.nrsforu.com.

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EXECUTIVE SUMMARY

Plan Contribution Limits for 2018

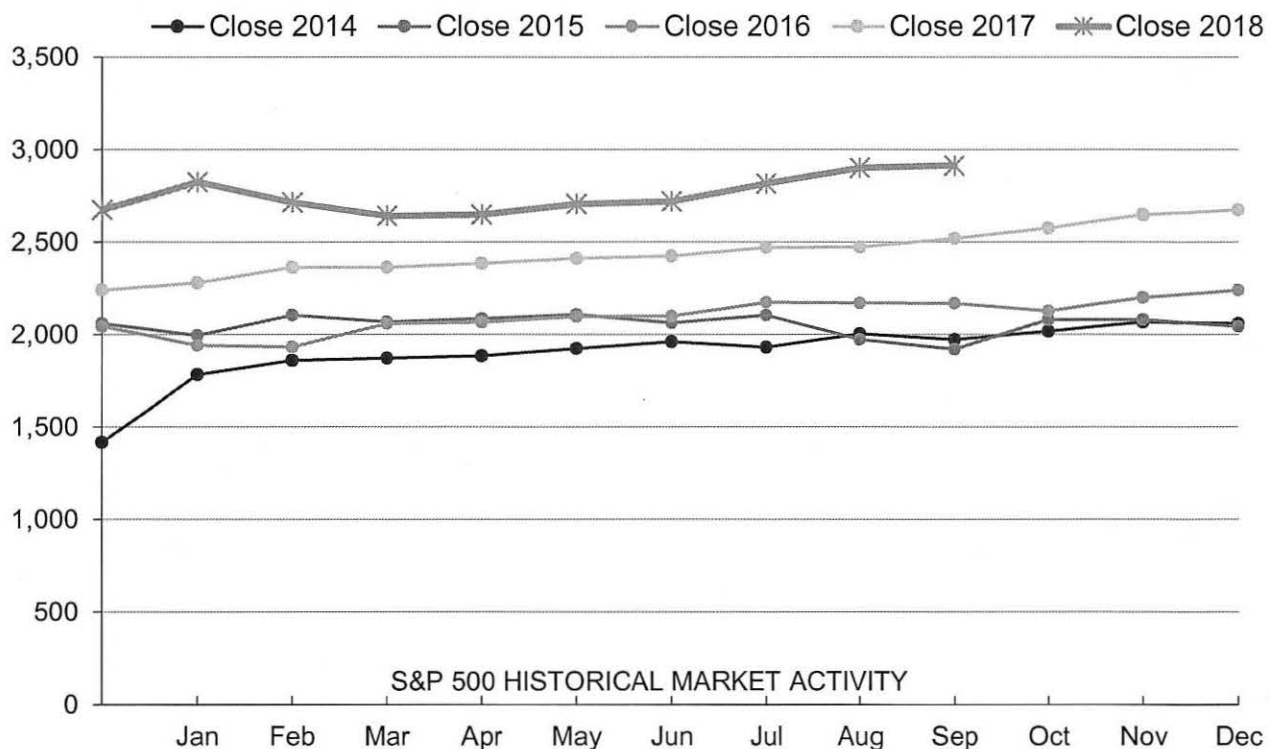
Regular Limit:	\$18,500
50+ Catch-Up:	\$24,500
3-Year Catch-Up:	\$37,000

Quick Plan Facts

	Actual as of 09/30/18	% Chng from 1 year ago
Total Participant Count	4,048	9.1%
Total New Enrollments YTD Count	344	45.1%
Total Plan Assets (millions)	\$114.95	10.3%
Total Deferrals YTD (millions)	\$5.04	16.2%
Total Rollovers-In YTD (thousands)	\$725.77	-11.4%
ProAccount Assets (thousands)	\$15,303.78	18.4%
ProAccount Participant Count	511	16.4%

Market Activity

S&P 500 CHANGE YTD: 9.0%



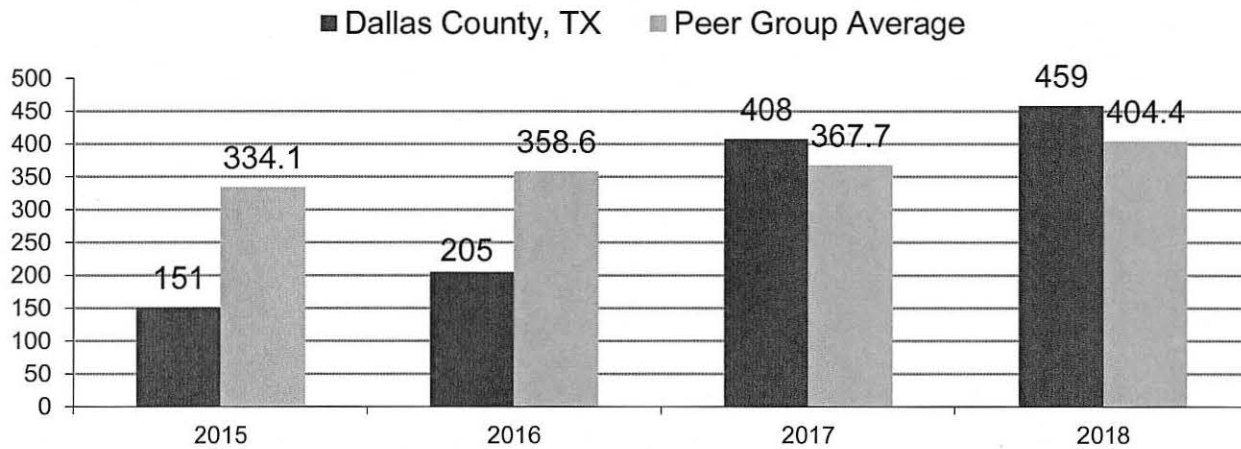
The 500 companies included in this index are selected by the S&P Index committee; a few of the mitigating factors are market size, industry representation and liquidity. This index is designed to be an overall indication of the United States stock market. The 500 securities represent approximately 75% of the total market value of all U.S. stocks.

PLAN PARTICIPATION

Participant Status	12/31/15	12/31/16	12/31/17	9/30/18	% Chng from 1 year ago
# of Participants Actively Deferring	1,940	1,983	2,260	2,447	15.0%
# of Inactive Participants*	1,441	1,420	1,401	1,396	-0.8%
# of Participants in Payout	161	167	192	205	16.5%
Total Participants	3,542	3,570	3,853	4,048	9.1%

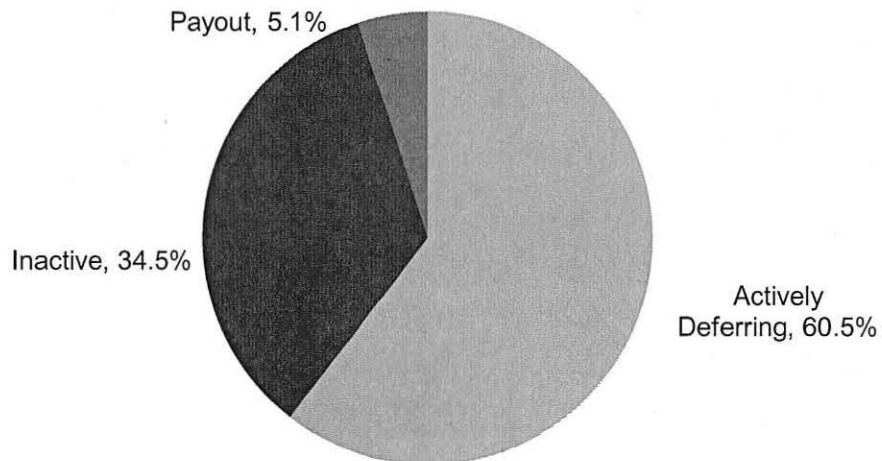
* Inactive participants are those with a balance, not deferring and not in payout

New Participant Count



2018 numbers are annualized

Total Participants as of 09/30/18

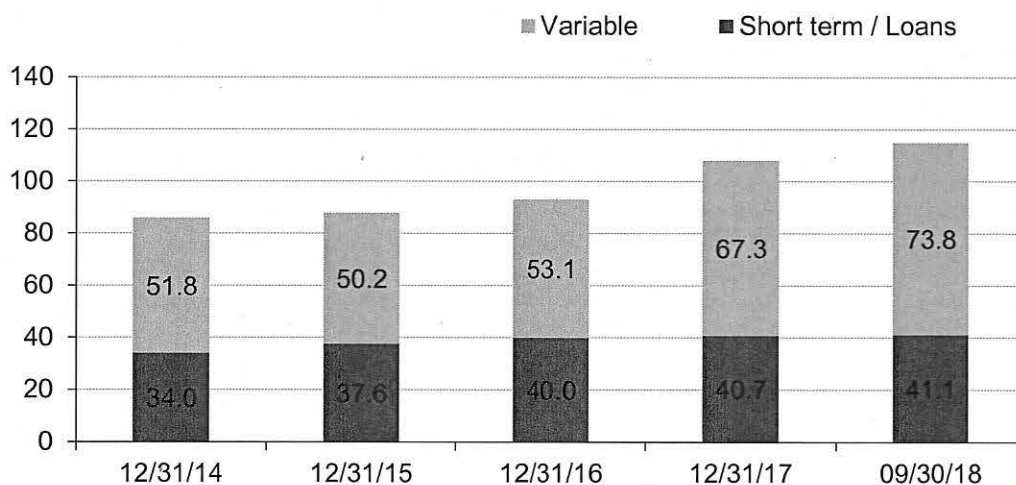


PLAN ASSETS

Total Plan Assets (Millions)

	12/31/14	12/31/15	12/31/16	12/31/17	9/30/18	% Chng from 1 year ago
	\$85.9	\$87.9	\$93.1	\$108.0	\$114.9	10.3%

Plan Assets Summary (Millions)



Plan Assets by Investment Class (Millions)

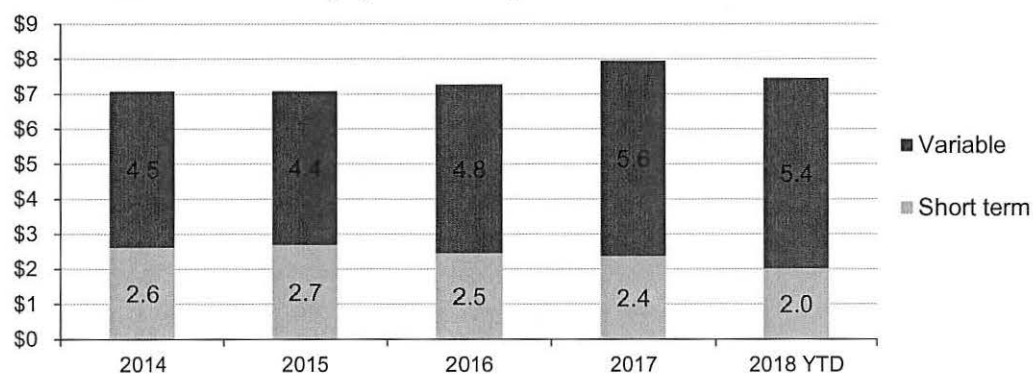
Investment Class	12/31/16	12/31/17	09/30/18	% of Total
Asset Allocation	\$15.14	\$18.49	\$19.71	17.1%
International	\$4.68	\$7.60	\$7.57	6.6%
Small Cap	\$3.04	\$3.73	\$5.54	4.8%
Mid Cap	\$2.78	\$3.18	\$3.47	3.0%
Large Cap	\$21.77	\$27.88	\$30.75	26.7%
Balanced	\$0.93	\$1.00	\$1.27	1.1%
Bonds	\$4.20	\$4.87	\$5.09	4.4%
Short term	\$37.94	\$38.60	\$38.81	33.8%
SDO	\$0.00	\$0.00	\$0.00	0.0%
Specialty	\$0.57	\$0.50	\$0.40	0.4%
Loan	\$2.01	\$2.15	\$2.33	2.0%
Total	\$93.06	\$108.01	\$114.95	100.0%

PLAN CONTRIBUTIONS

Total Contributions by Year (Millions)

	2014	2015	2016	2017	2018 YTD	% Chng from 1 year ago
Deferrals	\$4.5	\$4.8	\$4.8	\$5.7	\$5.0	16.2%
Rollovers-In	\$1.2	\$0.8	\$0.9	\$0.9	\$0.7	-11.4%
Other	\$1.4	\$1.5	\$1.6	\$1.4	\$1.7	63.5%
Total	\$7.1	\$7.1	\$7.3	\$7.9	\$7.5	20.5%

Plan Contributions Summary (Millions)



Plan Contributions by Investment Class (Thousands)

Investment Class	2016	2017	2018 YTD	% Total
Asset Allocation	\$1,918.53	\$2,442.51	\$2,629.49	35.3%
International	\$429.12	\$584.11	\$588.27	7.9%
Small Cap	\$323.63	\$224.16	\$232.59	3.1%
Mid Cap	\$298.14	\$234.08	\$163.44	2.2%
Large Cap	\$1,401.53	\$1,528.51	\$1,428.07	19.2%
Balanced	\$46.04	\$66.50	\$47.08	0.6%
Bonds	\$394.22	\$427.03	\$319.28	4.3%
Short term	\$2,450.82	\$2,366.75	\$2,012.99	27.0%
SDO	\$0.00	\$0.00	\$0.00	0.0%
Specialty	\$13.49	\$74.89	\$33.39	0.4%
Loan	\$0.00	\$0.00	\$0.00	0.0%
Total	\$7,275.53	\$7,948.53	\$7,454.60	100.0%

IN SUMMARY

This report contains valuable information and insights about your plan. Now it is time to take action! Here are some suggestions to get you started:

1. Identify your top three areas of focus.
2. Consider which of the following suggestions would work best for your plan:

- ☐ Educational Workshops for your employees
- ☐ Additional 1-on-1 meetings with your Representative
- ☐ Benefit Fairs
- ☐ Open Enrollment
- ☐ Employer communication options
(e.g. emails, staff meetings...)
- ☐ Other _____

3. Discuss your plan with your Nationwide Representative.

We look forward to working with you to bring even greater value to your employees through deferred compensation.

YOUR PROVEN PARTNER

When you're one of the leaders in the industry, you're called to a higher standard. Nationwide's position as an industry leader stems from nearly 40 years in service to public sector retirement plan administrators like you.

Over the years, we have maintained our industry leadership position by being one of the top providers of record-keeping, sales and marketing services to public sector retirement plans in terms of number of clients served and range of assets under management. Here's why:

- Our average client tenure is 19 years
- We partner with more than 7,800 clients * and have a 99% plan retention rate
- We provide education and service to more than 1.7 million participants *
- We manage over \$98 billion in assets *
- We have been featured in the top 10 most trusted companies for privacy by TRUSTe and Ponemon Institute *for the past nine years.*
- We offer recordkeeping, administration and investment products for:
 - 457(b) Deferred compensation plans serving city, county, special district and state employees
 - 401(a) and grandfathered 401(k) Defined employer-contribution plans serving city, county, special district and state employees
 - PEHP® Tax-free investment plan for post-employment health care expenses

Most importantly, *we are proud to serve you and your plan* through our representatives in the field and in our home office.

What does all this mean to you? Our tenure, our legacy, our service and our people make us uniquely qualified to handle your retirement plan needs. This **Gauging Success** report is just one of the ways that we work with you to understand both your needs as an administrator and your employees' needs for planning for their retirement.

*As of 09/30/18

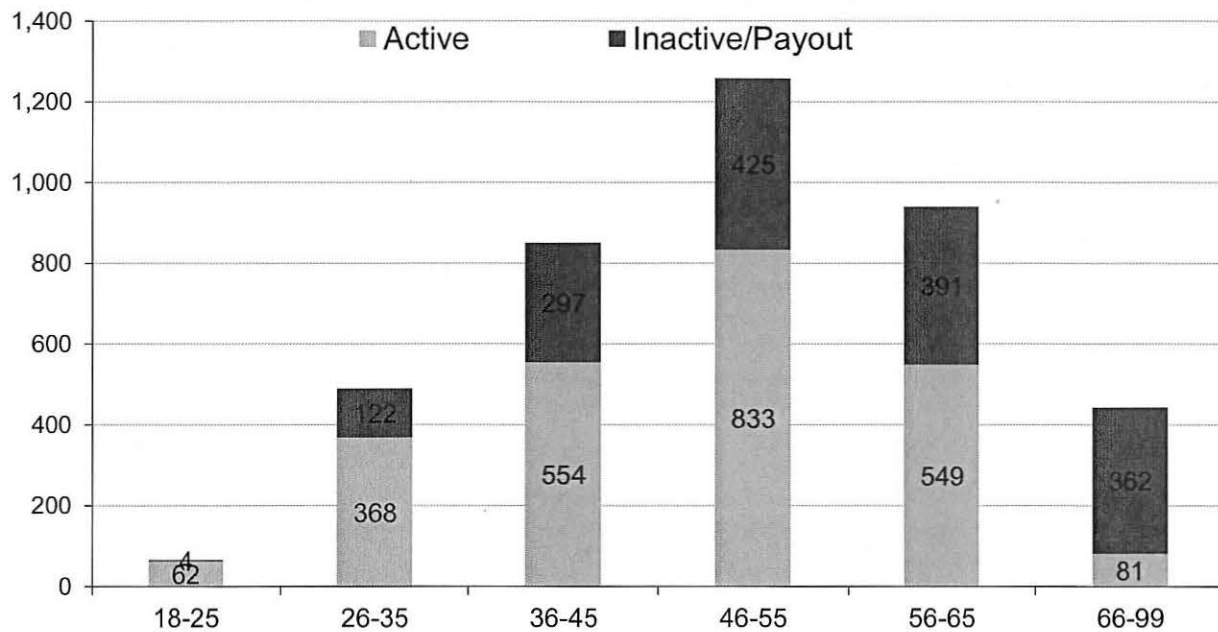
APPENDIX

PLAN PARTICIPATION

Participant Counts by Age as of 09/30/18

Age Group	Total Participant Count	Male Participant Count	Female Participant Count	Actively Def Participant Count	Inactive / Payout Count
18-25	66	27	39	62	4
26-35	490	194	296	368	122
36-45	851	331	520	554	297
46-55	1,258	534	724	833	425
56-65	940	404	536	549	391
66-99	443	214	229	81	362
Total	4,048	1,704	2,344	2,447	1,601

Participant Counts by Age as of 09/30/18



PLAN ASSETS

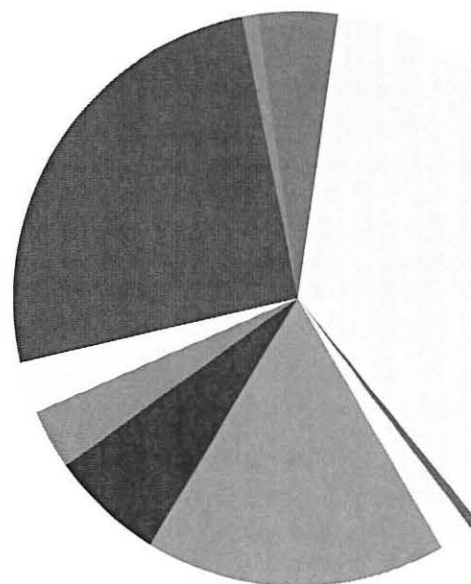
The use of asset allocation does not guarantee returns or insulate you from potential losses.

Dallas County, TX Asset Allocation as of 09/30/18



■ Asset Allocation	17.1%
■ International	6.6%
■ Small Cap	4.8%
■ Mid Cap	3.0%
■ Large Cap	26.7%
■ Balanced	1.1%
■ Bonds	4.4%
■ Short term	33.8%
■ SDO	0.0%
■ Specialty	0.4%
■ Loan	2.0%

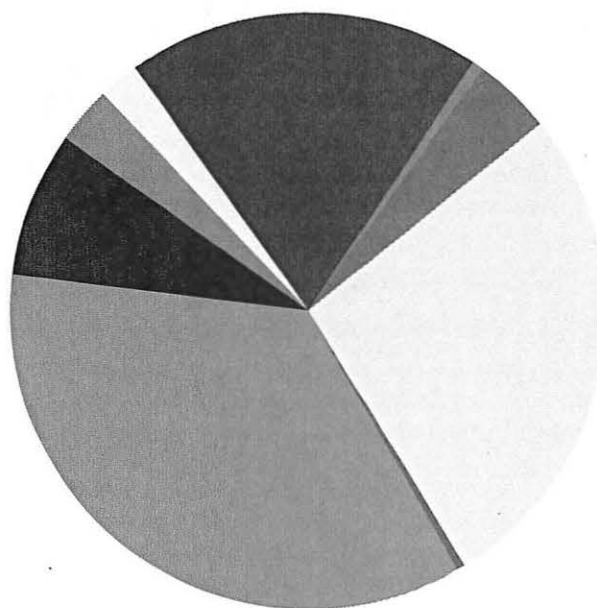
Dallas County, TX Asset Allocation as of 09/30/17



■ Asset Allocation	17.0%
■ International	6.5%
■ Small Cap	3.4%
■ Mid Cap	2.9%
■ Large Cap	25.5%
■ Balanced	0.9%
■ Bonds	4.5%
■ Short term	36.9%
■ SDO	0.0%
■ Specialty	0.5%
■ Loan	2.0%

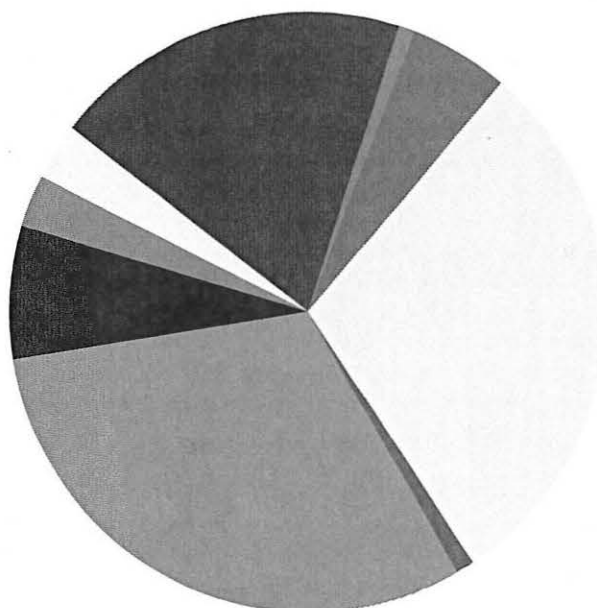
PLAN CONTRIBUTIONS

Dallas County, TX Contribution Allocation 2018 YTD



■ Asset Allocation	35.3%
■ International	7.9%
■ Small Cap	3.1%
■ Mid Cap	2.2%
■ Large Cap	19.2%
■ Balanced	0.6%
■ Bonds	4.3%
■ Short term	27.0%
■ SDO	0.0%
■ Specialty	0.4%
■ Loan	0.0%

Dallas County, TX Contribution Allocation 2017 YTD



■ Asset Allocation	30.8%
■ International	7.2%
■ Small Cap	2.8%
■ Mid Cap	3.1%
■ Large Cap	19.4%
■ Balanced	0.9%
■ Bonds	5.4%
■ Short term	29.5%
■ SDO	0.0%
■ Specialty	1.0%
■ Loan	0.0%

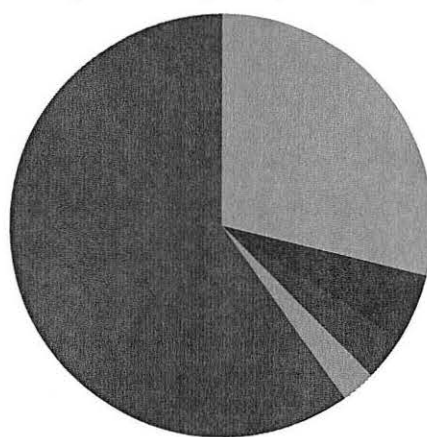
PEER COMPARISONS

Your Peer Group is NRS cases, within your region, with assets of \$100 million - \$1 billion. The peer group consists of 14 NRS cases.

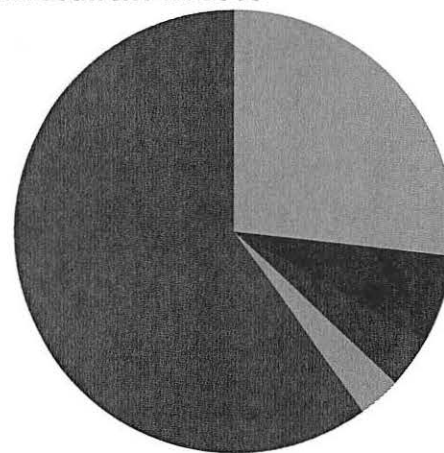
	Dallas County, TX	Peer Group	Recommended
Average # of asset classes	3.7	3.8	5.0
Average annualized deferrals	\$2,591	\$3,438	
Average assets	\$28,396	\$52,245	

Asset Allocation Summary as of 09/30/18

percentage of participants by number of investment classes



Dallas County, TX



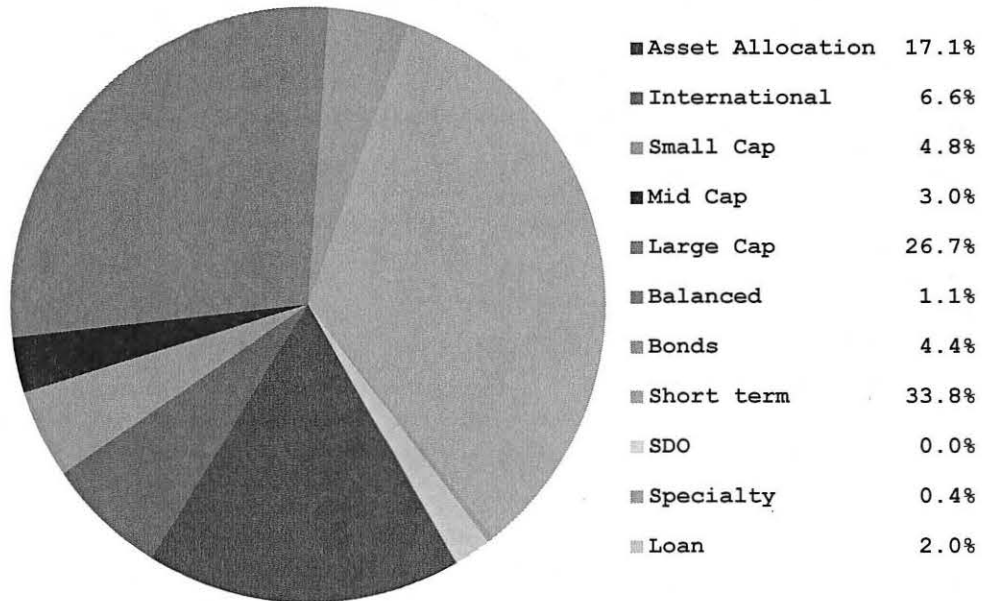
Peer Group

Average Account Balance and Annualized Deferrals by Age Group as of 09/30/18

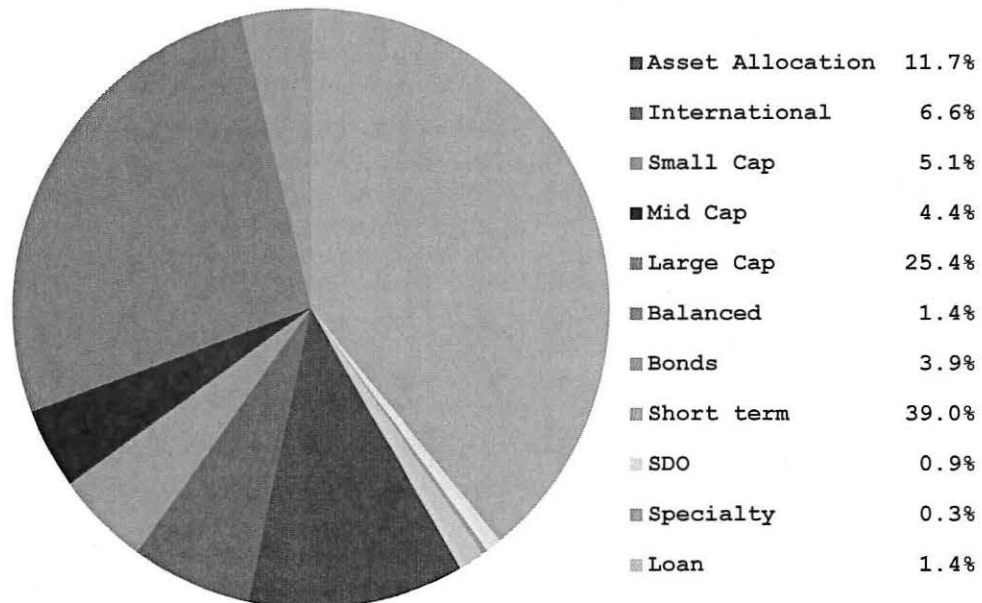
Age Group	Dallas County, TX		Peer Group	
	Account Balance		Annualized Deferrals	
18-25	\$704	\$2,339	\$793	\$1,768
26-35	\$3,880	\$9,093	\$1,366	\$2,294
36-45	\$11,217	\$22,921	\$2,187	\$2,870
46-55	\$22,827	\$51,734	\$2,549	\$3,807
56-65	\$45,311	\$86,158	\$3,721	\$4,741
66-99	\$72,562	\$110,366	\$5,057	\$6,530

PEER COMPARISONS

Dallas County, TX Asset Allocation as of 09/30/18

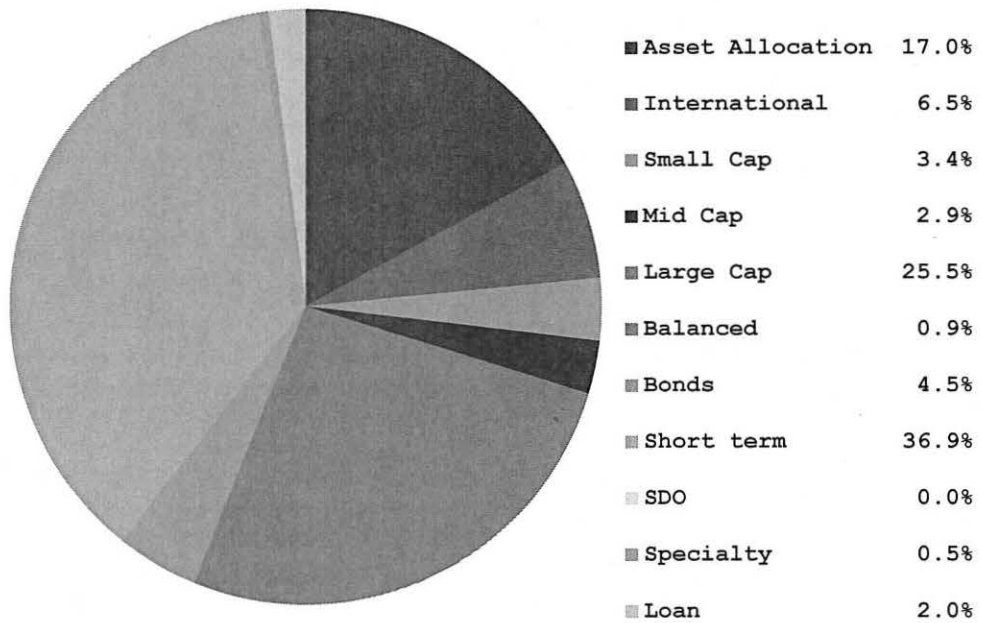


Peer Group Asset Allocation as of 09/30/18

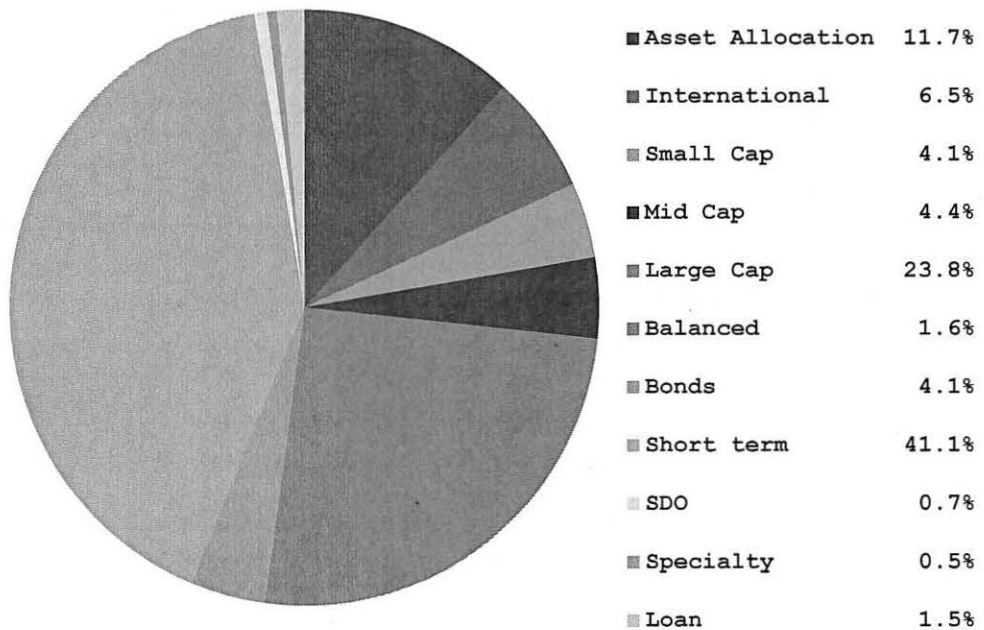


PEER COMPARISONS

Dallas County, TX Asset Allocation as of 09/30/17

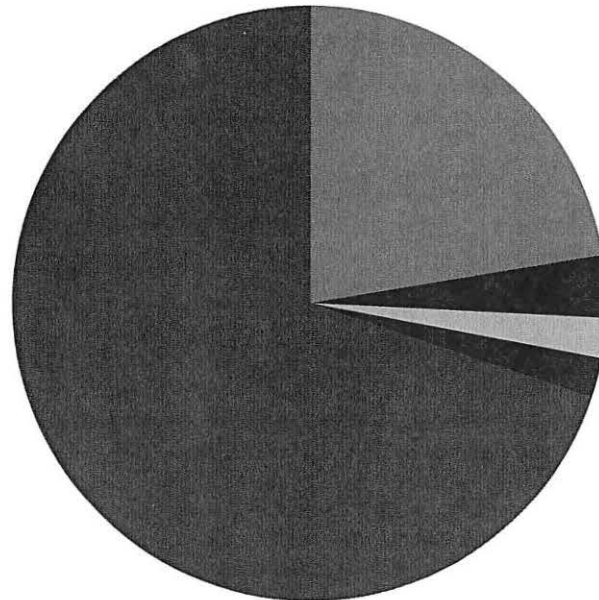


Peer Group Asset Allocation as of 09/30/17



PEER COMPARISONS

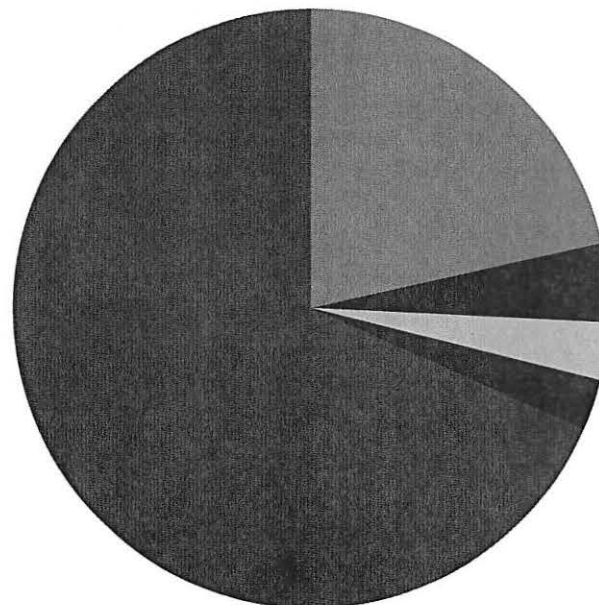
Deferral allocation summary: percentage of participants by number of deferral investment classes
Dallas County, TX 2018 YTD



Number of Deferral Classes

■ 1	22.4%
■ 2	3.4%
■ 3	2.2%
■ 4	2.1%
■ 5+	69.9%

Peer Group 2018 YTD

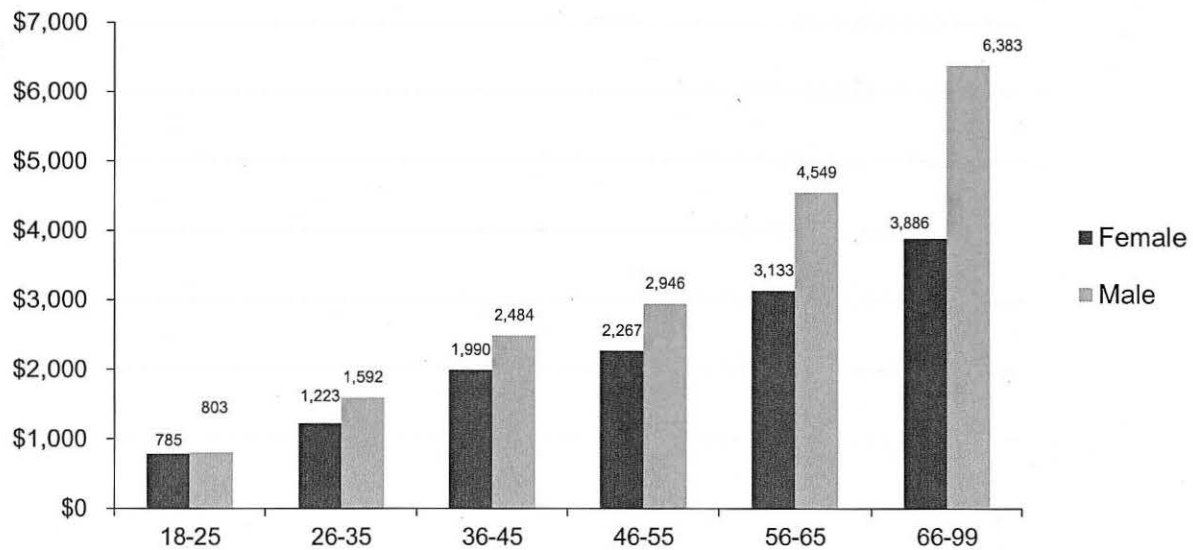


Number of Deferral Classes

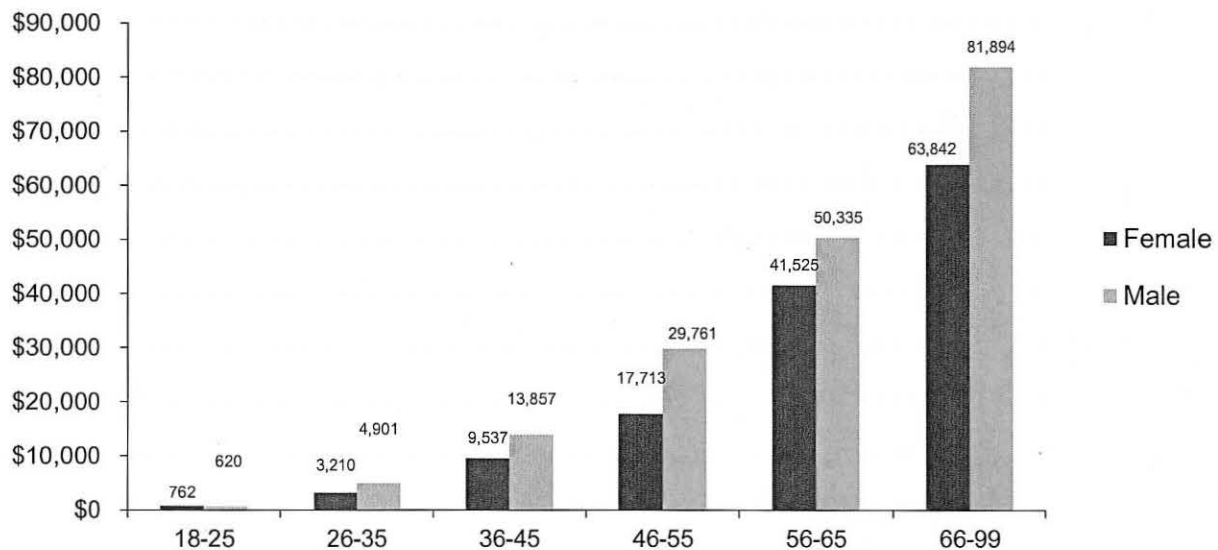
■ 1	21.5%
■ 2	4.2%
■ 3	3.1%
■ 4	2.7%
■ 5+	68.4%

PARTICIPANT DEMOGRAPHICS

Male/Female Average Deferrals by Age

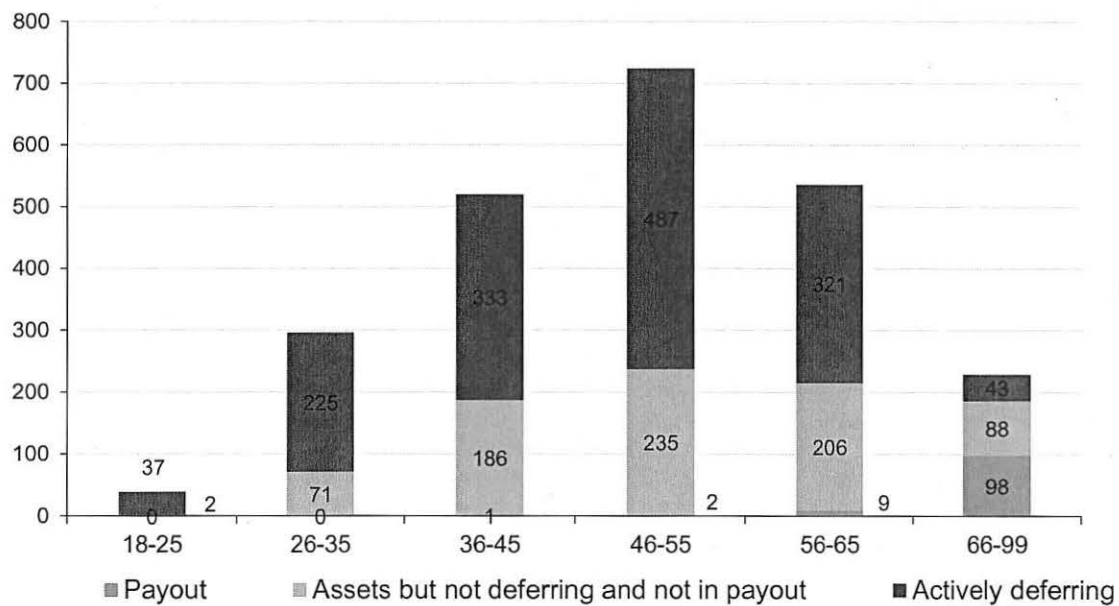


Male/Female Average Account Balance by Age as of 09/30/18

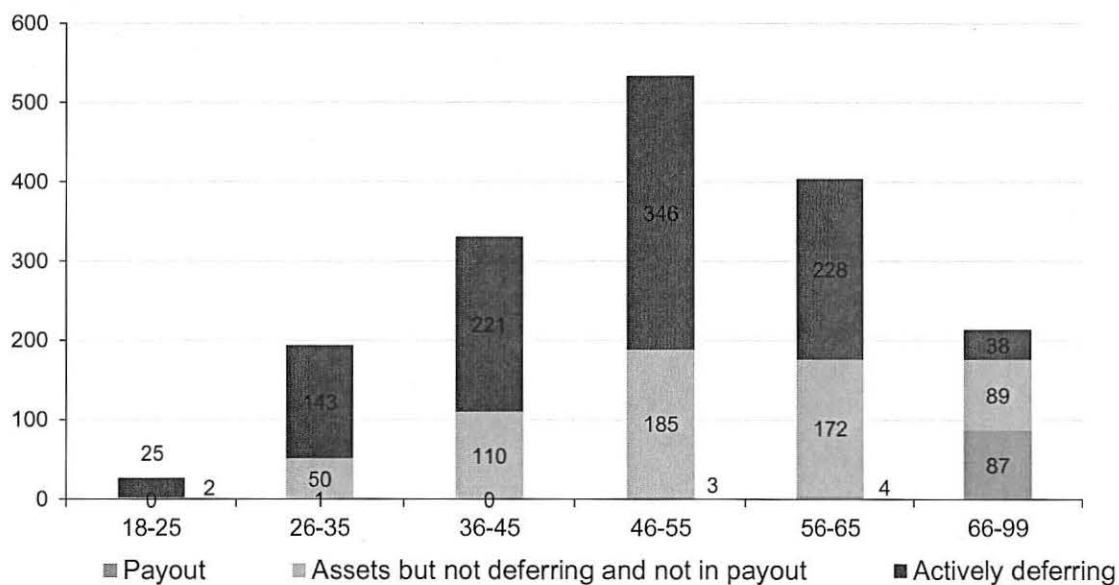


PARTICIPANT DEMOGRAPHICS

Female Participant Count by Age and Status as of 09/30/18



Male Participant Count by Age and Status as of 09/30/18



PLAN ASSETS

as of 09/30/18

as of 09/30/18

Fund	Asset Value	% of Assets	Count / % of Participants	
Asset Allocation				
Nationwide Destination 2015 Fund - Institutional Service Class	94,952.69	0.1%	9	0.2%
Nationwide Destination 2020 Fund - Institutional Service Class	501,481.46	0.4%	37	0.9%
Nationwide Destination 2025 Fund - Institutional Service Class	754,356.97	0.7%	87	2.1%
Nationwide Destination 2030 Fund - Institutional Service Class	989,774.48	0.9%	111	2.7%
Nationwide Destination 2035 Fund - Institutional Service Class	714,758.80	0.6%	104	2.6%
Nationwide Destination 2040 Fund - Institutional Service Class	473,781.85	0.4%	105	2.6%
Nationwide Destination 2045 Fund - Institutional Service Class	408,508.13	0.4%	123	3.0%
Nationwide Destination 2050 Fund - Institutional Service Class	181,070.82	0.2%	96	2.4%
Nationwide Destination 2055 Fund - Institutional Service Class	86,747.72	0.1%	97	2.4%
Nationwide Destination 2060 Fund - Institutional Service Class	29,602.24	0.0%	56	1.4%
Nationwide Investor Destinations Aggressive Fund: Service Class	5,760,107.72	5.0%	392	9.7%
Nationwide Investor Destinations Conservative Fund: Service Class	109,051.14	0.1%	25	0.6%
Nationwide Investor Destinations Moderate Fund: Service Class	3,678,180.97	3.2%	269	6.6%
Nationwide Investor Destinations Moderately Aggressive Fund: Service Class	5,611,525.39	4.9%	349	8.6%
Nationwide Investor Destinations Moderately Conservative Fund: Service Class	319,046.87	0.3%	36	0.9%
Sub-Total Asset Allocation	19,712,947.25	17.1%		
Balanced				
Fidelity Puritan(R) Fund	1,273,420.35	1.1%	85	2.1%
Sub-Total Balanced	1,273,420.35	1.1%		
Bonds				
Lord Abbett High Yield Fund - Class R5	1,296,047.12	1.1%	578	14.3%
Nationwide Bond Index Fund	872,309.37	0.8%	335	8.3%
Nationwide Loomis Core Bond Fund - Institutional Service Class	2,429,449.10	2.1%	587	14.5%
PIMCO International Bond Fund (U.S. Dollar-Hedged) - Class A	493,452.45	0.4%	242	6.0%
Sub-Total Bonds	5,091,258.04	4.4%		
International				
Invesco International Growth Fund - Class R5	1,461,178.83	1.3%	583	14.4%
MFS International Value Fund - Class R3	2,927,510.29	2.5%	638	15.8%

Please consider the funds' investment objectives, risks, and charges and expenses carefully before investing. The prospectus contains this and other important information about the investment company. Read the prospectus carefully before investing. Prospectuses may be obtained from your plan's website or by calling your plan's toll-free customer service phone number.

The use of diversification and asset allocation as part of an overall investment strategy does not assure a profit or protect against loss in a declining market.

Asset allocation funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the asset allocation fund itself, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.

PLAN ASSETS

as of 09/30/18

Fund	Asset Value	% of Assets	Count / % of Participants	
Nationwide International Index Fund	597,343.19	0.5%	88	2.2%
New World Fund(SM) - Class R4	986,928.50	0.9%	525	13.0%
Oppenheimer Global Fund	1,594,481.02	1.4%	173	4.3%
Sub-Total International	7,567,441.83	6.6%		
Large Cap				
American Century Value Fund	1,503,950.37	1.3%	571	14.1%
Edgar Lomax Value Fund	273,542.63	0.2%	31	0.8%
Fidelity Contrafund	8,814,903.29	7.7%	402	9.9%
Fidelity OTC Portfolio	4,374,627.65	3.8%	216	5.3%
Invesco Growth and Income Fund - Class A	3,119,105.09	2.7%	699	17.3%
Nationwide Fund - Institutional Service Class	1,950,212.39	1.7%	640	15.8%
Nationwide Large Cap Growth Portfolio	2,554,307.31	2.2%	293	7.2%
Nationwide S & P 500 Index Fund	1,025,547.47	0.9%	65	1.6%
Neuberger Berman Sustainable Equity Fund - Investor Class	1,230,792.43	1.1%	564	13.9%
SEI Institutional Managed Trust - S&P 500 Index Fund - Class F	1,815,593.15	1.6%	102	2.5%
T.Rowe Price Growth Stock Fund	2,590,671.55	2.3%	650	16.1%
The Investment Company of America(R)	1,492,884.06	1.3%	588	14.5%
Sub-Total Large Cap	30,746,137.39	26.7%		
Loan				
Loan Outstanding Principal Balance	2,332,231.03	2.0%	484	12.0%
Sub-Total Loan	2,332,231.03	2.0%		
Mid Cap				
JPMorgan Mid Cap Value Fund	1,355,828.06	1.2%	156	3.9%
Nationwide Mid Cap Market Index Fund	943,097.70	0.8%	105	2.6%
Wells Fargo Discovery Fund - Administrative Class	1,172,415.53	1.0%	150	3.7%
Sub-Total Mid Cap	3,471,341.29	3.0%		
Short Term Investments				
Federated U.S. Government Securities Fund: 2-5 Years	86,244.85	0.1%	28	0.7%

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PLAN ASSETS

as of 09/30/18

Fund	Asset Value	% of Assets	Count / % of Participants	
Fixed Assets	1,989,520.27	1.7%	527	13.0%
Invesco Short-Term Investments Trust - Treasury Portfolio - Institutional Class	36,763.26	0.0%	13	0.3%
Morley Stable Value Retirement Fund - NACO/DCVA	100,845.83	0.1%	14	0.3%
Nationwide Fixed Account	35,930,619.58	31.3%	1,481	36.6%
Nationwide Government Money Market Fund - Investor Shares	664,376.72	0.6%	87	2.1%
<u>Sub-Total Short Term Investments</u>	38,808,370.51	33.8%		
Small Cap				
Nationwide Small Cap Index Fund	939,786.60	0.8%	511	12.6%
Nationwide Small Company Growth Fund Institutional Service Class	1,991,780.82	1.7%	110	2.7%
Nationwide US Small Cap Value Fund - Institutional Service Class	868,765.16	0.8%	559	13.8%
Nationwide Variable Insurance Trust: Nationwide Multi-Manager NVIT Small Cor	240,781.16	0.2%	43	1.1%
Neuberger Berman Equity Trust(R) - Genesis Fund	1,499,388.09	1.3%	128	3.2%
<u>Sub-Total Small Cap</u>	5,540,501.83	4.8%		
Specialty				
Cohen & Steers Real Estate Securities Fund, Inc. - Class A	403,593.24	0.4%	529	13.1%
<u>Sub-Total Specialty</u>	403,593.24	0.4%		
Total	114,947,242.76			

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Entity: 0038128
 July 1, 2018 - September 30, 2018

 TRACY HINES
 RENAISSANCE TOWER
 1201 ELM ST FLR 23 STE 2300A
 DALLAS TX 75270

Please review your statement carefully. Corrections may not be accepted more than 45 days after the closing date of the statement.

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 COLUMBUS OH 43218-2797

 Nationwide Investment Services Corporation, member FINRA, In Michigan Only:
 Nationwide Investment Svcs. Corporation

Activity at a Glance
Balance as of 07-01-18
 Contributions/Loan Payments*
 Gain/Loss/Interest
 Distributions/Loan Disbursements**
 Charges/Fees
Balance as of 09-30-18
See your loan information inside!
457(b) Plan
\$109,271,400.19
 \$2,638,605.08
 \$3,555,067.20
 -\$2,817,954.08
 -\$32,106.66
\$112,615,011.73

*Including, but not limited to, Employee and Employer Contributions, Loan Principal Payments, Rollovers and Transfers In.

**Including, but not limited to, Rollovers and Transfers Out, Partial and Lump Sum Payments.

This statement represents an aggregate of the values of active accounts for those plan participants receiving a statement for this reporting period. Values reported above represent current period totals for those participants.

Investment Option Summary - July 1, 2018 to September 30, 2018

Unit Value is as of 9/30/2018

<u>Investment Option</u>	<u>Ending Price</u>	<u>Units</u>	<u>Value</u>
457(b) Plan			
AmCent Val Inv	3.2390	464,322.2254	\$1,503,950.37
AmFds Invmt Co Am A	10.5842	141,048.6930	\$1,492,884.06
AmFds New Wld R4	1.2109	815,062.5032	\$986,928.50
CohenStrs RealEst Sec A	1.0395	388,275.4429	\$403,593.24
Edgr Lomx Val	3.2780	83,448.5220	\$273,542.63
Fed US GovtSec 2 5 Yr Inst	2.4722	34,885.6101	\$86,244.85
Fid Contra	13.8505	636,431.6794	\$8,814,903.29
Fid OTC	14.9285	293,038.1040	\$4,374,627.65
Fid Puritan	6.4347	197,898.7951	\$1,273,420.35
Fixed Assets			\$1,989,520.27
Invsco Gr Inc A	3.4075	915,363.5399	\$3,119,105.09
Invsco Intl Gr R5	1.5427	947,130.5056	\$1,461,178.83
Invsco ST Invmt Trsry Inst	1.7275	21,281.4115	\$36,763.26
JPM MidCap Value A	3.7786	358,819.4988	\$1,355,828.06
LrdAbt Hi Yld R5	1.0366	1,250,325.3252	\$1,296,047.12
MFS Intl Val R3	1.3833	2,116,305.3122	\$2,927,510.29
Mrlly StblValRtrmt NACODCV A	1.7127	58,882.5712	\$100,845.83
NW Bd Indx A	1.8213	478,946.2754	\$872,309.37
NW Dest 2015 Inst Svc	1.5258	62,233.0057	\$94,952.69
NW Dest 2020 Inst Svc	1.6160	310,322.4644	\$501,481.46
NW Dest 2025 Inst Svc	1.7100	441,146.6367	\$754,356.97
NW Dest 2030 Inst Svc	1.7691	559,492.4293	\$989,774.48
NW Dest 2035 Inst Svc	1.8199	392,744.5591	\$714,758.80
NW Dest 2040 Inst Svc	1.8316	258,669.2601	\$473,781.85
NW Dest 2045 Inst Svc	1.8697	218,485.0925	\$408,508.13
NW Dest 2050 Inst Svc	1.8824	96,189.3300	\$181,070.82
NW Dest 2055 Inst Svc	2.0670	41,967.2578	\$86,747.72
NW Dest 2060 Inst Svc	1.3123	22,558.1620	\$29,602.24

Statement Details

Investment Option Summary (continued)

Investment Option	Ending Price	Units	Value
NW Fd Inst Svc	70.4976	27,663.5387	\$1,950,212.39
NW Intl Indx A	1.9682	303,491.7177	\$597,343.19
NW Inv Dest Aggr Svc	2.8014	2,056,171.1089	\$5,760,107.72
NW Inv Dest Cnsvr Svc	1.8104	60,235.5623	\$109,051.14
NW Inv Dest Mod Aggr Svc	2.6731	2,099,285.4601	\$5,611,525.39
NW Inv Dest Mod Cnsvr Svc	2.1300	149,785.0985	\$319,046.87
NW Inv Dest Mod Svc	2.3828	1,543,615.8658	\$3,678,180.97
NW LgCap Gr	2.5743	992,246.0571	\$2,554,307.31
NW Loomis Cor Bd Inst SVC	1.0626	2,286,314.4780	\$2,429,449.10
NW MdCap Mkt Indx A	4.1628	226,553.0067	\$943,097.70
NW Mny Mkt Pm	4.1491	160,126.7678	\$664,376.72
NW NVIT Mult Mgr Sm Co I	6.2405	38,583.6846	\$240,781.16
NW S P 500 Indx Inst Svc	2.9271	350,366.7603	\$1,025,547.47
NW Sm Co Gr Inst Svc	3.2931	604,826.3610	\$1,991,780.82
NW SmCap Indx A	3.7302	251,939.3246	\$939,786.60
NW US SmCap Val Inst Svc	2.4314	357,315.2743	\$868,765.16
Nationwide Fixed Account			\$35,930,619.58
NeuBer Genesis Tr	5.4733	273,948.1075	\$1,499,388.09
NeuBer Soc Resp Inv	3.2810	375,128.3672	\$1,230,792.43
Opp Gbl A	4.9925	319,372.1830	\$1,594,481.02
PIMCO Intl BdUS Dlr Hdg A	1.0444	472,477.9449	\$493,452.45
SEI S P 500 Indx F	1.0996	1,651,093.6281	\$1,815,593.15
TRowePr Gr Stk Adv	3.9869	649,795.5797	\$2,590,671.55
WF Disc Admn	2.7480	426,636.0690	\$1,172,415.53
TOTAL			\$112,615,011.73

Participant Account Values by Investment Option - July 1, 2018 to September 30, 2018

457(b) Plan (0038128001)	Beginning Balance	Contributions/ Loan Payments	Exchanges	Distributions/ Loan Disbursements	Charges/ Credits/Fees	Gain/Loss/ Interest	Ending Balance
AmCent Val Inv	\$1,498,410.48	\$53,741.81	-\$77,595.25	-\$50,013.23	-\$2,042.85	\$81,449.41	\$1,503,950.37
AmFds Invmt Co Am A	\$1,456,180.17	\$37,159.84	-\$50,205.49	-\$17,686.44	-\$1,176.21	\$68,612.19	\$1,492,884.06
AmFds New Wld R4	\$968,740.26	\$34,467.61	\$17,262.82	-\$16,190.50	-\$1,380.83	-\$15,970.86	\$986,928.50
CohenStrs RealEst Sec A	\$408,924.61	\$10,923.67	-\$12,498.90	-\$8,747.16	-\$516.02	\$5,507.04	\$403,593.24
Edgr Lomx Val	\$250,576.61	\$2,767.28	-\$496.69	-\$1,481.62	-\$66.45	\$22,243.50	\$273,542.63
Fed US GovtSec 2 5 Yr Inst	\$86,132.48	\$1,730.53	\$3,307.20	-\$4,673.72	-\$53.26	-\$198.38	\$86,244.85
Fid Contra	\$8,690,243.64	\$100,250.96	-\$121,499.59	-\$423,311.10	-\$330.55	\$569,549.93	\$8,814,903.29
Fid OTC	\$3,910,587.86	\$64,087.07	\$111,130.59	-\$13,578.06	-\$178.45	\$302,578.64	\$4,374,627.65
Fid Puritan	\$1,194,059.02	\$18,097.65	\$4,717.41	-\$403.47	-\$18.03	\$56,967.77	\$1,273,420.35
Fixed Assets	\$1,980,665.61	\$45,186.86	\$27,842.52	-\$78,248.84	-\$3,078.22	\$17,152.34	\$1,989,520.27
Invscs Gr Inc A	\$3,036,856.66	\$46,533.85	-\$52,188.16	-\$42,164.30	-\$1,392.75	\$131,459.79	\$3,119,105.09
Invscs Intl Gr R5	\$1,366,808.63	\$46,832.88	\$53,368.59	-\$25,240.20	-\$1,889.47	\$21,298.40	\$1,461,178.83
Invscs ST Invmt Trsry Inst	\$34,597.78	\$4,101.03	-\$2,262.83	\$0.00	\$0.00	\$327.28	\$36,763.26
JPM MidCap Value A	\$1,352,411.58	\$23,235.39	-\$48,978.95	-\$20,649.42	-\$93.87	\$49,903.33	\$1,355,828.06
LrdAbt Hi Yld R5	\$1,261,295.42	\$27,684.14	\$4,354.34	-\$27,135.32	-\$1,323.85	\$31,172.39	\$1,296,047.12
MFS Intl Val R3	\$2,850,293.05	\$98,472.25	\$9,830.57	-\$95,124.34	-\$2,886.29	\$66,925.05	\$2,927,510.29
Mrlly StblValRtrmt NACODCVA	\$89,907.04	\$2,571.26	\$8,000.00	\$0.00	\$0.00	\$367.53	\$100,845.83
NW Bd Indx A	\$876,336.71	\$18,825.51	\$10,667.09	-\$31,870.35	-\$1,088.46	-\$561.13	\$872,309.37
NW Dest 2015 Inst Svc	\$92,810.04	\$1,750.17	-\$1,522.75	-\$194.64	-\$46.83	\$2,156.70	\$94,952.69
NW Dest 2020 Inst Svc	\$484,249.23	\$15,637.13	\$0.00	-\$11,103.31	-\$102.31	\$12,800.72	\$501,481.46
NW Dest 2025 Inst Svc	\$717,789.29	\$80,684.39	-\$40,761.18	-\$23,199.53	-\$257.02	\$20,101.02	\$754,356.97
NW Dest 2030 Inst Svc	\$927,771.84	\$53,726.55	\$1,095.10	-\$22,445.97	-\$295.32	\$29,922.28	\$989,774.48
NW Dest 2035 Inst Svc	\$662,264.99	\$32,124.83	\$0.00	-\$2,914.36	-\$17.94	\$23,301.28	\$714,758.80
NW Dest 2040 Inst Svc	\$429,333.91	\$34,895.74	\$0.00	-\$6,825.80	-\$293.22	\$16,671.22	\$473,781.85
NW Dest 2045 Inst Svc	\$375,073.34	\$40,631.19	-\$14,850.66	-\$7,713.36	-\$218.00	\$15,585.62	\$408,508.13
NW Dest 2050 Inst Svc	\$184,089.49	\$24,950.01	\$0.00	-\$35,716.57	-\$100.00	\$7,847.89	\$181,070.82
NW Dest 2055 Inst Svc	\$56,455.43	\$30,507.68	-\$540.77	-\$2,387.82	\$0.00	\$2,713.20	\$86,747.72
NW Dest 2060 Inst Svc	\$17,353.05	\$11,365.29	\$0.00	\$0.00	\$0.00	\$883.90	\$29,602.24
NW Fd Inst Svc	\$1,840,826.79	\$75,002.88	-\$80,619.70	-\$29,186.35	-\$1,718.15	\$145,906.92	\$1,950,212.39
NW Intl Indx A	\$629,062.96	\$13,941.82	-\$38,384.63	-\$14,369.33	-\$39.25	\$7,131.62	\$597,343.19
NW Inv Dest Aggr Svc	\$5,554,753.66	\$152,645.36	-\$71,903.13	-\$75,424.91	-\$1,022.21	\$201,058.95	\$5,760,107.72
NW Inv Dest Cnsvr Svc	\$147,506.64	\$1,913.92	\$0.00	-\$42,135.57	\$0.00	\$1,766.15	\$109,051.14
NW Inv Dest Mod Aggr Svc	\$5,344,061.13	\$93,825.35	\$3,192.29	-\$11,709.61	-\$491.48	\$182,647.71	\$5,611,525.39
NW Inv Dest Mod Cnsvr Svc	\$313,831.17	\$6,835.65	\$0.00	-\$8,050.00	\$0.00	\$6,430.05	\$319,046.87
NW Inv Dest Mod Svc	\$3,480,913.98	\$121,295.74	-\$314.78	-\$25,269.19	-\$606.01	\$102,161.23	\$3,678,180.97
NW LgCap Gr	\$2,400,148.71	\$84,596.62	-\$34,713.85	-\$97,730.17	-\$127.97	\$202,133.97	\$2,554,307.31
NW Loomis Cor Bd Inst SVC	\$2,509,438.74	\$40,702.48	-\$42,492.47	-\$83,340.31	-\$1,973.26	\$7,113.92	\$2,429,449.10
NW MdCap Mkt Indx A	\$901,275.67	\$15,922.52	-\$931.98	-\$6,605.87	-\$60.79	\$33,498.15	\$943,097.70
NW Mny Mkt Pm	\$636,148.96	\$26,092.67	-\$159.50	-\$1.66	-\$53.56	\$2,349.81	\$664,376.72
NW NVIT Mult Mgr Sm Co I	\$233,428.03	\$2,774.95	\$25.69	-\$4,735.12	-\$5.09	\$9,292.70	\$240,781.16
NW S P 500 Indx Inst Svc	\$867,741.57	\$26,577.72	\$74,707.75	-\$12,690.82	-\$54.97	\$69,266.02	\$1,025,547.47
NW Sm Co Gr Inst Svc	\$1,564,353.07	\$32,428.38	\$250,598.53	-\$44,897.97	-\$58.10	\$189,356.91	\$1,991,780.82
NW SmCap Indx A	\$730,184.30	\$24,908.38	\$164,601.85	-\$2,495.37	-\$306.13	\$22,893.57	\$939,786.60

Participant Account Values by Investment Option (continued)

	Beginning Balance	Contributions/ Loan Payments	Exchanges	Distributions/ Loan Disbursements	Charges/ Credits/Fees	Gain/Loss/ Interest	Ending Balance
NW US SmCap Val Inst Svc	\$793,617.15	\$23,798.83	\$62,295.23	-\$16,030.99	-\$1,025.39	\$6,110.33	\$868,765.16
Nationwide Fixed Account	\$36,004,326.89	\$747,635.76	\$65,269.32	-\$1,196,111.48	-\$2,284.72	\$311,783.81	\$35,930,619.58
NeuBer Genesis Tr	\$1,404,546.55	\$13,900.40	\$6,418.54	-\$21,836.22	-\$102.13	\$96,460.95	\$1,499,388.09
NeuBer Soc Resp Inv	\$1,242,231.68	\$32,300.31	-\$80,258.95	-\$19,776.91	-\$1,513.91	\$57,810.21	\$1,230,792.43
Opp Gbl A	\$1,685,958.01	\$22,828.39	-\$110,592.48	-\$25,049.08	-\$56.37	\$21,392.55	\$1,594,481.02
PIMCO Intl BdUS Dir Hdg A	\$455,475.95	\$11,110.14	\$45,208.22	-\$17,180.25	-\$688.99	-\$472.62	\$493,452.45
SEI S P 500 Indx F	\$1,705,021.69	\$24,671.88	-\$16,075.79	-\$27,115.73	-\$30.11	\$129,121.41	\$1,815,593.15
TRowePr Gr Stk Adv	\$2,491,625.25	\$60,659.14	-\$36,811.03	-\$43,305.28	-\$969.62	\$119,473.09	\$2,590,671.55
WF Disc Admn	\$1,074,703.42	\$19,293.42	\$12,765.86	-\$23,886.66	-\$72.25	\$89,611.74	\$1,172,415.53
TOTAL	\$109,271,400.19	\$2,638,605.08	\$0.00	-\$2,817,954.08	-\$32,106.66	\$3,555,067.20	\$112,615,011.73

Gain/Loss is the difference between the account balance on the first and last day of the period, after allowing for the effects of transactions.

Loan Information - July 1, 2018 to September 30, 2018**Plan Type - 457(b) Plan****Loan Payments this Period**

Principal Balance On 07/01/2018	Principal Paid	Principal Loan Adjustment	Principal Loan Disbursement	Principal Offset	Principal Balance On 09/30/2018	Principal Paid	Interest Paid	Finance Charges Paid	Total Payment	*Principal Default as of 09/30/2018
\$2,817,163.34	\$255,392.50	\$4.28	\$311,064.36	\$5,966.84	\$2,866,895.66	\$255,392.50	\$28,550.91	\$0.00	\$283,943.41	\$534,664.63

*Default amounts are included in Beginning and Ending Balances.

Life Insurance Information - July 1, 2018 to September 30, 2018

<u>Life Option</u>	<u>Premium Per Pay</u>	<u>Report Period Premiums</u>	<u>Account Value</u>	<u>Surrender Value</u>	<u>Death Benefit</u>
Plan I Universal Life	\$884.70	\$4,736.38	\$300,671.11	\$300,671.11	\$2,539,117.00
Universalife Plus Plan 1	\$1,211.86	\$4,368.31	\$409,550.73	\$395,877.67	\$3,803,736.63
Universalife Plus Plan 2	\$166.39	\$620.76	\$43,283.44	\$43,283.44	\$635,269.53

The account value amount that is reported on your statement does not reflect any potential surrender charges that may occur on termination of your life insurance policy during the early contract years. In addition, deferrals in transit are not included in this amount.

PERFORMANCE RESULTS

Investment Performance Information - July 1, 2018 to September 30, 2018

The results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. Performance data current to the most recent month-end may be obtained by visiting: WWW.DALLASCOUNTYDC.COM. Please consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Both the underlying fund prospectuses and informational brochure contain this and other important information, and are available by calling (877)677-3678. Read carefully before investing. Please see other important disclosures at the end of this report.

VRU #	Fixed Investment Option	Annualized Current Quarter Yield	Current Year Guaranteed Minimum Yield						
365	Nationwide Fixed Account (g)	3.500%	3.500%						
VRU #	Variable Investment Options	Morningstar Category	YTD	Average Annual Return 1 Year	5 Year	10 Year	Since Inception	Inception Date	Gross Expense Ratio
1507	Specialty CohenStrs RealEst Sec A (*)	Real Estate	2.12%	4.98%	11.02%	9.29%	9.35%	09/02/97	1.15%
384	Small-Cap Stocks NW NVIT Mult Mgr Sm Co I (*)	Small Blend	9.37%	13.89%	10.47%	11.52%	10.81%	10/23/95	1.17%
594	NW SmCap Indx A (*)	Small Blend	11.11%	14.63%	10.57%	10.61%	8.54%	04/09/97	0.69%
388	NeuBer Genesis Tr (*)	Small Growth	11.67%	17.99%	10.66%	10.40%	12.46%	09/27/88	1.09%
937	NW Sm Co Gr Inst Svc (*)	Small Growth	32.05%	39.03%	17.06%	N/A	20.38%	01/03/12	1.20%
798	NW US SmCap Val Inst Svc (*)	Small Value	4.19%	7.62%	8.49%	9.81%	8.21%	12/21/07	1.25%
9256	International Stocks AmFds New Wld R4 (*)	Diversified Emerging Mkts	-4.46%	0.79%	4.42%	5.89%	7.79%	06/17/99	0.98%
612	NW Intl Indx A (*)	Foreign Large Blend	-1.67%	1.95%	3.87%	4.64%	2.55%	12/29/99	0.71%
990	MFS Intl Val R3 (*)	Foreign Large Blend	1.89%	7.84%	8.74%	9.54%	8.49%	01/02/97	1.01%
881	Invsco Intl Gr R5 (*)	Foreign Large Growth	-4.35%	-1.33%	3.93%	6.13%	7.25%	03/15/02	1.00%
408	Opp Gbl A (*)	World Large Stock	2.76%	10.08%	9.83%	10.07%	11.47%	12/22/69	1.15%
314	Mid-Cap Stocks JPM MidCap Value A (*)	Mid-Cap Blend	3.27%	7.99%	10.00%	11.18%	12.13%	11/13/97	1.26%
613	NW MdCap Mkt Indx A (*)	Mid-Cap Blend	6.97%	13.48%	11.17%	11.71%	9.21%	12/29/99	0.68%
905	WF Disc Admn (*)	Mid-Cap Growth	16.84%	23.97%	11.66%	13.51%	11.99%	12/31/87	1.13%
281	Large-Cap Stocks AmFds Invmt Co Am A (*)	Large Blend	6.87%	13.46%	12.33%	10.78%	12.14%	01/02/34	0.58%
367	NW Fd Inst Svc (*)	Large Blend	10.06%	16.55%	12.81%	10.27%	9.73%	05/11/33	0.71%
372	NW S P 500 Indx Inst Svc (*)	Large Blend	10.19%	17.43%	13.47%	11.50%	6.28%	07/24/98	0.42%
392	NeuBer Soc Resp Inv (*)	Large Blend	8.92%	14.91%	11.36%	10.61%	9.53%	03/16/94	0.85%
1979	SEI S P 500 Indx F (*)	Large Blend	10.33%	17.53%	13.50%	11.54%	8.52%	02/28/96	0.54%
181	Fid Contra (*)	Large Growth	16.80%	24.68%	15.53%	13.31%	12.69%	05/17/67	0.74%
195	Fid OTC (*)	Large Growth	20.83%	28.10%	19.23%	18.27%	14.11%	12/31/84	0.81%
371	NW Dynmc US Gr R6 (a) (*)	Large Growth	16.92%	25.51%	15.54%	13.20%	7.87%	02/14/61	0.85%
389	NeuBer Guardian Inv (a) (*)	Large Growth	11.95%	19.79%	11.87%	10.75%	11.21%	06/01/50	0.90%
520	TRowePr Gr Stk Adv (*)	Large Growth	15.03%	21.92%	15.82%	14.47%	11.04%	04/11/50	0.92%
2014	NW Loomis AllCap Gr Egl (*)	Large Growth	11.18%	18.01%	N/A	N/A	19.04%	05/31/17	1.09%
102	AmCent Val Inv (*)	Large Value	5.16%	9.62%	10.02%	9.68%	9.82%	09/01/93	0.98%
164	Edgr Lomx Val (*)	Large Value	6.66%	14.73%	12.33%	10.51%	7.05%	12/12/97	1.02%
396	NeuBer LgCp Val Tr (a) (*)	Large Value	5.05%	10.32%	10.24%	9.21%	12.45%	01/20/75	1.06%
586	Invsco Gr Inc A (*)	Large Value	2.91%	7.74%	10.33%	9.73%	9.57%	08/01/46	0.82%
746	NW LgCap Gr (n) (*)	N/A	15.26%	23.80%	14.13%	11.80%	8.75%	04/27/07	0.95%
199	Balanced Fid Puritan (*)	Allocation--50% to 70% Equity	7.99%	12.95%	10.19%	9.83%	10.99%	04/16/47	0.55%
1714	Bonds LrdAbt Hi Yld R5 (*)	High Yield Bond	1.31%	2.51%	N/A	N/A	5.95%	06/30/15	0.69%
611	NW Bd Indx A (*)	Intermediate-Term Bond	-2.09%	-1.88%	1.51%	3.07%	4.42%	04/03/97	0.67%
1093	NW Loomis Cor Bd Inst SVC (*)	Intermediate-Term Bond	-1.65%	-1.40%	2.11%	4.35%	6.51%	02/15/84	0.73%
426	PIMCO Intl BdUS Dir Hdg A (*)	World Bond	1.62%	2.53%	4.61%	6.58%	6.70%	12/02/92	0.96%
171	Short-Term Investments Fed US GovtSec 2 5 Yr Inst (*)	Short Government	-1.06%	-1.60%	0.19%	1.54%	5.48%	02/18/83	0.88%

Investment Performance Information - July 1, 2018 to September 30, 2018

VRU #	Variable Investment Options	Morningstar Category	YTD	Average Annual Return 1 Year	5 Year	10 Year	Since Inception	Inception Date	Gross Expense Ratio
107	Fixed Assets/Cash Invsco ST Invmt Trsry Inst (c) (*) CURRENT YIELD: 1.92%	Money Market-Taxable	1.20%	1.45%	0.45%	0.26%	3.73%	04/12/84	0.20%
373	NW Mny Mkt Prm (c) (*) CURRENT YIELD: 1.52%	Money Market-Taxable	0.88%	1.03%	0.24%	0.16%	4.35%	03/03/80	0.68%
354	Mrly StblValRtrmt NACODCVA (d) (*) Asset Allocation	N/A	1.10%	1.43%	1.06%	1.39%	4.11%	07/31/89	
620	NW Inv Dest Cnsrv Svc (j) (*)	Allocation--15% to 30% Equity	0.69%	2.26%	3.13%	3.76%	3.55%	03/30/00	0.88%
621	NW Inv Dest Mod Cnsrv Svc (j) (*)	Allocation--30% to 50% Equity	1.90%	4.51%	4.73%	5.38%	4.20%	03/30/00	0.89%
622	NW Inv Dest Mod Svc (j) (*)	Allocation--50% to 70% Equity	2.94%	6.71%	6.17%	6.65%	4.55%	03/30/00	0.88%
623	NW Inv Dest Mod Aggr Svc (j) (*)	Allocation--70% to 85% Equity	3.55%	8.24%	7.58%	7.83%	4.81%	03/30/00	0.92%
624	NW Inv Dest Aggr Svc (j) (*)	Allocation--85%+ Equity	3.90%	8.95%	8.34%	8.44%	4.76%	03/30/00	0.90%
794	NW Dest 2015 Inst Svc (l) (*)	Target-Date 2015	2.16%	4.98%	5.37%	5.62%	4.08%	08/29/07	0.63%
793	NW Dest 2020 Inst Svc (l) (*)	Target-Date 2020	2.61%	5.93%	5.90%	6.33%	4.57%	08/29/07	0.64%
792	NW Dest 2025 Inst Svc (l) (*)	Target-Date 2025	2.81%	6.49%	6.52%	7.04%	5.05%	08/29/07	0.64%
791	NW Dest 2030 Inst Svc (l) (*)	Target-Date 2030	3.22%	7.38%	7.16%	7.58%	5.34%	08/29/07	0.64%
790	NW Dest 2035 Inst Svc (l) (*)	Target-Date 2035	3.59%	7.98%	7.57%	7.99%	5.53%	08/29/07	0.65%
789	NW Dest 2040 Inst Svc (l) (*)	Target-Date 2040	4.26%	9.03%	8.02%	8.18%	5.54%	08/29/07	0.64%
788	NW Dest 2045 Inst Svc (l) (*)	Target-Date 2045	4.39%	9.42%	8.43%	8.42%	5.70%	08/29/07	0.64%
787	NW Dest 2050 Inst Svc (l) (*)	Target-Date 2050	4.45%	9.68%	8.55%	8.51%	5.79%	08/29/07	0.64%
910	NW Dest 2055 Inst Svc (l) (*)	Target-Date 2055	4.61%	9.94%	8.66%	N/A	9.09%	12/27/10	0.64%
1235	NW Dest 2060 Inst Svc (l) (*)	Target-Date 2060+	4.71%	9.90%	N/A	N/A	8.01%	11/28/14	0.64%

FEE DISCLOSURES

The Standardized illustration represents performance based on a \$1,000 hypothetical investment, and reflects the deduction of the following fees:

* denotes a Fee of 0.00%

The participant account maintenance charge, up to a maximum of \$50, will not be assessed unless agreed to by the entity. Options in bold are options in a group variable annuity contract. Fees indicated for those options are Variable Account Expense Fees and are in addition to the fees disclosed in the underlying fund prospectus.

Gross expense ratios represent the fund's total operating expenses expressed as a percentage of the assets held in the fund. For more information about gross expense ratios, read the fund's prospectus.

Some mutual funds may impose a short term trade fee. Some funds may be subject to a trade restriction policy. Please read the underlying prospectus carefully.

FOOTNOTES

a) These funds are not open to new participants.

c) The money market current yield is the annualized historical yield for the 7-day period ending on the last day of the calendar quarter. Yield quotation more closely reflects the current earnings of the money market fund than the total return quotation.

d) This fund may not be available in all plans. This option is offered outside the group variable annuity contract. The funds initial investments will be in units of Morley Financial's Stable Value Fund. Return history pertains to the Stable Value Fund managed by the same fund manager since inception in December 1993.

g) Interest rates are declared quarterly and are subject to change. Guarantees are subject to the claims-paying ability of the company. The unregistered fixed annuity is issued by Nationwide Life Insurance Company, Columbus, Ohio.

j) Nationwide Investor Destinations Funds are designed to provide diversification and asset allocation. They do this by investing in several types of investments and asset classes. So, in addition to the expenses of the Investor Destinations Fund, you pay a proportionate share of the expenses of the underlying funds.

l) The Target Destination Funds invest in a wide variety of underlying funds to help reduce investment risk. So in addition to the expenses of the Target Destination Funds, you pay a proportionate share of the expenses of the underlying funds. Like other funds, Target Destination Funds are subject to market risk and loss. Loss of principal can occur at any time, including before, at or after the target date. There is no guarantee that target date funds will provide enough income for retirement.

n) The Nationwide Large Cap Growth Portfolio is not a mutual fund. Its performance cannot be tracked in newspapers or through other public resources. You can find more information and track the Portfolio's performance via your plan's website, www.dallascountydc.com.

RISK DISCLOSURES

Money market funds: Money market funds are not insured or guaranteed by the FDIC or any other government agency. Although the goal of a money market is to preserve the value of an investment at \$1 per share, it is still possible to lose money.

International/emerging markets funds: Funds that invest in international stocks face risks that funds investing only in U.S. stocks do not. Currency fluctuation, political risk, differences in accounting standards and the limited availability of information may make these funds less stable.

Small company funds: Small and emerging companies may have less liquidity than larger, established companies. Therefore, funds investing in stocks of small or emerging companies may face greater price volatility and risk.

PERFORMANCE RESULTS

Investment Performance Information - July 1, 2018 to September 30, 2018

High-yield bond funds: Funds that invest in high-yield securities may have more credit risk and changes in price than funds that invest in higher-quality securities.

Non-diversified funds: Funds that invest in a single industry or small number of securities may be more volatile than those that invest more broadly.

Government bond funds: These funds invest mainly in securities of the U.S. government and its agencies; however, these entities do not guarantee the value of the funds.

Real estate funds: Funds that invest mainly in real estate are sensitive to economic and business cycles, changing demographic patterns and government actions.

IMPORTANT DISCLOSURES

Investing may involve market risk, including the possible loss of principal. Certain underlying funds discussed here are only available as investment options in group variable annuity contracts issued by life insurance companies. They are not offered or made available directly to the general public. These portfolios contain different investments than similarly named mutual funds offered by the money manager and investment returns may be higher or lower.

Inception Date is the date the underlying fund was established. Non-Standardized performance for UIOs includes hypothetical performance for periods before the UIO was available in the annuity, where applicable, applying contract charges to actual fund NAVs to determine the performance the UIO would have achieved inside the separate account.

Performance numbers in the YTD (Year To Date) column are not annualized returns and represent the total percentage change in unit value from the beginning of the year to the date of this report.

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**NATIONWIDE FINANCIAL SERVICES, INC.
NATIONWIDE RETIREMENT SOLUTIONS, INC.
PUBLIC SECTOR RETIREMENT PLAN ADMINISTRATION**

Report on Management's Description of its System and the Suitability of the Design and
Operating Effectiveness of Controls

For the period January 1, 2017 to December 31, 2017

**NATIONWIDE FINANCIAL SERVICES, INC.
NATIONWIDE RETIREMENT SOLUTIONS, INC.
PUBLIC SECTOR RETIREMENT PLAN ADMINISTRATION**

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I. INDEPENDENT SERVICE AUDITORS' REPORT



KPMG LLP
One Cleveland Center
Suite 2600
1375 East Ninth Street
Cleveland, OH 44114-1796

Independent Service Auditor's Report

Board of Directors of Nationwide Financial Services, Inc.:

Scope

We have examined Nationwide Financial Services, Inc.'s (NFS) description of its system entitled "Nationwide Financial Services, Inc.'s Description of its public sector retirement plan administration system" for processing user entities' transactions throughout the period January 1, 2017 to December 31, 2017 (the description) and the suitability of the design and operating effectiveness of the controls included in the description to achieve the related control objectives stated in the description, based on the criteria identified in "Nationwide Financial Services, Inc.'s Assertion" (the assertion). The controls and control objectives included in the description are those that management of NFS believes are likely to be relevant to user entities' internal control over financial reporting, and the description does not include those aspects of the public sector retirement plan administration system that are not likely to be relevant to user entities' internal control over financial reporting.

NFS uses a subservice organization, TierPoint Data Center (TPDC) for hosting the TMS (Public) system. The description includes only the control objectives and related controls of NFS and excludes the control objectives and related controls of the subservice organization. The description also indicates that certain control objectives specified by NFS can be achieved only if complementary subservice organization controls assumed in the design of NFS's controls are suitably designed and operating effectively, along with the related controls at NFS. Our examination did not extend to controls of the subservice organization, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of NFS's controls are suitably designed and operating effectively, along with related controls at NFS. Our examination did not extend to such complementary user entity controls, and we have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.

Service Organization's Responsibilities

In Section II, NFS has provided an assertion about the fairness of the presentation of the description and suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description. NFS is responsible for preparing the description and its assertion, including the completeness, accuracy, and method of presentation of the description and assertion, providing the services covered by the description, specifying the control objectives and stating them in the description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria stated in the assertion, and designing, implementing, and documenting controls that are suitably designed and operating effectively to achieve the related control objectives stated in the description.

Service Auditor's Responsibilities

Our responsibility is to express an opinion on the fairness of the presentation of the description and on the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on our examination.



Our examination was conducted in accordance with attestation standards established by the American Institute of CPAs. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, based on the criteria in management's assertion, the description is fairly presented and the controls were suitably designed and operating effectively to achieve the related control objectives stated in the description throughout the period January 1, 2017 to December 31, 2017. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of controls involves:

- performing procedures to obtain evidence about the fairness of the presentation of the description and the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on the criteria in management's assertion,
- assessing the risks that the description is not fairly presented and that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the description,
- testing the operating effectiveness of those controls that management considers necessary to provide reasonable assurance that the related control objectives stated in the description were achieved,
- evaluating the overall presentation of the description, suitability of the control objectives stated in the description, and suitability of the criteria specified by the service organization in its assertion.

Inherent Limitations

The description is prepared to meet the common needs of a broad range of user entities and their auditors who audit and report on user entities' financial statements and may not, therefore, include every aspect of the system that each individual user entity may consider important in its own particular environment. Because of their nature, controls at a service organization may not prevent, or detect and correct, all misstatements in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the description, or conclusions about the suitability of the design or operating effectiveness of the controls to achieve the related control objectives stated in the description is subject to the risk that controls at a service organization may become ineffective.

Description of Tests of Controls

The specific controls tested and the nature, timing, and results of those tests are listed in Section IV.

Opinion

In our opinion, in all material respects, based on the criteria described in NFS's assertion:

- the description fairly presents the public sector retirement plan administration system that was designed and implemented throughout the period January 1, 2017 to December 31, 2017;
- the controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period January 1, 2017 to December 31, 2017, and the subservice organization and user entities applied the complementary controls assumed in the design of NFS's controls throughout the period January 1, 2017 to December 31, 2017; and
- the controls operated effectively to provide reasonable assurance that the control objectives stated in the description were achieved throughout the period January 1, 2017 to December 31, 2017 if complementary subservice organization and user entity controls, assumed in the design of NFS's controls, operated effectively throughout the period January 1, 2017 to December 31, 2017.



Restricted Use

This report, including the description of tests of controls and results thereof in Section IV, is intended solely for the information and use of management of NFS, user entities of NFS's public sector retirement plan administration system during some or all of the period January 1, 2017 to December 31, 2017, and their auditors who audit and report on such user entities' financial statements or internal control over financial reporting and have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities themselves, when assessing the risks of material misstatement of user entities' financial statements. This report is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

April 16, 2018
Cleveland, Ohio

II. MANAGEMENT'S ASSERTION



Nationwide Financial Services, Inc. Assertion

We have prepared the description of Nationwide Financial Services, Inc.'s (NFS) public sector retirement plan administration system entitled, "Nationwide Financial Services, Inc.'s Description of Its Public Sector Retirement Plan Administration System," for processing user entities' transactions throughout the period January 1, 2017 to December 31, 2017 (description) for user entities of the system during some or all of the period January 1, 2017 to December 31, 2017, and their auditors who audit and report on such user entities' financial statements or internal control over financial reporting and have a sufficient understanding to consider it, along with other information, including information about controls implemented by subservice organizations and user entities of the system themselves, when assessing the risks of material misstatement of user entities' financial statements.

NFS uses TierPoint Data Center (TPDC), a subservice organization, for hosting of the TMS (Public) system. The description includes only the control objectives and related controls of NFS and excludes the control objectives and related controls of the subservice organization. The description also indicates that certain control objectives specified in the description can be achieved only if complementary subservice organization controls assumed in the design of our controls are suitably designed and operating effectively along with the related controls at NFS. The description does not extend to controls of the subservice organization.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of NFS's controls are suitably designed and operating effectively, along with related controls at NFS. The description does not extend to controls of the user entities.

We confirm, to the best of our knowledge and belief, that:

- a) The description fairly presents the public sector retirement plan administration system made available to user entities of the system during some or all of the period January 1, 2017 to December 31, 2017 for processing their transactions as it relates to controls that are likely to be relevant to user entities' internal control over financial reporting. The criteria we used in making this assertion were that the description
 - i. presents how the system made available to user entities of the system was designed and implemented to process relevant user entity transactions, including, if applicable,
 - (1) the types of services provided, including, as appropriate, the classes of transactions processed;
 - (2) the procedures, within both automated and manual systems, by which those services are provided, including, as appropriate, procedures by which transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to the reports and other information prepared for user entities of the system;
 - (3) the information used in the performance of the procedures, including, if applicable, related accounting records, whether electronic or manual, and supporting information involved in initiating, authorizing, recording, processing, and reporting transactions; this includes the correction of incorrect information and how information is transferred to the reports and other information prepared for user entities;
 - (4) how the system captures and addresses significant events and conditions other than transactions;
 - (5) the process used to prepare reports and other information for user entities;
 - (6) services performed by a subservice organization, if any, including whether the carve-out method or the inclusive method has been used in relation to them;



Nationwide

- (7) the specified control objectives and controls designed to achieve those objectives, including, as applicable, complementary user entity controls and complementary subservice organization controls assumed in the design of the service organization's controls;
 - (8) other aspects of our control environment, risk assessment process, information and communications (including the related business processes), control activities and monitoring activities that are relevant to the services provided.
- ii. includes relevant details of changes to NFS's system during the period covered by the description.
 - iii. does not omit or distort information relevant to NFS's system, while acknowledging that the description is prepared to meet the common needs of a broad range of user entities of the system and their auditors, and may not, therefore, include every aspect of the public sector retirement plan administration system that each individual user entity of the system and its auditor may consider important in its own particular environment.
- b) The controls related to the control objectives stated in the description were suitably designed and operating effectively throughout the period January 1, 2017 to December 31, 2017 to achieve those control objectives if subservice organizations and user entities applied the complementary controls assumed in the design of NFS's controls throughout the period January 1, 2017 to December 31, 2017. The criteria we used in making this assertion were that:
- i. the risks that threaten the achievement of the control objectives stated in the description have been identified by management of NFS;
 - ii. the controls identified in the description would, if operating effectively, provide reasonable assurance that those risks would not prevent the control objectives stated in the description from being achieved; and
 - iii. the controls were consistently applied as designed, including whether manual controls were applied by individuals who have the appropriate competence and authority.

Kevin G. O'Brien
VP and CFO, Nationwide Retirement Plans

4/16/18

Date

Michael A. Richardson
Sr. Vice President, Chief Information Officer
Nationwide Financial

4/16/18

Date

**III. MANAGEMENT'S DESCRIPTION OF ITS PUBLIC SECTOR
RETIREMENT PLAN ADMINISTRATION SYSTEM**

**NATIONWIDE FINANCIAL SERVICES, INC.
NATIONWIDE RETIREMENT SOLUTIONS, INC.
PUBLIC SECTOR RETIREMENT PLAN ADMINISTRATION**

Overview of Operations

Nationwide Financial Services, Inc. (NFS), an affiliate of Nationwide Mutual Insurance Company, provides a broad array of financial services including Retirement Plans, Annuities, Life Insurance, Mutual funds and Banking. Certain retirement plan operations of NFS are provided by Nationwide Retirement Solutions, Inc. (NRS) Retirement Plan Administration Operations. NRS is an indirect wholly owned subsidiary of NFS.

NRS offers a range of investment products and services to meet the retirement and savings needs of state and local government entities and their employees. The majority of plan participants contribute to employer-sponsored plans (including Internal Revenue Code Section 401, 403, and 457 plans), which allow the accumulation of retirement assets through pretax employee contributions. Contracts with plans are separated into two different levels of service based upon whether NRS handles the participant accounting. These levels of service are Full Service (plan and participant level records are maintained) and Unallocated Service (only plan level records are maintained). Professional money management is available to Full Service contract plan participants through Nationwide ProAccount, a managed account service offered by Nationwide Investment Advisors, LLC, (NIA), and a subsidiary of NFS. NIA utilizes the services of RIA Services, Inc., a subsidiary of NFS, to interface with the operations of NRS. This report has been prepared to provide information on NRS', RIA Services, and ProAccounts controls, which may be relevant to internal control of both types of User Entities as well as both levels of service entered into by the plans.

Relevant Aspects of the Control Environment, Risk Assessment, and Monitoring

As this description is intended to focus on features that are likely to be relevant to internal control over financial reporting of NRS's User Entities, it does not encompass all aspects of the services provided or procedures followed by NRS for User Entity accounts.

Organization

There are 16 members currently serving as directors of the Nationwide Mutual Insurance Company board, including its Chief Executive Officer.

The Audit Committee consists of 5 external board members who monitor internal and external examinations of NRS and ensure that suitable internal control is maintained.

NRS's activities are conducted in accordance with established policy and procedural guides, which are periodically updated. The responsibilities of NRS are allocated among personnel to segregate the following functions: input of transactions, processing of transactions, recording of transactions, custody of assets and reconciliation activities.

Management Control

A formal management information and reporting system exists to provide monitoring of key control and performance measurements by management.

Adherence to controls is monitored through periodic management reporting of exceptions and production and transaction volume. Results of NRS's operations are communicated to various levels of management and culminate in a monthly report.

Personnel Policies and Procedures

NRS has formal hiring procedures that are designed to help ensure that new employees are qualified for their job responsibilities. New employees must be jointly approved by the Human Resources department and the manager of the department requiring the position. Hiring policies include meeting minimum education and experience requirements, and completion of reference, background and credit investigation checks.

Training of personnel is accomplished through supervised on-the-job training, external seminars, and in-house courses. Certain positions require completion of specific training. It is the immediate supervisor's responsibility to help ensure that employees have completed such training. Department managers are also responsible for encouraging training and development to continue to qualify personnel for their functional responsibilities.

Formal performance reviews are conducted on a semi-annual basis. On a monthly basis, immediate supervisors meet with their employees to review performance goals and provide feedback.

Internal Audits

NRS's activities are subject to review by the Office of Internal Audits (Internal Audits). Internal Audits has been established as an independent, objective appraiser of the Nationwide Group of companies' activities, acting in the interest of Nationwide and its policyholders. Internal Audits reports directly to the CEO and the Nationwide Audit Committee. Internal Audits' scope, responsibilities, and reporting relationships are outlined in a charter that is reviewed annually by the Audit Committee.

During the performance of audit engagements, Internal Audits reviews the reliability and integrity of operational and financial controls; ascertains the extent of compliance with established policies, plans, procedures, laws and regulations to which Nationwide is subject; verifies the accuracy and propriety of transactions processed; and ascertains the reliability of management information developed within the organization. The audits also cover automated system application controls, and review to help ensure that internal control is adequate to account for and safeguard assets, deter fraud, detect errors, and promote the efficient and effective use of Nationwide resources.

Internal Audits prepares an annual audit plan, which is reviewed and approved by executive management and the Audit Committee. The plan is developed using a formal risk management methodology and provides for an audit approach covering business issues deemed significant by Internal Audits. Activities for the year typically include operational and financial audits, special projects, and system development reviews. Formal reports of audit findings are provided to management after each audit and significant audit findings are summarized and reported to the Audit Committee. Finally, audit findings are tracked to help ensure that action is taken on reported audit findings, and there is an escalation process for issues that are not resolved timely.

Other Considerations

NRS's control activities are documented in a combination of manuals, which are updated on an "as-needed" basis.

A Conflict of Interest policy exists and a Conflict of Interest statement is required to be completed by managers and other key employees, except those whose duties are clerical in nature.

NRS is subject to regulation and supervision by the state insurance departments (Insurance Departments) in the states in which it operates. As such, NRS is required to file periodic reports with and is subject to periodic examination by regulatory authorities.

Transaction Processing

Retirement Plan Administration – New Plan Setup

New plan documents are received by an analyst, who then completes a pre-production checklist to verify that documents have been signed and have been received in good order. The analyst passes the new document to the Plan Support Analyst to be entered on the system.

After the new plan has been established, the pre-production and associated plan documents are passed to a Quality Control (QC) Partner for verification and sign-off. If the QC Partner finds an error it is noted on the checklist, the plan setup documents are passed back to the Plan Support Analyst for correction. Once the error is corrected, the Plan Support Analyst returns the documents to the QC Partner for verification that the correction has been made.

Once the new plan is set up on the system, notification is sent to the Plan Support Analyst. The Plan Support Analyst completes the contract issuance process, and then forwards the checklist and pertinent documents to management for review. Management reviews the documents, signs the Setup checklist, and forwards the documents to Imaging Services.

Retirement Plan Administration – Fund Release

Pre-scheduled fund releases to the DCdirect platform (consisting of the inclusion of an existing fund for an entity, the mapping of participant assets to that fund, and the restriction and/or closure of the old fund that the new fund is replacing) are aggregated by Nationwide Retirement Solutions as part of project exchanges and are documented on fund sheets by a corresponding Relationship Consultant. As part of a scheduled fund release, Relationship Consultants are to follow the intake process which includes adding the Intake Form and supporting documents into Nationwide's Work Request Tool by the Client Services Support Analyst are aggregated by the Plan Implementation and Administration (PI&A) and Fund Administration and manually entered into a required Project Scope Definition document for any of the following: fund additions, fund restrictions and/or closures, price conversions, and future date fund mapping. The Project Scope Document is a document which is used to communicate the fund release activity to the various teams in a concise manner with approvals from each team involved in the release within the Work Request Tool. The Work Request Tool allows for activity central location to maintain the scope document and updates.

Funds are added to DCdirect as part of a scheduled fund release by a PI&A. To help ensure fund entry into DCdirect is complete and accurate, a secondary Support Analyst performs a quality control review of the fund data entry on DCdirect. Both the Support Analyst completing the DCdirect fund data entry and the secondary Support Analyst providing a QC good order review authorize the fund addition sheet via annotating the good order scope document.

NRS participants impacted by a mass fund release appear on a corresponding system report the day after the release takes place. The report systematically displays all monetary exchange ins/outs of DCdirect funds included on the fund release and provides NRS Client Support management the ability to perform validation testing insuring all monetary amounts (whether debits or credits) were completely and accurately migrated from one fund to another as listed on the DCdirect Fund Release Project Scope Definition Document.

Retirement Plan Administration – Plan Maintenance

Occasionally, changes are made to the general information of a plan. Significant changes include, but are not limited to, contract charges, plan name, interest rates and interest rate guarantee periods. Upon initiation of a change by a plan or NRS, the plan sponsor works with NRS agents to make the changes. Endorsements are also filed in the corresponding state with state regulatory agencies, if required. Depending on the type of change, the change will be included in a contract amendment, which is reviewed and signed, by either an authorized plan representative or a NRS Representative. The PI&A team will enter the necessary changes in the Imaging Services. Once processed the QC process will be followed.

Once the changes have been made, notification is sent to the responsible area. The responsible area reviews the changes.

Retirement Plan Administration – Participant Enrollments

Participants typically enroll using a Participation Agreement (PA) which can be remitted via employer, plan representative, or mail fax, email to Imaging Services or to the plan administration home office for manual account setup.

Manual Enrollments

New business applications are received by Imaging Services, where they are date and time stamped and imaged. They are then forwarded to the New Business Team for processing. The New Business Processor reviews the new business application to ensure it is in good order (name, address, date of birth, etc.). If the new business application is not in good order, the New Business Processor will key an Incomplete Enrollment and then forwards the business application to the appropriate department Not In Good Order (NIGO) Team which will try to collect the missing information. If the (NIGO) Team Processor is not able to obtain the necessary information, will then reach out by phone call and letter that the transaction will be closed.

Once the new business application is determined to be in good order, the New Business Processor enters the relevant information in the RPLink website (DCdirect system). At the completion of entry, the system is configured to list error and warning messages, which can then be addressed by the New Business Processor before submission. The enrollment is immediately processed and the account is established on the system. Samples of the applications are forwarded to the Quality Assurance (QA) Processor, who reviews the New Business Processor's work and verifies that data entries are correct. Nightly, the DCdirect system applies any purchases received prior to the input of the form and generates the application confirmation letters to the participant and plan sponsor. Each day, the issue resolution team is required to individually review the DCdirect Daily Error Report for errors originated from their processor ID. Errors are displayed on-line and on Report 1061 Daily Error Report.

Retirement Plan Administration – Participant Account Maintenance

Typical changes to participant accounts include changes related to a participant's name, beneficiary designation, deferral increase/decreases, personal information, Social Security number and investment election. Changes pertaining to investment elections and exchanges are discussed in the Retirement Plan Exchanges/Investment Elections section of this document.

Requests for maintenance can be received either through the Retail Service Center (RSC), telephone, or hard copy from the plan or participant. Typically, most maintenance requests are received via telephone. All requests initiated by a telephone call to a Customer Service Representative require the participant verify their name, Social Security number, address, and date of birth to help ensure the request is being received from an authorized source. Customer Service Representative interactions are recorded. The request is then entered into the system. At the completion of entry, the system is configured to list error and warning messages to be immediately addressed before submission. The nonfinancial transactions are effective immediately and are viewable online. If received via the RSC, the participant will be required to enter their user name and password for access to their account. Any change requested will be processed when the RSC interfaces with DCdirect.

Hard copy or manually processed items are processed by a New Business Processor, who also determines if the items are in good order and properly authorized. Items requiring QC are forwarded to the QA Processor via the NRS Workflow and Imaging system who then validates the entry paperwork. The NRS Imaging and Workflow system is an automated infrastructure tool for documenting and directing the progression of processing tasks.

On a quarterly basis, participant account statements are generated that indicate the changes made to the participant's account. See User Entity Reporting for a description of the User Entity Reporting Process. Investment election change requests are handled in the same manner as Exchanges (see the section of this document entitled Retirement Plan Exchanges/Election Changes). For participant maintenance transactions, the system generates an error report for any improperly processed maintenance transactions. Error reports are reviewed by the New Business Processor.

Retirement Plan Contributions/Receipts

Each business day, money associated with retirement plan contributions is received by NRS in one of three forms:

- Checks
- Wires
- Automated Clearing House (ACH)

Checks are remitted either via the Direct Deposit Account (lockbox) with the bank or via U.S. Mail/Overnight Mail.

Receipt of Checks via Lockbox

Certain plans remit retirement plan contributions and payroll documents to a designated lockbox. The bank deposits the checks into the bank account. The bank then remits one copy of the checks, check detail (Advice of Credit and Batch Detail Listing) and the payroll documents via courier to the Payroll Team. A processor reviews the payroll documents sent by the bank with each deposit and verifies that deposits listed on the Advice of Credit and Batch Detail Listing are received and accurate.

The processor then enters checks received on DCdirect via the Payroll Entry and Balancing System.

Receipt of Checks via the U.S. Mail/Overnight Mail

Certain plans remit retirement plan contributions to NRS via U.S. Mail or Overnight Express Mail. Imaging Services receives and opens mail and places a "For Deposit Only" stamp on the back of each check. A log of checks received is prepared by Mail Services. The log and checks are then remitted by Mail Services to a Check Processor in the Retail Service Center. After receiving the checks, the Check Processor restrictively endorses and photocopies checks for that day's deposits. The Check Processor then prepares a deposit ticket and forwards the deposit ticket, checks and log to a QC Processor for review. After approval from the QC Processor, the deposit tickets and checks are returned to the Check Processor who is responsible for remitting them to Treasury Services via courier twice daily.

Receipt via Wire/ACH

A Payroll Processor is responsible for printing the Incoming Wire Report three times a day (10:00 a.m., 2:00 p.m., and 4:00 p.m.) from the bank's website. The Payroll Processor then enters the wire and ACH receipts onto the system. To ascertain accuracy of the information entered onto the system, a second Payroll Processor performs a QC review. Finally, Payroll Processors sign-off on the ACH/Wire Log and forward to Reconciliation the next business day.

All Contribution Receipts

Each business day, the detail supporting retirement plan contributions is remitted to NRS in hardcopy format via a lockbox, U.S. Mail, or Overnight Mail. Imaging Services receives and opens all mail. Hardcopy detail is remitted from the bank or Mail Services, or Imaging Services depending on who initially received the detail, to the Retail Service Center Payroll Team for processing. Alternatively, the plans can fax retirement plan contribution information to the Document Solutions team.

Once the deposit receipt information and corresponding retirement plan contribution detail is received by the Retail Service Center Payroll Team, a Payroll Processor reconciles the receipt information with the retirement plan contribution detail. If the retirement plan contribution detail entered into DCdirect does not balance to the receipt information, DCdirect will place the information in an unbalanced status until the discrepancy is resolved. Information that is "in balance" according to DCdirect is assigned an effective date. DCdirect updates the participant accounts using the information from the nightly batch processing. A Financial Transaction Register (FTR) report is generated by DCdirect after the nightly flow. The FTR report shows that the total dollars received on DCdirect were processed in the system. These balancing procedures are performed by the Financial Service Representatives in the reconciliation area to ensure that deferrals are processed or placed in a suspense account.

Financial Operations personnel perform cash reconciliation on both a daily and monthly basis. Monthly reconciliations are reviewed by management within 25 business days of month end, and signed off as evidence of approval.

Daily, the Team Manager or Team Lead will review the regional unbalanced screen to identify unprocessed deferral contributions. This screen is used to monitor the timeliness of processing contributions against internal time standards (same day for contributions). Any unprocessed batches are assigned to a Processor to review, investigate, and resolve the unprocessed payrolls. Calls made to the entity in an effort to resolve the unprocessed payrolls are documented by the designated Processor. The Team Manager or Team Lead later reviews unbalanced screen to verify with the Processors that the unbalanced payroll batches are being researched by a Processor. Also, the Processor will note any calls to the plan sponsor to resolve problems on the batch header. The Reconciliation Processor validates that wires were entered on DCdirect and uses the Checks Received Report to identify any outstanding issues. The Reconciliation Processor then enters dollar amounts from the outstanding issues on the reconciliation as an open item.

Payroll deferrals that do not have an exact match on the DCdirect system are sent to the "Suspense Account" for various reasons, such as the entered Social Security number/plan sponsor number combination does not exist on the system, the account is at a closed or restricted status, or the life insurance premium exceeds the total deferral amount. Suspense reconciliations are performed on a daily basis and are distributed to Team Managers.

Each of the Suspense Account items must be researched and identified, and the final resolution must be made by the sixth day. Individual suspense tickets are delivered to the processing teams by the Internal Control Unit each day, and the 1176 Purchase Suspense Aged Open Items Report shows unresolved suspense items for regions to date. This report is reviewed daily by the processing teams to identify and clear suspense items. Open items older than 30 calendar days are distributed to NRS management on a weekly basis via email to ensure timely clearing.

A payroll analyst pulls a random sample of payroll participants processed in the previous week to quality check (qc) for good order.

Retirement Plan Withdrawals

Participants can withdraw funds from their accounts using one of the following options:

1. Annuitization/Systematic withdrawal
 - a. Purchased Annuity
 - b. Fixed Payment Systematic Distribution
 - c. Fixed Period Systematic Distribution
 - d. Required Minimum Distribution
 - e. Manual Pull Systematic Withdrawals
2. Immediate Payment
 - a. Single Payment – Entire Balance
 - b. Single Payment - Partial
3. Unforeseeable Emergency (Financial Hardship) Withdrawals (Paper Request)
4. Outgoing funds to another carrier plan
 - a. Rollover
 - b. Transfer
 - c. Purchase Service Credit
 - d. Plan to Plan Transfer

5. In-Service Withdrawal (not actively deferring, but not terminated)
6. In-Service Rollover (used to withdraw from a Rollover Pre-Tax money source at any time)
7. Beneficiary Withdrawal due to death of participant

Upon receiving a request from a participant to withdraw funds, a Customer Service Representative mails the participant a package containing payout election forms (except special cases which mail their own forms). The participant completes the appropriate form based on which withdrawal option they are choosing and mails or faxes the completed form to NRS, the participant may also complete the appropriate form online. A completed and signed form is required for withdrawals. Imaging Services will receive and scan the payout election forms, which are then forwarded to the distribution teams. Upon receipt of the payout election forms, a Disbursement Team Processor reviews the forms to determine the withdrawal option selected. All distribution requests are sent to the Balancing Team to be quality checked.

Annuity

The Income Products Service Center (IPSC) is responsible for maintaining the account information and making future payments for participants electing a purchased annuity option for payout (annuitization). Purchased Payments is a lump-sum distribution from the plan moving the assets from the Income Products Payout Service Center (IPPSC), with the future distributions made from the Repetitive Payment System 6 (RPS 6). For purchased annuities, the payout election forms are received by the NRS processing units who screen the applications for good order requirements and then forward them to an IPPSC Processor. The IPPSC Processor establishes the customer account and then enters the annuitization information contained on the payout election forms on RPS 6. The setup in RPS 6 and the rate calculation is reviewed by another member of IPPSC for accuracy. This review is evidenced by the reviewer signing the approval slip attached to the supporting documentation. Once the customer account has been established on RPS 6, the IPPSC Processor sends an e-mail to NRS Disbursement Team Processor requesting the account to be surrendered from the system. The NRS Disbursement Team Processor processes a surrender/transfer on the system with the funds being sent to IPPSC via wire. The NRS Distribution QC Processor reviews the annuitization surrender for accuracy. The following day, a Balancing Processor will obtain a report, which lists processed distributions and confirms the wire, which will move the money from the NRS bank account to the IPPSC bank account. Additionally, the Balancing Processor will inform the IPPSC Processor, via e-mail notification, that the surrender is completed. Participants with a minimum balance of \$5,000 have the option to choose a Purchased Annuity. The paperwork is mailed from the NRS fulfillment area when participants request a distribution packet. Once the completed paperwork is received by the NRS processing unit, it is screened for good order requirements. The NRS Disbursement Team Processor processes a surrender/transfer on the system. The NRS Distribution QC Processor reviews the annuitization surrender for accuracy. The following day, a Balancing Processor obtains the #1210 Daily Distribution Reconciliation Report, which lists processed distributions. When the first payment is generated from RPS 6 through PMTS, the IPPSC Processor receives a First Time Payment Report from RPS 6. This report is matched to the original supporting detail for the new setup and is verified for accuracy by a member of the IPSC team. The manager approving the checks on PMTS reviews the first-time payment report for evidence of review by another member of IPPSC and a copy of the supporting detail. The manager will approve the checks on PMTS upon the completion of his/her review. After the initial payment, reoccurring payments will be processed automatically. Once approved, the checks will be printed and mailed by Document Services. Once the first benefit payment commences, the benefit election cannot be changed.

A RPS 6 report identifying the expected checks from RPS 6, along with a PMTS report that identifies the checks that were processed is produced weekly. These reports are reviewed as part of the balancing by the IPPSC team. Payments are balanced daily, monthly, quarterly, and annually depending on the term elected by the participant. If the person elected payment via ACH, verification is performed to help ensure the payment is issued accurately and timely. For check payments that exceed \$10,000, the option and dollar amount is reviewed by the IPPSC team.

IPPSC receives the Daily Error Report, #1261, which identifies surrenders that did not process on the system/RPS 6, indicating where RPS 6 attempted to produce a check and PMTS did not produce the check. RPS 6 also produces an Action Required Report that identifies pending account setups and account changes, as well as an Activity Report, which identifies everything processed on RPS 6 the previous business day. The IPPSC Support Services team reviews the Action Required Report and investigates any unusual items. The Activity Report is utilized primarily for research purposes.

A participant can elect a systematic withdrawal to remain in the plan. In these cases, the withdrawal request is processed by a NRS Disbursement Team Processor and the periodic payment schedule would be established in the system following a good order screening. Once the periodic payment schedule is established, periodic withdrawals will automatically be made and a

check will be sent to the participant based on the term elected or when the distribution was processed.

Unforeseeable Emergency Withdrawals (Paper Requests)

Participants may apply to receive funds for an unforeseeable emergency/financial hardship via paper application.

Paper applications are reviewed for good order requirements (name, address, Tax ID or account number, date of birth, etc) and then reviewed under the IRS Unforeseeable Emergency plan specific guidelines as interpreted by Nationwide. The processing unit also determines if supporting documentation was presented to support the withdrawal request. One of three outcomes are derived from this review.

1. The application is approved and processed through DCdirect, with special attention paid to the participant's taxation request and mailing instructions (U.S. Mail or ACH).
2. The application is pended for 60 days and a letter is sent requesting additional documentation to support the request.
3. The application is denied and is pended for 30 days in the case that additional information is received.

Overview of the Distribution Process

Payout requests are initiated through a paper application and with evidence of termination of employment. Once the payout terms are established the participant can call at any time and request additional amounts from their established payout terms assuming the amount is up to \$10,000 but not more than 95% of the account value. The participant can also call to change periodic payment amounts and processing dates.

For over the phone requests the customer service representative verifies the participant's name, SSN, DOB, and address. Once they have verified the account for security they will then verify the initial distribution request was done via paper and that termination of employment is on file, and that the plan is eligible for this payment request. If the participant is eligible the customer service representative completes the request form with all of the necessary information and submits it through Imaging for review in the processing department.

For other payout requests, the processor determines that the participant's name, address, and Social Security number agrees to information included on the system. The processor also reviews the date of birth to help ensure the request meets minimum distribution requirements governed by the Internal Revenue Code. The processor checks the participants' tax elections. Finally, the processor checks to see if the waiver of notice box has been initialed on the request form. This means that the transaction will be entered on the system with a future effective date. The processor accesses the system and enters the payee and distribution information for immediate payments, outgoing funds to another carrier, in-service withdrawals, and financial hardships. Once the transaction is entered the Balancing Processor will QC the transaction and generates the system report. The Balancing Processor reconciles withdrawal requests as reported on the systems. The Balancing Processor's name is automatically entered onto each withdrawal request on PMTS after review. If a discrepancy or error is noted, the Balancing Processor will forward the request using Imaging, back to the original processor to correct the transaction. Once the correction is made, the request will be reviewed by the manager (in the case of a manual check) or the balancer again if the error was created on the system. Once the transactions have been balanced, the balanced report is passed to the Manager for approval. Requests are approved online and evidenced by the manager's name being automatically entered onto each withdrawal request after review on PMTS. Payout election forms are then remitted to "closed" in the NRS Imaging and Workflow System. Items that are processed on the system, but not on PMTS appear on reconciliation reports. Items in error during the interface between the system and PMTS are identified on the 511D PMTS Report and referred to Distribution or Loan/UE Teams for resolution.

Retirement Plan Disbursements

Withdrawal payments (disbursements) can be issued in one of four formats:

1. Manual check
2. Operations check
3. ACH (An ACH is also used to transfer funds to the IPPSC account when an annuity is purchased)

4. Wire

Payment via Manual Check

Manual checks are used in certain situations (e.g., payments to those with a foreign address, and instances where corrective processing must be performed). For manual checks, the withdrawal information is entered on PMTS. A manual check request is prepared and imaged by the Disbursement Team Processor. The manual check request, along with the withdrawal request detail from the system, is given to the manager for review and approval. The manual check request and detail is then forwarded to Treasury Services. The Treasury Services Processor accesses PMTS and validates the payee and amount is correct and that the account balance is sufficient to cover the request. The check is then prepared and logged according to the method of delivery that will be used (regular mail, overnight, or pick-up by a NRS Processor). The checks will be mailed directly from Treasury Services or the mailroom to the designated recipient. A second processor will perform a QC review of the request and the check before the check is mailed. After a batch of manual checks has been printed, a Treasury Services Disbursement Accountant compares the PMTS system report, which lists the checks requested with the check log, which shows checks printed. Any discrepancies between the number of checks requested and the number of checks printed is followed up by the Treasury Services Disbursement Accountant.

Payment via Operations Check

Operations checks are those checks electronically approved in PMTS and automatically sent through the system to be printed in the Document Services print shop for mailing unless special mailing instructions are involved. A file is transmitted from PMTS to the Document Services print queue. The checks marked for ADMIN on the PMTS system are delivered back to the NRS Distribution Processing Teams to satisfy the special instructions.

Infrequently, a check is destroyed in the printing process and NRS Disbursement Team is notified to reissue and stop pay the destroyed check.

For both manual and operations checks, there is an electronic signature in the system. Once a check request has been approved in the system, the system allows the electronic signature to be printed on the checks.

Payment via ACH or Wire

For manual ACH or Wire requests, a Treasury Services Accountant reviews for proper authorization and approves the request electronically. PMTS will then create and send a transmission file to the bank.

All Disbursements

Cash reconciliations are performed on a daily and monthly basis both by the Reconciliation Team and Treasury Services personnel. Monthly reconciliations are reviewed by management within 25 business days after month end, and initialed as evidence of approval.

Retirement Plan Exchanges/Investment Election Changes

From time to time, participants and plans may wish to exchange funds or change the manner in which future contributions are allocated to investment options. Participants can exchange funds or change their allocation mixes via the methods listed below. Plan Sponsors can also elect to add or delete funds offered within the plan through the fund mapping process which is separate from the methods listed below. Each business day, NRS receives exchanges/investment election changes from User Entities in one of three formats:

1. Telephone
2. Retail Service Center (RSC)
3. U.S. Mail or Facsimile

Via Telephone

The telephone exchange and investment election change request process enables participants to call NRS's Customer Service Center on a recorded line and transfer money from one investment fund to another (in the case of an exchange) or change the

manner in which certain future participant contributions will be allocated (in the case of investment election changes).

Participants can prompt out to the Interactive Voice Response (IVR) to a Customer Service Representative to perform these transactions.

If utilizing the IVR system, the participant is prompted to enter his/her Account Number and personal identification number (PIN) before the participant can access any account information or perform any transactions.

Transactions are entered into the system and confirmed with the participant. A QC review is completed on all exchanges greater than or equal to \$100,000. Additionally, participants receive a confirmation of the exchange and/or investment election change by mail.

Via RSC

The RSC allows access to DCdirect from the Internet. The RSC allows participants to access current fund balance information, make changes to future investment allocations, and allows the movement of participant funds between investment options. The RSC feeds the system on a daily basis. Participants receive a confirmation of the exchange and/or investment election change made via the web through the mail.

The RSC transactions and data in the system are protected with a combination of routers, servers, a network firewall, and transaction encryption methods. Unique participant information is required to gain access to the RSC and to establish an Internet account and password to that account. Once the account is established, a personal password is required to gain access.

RSC transactions use 256-bit encryption for transactions between the participant, the website, and the firewall for web browsers that support 256-bit encryption. After 15 minutes of inactivity with any browser, the session is terminated.

Via U.S. Mail or Facsimile

Hardcopy requests via U.S. Mail or facsimile are received by Imaging Services and are imaged and forwarded onto the Retail Service Center. A financial analyst will then process the requested exchange via the system. The accountholder receives a confirmation of the exchange and/or investment election change by mail.

A QC review is completed on a sampling of exchanges. If an error is identified, it is entered into the Service Tracking Database for monitoring and resolution. Once added into the database, an error is to be resolved within five business days. Items may be pended for longer than five days provided research has been completed and documentation provided for the pended item. Team Leads and Managers monitor the Service Tracking Database on a daily basis to determine the status of each pending inquiry/item. Any exchange items needing retroactive investment processing must have management approval.

Investment Transactions

NRS provides full-service contract level of service, where NRS maintains participant records. Therefore, investment transactions are kept at the participant and plan levels.

Investment transactions that are the direct result of contribution, withdrawal and exchange transactions are entered onto the system upon receipt of notification from the account holder for participant level (full-service) contracts.

Variable Investment Options

Each day, typically before 4:00 a.m., the system sends daily trade information to the Buy/Sell Trading System (BUYS). The interface feed received from the system by BUYS is balanced to the administrative feed received by the general ledger system. By 4:00 a.m., BUYS notifies each Financial Operations staff member of the status of the National Securities Clearing Corporation (NSCC) flow. The BUYS system is programmed to identify trades that can be processed through NSCC. NSCC allows trades to be initiated and settled in a timelier and cost-efficient manner (on a net basis) than manual fax order forms sent directly to the fund houses. By 6:15 a.m., BUYS creates and sends a batch file to the NSCC of the daily trades. BUYS automatically sends an e-mail notification to Financial Operations indicating that each line of business' NSCC trades were sent successfully. This alerts the staff if manual fax order forms need to be initiated for missed NSCC processing by an individual line of business. By no later than 9:30 a.m., the Financial Operations staff faxes the manual order forms to the fund houses that do not use NSCC. Around 10:00 a.m., manual wires are posted to PMTS, and the Disbursement Wire Totals Report and Manual Payment Summary Approval Sheet, after being signed by an authorized Financial Operations

approver, are sent to Treasury Services for final approval and initiation of wires. The NSCC notifies BUYS of the trades rejected as soon as they occur. This allows NRS to research and resolve any rejected trades in a timely manner. Confirmed or accepted trade notifications are received throughout the day from the NSCC. The final NSCC settlement information is received around 12:00 p.m., and an e-mail notification is sent to Financial Operations. After 12:00 p.m., the NSCC settlement information is balanced to the Cash Requirement Report, and settlement notification spreadsheet is completed and emailed to the bank and Treasury Services.

Manual wire requests are automatically set up on PMTS by an interface between PMTS and BUYS. A member of the Financial Operations team verifies that the BUYS Disbursement Report agrees to each pending wire on PMTS. If a wire does not exist that should be on PMTS, the team member enters the wire into PMTS. If a wire exists that should not, the team member removes or deletes the request from PMTS. An authorized approver must approve each wire request established in PMTS. A Manual Payment Summary Approval Sheet is printed from PMTS and signed by the authorized approver. The Manual Payment Summary Approval Sheet and the Disbursement Wire Summary are reviewed by Treasury Services for proper authorization. Once the authorization has been noted, Treasury Services approves the wires on PMTS and the wires are released to the bank for processing.

On a periodic basis (no less frequently than monthly), investment transactions with mutual fund houses are reconciled to mutual fund account statements by a Senior Accountant in Portfolio Accounting that is independent of the Accountant placing the trades.

Fixed Investment Options

Each evening the system updates the general ledger system for the fixed investments purchased and sold that day. A Senior Accountant performs monthly ledger reconciliations of fixed investments to the financial transaction information on the system, which includes deposits and withdrawals. In addition, a quarterly reconciliation is performed to ensure that the interface between the system and the general ledger system is working correctly. This reconciliation involves an Accounting Supervisor verifying the fixed investment balances per the general ledger system to reports of fixed investment balances per the record-keeping systems. A Senior Actuarial Assistant ensures that the fixed investment balances per this report agree to what was entered onto the Company's general ledger system.

Quarterly, valuation summaries are uploaded by NRS Systems Department to a website and then downloaded by the Actuarial Department. Either an Actuarial Analyst or a Senior Actuarial Assistant reconciles the system valuation summaries to data obtained from the original source table data files. On a quarterly basis, a Senior Actuary approves fixed investment data to be uploaded to the general ledger system by the Finance Department.

Unit Valuation

Both variable and fixed investment options are valued based upon unit values multiplied by the number of units held (i.e., an underlying investment option's unit value multiplied by the number of units held by the participant equals the value of the investment option). The change in unit value is calculated for each underlying mutual fund in a variable annuity contract and for each fixed investment option. These calculations are performed daily by the VALU system for variable investment options and the record-keeping systems for fixed investment options. For variable investment options, an Associate in the Unit Value Accounting Department, independent of the Associate who entered the information into VALU, reviews a system-generated report of the data entry information for accuracy and evidences review by initialing the system-generated report. For fixed investment options, an Actuarial Assistant in the NRS Actuarial Department reviews interest earned monthly for reasonableness compared to the contract rate.

Both variable and fixed investment option unit calculations are equal to the previous day's unit value multiplied by a Net Investment Factor (NIF).

Variable Investment Options

The NIF for the variable investment option is calculated using the following formula:

$$\text{NIF} = [(\text{NAV}_t + \text{Div} + \text{Cap Gains}) / \text{NAV}_{t-1}] - (\Delta \text{dys} * \text{Daily Admin Charge})$$

where

NAVt = The mutual fund's net asset value (NAV) at the end of today.

NAVt-1 = The mutual fund's NAV at the end of yesterday.

Div = Dividends. Accumulated income distributed by the mutual fund at the end of today.

Cap Gains = Capital Gains. Distribution of net capital gains by the mutual fund at the end of today.

Adys = The number of days since the last unit value calculation.

Daily Admin Charge = The daily administrative charge assessed by the contract.

Each evening, the Unit Value Accounting Department electronically receives the current day's dividend rate, capital gain rate, NAV per share and change in NAV per share by one of three ways. They receive them via email, through the NSCC or by FTP file from the fund house or agent. There are also some prices that may have to be entered manually.

Once prices received by the VALU system the system performs a series of control checks for accuracy. If any price fails the control checks it will suspend, (does not process) until the Accountant researches the issue and validates the price received or makes any necessary corrections. As each price (including NAVs/Divs/CG) are processed and any suspended items are cleared, the VALU system calculates the current unit value using the above formula. VALU then interfaces with DCdirect and updates DCdirect with current unit values.

For prices entered manually an Associate in the Unit Value Accounting Department, independent of the Associate who entered the information onto VALU, reviews a system generated report of the data entry information for accuracy; this is evidenced by the Associate initialing the generated report. Once the information is input onto VALU, VALU calculates the current unit value using the above formula. VALU then interfaces with DCdirect and updates DCdirect with current unit values.

Dividend and Capital Gain rate information is received by the Unit Value area and entered into the VALU system. This information is then posted to VIDS along with the NAV information. VIDS then calculates the number of shares to be reinvested into the account. This is then reconciled by comparing outstanding share balance post Dividend or Capital Gain share reinvestment between VIDS and what the fund house reports as their shares outstanding. All sporadic Dividends and Capital Gain are reconciled to the penny and the shares to the thousandths decimal place. For daily interest funds, by the fifth workday of each month, the Portfolio Accounting Area (PA) requests a VIDS5212 report (Monthly Detailed Daily Dividend (Per Fund House Range)). This report illustrates the daily dividend amounts that the VIDS system has calculated for the General Ledger period. The PA will retrieve the Dividend information from the fund houses via NSCC electronic data, calling, monthly account statements, or DST Vision access. These amounts are written on the VIDS5212 report. Any variances over the acceptable amount, \$500, are researched by the PA. The Accountant will verify that the daily Dividend rates and Record/Reinvest dates that the VALU system supplied agree to the fund house information. The Accountant is independent of the Associate that entered the information onto VALU and of the Associate that placed the trades with the fund house.

Once Dividend is reconciled, the PA will input the information into the VIDS system for monthly processing. The reconciliation is placed in a file evidencing the review.

Fixed Investment Options

The NIF for fixed investment option is calculated using the following formula:

$$\text{NIF} = (1 + \text{Interest})^{1/N}$$

where

Interest = The annual interest rate credited on the guaranteed return insurance contract which includes the guaranteed interest rate earned less any contract charges assessed

N = Number of days in the year

The system has fixed investment options for contracts underwritten by NRS as well as other insurance carriers. For NRS contracts, interest rates on the fixed investment options are determined and reviewed quarterly by a NRS Actuary. For these

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Management's Description of its System

insurance contracts that have their interest rate determined by a NRS Actuary, interest rates are reviewed and approved by a Senior Actuarial Officer.

On the first business day of each quarter, the interest rate calculation for fixed investment options is electronically downloaded by a Senior Actuarial Analyst who reconciles the system valuation summaries to the data obtained from the original source data files. The data runs through the nightly flow and the system uses the unit value process to update the system with the current unit values.

For fixed investment options that may have interest rates change throughout the quarter, the Company Actuary will create a memo which orders a change in interest rate for that particular fixed investment option. This memo (which lists the fund #, daily factor, and the new interest rate) is then delivered to the Internal Control Team Manager, who reviews the memo for reasonableness. The memo is then given to an Accounting Clerk, who manually enters the change into the system. The data then runs through the nightly flow where the system updates the interest rate credited information maintained on the system. The following business day, the Internal Control Team Manager will compare the system with the memo to ensure the change was made. Any discrepancies are investigated and followed up by the Internal Control Team Manager.

User Entity Reporting

Statements

Participant and plan statements are generated from the record-keeping systems beginning on the first day following the calendar quarters. Prior to generating statements, files of statement data are received from outside providers and reviewed by the Statement Unit Team for good order. These files are reconciled against the system files and reports are generated to balance the data and to report unbalanced accounts.

The Statement Unit Team performs an audit ensuring financial transactions fields on the statement and funds available to the entity are properly being reported. These fields include beginning and ending balances, deferrals and incoming transfers, withdrawals and surrenders, exchanges, charges and gain/loss on investments. In addition, nonfinancial data is verified including phone numbers and address. Also, fund performance is verified. Both participant and plan statements are included in the audit. Once verified, statements are released to be printed and to insert into statement envelopes. Systematic and manual controls are in place to ensure insertion quality and counts. An additional audit is performed on the statements loaded to the web prior to the release of the on-line statements for participant and plan viewing.

The control activities consist of the following:

An audit is performed by the Statement Team prior to the releasing of statements to be printed or loading to the web. The audit consists of verifying fund balances by calculating the unit values and verifying that the beginning balance agrees with the previous period's ending balance. They also ensure that financial transactions are included in the audit. The address and phone numbers, etc., are checked. An audit checklist is prepared and initialed by the processor and by a Unit Manager to ensure completeness of the audit. A OCR and Filebase/MRDR code is printed on each statement page to ensure page counts are accurate and the statement matches the mailing address.

Once the statements are inserted into envelopes, the NSC Quality Control Team performs a "Mailroom Audit." This consists of pulling statements at random, opening them up to ensure that statements are properly included, the correct postage is metered, the correct envelope is used and the address presentation meets postal requirements.

Investment/insurance product provider data not accounted for by NRS is remitted electronically to the system. The information is received via teleprocessing, from the outside provider. The teleprocess file is received directly by the IT area. Once the data is identified as in good order, the reconciliation program runs and produces balanced and unbalanced reports, based on a comparison of the systems records to the carrier's records.

Tax Reporting

Taxpayer information is entered onto the record-keeping systems by processors from the participant's tax form or, in the case where no tax form is received, the tax information is defaulted by the system based on the withdrawal request. Payment information is then electronically fed to PMTS. PMTS electronically feeds Taxport YTD taxable transactions monthly in order for the Internal Revenue Service (IRS) Tax Forms W-2, 1042S, Puerto Rican 480.6, and 1099 to be prepared. The 1099 print files are forwarded to the Printing and Document Services area; forms are created, printed, and the participant copy is mailed by Printing and Document Services before the IRS deadline. Convey prints and mails forms W-2 and 480.6 before the IRS

deadline.

Monthly, the Finance Tax Reporting Unit generates rejection reports from Taxport for unusual withdrawal information electronically fed to it by PMTS. These rejection reports are forwarded monthly to the Internal Control Area to determine the nature of each unusual item. True discrepancies are forwarded to tax maintainers to be corrected. The Tax Coordinator reviews corrections made on discrepancy items and checks to make sure they are resolved within time standards prior to the release of the tax information. The Tax Reporting Analyst reviews the following month's rejection report to ensure discrepancies were properly cleared. After the Tax Reporting Analyst reviews the report, it is submitted to the NRS Disbursement Manager. Since the exception reports are cumulative (i.e., error conditions remain on the report until corrected and/or cleared), the NRS Disbursement Team can review the report at year-end to determine if the necessary changes have been made in order to release the year-end tax information.

Computerized Information Systems

Nationwide Retirement Plans uses a number of different computerized information systems in order to process User Entity transactions. Most of these systems have been developed internally.

DCdirect - DCdirect is a Java-based application allowing both online real-time and batch processing. DCdirect uses a batch flow to apply the majority of financial transactions. Nonfinancial and financial transactions, for which the price of the investment options is known, are processed real-time. Investment options include fixed and variable options provided by various financial institutions. Daily interfaces provide pricing information for the variable products while fixed pricing is calculated daily based on certain predetermined rate factors. DCdirect uses a combination of different online inquiry transactions to aid in customer's inquiries. Online update transactions are also available for plan level activity. DCdirect has the ability to house a large number of accounts and process large volumes of transactions while still meeting daily service level agreements. DCdirect interfaces with different systems to facilitate User Entity record keeping and provides daily reports, which support transaction activity.

TaxPort – Accumulates withholding amounts in order to prepare tax Forms W-2, 1042S, Puerto Rican 480.6 and 1099.

Retail Commission System (RCS) – This system is used by NRS Administration to track incoming participant deferrals to have commissions paid.

Interactive Voice Response (IVR) – IVR provides participants, via their touch-tone phone, the ability to review their account balance and current investment allocation information. It also gives them the ability to change their future investment allocation and process exchanges.

Retail Service Center (RSC) – RSC provides participants and plan sponsors with a variety of plan and individual participant level information, including balances and current investment allocations. The RSC allows input of participant enrollments, participant demographic changes and participant exchange and investment allocation change transactions.

BUYS – BUYS is an intermediary between Public Sector Retirement Plans and the National Securities Clearing House. It is used for the execution of mutual fund trades on behalf of the Public Sector Retirement Plans.

VALU – The VALU System receives NAVs from the various Fund Houses doing business with NRS. For Public Sector Retirement Plans, VALU generates net unit values (unit values with the asset management charges deducted) and interfaces these with DCdirect.

PMTS – The Payments System is used for the processing of disbursements. These can be checks, ACHs, or Wires.

Tax Calculator – The DCdirect accesses the Tax Calculator when processing a taxable withdrawal transaction. This system receives basic withdrawal data from DCdirect and returns the federal and state and withholding amounts. PMTS also accesses the Tax Calculator.

VIDS – Receives trading transactions from BUYS for buy/sell activities at the shareholder account level. This is the Portfolio area that reconciles shareholder account activity between the Mutual Fund Houses, G/L, and the Administration systems.

RIA Managed Accounts Transaction Management System (Public) –TMS (Public) is an Oracle Reports and PL/SQL based application that provides omnibus level modeling and trade capability of portfolios of mutual funds, a fee calculating engine,

and reporting. The application allows both online real-time and batch processing. TMS (public) is used by Nationwide Investment Advisor ProAccount for managing 457 plans participant investments.

Program and System Software Change Control

Nationwide Retirement Plans has documented change and emergency change management standards that describe the process for requesting and executing changes to the production environments.

For operational changes, a request is initiated by the Business Analyst (BA), an application member, or a business customer by entering information into the Work Request Tool (WRT). A project manager is assigned and the work is prioritized and scheduled by collaboration of the Project Manager (PM), Application Owner, Break-Fix (BF)/Walk-Up (WU) Lead, BA and Customer Manager. For TMS (Public), a request is initiated by the business consultant on behalf of an end user, operations team member, or a business customer by sending an email to the application. The work is prioritized and scheduled by collaboration of the RIA Services President and RIA Services Vice-President and Application owner.

Once work is approved, a Service Now Request for Change (RFC) is completed by the Release Manager. The RFC is submitted as soon as work begins on the change and an implementation date is finalized. The RFC captures information regarding the change: summary of change, description of change; contact information; implementation window; impacts to customers during implementation, after install, and postponement of change; installation strategy; back-out strategy; verification strategy; and classification of the change (e.g., minor, significant, major) as well as lines of business impacted. Each RFC is then assigned a developer. For TMS (Public), once work is approved, the work begins on the change and an implementation date is tentatively targeted. The functional Specification document captures use cases for the change: summary of change, the work is then assigned to a developer or developers.

The software design is prepared by the development team through iteration story cards. Coding and unit testing is performed once the design document has been approved. Version control packages are used to facilitate the development, testing, and implementation process. If developers are making changes to production code, they must create one or more branches in the version control software. Production code is checked out into these branches and the developers make their changes to the code. Once created, the branches are promoted into the testing environment by the developers for unit, system and acceptance testing. Version control packages installed into Production must be installed in the testing environment first. Branches must also be approved by the developer before installation into Production. The BA is responsible for conducting and recording acceptance testing. If there are no discrepancies between the expected test results and the actual test results, the developer sends an e-mail to the BA group, describing the changes made and asking for their approval to implement. The BA replies to indicate approval.

In the event that a change needs to be inserted into the monthly project release, after the release scope or code freeze has passed, a ServiceNow request needs to be completed online by the developer interested in making the change. The developer completes the form with information regarding the application area, environment, change type, application name, approver, description of the change, effective date and time, server name, RFC number, and comments/instructions. When selecting the approver, the system automatically provides the developer's manager and that manager's manager as choices. The developer also has the option of selecting another approver.

Once the request is completed and submitted, the selected approver is notified of the request via e-mail. The approver is responsible for reviewing the request and approving or rejecting the request. The developer is notified of the status of the request (i.e., approval, assignment, completion, etc.) via e-mail during the entire process.

Once the request is approved, the developer making the change completes an Implementation Specification form. This document outlines the modules that have changed as well as procedures to install and verify any version control package changes. The following people must review and approve/sign the form before the change is migrated into the production environment:

- Document Author – for changes
- Document Reviewer – for changes
- Business Manager – for changes that affect business users only
- BF/WU Lead – for operational changes only
- PM – for project changes only

- System Steward – for changes

The changes are migrated to production by a designated individual or team which does not have development responsibilities. The specific teams are application or platform specific. Once the changes are installed, the RFC status is updated to closed. For operational changes, the WRT is also closed.

For TMS (Public), the following people must review the implementation plan document before the change is migrated into the production environment:

- Document Author – for changes
- Document Reviewer – for changes

Once the changes are installed, post-implementation validation is performed.

Logical Access

Nationwide Retirement Plans has established Information Security policies that include standards to be followed for management of logical access including authentication and password requirements; procedures for granting, removing and reviewing access; and procedures for managing privileged access and generic IDs.

The applications and underlying operating systems are configured to require a valid user-ID and password to gain access. Password parameters are configured to enforce password complexity standards as documented in the information security policy. This includes a minimum length of 8 characters, expiration every 56 days, with the exception of TMS (Public) which expires every 60 days, lock out after 5 invalid attempts, and meeting 3 of 4 complexity requirements (upper case, lower case, numeric, special character).

User access to the applications requires formal management approval and users must complete an access request form in order for access to be granted or modified. Once the form has been completed and approved, the user forwards the form to the appropriate security administration team who reviews the request to ensure that required information has been completed and that management authorization has been obtained. The security administrator then grants the user the access requested. He/she then notifies the user as well as the approver via e-mail that the user's access has been set up and contacts the user directly with their password.

It is the responsibility of business unit management to notify the application security administrators of employees leaving or transferring positions. Additionally, when an employee is marked as terminated in the Human Resource application, their internal network (NWIE) ID is automatically disabled, revoking network access. On a quarterly basis (except TMS (Public) which is reviewed on a bi-annual basis), NRS management reviews user access privileges on each of the applications and privileged access on the operating systems to help ensure access remains appropriate. User IDs found to have inappropriate access are removed.

Generic IDs are registered and assigned a formal ID guardian. This ID guardian is responsible for maintaining a description of the purpose and intended use of the ID, a list of authorized users of the ID, and any related documentation, such as activity logs, password resets, and access permissions.

RSC and IVR access by plan providers and participants

Plan participants and Sponsors can manage their accounts in the RSC system. They use their access IDs and passwords, which are verified against an enterprise repository. The participant can create a user name and a password (both of which must be between 8 and 20 characters), and the process is supported by system prompts and system help messages. A password must be alphanumeric, and the account is suspended after five invalid logon attempts. Plan participants can access their information via IVR using their Account Number and unique PIN. If a PIN is not already established, participants can create a PIN within the IVR, when prompted, by entering a valid date of birth. A participant and a plan sponsor can also call in to the support team and have a team member provide services for them.

Physical Access

Data Center East (DCE)

Development, Test, Disaster Recovery and a portion of the IVR-RP Public Production Systems are housed at the Data Center East (DCE). DCE is a Tier IV facility located in New Albany, Ohio. The low profile building was constructed to withstand 250 mile-per-hour winds. No signs explicitly identify the building as a Nationwide data center. A security fence surrounds the entire building. Installed on the fence is an Oscillation system to detect vibrations. Security cameras surveying the grounds are monitored by the security officer on duty.

Nationwide's Corporate Security is responsible for the card key system and an officer is onsite 24x7x365. The officer monitors physical access, gates, video cameras and alarms. The key card system is configured to log each use. A hardcopy of the log is printed out at the security desk and is reviewed by one of the third shift security officers every day to insure all access is removed from ID Badges. External doors are equipped with alarms that are monitored and access to the building is restricted by card key.

For permanent badge access to DCE, an email request approval by the On-site Support Manager or Team Lead is needed. Access levels are programmed into the card key system according to the job functions performed. There are 15 access levels which can provide access per room/space. Temporary badges are issued by the security officer and must be returned upon leaving. The security officer keeps a record of all temporary badges issued.

A monthly permanent badge access report is generated and reviewed to determine if any change is needed. Badge access is immediately disabled from terminated personnel. Along with Security staff, IT Onsite Support analysts and Corporate Real Estate (CRE) building engineers are onsite 24x7x365.

Visitors who are not DCE employees are required to sign in and out at the security desk and must have a valid Request Item (RITM), Incident (INC) or Request for Change (RFC) (with a RITM attached). All IT personnel/vendors must sign into the Data Center Onsite Support Access database for all work beyond the office area. All CRE vendors performing work on the raised floor must also sign into the Access database.

Data Center North (DCN)

Production and Development systems are housed at the Data Center North (DCN), which is a Tier IV facility located in Lewis Center, Ohio. The low profile building was constructed to withstand 250 mile-per-hour winds. No signs explicitly identify the building as a Nationwide data center. A security fence surrounds the entire building. Security cameras surveying the grounds are monitored by the security officer on duty.

Nationwide's Corporate Security is responsible for the card key system and an officer is onsite 24x7x365. The glass wall of the security office located in front of the building is bullet proof. The officer monitors physical access, gates, video cameras and alarms. The key card system is configured to log each use. A hardcopy of the log is printed out at the security desk and is reviewed by one of the third shift security officers every day to insure all access is removed from ID Badges. External doors are equipped with alarms that are monitored and access to the building is restricted by card key.

For permanent badge access to DCN, an email request approval by the On-site Support Manager or Team Lead is needed. Access levels are programmed into the card key system according to the job functions performed. There are 6 access levels which can provide access per room/space. Temporary badges are issued by the security officer and must be returned upon leaving. The security officer keeps a record of all temporary badges issued.

A monthly permanent badge access report is generated and reviewed to determine if any change is needed. Badge access is immediately disabled from terminated personnel. Along with Security staff, IT Onsite Support analysts and CRE building engineers are onsite 24x7x365.

Visitors who are not DCN employees are required to sign in and out at the security desk and must have a valid RITM, INC or RFC (with a RITM attached). All IT personnel/vendors must sign into the Data Center Onsite Support Access database for all work beyond the office area. All CRE vendors performing work on the raised floor must also sign into the Access database. Cleaning crews are contractors and must have a valid RITM to enter each day to perform their work. Access will be added by Security when they arrive and removed when they leave.

Fire extinguishers, smoke detectors, and dry pipe fire suppression systems protect computing equipment from fire damage. The chillers and water side economizer are two ways we cool the data hall. Temperature sensors monitor the DCN data hall equipment. IT equipment and critical mechanical systems are powered by an uninterruptible power supply (UPS), two battery rooms, and two generator rooms create a fault tolerant environment.

TierPoint Data Center (TPDC)

TMS (Public) is housed in a data center controlled by the subservice organization TierPoint Data Center (TPDC) (which is considered out of the scope of this report). The IT controls which are considered carved-out for TMS (Public) are Control Objective 3 Physical Security (Control 3.1, 3.2, 3.3, and 3.4). All other controls for TMS (Public) are considered within the scope of this report.

Retail Service Center Data Transmissions

The flow of data through the RSC begins with a customer accessing the corresponding Nationwide website. At the Nationwide site, the user selects the participant account option and is taken to the customer login screen. New participants can call to request this type of web access to their accounts or complete the setup access request on the website. They must provide their Social Security number or tax ID number, date of birth, and account number. Once this information is authenticated, the user is prompted to select a user name and password, both of which must be between 8 and 20 alphanumeric characters. The user name and password are case sensitive. The user name must be unique. The password does not expire; however, the account will be suspended after five invalid password attempts. The user must call the Customer Service Center in order to get his/her password reset. A Customer Service Center Representative will perform the required user authentication procedures prior to resetting the user password.

Users must follow security standards in order to access Nationwide Retirement Plans information on the website. One of the security standards is encryption. If a user attempts to login without the required level of encryption, he/she will receive an error message indicating access was denied. The RSC uses 256-bit encryption for transactions between the user and the website and between the website and the firewall. The session is terminated after 15 minutes of inactivity with any browser.

Once the user name and password have been authenticated, the user can review account summaries and statements for past quarters, review fund performance, change user ID and/or password, and perform various types of exchanges and future allocation changes. User access is limited to the participant's own account(s). The Social Security number or tax ID number is an additional unique identifier, thus preventing unauthorized users from viewing any accounts other than their own. If a user has multiple accounts, he/she is prompted to select the account he/she wishes to access from the list of identified accounts.

Users can request loans through the Internet but cannot make withdrawals through the Internet. Users receive a confirmation via U.S. Mail for changes made to their account. If an address change is made, the confirmation is sent to the old address.

The RSC's transactions and Nationwide Retirement Plans' data are protected with a combination of routers, servers, network firewalls, and transaction encryption methods. The Nationwide Information Security Policy contains configuration standards for servers, firewalls and routers. A penetration test is performed at least annually to identify network vulnerabilities and network intrusion detection is used to monitor the servers that host the I-Media applications (RSC).

System Backups

The application owners and business management determines the backup schedule for each application commensurate with the risk of data loss based on the users' needs and criticality of the system. Operations personnel are responsible for ensuring that the backup schedule that is established is executed. Backup procedures have been documented which include processes for adding new backups, scheduling backups, and monitoring of backup jobs. If a scheduled backup job abends, the monitoring system automatically generates a problem ticket. The operations personnel then take necessary action to resolve the issue.

Approximately 95 percent of backup jobs are stored on a de-duplicated disk storage system. Offsite copies are automatically replicated to the reciprocal data center to provide an offsite copy. The remaining 5 percent of backup jobs are written to local SAN disk and then duplicated to two copies of tape. The primary copy is stored in a robotic tape silo in the primary data center. The second copy is transmitted to the remote reciprocal data center over secure links and written into a duplicate robotic tape silo for disaster recovery. Backup tapes maintained on-site are stored within physically secure data centers.

Tierpoint Data Center Management

Annual reviews of Independent reports such as SSAE 16 SOC reports for the Tierpoint Data Center will be conducted by the IT Director for RIA Managed Accounts and Information Risk Management personnel. The review will note any relevant control deficiencies identified in the reports and the IT Director for RIA Managed Accounts will coordinate with the vendor on recommended remediation actions.

Complementary User Entity Controls

The NRS Public Sector Retirement Plan Administration system was designed with the assumption that internal controls would be placed in operation by user entities. The application of such internal controls by user entities is necessary to achieve certain control objectives identified in this report. This section describes certain controls that user entities should consider for achievement of control objectives identified in this report. The complementary user entity controls presented below should not be regarded as a comprehensive list of all of the controls that should be employed by user entities.

Controls should be in place at the User Entity to provide reasonable assurance that:

Ref #	Complementary User Entity Controls	Related Control Objective
UC01	Instructions and information provided to NRS from User Entities should be in accordance with the provisions of the plan agreement, trust agreement or other applicable governing agreements or documents between NRS and the User Entity.	CO5, CO7, CO8, CO9, CO10 CO11
UC02	Timely written notification of changes to the plan, its objectives and its participants should be adequately communicated to NRS.	CO5, CO7, CO8, CO9, CO10 CO11
UC03	Timely written notification should be provided of changes to individuals who can authorize NRS to perform activities on behalf of User Entities.	CO5, CO7, CO8, CO9, CO10 CO11
UC04	Timely review of reports, including tax reports, provided by NRS of account balances and related activity should be performed by the User Entity, and written notice should be provided to NRS of discrepancies as compared to User Entity records.	CO5, CO6, CO7, CO8, CO9 CO10, CO11, CO14
UC05	Timely notification should be provided to NRS of changes in related parties for purposes of identifying party-in-interest transactions.	CO5, CO7, CO8, CO9, CO10 CO11
UC06	Authorized Plan Representatives should be responsible for monitoring the timeliness of changes to User Entity accounts.	CO5, CO7, CO8, CO9, CO10 CO11
UC07	Authorized Plan Representatives should ensure that participant enrollments are properly authorized.	CO7
UC08	Authorized Plan Representatives should maintain adequate physical and logical security controls over on-site terminals with the capability to interface with NRS's systems.	CO2, CO3
UC09	Users of the RSC should implement controls surrounding User IDs and passwords established for account use.	CO4, CO8, CO11

Ref #	Complementary User Entity Controls	Related Control Objective
UC10	The payroll officer of each employer should reconcile the contributions actually made with the employer's records (and related billings), notify NRS of any differences, and provide NRS with additional funds where necessary.	CO 9

Control Objectives and Related Controls

Nationwide Retirement Services, Inc.'s control objective and related controls are included in Section IV of this report, Control Objectives, Controls and Tests of Operating Effectiveness. Although the control objectives and related controls are presented in Section IV, they are, nevertheless, an integral part of Nationwide Retirement Services, Inc.'s description of its system as described in Section III.

IV. CONTROL OBJECTIVES, CONTROLS, AND TESTS OF OPERATING EFFECTIVENESS

**NATIONWIDE FINANCIAL SERVICES, INC.
NATIONWIDE RETIREMENT SOLUTIONS, INC.
PUBLIC SECTOR RETIREMENT PLAN ADMINISTRATION**

Tests of Operating Effectiveness of Specific Controls

KPMG's examination of the operating effectiveness of certain controls of the Company was restricted to the control objectives and the related controls specified by the Company in the "Testing Matrix" within this section and was not extended to procedures in effect at client locations or other controls that may be included in management's description of its system but not listed in the aforementioned matrix.

KPMG's tests of the effectiveness of controls included such tests as were considered necessary in the circumstances to evaluate whether those controls and the extent of compliance with them, were sufficient to provide reasonable, but not absolute, assurance that the specified control objectives were achieved during the specified period. KPMG's tests of the operating effectiveness of specific controls were designed to conclude on the operating effectiveness of controls throughout the specified period, for each of the controls listed in the matrices in Section IV. In selecting particular tests of the operating effectiveness of controls, the following were considered: (a) the nature of the items being tested; (b) the types and competence of available evidential matter; (c) the nature of the control objectives to be achieved; and (d) the expected efficiency and effectiveness of the test. In addition, when using information produced by NRS, we evaluated whether the information was sufficiently reliable for our purposes, including, as necessary, obtaining evidence about the completeness and accuracy of the information and evaluating whether the information was sufficiently precise and detailed for our purposes.

Test procedures performed in connection with determining the operating effectiveness of controls detailed in the matrices in Section IV are described below:

<u>Test Procedure</u>	<u>Description</u>
Inspection	Inspected documents, reports, or electronic files that contain evidence of the performance of the control. This includes, among other things, inspection of client-directed documents, reading of reconciliations and management reports that age and quantify reconciling items, to assess whether balances and reconciling items are properly monitored, controlled and resolved on a timely basis.
Reperformance	Re-applied the relevant control. This includes, among other things, reviewing reconciliations for proper sources of balances, reasonableness of reconciling items and accuracy of mathematical calculations.
Observation	Viewed the application of specific controls by the Company personnel.
Inquiries	Interviewed appropriate the Company personnel about the relevant controls.

The Management Response statements, provided by the management of the Company, included within Section IV, are the responsibility of management of the Company.

Computerized Information Systems

Program and System Software Change Control

Control Objective 1: Controls provide reasonable assurance that new applications and changes to existing systems are authorized, tested, approved, properly implemented, and documented.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. Change and emergency change management standards are documented, and reviewed by management on a periodic basis. The current version is posted on the Nationwide Intranet.	Inspected the Nationwide Change Management Policy to determine that change and emergency change management standards were documented. Inspected the Nationwide intranet to determine that the standards were available to employees. Inspected the standards to determine that the standards were reviewed and any changes were approved by management.	No exception noted.
2. Systems are configured with separate Development/Test and Production environments.	Inspected the logical environments to determine that the systems were configured with separate Development/Test and Production environments.	No exception noted.
3. User access is administered such that users with application development roles do not have the ability to migrate application changes into production.	Inspected system generated listings of users with access to migrate application changes into production and users with development access to determine whether users with access to migrate application changes into production do not also have development access. Inspected system generated listings of users with access to production to determine that users were appropriate based on job description.	Exception noted. Testing identified one (1) developer from the population of IT promoters, with the ability to promote code changes in the UrbanCode Deployment application.
<p>Management Response: Promoter privileges granted to the user in question were removed on August 24, 2017. Management has validated that access to the development environment for the ID in question is appropriate, and commensurate with the job responsibilities of a developer.</p> <p>Additional Procedures Performed by KPMG: KPMG obtained and inspected a system generated screenshot from the UrbanCode Deployment application which displayed that inappropriate promoter access was removed from the UrbanCode Deployment application as of August 24, 2017. Additionally, KPMG obtained and inspected a system generated screenshot from the UrbanCode Deployment application which displayed that the user did not use their promoter access for the period 1/1/2017 – 8/24/2017.</p>		
4. Management approves new applications and application changes before the changes are promoted into the production environment.	Inspected a selection of application changes to determine whether management approved each change before it was promoted into production.	No exception noted.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
5. IT management and, if applicable, the end users test new applications and application changes and provide approvals before the changes are promoted into the production environment.	Inspected a selection of applications changes to determine whether each application change was tested and approved by IT prior to the change being promoted into the production environment.	No exception noted.
6. Emergency changes follow the standard change management process with an expedited timeframe. Additionally, a special case ID has been established to migrate select emergency changes into the production environment. An e-mail notification is automatically generated and sent to the operations team when the ID is used to access the production environment. Additionally, emergency changes are logged using the enterprise incident management tool.	<p>For a selection of emergency changes, inspected change documentation and/or incident tickets to determine whether changes were documented, approved and access was removed timely.</p> <p>Inspected system configurations to determine whether the special case ID was configured to generate and send an e-mail notification when the ID is used to access the production environment.</p> <p>Inspected lists of users with access to special case IDs to determine whether users were appropriate to have emergency migration access.</p>	No exception noted.

Logical Access

Control Objective 2: Controls provide reasonable assurance that logical access to programs, data, and data transmissions is limited to properly authorized individuals.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. An Information Security policy is documented and includes the following password standards: <ul style="list-style-type: none">• 8 characters in length• Required special characters• Expiration after 90 days• 5 failed logon attempts results in lock outs	Inspected the Nationwide Information Security Policy to determine whether enterprise information security standards were documented.	No exception noted.
2. Applications are configured to require a valid user-ID and password to gain access to the application.	Inspected password configuration settings to determine whether the applications were configured to require a valid user ID and password to gain access.	No exception noted.
3. Corporate password standards are required to be implemented on applications, databases and operating systems. Standards include minimum password lengths, password expiration, password complexity and account lockout.	Inspected password configuration settings to determine whether the applications, databases and operating systems were configured to meet corporate password standards.	No exception noted.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
4. Administrative accounts are assigned to a limited number of individuals who require those rights to perform their job duties.	Inspected system-generated listings of application, operating system, and database administrators to determine whether users on the list were authorized and access was consistent with the individual's job function.	<p>Exceptions noted.</p> <p>A) Testing identified that 1 of 10 PMTS administrative IDs belong to inappropriate users who have the ability to add/modify/delete users within the PMTS application.</p> <p>B) Testing identified that 1 of 8 DCDirect administrative IDs belong to inappropriate users who have the ability to add/modify/delete users within the DCDirect application.</p>
<p>A) Management Response: Administrative application access was not removed in a timely manner when the employee changed job positions. Management determined that the transferred employee did not access the PMTS application after their transfer date and the ID was revoked from the PMTS application on September 12, 2017.</p> <p>Additional Procedures Performed by KPMG: KPMG obtained and inspected the PMTS applications and determined that the employee did not log into the PMTS application past their termination date. Additionally, KPMG obtained and inspected evidence that the PMTS ID was revoked on 9/12/2017.</p> <p>B) Management Response: Administrative application access was not removed in a timely manner when the employee changed job positions. Management determined that the transferred employee did not access the DCDirect application after their transfer date and the ID was revoked from the DCDirect application on August 31, 2017.</p> <p>Additional Procedures Performed by KPMG: KPMG obtained and inspected the DCDirect application last login date and determined that the employee did not log into the DCDirect application past their termination date. Additionally, KPMG obtained and inspected evidence that the DCDirect ID was revoked on 8/31/2017.</p>		

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
5. Generic IDs are registered and assigned a formal ID guardian to help ensure appropriateness and accountability.	Inspected the listing of powerful IDs to determine whether powerful generic IDs were appropriately registered and were assigned an ID guardian.	No exception noted.
6. A periodic review of privileged accounts is performed to help ensure appropriateness.	Inspected a selection of quarterly application access reviews to determine whether periodic reviews of privileged accounts were performed. Inspected system generated evidence to determine that changes to access permissions noted by management were implemented.	No exception noted.
7. Management approves new users before the user is granted access to the system.	For a selection of new users, inspected access request forms to determine that management approved the users before access was granted and access was granted appropriately.	No exception noted.
8. Network access is automatically disabled upon termination. Application accounts not authenticated through active directory are disabled or removed in a timely manner.	Inspected the configuration that automatically disables network access when a user is set as terminated. For a sample of application IDs for terminated employees inspected requests for access removal and inspected application access listings to determine that access was removed timely.	No exception noted.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
<p>9. Semiannually, management reviews lists of users with access to the applications to determine whether access is limited to authorized individuals and is consistent with the individual's job function.</p>	<p>Inspected a selection of application user access reviews to determine whether management reviewed the list of users with access to the applications on a semiannual basis.</p> <p>Inspected system generated evidence to determine that changes to access permissions noted by management were implemented.</p>	<p>Exception Noted.</p> <p>A. Testing identified that 7 out of 40 users marked for access permission changes by management were not implemented appropriately from the DCDirect and Taxport application.</p> <p>B. Out of 380 reviewers, 15 were randomly selected. Testing identified 11 of the 15 reviewers sampled did not have the adequate information to thoroughly perform the second quarter IIQ review.</p>
<p>A. Management Response: The DCDirect application access for all ID's was revoked on November 15, 2017. The Taxport application access for all IDs was revoked on December 5, 2017.</p> <p>Additional Procedures Performed by KPMG: KPMG obtained and inspected evidence that the DCDirect ID's were revoked on November 15, 2017 and the Taxport IDs was revoked on December 5, 2017.</p> <p>B. Management Response: All reviewers completed the required review. It was identified that additional support and training is needed to ensure adequate information is provided to the reviewers via the IIQ tool to address this issue going forward. Actions being implemented to improve the review process include updating role definitions that are viewable to the reviewer, conducting comprehensive training for all reviewers and assessing the potential realignment of the review owners.</p>		
<p>10. Semiannually, management performs a secondary review of users with access to DCDirect, Taxport, RSC and Tax Calculator applications to determine whether access is limited to authorized individuals and is consistent with the individual's job function.</p>	<p>Inspected a selection of application user access reviews to determine whether management reviewed the list of users with access to the applications on a semiannual basis.</p> <p>Inspected system generated evidence to determine that changes to access permissions noted by management were implemented.</p>	<p>No exception noted.</p>
<p>11. Server, firewall, and router configuration standards are documented.</p>	<p>Inspected the Nationwide Information Security Policy to determine whether standard configuration policies exist for servers, firewalls, and routers.</p>	<p>No exception noted.</p>

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
12. Valid user IDs and passwords are required to gain access to the Retail Service Center (RSC). Policy owner access is limited to their individual account.	<p>Observed a user attempt to access the RSC using an invalid user name and password to determine that access was not allowed.</p> <p>Observed a user access the RSC using a valid user name and password to determine that access was allowed and access was limited to their individual account.</p>	No exception noted.
13. Periodically, a third-party penetration test is performed to identify network vulnerabilities. Identified issues are prioritized in terms of risk and addressed accordingly.	<p>Inspected the results of the 2017 Attack and Penetration test to determine whether a third-party penetration test was performed to identify network vulnerabilities.</p> <p>Inspected the prioritization of identified issues in the 2017 Attack and Penetration test to determine whether issues identified were prioritized and addressed.</p>	No exception noted.

Physical Access

Control Objective 3: Controls provide reasonable assurance that physical access to computer equipment, storage media, and program documentation is limited to properly authorized individuals.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. Visitors are required to sign in and out when visiting the DCN and DCE.	Inspected a selection of visitor logs to determine whether they were maintained and utilized to identify and track visitors of the data centers.	No exception noted.
2. Visitor access to the DCN and DCE requires data center management approval.	For a selection of daily visitor logs, inspected the corresponding Request For Change (RFC) documentation to determine whether management approved the visitor's data center access.	No exception noted.
3. Management reviews the list of users with access to the DCN and DCE on a monthly basis to help ensure that access is limited to appropriate personnel based on job function.	Inspected a selection of monthly access reviews to determine whether management reviewed the list of users with access to the DCN and DCE.	No exception noted.
4. Surveillance cameras and key card scanners are utilized to actively monitor entrances to the DCN and DCE.	Observed the DCN and DCE to determine that entrances are restricted via keycard scanners and that surveillance cameras monitor each entrance.	No exception noted.

System Backups

Control Objective 4: Controls provide reasonable assurance that administrative and operational procedures are established within the systems operations group to provide for complete processing of jobs and backup and retention of systems data.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. Backups for key applications and databases are performed on a defined timeframe in order to mitigate the risk of data loss.	Inspected system-generated screenshots of the backup schedule, and inspected evidence of the last successful backup for the application to determine that backups are configured to run on defined timeframes.	No exception noted.
2. Critical jobs are scheduled utilizing job scheduling software and only appropriate users have update access to the job schedule software.	Inspected security files for job scheduling tools to determine whether users with access to modify the jobs were appropriate.	No exception noted.
3. Job runs are logged and reviewed and appropriate procedures are in place in the event of an abnormal end (abend).	For a selection of job failures, inspected corresponding job incident tickets to determine whether the failed job had a resolution time within 7 days.	No exception noted.
4. Data Center operations are performed as prescribed in policies and procedures which include the use of shift turnover logs to record all open issues and actions taken during each shift.	Inspected employee shift turnover logs for the Enterprise Command Center (ECC) for a selection of days to determine that job abends were documented. Inspected screenshots of the ECC Quickr site to determine that it contained a library of ECC operations procedures.	No exception noted.

Retirement Plan Administration – New Plan Setup

Control Objective 5: Controls provide reasonable assurance that new plans are approved by authorized individuals and processed accurately.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. A Plan Analyst completes and authorizes a Pre-Production Checklist verifying required new plan documents are in good order, including that the document has been signed by the client and Nationwide personnel.	For a selection of new plan additions entered onto DCdirect, inspected the corresponding plan documents to determine that an authorized person requested the new plan as evidenced by the Plan Analyst on the Pre-Production Checklist. For a selection of new plan additions entered onto DCdirect, compared the plan type, internal plan ID, and the legal name from the plan documents to that entered onto DCdirect to determine whether the information matched.	No exception noted.
2. A secondary Plan Analyst performs a QC review using Pre-Production Checklist also verifying required new plan documents are in good order.	For a selection of new plan additions entered onto DCdirect, inspected corresponding Pre-Production Checklists to determine whether a secondary Plan Analyst performed a QC review of the Checklist for good order prior to plan establishment on DCdirect.	No exception noted.
3. New plan setup documents are passed to a Manager for final verification and sign-off. Post review, the Manager completes and authorizes the Pre-Production Setup Checklist verifying required new plan documents are in good order.	For a selection of new plan additions entered onto DCdirect, inspected corresponding Pre-Production Setup Checklists to determine whether a Manager performed overall management review of the Checklist for good order prior to plan establishment on DCdirect.	No exception noted.

Retirement Plan Administration – Fund Release

Control Objective 6: Controls provide reasonable assurance that changes to funds are accurately documented, approved and tested as part of a corresponding fund release.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. Fund addition/change activity is documented and approved via email within the Fund Release Work Request Tool (WRT) by the Directors of Relationship Management (DRMs) or the Plan Relationship Manager.	For a selection of fund releases, inspected emails to determine whether the fund additions/changes included within the fund release were documented and approved within the Fund Release Work Request Tool prior to the fund release date.	No exception noted.
2. Fund additions are documented and QC reviewed for accuracy upon being entered onto DCdirect.	For a selection of new fund releases, inspected the corresponding Fund Release Scope Document to determine whether fund additions were authorized and QC reviewed by an independent processor prior to the fund release date. For a selection of fund additions included in a Fund Release, compared the fund ticker, plan name and internal ID that were entered onto DCdirect to the Fund Release Scope Document to determine whether the information matched.	No exception noted.
3. Fund changes are tested by reconciling inflows and outflows immediately after the funds are transferred, and approved as part of the fund release process.	For a selection of new fund releases, inspected corresponding DCdirect 1305P (Financial Transaction Register by Plan) reports on the day after the fund release to determine that reconciliations of inflows and outflows between funds were performed.	No exception noted.

Retirement Plan Administration – Participant Enrollments

Control Objective 7: Controls provide reasonable assurance that new participant enrollments are approved by authorized individuals and processed accurately.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. Participant Agreement (PA) enrollment forms are completed and authorized by the participant.	<p>For a selection of new participant enrollments on DCdirect, inspected Participant Agreement (PA) forms to determine whether they were completed and authorized by the enrolling participant.</p> <p>For a selection of new participant enrollments on DCdirect, compared the participant name and address on the Participant Agreement (PA) enrollment form to the name and address listed on DCdirect to determine whether the information matched.</p>	No exception noted.
2. Participant Agreement (PA) enrollment forms are reviewed by a New Business Team member and secondary QC reviewed by an independent New Business Team member for “good order” data entry.	<p>For a selection of transactions (enrollments and non-financial hard copy changes), inspected the NRS Workflow tool to determine whether participant data entered onto DCdirect by a New Business Team member was in good order as evidenced by electronic approval.</p> <p>Inspected DCdirect configurations to determine that the system was configured to flag a sample of transactions for secondary QC.</p>	No exception noted.
3. DCdirect edit checks prevent enrollments from being processed with an invalid SSN, address format, enrollment attempts over 100%, and to an invalid or terminated account.	Observed the entry of four transactions (invalid SSN, invalid address, enrollment attempt over 100% and an invalid or terminated account) to determine whether DCdirect edit checks rejected the transactions.	No exception noted.
4. Nightly, DCdirect jobs are run that generate application confirmation notification back to the participant and plan sponsor.	<p>Inspected the IBM Tivoli Maestro job schedule to determine that a program is scheduled to run which extracts participant enrollments from DCdirect and systematically prepares confirmations to participants and plan sponsor of the enrollment.</p> <p>Inspected an enrollment request to determine whether a notification was generated and available to be sent to the participant and plan sponsor per the automated job schedule.</p>	No exception noted.

Retirement Plan Administration – Participant Account Maintenance

Control Objective 8: Controls provide reasonable assurance that participant changes (non-monetary) are properly authorized and accurately recorded.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. Daily, DCdirect jobs are run that aggregate participant changes (address changes and beneficiary changes) for confirmation notification back to the participant via standard mail.	Inspected the IBM Tivoli Maestro job schedule to determine that a program is scheduled to run which extracts participant changes from DCdirect and systematically prepares confirmations to participants of changes. Inspected an address and beneficiary change to determine whether a notification was generated and available to be sent to the participant per the automated job schedule.	No exception noted.
2. Nightly, a Purchase Suspense Report is produced from DCdirect for improperly processed participant maintenance transactions and reviewed by a New Business Processor.	For a selection of days, inspected the Purchase Suspense Report and corresponding emails to determine whether improperly processed participant maintenance transactions were reviewed by a New Business Processor. For a selection of improperly processed transactions, inspected the NRS Workflow tool to determine whether transaction items were researched and/or cleared in a timely manner.	No exception noted.
Received via Hard Copy (Mail or Fax)		
3. For changes to participant accounts received via hard copy, requests are reviewed by a New Business Processor for proper participant authorization and QC reviewed by an independent New Business Processor.	For a selection of days, inspected the NRS Workflow tool for New Business transactions (enrollments and financial and non-financial hard copy changes) to determine whether participant data entered onto DCdirect by a New Business Team member was QC reviewed by an independent New Business Team member for “good order” data entry.	No exception noted.
Electronic Exchanges		
4. For changes to participant accounts received via the RSC, the application first requires the participant to establish an account profile with a user name and password.	Observed a participant attempt to access the RSC using an invalid user name and password to determine that access was not allowed.	No exception noted.

Retirement Plan Contributions/Receipts

Control Objective 9: Controls provide reasonable assurance that contributions/receipts are recorded completely and accurately.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. Daily, the Recon Team reconciles deposits processed on DCdirect versus what was processed on the General Ledger. Month end reconciliations are reviewed and approved by Management.	For a selection of months, inspected a selection of month-end "40 CASS" reports to determine whether the reconciliations were performed and NRS management provided authorized approval of the reconciliation.	No exception noted.
2. The NRS Open Item Report log, which is used to track unprocessed items in suspense longer than 60 days, is communicated to NRS Management on a weekly basis.	For a selection of weeks, inspected the weekly NRS Open Item Report and corresponding emails to determine whether suspense items over 60 days were communicated to NRS Management. For a selection of suspense items, inspected weekly suspense ledgers to determine whether suspense items were being appropriately researched and/or cleared in a timely manner.	No exception noted.
3. Weekly, a random sample of payroll contributions are QC reviewed for the previous week's transactions.	For a selection of participant payroll contributions compared the payroll amount entered in DCdirect to the incoming check (from the Plan Sponsor) and supporting participant detail to determine whether the information matched. For a selection of participant payroll contributions, inspected the NRS Workflow tool to determine whether a payroll analyst QC reviewed the contribution data entered onto DCdirect as evidenced by electronic approval.	No exception noted.

Retirement Plan Withdrawals/Disbursements

Control Objective 10: Controls provide reasonable assurance that withdrawals/disbursements are properly authorized, completely and accurately processed, and recorded in a timely manner.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. A Distributions Processor reviews Benefit Payout Option Forms received from participants for good order prior to the distribution being entered onto DCdirect.	For a selection of participant distributions, inspected Benefit Payout Option Forms to determine whether each withdrawal option selected was reviewed for good order by a Distributions Processor prior to the withdrawal being entered onto DCdirect.	No exception noted.
2. A secondary Distributions Processor QC reviews Benefit Payout Election Forms received from participants for good order prior to the requested distribution being sent to the participant.	For a selection of participant withdrawal requests, inspected NRS Workflow to determine whether the participant withdrawal request was QC reviewed for good order by a secondary Distributions Processor prior to the requested distribution being sent to the participant. For a selection of participant distributions, compared the participant distribution amount requested on the Payout Election Form to the distribution amount entered onto DCdirect to determine whether the amounts matched.	No exception noted.
Beneficiary Withdrawal due to death of participant		
3. Death payouts are completed and authorized by a participant beneficiary prior to payout, with those payouts being QC reviewed by independent Distributions Processors for "good order" data entry.	For a selection of death payouts, inspected the beneficiary claim form to determine whether the beneficiary authorized payout and the beneficiary signature matches the beneficiary name on DCdirect. For a selection of death payouts, inspected Open Image workflow screens to determine whether the death payout was QC reviewed by a secondary Processor as evidenced by their electronic user ID.	No exception noted.
Distribution Review		
4. A daily balancing reconciliation between aggregate participant withdrawals listed in DCdirect and aggregate participant distributions to be initiated within PMTS is performed by a Distributions Team member and QC reviewed by a Distributions Manager.	Inspected a selection of daily balancing approval sheets to determine whether aggregate participant distributions within PMTS were reconciled to aggregate participant distributions listed in DCdirect by a Distributions Team member and QC reviewed by a Distributions Manager.	No exception noted.
5. A quarterly review of access and distribution limit authority to PMTS is conducted by user and IT management. Exceptions are identified, investigated and resolved timely.	Inspected a selection of PMTS user access reviews and determined that management, on a quarterly basis, reviewed the list of users with access to the application and their respective distribution limit authority.	No exception noted.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
6. The NRS Open Item Report log, which is used to track unprocessed items in suspense longer than 60 days, is communicated to NRS Management on a weekly basis.	For a selection of weeks, inspected the weekly NRS Open Item Report and corresponding emails to determine whether suspense items over 60 days were communicated to NRS Management. For a selection of suspense items, inspected weekly suspense ledgers to determine whether suspense items were being appropriately researched and/or cleared in a timely manner.	No exception noted.
Withdrawal Payment (disbursement) via Manual Check		
7. A Distributions Agent compares manual payment information entered into PMTS to the disbursement request for accuracy and authorization and evidences the review by signing the Request Form.	For a selection of participant withdrawals, inspected disbursement payments to determine whether they were authorized by an agent (with an adequate distribution limit authority) on the Nationwide Distributions Team.	No exception noted.
8. A Treasury Services Accountant performs a review of manual payment requests by comparing payment information entered into PMTS to the disbursement request for accuracy and reviews the approving agent to verify they have an adequate approval limit for the request. The Treasury Services Accountant evidences the review by signing the Request Form.	For a selection of participant withdrawals, inspected disbursement requests to determine whether they were authorized and QC reviewed by a Treasury Services Accountant - as an acting Distributions Manager. For a selection of participant withdrawals, compared the manual distribution amount to the amount in PMTS to determine whether the distribution was entered correctly into PMTS.	No exception noted.
Withdrawal Payment (disbursement) via Operations Check		
9. A Print Operator performs a daily comparison of the actual number of check sheets fed to the expected check sheet fed number and evidences review by authorizing the Balancing Report.	For a selection of days, inspected Balancing Reports to determine whether the Report was authorized by a Print Operator and actual sheets fed and printed amount total matched to the expected sheets fed and expected printed amount total.	No exception noted.
Withdrawal Payment (disbursement) via ACH or Wire		
10. The PMTS system is configured with an automated workflow that requires electronic approval of manual ACH participant withdrawals, by authorized management personnel. Based upon the size of the disbursement and authorized approval level.	Inspected the PMTS system workflow associated with a check disbursement to determine that users who are set up with certain dollar limits are only able to view and approve PMTS distribution amounts less than or equal to the dollar amount they are assigned. For each approval authority level, observed a selection of users accessing payment screens and determined that users could not view or approve payments greater than their approval limit.	No exception noted.

Retirement Plan Administration – Exchanges/Investment Election Changes

Control Objective 11: Controls provide reasonable assurance that exchanges/investment changes are properly authorized and accurately recorded.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
1. Daily, DCdirect jobs are run that aggregate exchanges, and deferral allocation changes for confirmation notification back to the participant via standard mail.	Inspected the IBM Tivoli Maestro job schedule to determine that a program is scheduled to run which extracts participant changes from DCdirect and systematically prepares confirmations to participants of changes/exchanges. Inspected an exchange and deferral allocation change to determine whether a notification was generated and available to be sent to the participant per the automated job schedule.	No exception noted.
Received VIA Hard Copy (Mail or Fax)		
2. For changes to participant accounts received via hard copy, requests are reviewed by a New Business Processor for proper participant authorization and QC reviewed by an independent New Business Processor.	For a selection of days, inspected the NRS Workflow tool for New Business transactions (enrollments and financial and non-financial hard copy changes) to determine whether participant data entered onto DCdirect by a New Business Team member was QC reviewed by an independent New Business Team member for “good order” data entry.	No exception noted.
Electronic Exchanges		
3. For changes to participant accounts received via the RSC, the application first requires the participant to establish an account profile with a user name and password.	Observed a participant attempt to access the RSC using an invalid user name and password to determine that access was not allowed.	No exception noted.
4. When utilizing the IVR system, the participant is prompted to enter his/her SSN or Account Number and PIN before accessing any account information or performing any transactions.	Observed both a successful and unsuccessful attempt to access the IVR to determine whether the participant was prompted to enter their SSN and PIN before accessing account information or performing transactions.	No exception noted.
5. For exchange and investment election changes received via telephone, a QC review is completed on all exchanges greater than or equal to \$100,000.	For a selection of exchange and investment election changes greater than or equal to \$100,000, inspected the service request to determine whether a QC review was performed.	No exception noted.

Investment Transactions

Control Objective 12: Controls provide reasonable assurance that investment transactions are recorded accurately and completely.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results of Tests
<p>1. Daily, an Access report is produced from DCdirect (and other product administration systems that have an outbound interface with BUYS). Total balances for each investment fund from DCdirect (and other product administration systems) are manually compared to inbound information from BUYS. Variances are identified, reviewed and resolved on a daily basis by an Accounting Supervisor.</p>	<p>Inspected a selection of Buy/Sell Balancing Worksheets to determine whether the staff accountant reconciled buy/sell data interfaced between DCdirect and BUYS and resolved any differences.</p> <p>For a selection of reconciliations, compared the BUYS amount on the Buy/Sell Balancing report to the BUYS Summary Totals report and compared a selection of DCdirect amounts to the Buy/Sell Balancing report to determine whether the amounts on the reconciliations matched the source system.</p>	<p>No exception noted.</p>
<p>2. Monthly, a staff accountant in the Portfolio Accounting Department manually reconciles Nationwide share balance totals in VIDS to ending-month share balance totals provided on monthly fund statements. This reconciliation shows share balance variances being researched and reconciled by Portfolio Accounting. This reconciliation is evidenced via the Accounting Supervisor signature.</p>	<p>Inspected a selection of reconciliation packets of the fund share balance total per the fund house and VIDS to determine whether they were completed and reviewed, and variances above the tolerable threshold were identified and resolved.</p> <p>For a selection of funds, compared the market values between monthly fund statements and the VIDS Share Balances Report to determine whether the amounts on the reconciliation matched the source.</p> <p>For investments held at unaffiliated and affiliated custodians, KPMG directly confirmed with the fund house or unaffiliated transfer agent December 31, 2017 fund share balance totals to determine recorded fund share balances matched the custodians' records.</p>	<p>No exception noted.</p>
<p>3. Monthly, a staff accountant in the Portfolio Accounting Department manually reconciles the net assets of each investment fund per VIDS to the corresponding net assets for the investment fund per DCdirect and other product administration systems. Variances are identified, reviewed and resolved on a daily basis by an Accounting Supervisor.</p>	<p>Inspected a selection of summary worksheets to determine whether a staff accountant reconciled the net assets from the DCdirect to VIDS and resolved any differences.</p> <p>For a selection of reconciliations compared a selection of VIDS and DCdirect amounts to the summary worksheets to determine whether the amounts on the reconciliations matched the source.</p>	<p>No exception noted.</p>

Unit Valuation

Control Objective 13: Controls provide reasonable assurance that variable and fixed investment option unit values are recorded accurately and completely, and that income from variable and fixed investment options is recorded accurately and timely.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results of Tests
<p>1. Monthly, a staff accountant in the Portfolio Accounting Department manually reconciles Nationwide share balance totals in VIDS to ending-month share balance totals provided on monthly fund statements. This reconciliation shows share balance variances being researched and reconciled by Portfolio Accounting. This reconciliation is evidenced via the Accounting Supervisor signature.</p>	<p>Inspected a selection of reconciliation packets of fund share balance total per the fund house and VIDS to determine whether they were completed and reviewed, and variances above the tolerable threshold were identified and resolved.</p> <p>For a selection of funds, compared the market values between monthly fund statements and the VIDS Share Balances Report to determine whether the amounts on the reconciliation matched the source.</p> <p>For investments held at unaffiliated and affiliated custodians, KPMG directly confirmed with the fund house or unaffiliated transfer agent December 31, 2017 fund share balance totals to determine whether recorded fund share balances matched the custodians' records.</p>	<p>No exception noted.</p>
<p>2. Monthly, a staff accountant in the Portfolio Accounting Department manually reconciles daily dividend income totals in VIDS to daily dividend income totals obtained from the fund house. This reconciliation reflects daily dividend income differences over \$500 researched and reconciled by Portfolio Accounting. This reconciliation is evidenced via Accounting Supervisor Signature.</p>	<p>Inspected a selection of reconciliation packets of daily dividend income totals in VIDS to fund house daily dividend income totals to determine whether reconciliations were completed and reviewed and variances above the tolerable threshold were identified and resolved.</p> <p>For a selection of reconciliations and funds, compared the daily dividend income totals to VIDS and to fund house statements to determine whether the amounts on the reconciliation matched the source.</p>	<p>No exception noted.</p>
<p>3. Quarterly, the AVP Retirement Plan Actuary performs a reasonableness review of significant income statement items for the Private Sector and Public Sector Retirement Plans. Current quarter account balances are compared to actual from same year prior quarter, as well as quarter forecast. If actual performance is outside of expectations by more than 10%, additional investigation is performed.</p>	<p>Inspected a selection of quarterly earnings reviews to determine whether an actuary performed a reasonableness review of significant income statement items compared to both the forecast and prior quarter actual amounts, and evidenced authorization.</p> <p>For a selection of quarterly earnings reviews, recalculated both the forecast and prior quarter actual amounts to determine whether those amounts on the reasonableness review were mathematically accurate.</p>	<p>No exception noted.</p>

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results of Tests
<p>4. Monthly, a staff accountant in the Portfolio Accounting Department manually reconciles the net assets of each investment fund per VIDS to the corresponding net assets for the investment fund per DCdirect and other product administration systems. Variances are identified, reviewed and resolved on a daily basis by an Accounting Supervisor.</p>	<p>Inspected a selection of summary worksheets to determine whether a staff accountant reconciled the net assets from the DCdirect to VIDS and resolved any differences.</p> <p>For a selection of reconciliations compared a selection of VIDS and DCdirect amounts to the summary worksheets to determine whether the amounts on the reconciliations matched the source.</p>	<p>No exception noted.</p>

User Entity Reporting

Control Objective 14: Controls provide reasonable assurance that participant and tax statements are accurate.

Controls Provided by Public Sector Retirement Plans	Tests Performed	Results
Statements		
1. The NRS Statement Unit Team performs a quarterly audit of outgoing participant statements and evidences review by preparing a Participant Statement Audit Checklist. Completed checklists are reviewed by the Unit Manager/Lead prior to release.	For a selection of quarterly statement audits, inspected corresponding Participant Statement Audit Checklists to determine whether quarterly participant statement audits were performed and QC reviewed by the NRS Statement Unit team.	No exception noted.
Taxes		
2. Taxpayer information is entered onto the record keeping systems by processors from the participant's tax form or, in the case where no tax form is received, the tax information is defaulted by the system based on the withdrawal request.	For a selection of quarterly statement audits, inspected corresponding Participant Statement Audit Checklists to determine whether statement audits were performed and QC reviewed by the Statement Unit team.	No exception noted.
3. Monthly, participant tax errors are identified, and cleared prior to year-end tax form generation.	Inspected system-generated screenshots from the Taxport application displaying tax errors existing prior to year end and compared to the Taxport application tax errors after year end to determine that errors identified were cleared prior to 1099 tax form generation.	No exception noted.

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

Certificate Number:
2018-425369

Date Filed:
11/14/2018

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Nationwide
Columbus, OH United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Dallas County

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

TBD
457(b) Recordkeeper

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.



6 UNSWORN DECLARATION

My name is _____, and my date of birth is _____.

My address is _____, _____, _____, _____, _____.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in _____ County, State of _____, on the _____ day of _____, 20____.
(month) (year)

Signature of authorized agent of contracting business entity
(Declarant)



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
03/11/2019

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

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

PRODUCER Aon Risk Services Northeast, Inc. Columbus OH Office 445 Hutchinson Avenue Suite 900 Columbus OH 43235 USA	CONTACT NAME:	
	PHONE (A/C. No. Ext): (866) 283-7122	FAX (A/C. No.): (800) 363-0105
INSURED Nationwide Retirement Solutions Inc(NRS) One Nationwide Plaza Columbus OH 43215 USA	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A: Fidelity & Deposit Company of Maryland 39306	
	INSURER B:	
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

COVERAGES**CERTIFICATE NUMBER:** 570075318954**REVISION NUMBER:**

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

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION						EACH OCCURRENCE AGGREGATE
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below <input type="checkbox"/> Y/N <input checked="" type="checkbox"/> N/A						PER STATUTE <input type="checkbox"/> OTHER <input type="checkbox"/> E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT
A	Fin Inst Bond			FIC000006614 Computer Systems Fraud	05/01/2018	05/01/2019	Limit \$15,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

Dallas County Attn: Purchasing Dept 900 Jackson Street, 6th Floor, Suite 680 Dallas TX 75202 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Northeast, Inc.</i>

Holder Identifier :

Certificate No : 570075318954

EXHIBIT F

Pricing/Delivery Information

COMPENSATION

- A. As compensation for the Administrative Services provided by Contractor pursuant to this Agreement, the County and Contractor agree that Contractor shall be entitled to an annualized compensation requirement of 0.09% (9 basis points) of the Project's account value held by Contractor ("Compensation Requirement") per year to be calculated and collected according to Contractor's standard business practices. Contractor's Compensation Requirement will be taken in the form of an explicit asset management charge applied against all Project assets under management. In calculating the 9 basis points, the total Project assets will include balances held in the Self-Directed Brokerage Account ("SDBA") and as outstanding participant loan balances.
- B. The County acknowledges that Contractor and its affiliates receive payments in connection with the sale and servicing of investments allocated to participant Project accounts ("Investment Option Payments"). The Investment Option Payments include mutual fund service fee payments, which are described in detail at www.nrsforu.com, and other payments received from investment option providers. The County directs Contractor to credit all Investment Option Payments to participant accounts on a quarterly basis. The revenue sharing payments shall be credited to participant accounts on a pro-rata basis based on each participant's total assets held in all Project investment options that generated the Investment Option Payments.
- C. Contractor will provide the County a quarterly report showing total participant account balances and the corresponding fee calculation within thirty (30) business days after the end of each quarter.
- D. The County acknowledges that it has received all information about compensation paid to Contractor as the County has reasonably requested and has determined that the total amount of compensation paid to Contractor as described herein is reasonable and appropriate for the services provided.
- E. To the extent offered under the Project, in addition to the above described fees, Contractor shall also receive fees with respect to a participant's use of participant loan administration, the Self-Directed Brokerage Account ("SDBA"), and Contractor's managed account service ("ProAccount") as follows:
 - 1) Loans – If requested by the County and permitted under the terms of the Plan, Contractor will assist the County in processing participant loan requests pursuant to participant loan administrative procedures approved by the County and Contractor. All participant loan fees are governed by Contractor's Plan Loan Procedures document, a copy of which has been provided to the County.
 - 2) Self-Directed Brokerage Account – The Project offers an SDBA investment option for qualifying participants in the Project. Initial and annual administrative fees may

be charged as outlined in the separate fee agreement for the SDBA that will be provided to each participant by Contractor.

- 3) Managed account services (Nationwide ProAccount) – Managed account services are offered by Nationwide Investment Advisors (“NIA”), an affiliate of Contractor, and the County must execute a separate agreement with NIA if the County wants to add ProAccount to the Project. Only participants who choose to utilize Contractor’s ProAccount managed account service are assessed fees. Such fees are authorized in a separate ProAccount agreement between the participant and NIA, and are assessed pursuant to the terms and conditions of such agreement.

Fees related to participant loans, the SDBA and Nationwide ProAccount are in addition to the Compensation Requirement for Administrative Services as provided in this Agreement.

- F. The County may request Contractor and/or its affiliates to provide additional services not described in this Agreement by making such a request in writing, which Contractor may decide to perform for compensation to be negotiated by the parties prior to the commencement of the additional services.

**Appendix 2
PRICING/DELIVERY INFORMATION**

Provide fixed fee(s) for the proposed services. All costs associated with the proposed services must be itemized and specified. Confirm that travel expenses are included. Indicate search fees for traditional asset classes including mutual funds, commingled or separate accounts, pension manager searches and any discounts for multiple contemporaneous searches. If available, indicate charges for record-keeper searches and the evaluation of responses to RFPs for vendors such as actuaries and trustees.

No charges may be billed to Dallas County unless such costs were explicitly included in the proposal and subsequent Agreement.

<u>Description</u>	<u>Amount</u>	<u>Amount</u>
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Specified Services:	Monthly	Annually
---------------------	---------	----------

1. <u>See Table Below</u>	\$ _____	\$ _____
---------------------------	----------	----------

Optional Value-Added Services:

1. <u>See Table Below</u>	\$ _____	\$ _____
---------------------------	----------	----------

Specified Service	Fee – Revenue Requirement	Nationwide Guaranteed Fund Minimum Interest Rate*
Record Keeping Fee – 5 Year Contact Term*	9 basis points on all Plan Assets	2019 – 3.50% 2020 – 3.00% 2021 – 1.00%
Record Keeping Fee – 10 Year Contact Term*	7 basis points on all Plan Assets	2019 – 3.50% 2020 – 3.00% 2021 – 1.00%

*Nationwide's current deal with Dallas County includes Asset Management Charges of 0 bps. Record keeping revenue is provided from investment payment options generated from the current investment lineup.

Nationwide's RFP offer includes Open Architecture for all variable investment options. Dallas County retains discretion to select from Nationwide's Open Architecture universe of over 12,000 options, which includes low cost institutional shares.

Nationwide's record keeping fee will be limited to the revenue requirement stated above. The fee can be generated by any combination of Asset Management Charges or investment payment options. Any revenue received by Nationwide in excess of the stated revenue requirement will be returned to the Plan and/or participants.

#Please note that the GMIR is not the declared interest yield.

Administration Services	Cost of Services
Loans	
Loan Initiation Fee	\$50
Loan Maintenance Fee	\$50 a year while loan is outstanding
Loan Default Fee	\$50 at occurrence
Annual Loan Default Fee	\$50 annually until loan is paid in full
Loan Insufficient Funds Fee	\$25 per occurrence
Overnight Mailing of Loan Check	\$25 per occurrence
Nationwide ProAccount	
The first \$99,999.99	0.55%
The next \$150,000	0.50%
The next \$150,000	0.45%
The next \$100,000	0.40%
Assets of \$500,000 and above	0.35%
Self Directed Brokerage Option	
SDBO Initiation Fee	\$50
SDBO Maintenance Fee	\$50 annually

Chong Choe

From: Moreno, Louis (Lou) <MORENOL@nationwide.com>
Sent: Wednesday, February 06, 2019 12:01 PM
To: Charles Price
Cc: Russell, Gregory K; Angus, William; Tiffany Dales
Subject: Intent to Award to Nationwide, 5-Year Contract
Attachments: County of Tarrant.pdf; HARRIS COUNTY TX.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Mr. Price,

The following is what was in our original formal RFP response for a 5-Year contract term.

Nationwide Guaranteed Fund Minimum Rate

2019 – 3.50%
2020 – 3.00%
2021 – 1.00%

*Please note that the GMIR is not the declared Interest yield.

Our enhancement negotiation is as follows:

2019 – 3.50%
2020 – 3.50%
2021 – 3.00%
2022 – 1.0%
2023 – 1.0%

*Please note that the GMIR is not the declared Interest yield.

In the spirit of transparency and your questions around other major Texas counties, I am sharing public information as to Tarrant County and Harris County.

We continue to work with counties in enhancing our program and will continue to work with Dallas County with our annual reviews.

Plan Assets

Dallas County \$105 Million
Tarrant County \$68 Million
Harris County \$130 Million

The reason Dallas County has the best deal is due to an exclusivity model where the other 2 counties are multiple vendor models.

We have also provided Dallas County in our RFP offer and Open Architecture universe of over 12,000 options, which include low cost institutional shares.

Our variable price in the RFP was 9 basis points on all plan assets which is a reduction from approximately 30 basis points in your current pricing.

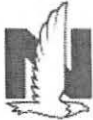
I trust this transparent information answers your questions.

What is being implemented through your process is industry best practices such as: fee equalization, low cost institutional shares, transparency and an overall lower price.

Should you have any questions, please call me directly at 561-213-2177.

Please let us know what date it will be on the Commissioner's Court agenda.

Thank you for your professionalism and our opportunity to continue to help Dallas County employees to prepare for and live in retirement.



Nationwide®
is on your side



Lou Moreno
SW/S Regional Vice President
Nationwide | SW/S Regional Office
7100 W. Camino Real, Suite 302-46, Boca Raton, FL 33433
W 800-432-0822 | C 561-213-2177 | F 855-728-5784
MorenoL@nationwide.com

Registered Representative of Nationwide Investment Services Corporation, Member FINRA | 7100 W. Camino Real, Suite 302-46, Boca Raton, FL 33433
FORTUNE® and Time Inc. are not affiliated with, and do not endorse the products or services of, Nationwide Mutual Insurance Company.

Appendix 2
PRICING/DELIVERY INFORMATION

Provide fixed fee(s) for the proposed services. All costs associated with the proposed services must be itemized and specified. Confirm that travel expenses are included. Indicate search fees for traditional asset classes including mutual funds, commingled or separate accounts, pension manager searches and any discounts for multiple contemporaneous searches. If available, indicate charges for record-keeper searches and the evaluation of responses to RFPs for vendors such as actuaries and trustees.

No charges may be billed to Dallas County unless such costs were explicitly included in the proposal and subsequent Agreement.

<u>Description</u>	<u>Amount</u>	<u>Amount</u>
Specified Services:	Monthly	Annually
1. <u>See Table Below</u>	\$ _____	\$ _____
Optional Value-Added Services:		
1. <u>See Table Below</u>	\$ _____	\$ _____

Specified Service	Fee – Revenue Requirement	Nationwide Guaranteed Fund Minimum Interest Rate[#]
Record Keeping Fee – 5 Year Contact Term*	9 basis points on all Plan Assets	2019 – 3.50% 2020 – 3.00% 2021 – 1.00%
Record Keeping Fee – 10 Year Contact Term*	7 basis points on all Plan Assets	2019 – 3.50% 2020 – 3.00% 2021 – 1.00%

*Nationwide's current deal with Dallas County includes Asset Management Charges of 0 bps. Record keeping revenue is provided from investment payment options generated from the current investment lineup.

Nationwide's RFP offer includes Open Architecture for all variable investment options. Dallas County retains discretion to select from Nationwide's Open Architecture universe of over 12,000 options, which includes low cost institutional shares.

Nationwide's record keeping fee will be limited to the revenue requirement stated above. The fee can be generated by any combination of Asset Management Charges or investment payment options. Any revenue received by Nationwide in excess of the stated revenue requirement will be returned to the Plan and/or participants.

[#]Please note that the GMIR is not the declared interest yield.

Administration Services	Cost of Services
Loans	
Loan Initiation Fee	\$50
Loan Maintenance Fee	\$50 a year while loan is outstanding
Loan Default Fee	\$50 at occurrence
Annual Loan Default Fee	\$50 annually until loan is paid in full
Loan Insufficient Funds Fee	\$25 per occurrence
Overnight Mailing of Loan Check	\$25 per occurrence
Nationwide ProAccount	
The first \$99,999.99	0.55%
The next \$150,000	0.50%
The next \$150,000	0.45%
The next \$100,000	0.40%
Assets of \$500,000 and above	0.35%
Self Directed Brokerage Option	
SDBO Initiation Fee	\$50
SDBO Maintenance Fee	\$50 annually

5. EEO-1 Form (To be submitted by the prime and any sub with 20% or more of the contract).

NAME OF FIRM: Nationwide Retirement Solutions, Inc.

5. Section D-EMPLOYMENT DATA

Employment at this establishment- Report all permanent full and part-time employees including apprentices and on-the-job trainees unless specifically excluded as set forth in the instructions. Enter the appropriate figures on all lines and in all columns. Blank spaces will be considered as zeros.

Number of Employees (Report employees in only one category)

Race/Ethnicity

Job Categories	Not-Hispanic or Latino														TOTAL COL. A-N	
	Hispanic or Latino		Male							Female						
	Male	Female	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	O	
Executive/Senior Level officials and Managers	1.1	A	B	C	D	E	F	G	H	I	J	K	L	M	N	
First/Mid-Level Officials and Managers	1.2	3	2	53	9				1	41	5					114
Professionals	2	6	5	260	16	7			6	264	48		5	1	6	624
Technicians	3															
Sales Workers	4	11	15	115	19	2			3	63	5		5		3	241
Administrative Support Workers	5	4	4	49	8	2			3	71	13	1	4	1	5	165
Craft Workers	6															
Operatives	7															
Laborers and Helpers	8															
Service Workers	9															
TOTAL	10	24	26	477	52	11			13	439	71	1	14	2	14	1144
PREVIOUS YEAR TOTAL	11															

1. Date(s) of payroll period used: 6/1/2018 (Omit on the Consolidated Report.)

Section E-ESTABLISHMENT INFORMATION (Omit on the Consolidated Report). What is the major activity of this establishment? (Be specific, i.e., manufacturing steel casings, retail grocer, wholesale plumbing supplies, title insurance, etc. Include the specific type of product or type of service provided, as well as the principal business or industrial activity.)

Section F-REMARKS-Use this item to give any identification data appearing on the last EEO-1 report which differs from that given above, explain major changes in composition of reporting units and other pertinent information

Section G-CERTIFICATION

Check One	1	<input type="checkbox"/>	All reports are accurate and were prepared in accordance with the instructions. (Check on Consolidated Report only.)
	2	<input checked="" type="checkbox"/>	This report is accurate and was prepared in accordance with the instructions.

Name of Certifying Official	JOHN NIEHAUS	Title	Product Consultant	Signature	[Signature]	Date	4/19/19
Name of person to contact regarding this report	JOHN NIEHAUS	Title	Product Consultant	Address (Number and Street)	10 W. NATIONWIDE BLVD		
City and State	COLUMBUS, OH	Zip Code	43215	Telephone No. (including area code and extension)	614-362-7668	Email address	nichauj@nationwide.com

All reports and information obtained from individual reports will be kept confidential as required by Section 709(e) of Title VII, WILL-FULLY FALSE STATEMENTS ON THIS REPORT ARE PUNISHABLE BY LAW, US CODE, TITLE 18, SECTION 1001

Description of Race and Ethnic Identification and Job Categories are found @ <http://www.eeoc.gov/employers/eeo1survey/2007instructions.cfm> / Appendix 4, Race and Ethnic Identification / and Appendix 5, Description of Job Categories