

Brian Sandoval
Governor

Rob Boehmer
Program Coordinator



**Nevada Public Employees'
Deferred Compensation Program**

COMMITTEE
Scott Sisco, Chair
NDOC
Carlos Romo, Vice Chair
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Brian L. Davie
LCB
Karen Oliver
GCB
Steve C. Woodbury
GOED

Shane Chesney
Senior Deputy Attorney General

NOTICE OF PUBLIC MEETING

**NEVADA PUBLIC EMPLOYEES'
DEFERRED COMPENSATION COMMITTEE**

**Monday, December 29, 2014
8:30 am**

Note: Some members of the Committee may attend the meeting and other persons may attend the meeting and provide testimony through a teleconference call conducted at the following location:

State of Nevada Library and Archives Building
100 N. Stewart Street
Board Room (downstairs from the NDC Office)
Carson City, Nevada, 89701

To call in for the meeting please dial 1-888-808-6929, Access Code 4157280

Below is an agenda of all items to be considered. All items which are potential action items are noted as such. Items on the agenda may be taken out of order, combined for consideration, or removed from the agenda at any time at the discretion of the Committee.

AGENDA

1. Call to Order/Roll Call
2. Public Comment. *Comments from the public are invited at this time prior to the commencement of possible action items. The Committee reserves the right to limit the amount of time that will be allowed for each individual to speak and may place reasonable restrictions on the manner of public comment. The Committee is precluded from acting on items raised during Public Comment that are not on the agenda. Public comment pursuant to this item should be limited to items listed on the agenda.*
3. For Possible Action – Approve amending existing Hartford/MassMutual Contract for additional time, up to March 1, 2015, while they transition the accounts, assets, and participant data to Voya Financial with the amended contract to terminate by March 1, 2015, or as soon as Voya Financial has received and is able to verify all of the assets and participant data files.

4. For Possible Action- Approve contract amendment to new Voya Financial contract approved by the Nevada Board of Examiners on November 12, 2014 to reflect the delay in being able to fully implement the contract until Mass Mutual is able to transfer participant assets and data files to Voya Financial.
5. For Possible Action- Approve contract extension to the existing contract held by Segal Rogerscasey due to expire on March 31, 2015. The current contract provides an option for the NDC Committee to extend it for an additional two-year term. The proposed contract amendment would allow for a two year contract extension with a \$20,000 reduction of investment consultant fees over the extended timeframe.
6. For Possible Action – Approve modified Fund Line-up and Mapping proposal presented by Investment Consultant, Frank Picarelli of Segal Rogerscasey. The new fund Line-Up was voted upon and approved by the NDC Committee at the November 4th Quarterly Committee meeting contingent upon being able to provide the necessary revenue to meet the pricing in the new Voya Financial contract and the NDC Program Administration.

Comments/Updates

7. Committee Members
8. Investment Consultant
9. Staff Updates
10. Public Comment. *The Committee reserves the right to limit the amount of time that will be allowed for each individual to speak. The Committee is precluded from acting on items raised during Public Comment that are not on the agenda. Public comment pursuant to this item may be on any topic, principally those related to the Nevada Deferred Compensation Program.*
11. Adjournment

Prior to the commencement and conclusion of a contested case or a quasi-judicial proceeding that may affect the due process rights of an individual the Committee may refuse to consider public comment. *See NRS 233B.126.*

Notice of this meeting was posted at the following locations in Carson City, Nevada:

Nevada State Library and Archives, 100 Stewart Street
Blasdel Building, 209 E. Musser Street
Capitol Building, 101 N. Carson Street
Legislative Building, 401 S. Carson Street

Notice of this meeting was posted at the following locations in Las Vegas, Nevada:

Grant Sawyer State Office Building, 555 E. Washington Avenue
Fax to Capitol Police – (702) 486-2012

Notice of this meeting was posted on the following website:

<http://defcomp.nv.gov/>
<https://notice.nv.gov/>

We are pleased to make reasonable accommodations for members of the public who are disabled and would like to attend the meeting. If special arrangements for the meeting are required, please notify the Deferred Compensation office at 100 North Stewart Street, Suite 210, Carson City, Nevada, at least one working day before the meeting or call (775) 684-3397 or you can fax your request to (775) 684-3399.

AMENDMENT #3 TO CONTRACT

Between the State of Nevada
Acting By and Through Its

Nevada Public Employees Deferred Compensation Program
100 N Stewart Street, Suite 201
Carson City, NV 89701

and

Mass Mutual Life Insurance Group
(formerly The Hartford Financial Services Group)
100 Bright Meadow Blvd.
Enfield, CT 06082

1. AMENDMENTS. For and in consideration of mutual promises and/or their valuable consideration, all provisions of the original contract dated November 13, 2007 and its subsequent amendments, attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

A. Extension of contract term.

Current Contract Language:

CONTRACT TERM. This contract shall be effective from January 1, 2008 to December 31, 2014, unless sooner terminated by either party as specified in paragraph (10).

NOTICE Unless otherwise specified, termination shall not be effective until 30 calendar days after a party has served written notice of termination for default, or notice of termination without cause upon the other party. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, posted prepaid on the date posted, and addressed to the other party at the address specified above.

Amended Contract Language:

CONTRACT TERM. This contract shall be effective from January 1, 2008 to March 1, 2015, unless sooner terminated by either party as specified in paragraph (10)

NOTICE Unless otherwise specified, termination shall be effective as soon as reasonably practicable after written notice of termination for default, or notice of termination without cause upon either party. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, posted prepaid on the date posted, and addressed to the other party at the address specified above.

2. INCORPORATED DOCUMENTS. Exhibit A (Original Contract and Amendments 1-2) is attached hereto, incorporated by reference herein and made a part of this amended contract.

3. REQUIRED APPROVAL. This amendment to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.


Independent Contractor's Signature

12/19/14
Date

SR. VICE PRESIDENT
Independent's Contractor's Title

Signature Date

Title

Signature Date

Title

Signature - Board of Examiners

APPROVED BY BOARD OF EXAMINERS

Approved as to form by:

On _____
(Date)

Deputy Attorney General for Attorney General

On _____
(Date)



December 19, 2014

Mr. Rob Boehmer
Program Coordinator/Executive Officer
Nevada Public Employees' Deferred Compensation Program
Nevada State Library & Archives Building
100 North Stewart Street, 2nd Floor
Carson City, NV 89701

RE: Nevada Public Employees' Deferred Compensation Program (the Deferred Compensation Plan") and Nevada State FICA Alternative Plan the "OBRA Plan")
Extension of Hartford Life Group Funding Agreement (GC-150016), Group Funding Agreement (GC-150074), and Administrative Services Agreement beyond December 31, 2014

Dear Mr. Boehmer:

The purpose of this Letter Agreement is to memorialize the agreement between Massachusetts Life Insurance Company ("MassMutual") as Administrator and Agent for Hartford Life Insurance Company ("Hartford Life") and on its own behalf, and the State of Nevada ("Contractholder") to grant the Contractholder's request to MassMutual to extend beyond December 31, 2014 (1) the Hartford Life funding agreement (GC-150016) issued to the Contractholder on behalf of the Deferred Compensation Plan; (2) the Hartford Life funding agreement (GC-150074) issued to the Contractholder on behalf of the OBRA Plan; (3) the Contract For Services of Independent Contractor between Hartford Life and the Contractholder (the "Deferred Comp ASA"); and (4) the Contract For Services of Independent Contractor between Hartford Life and the Contractholder (the "OBRA ASA") beyond the current maturity date of December 31, 2014.

The current term of each of the above-referenced agreements with Hartford Life expires on December 31, 2014. The Contractholder has decided to terminate the relationship with Hartford Life and MassMutual with respect to the Deferred Compensation Plan and the OBRA Plan as soon as practicable including the discontinuance of both funding agreements (GC-150016 and 150074) and termination of the administrative and recordkeeping agreements (the Deferred Comp ASA and the OBRA ASA) . The Contractholder has further determined that it will not be able to transfer the assets of the Deferred Compensation Plan or the OBRA Plan to the successor investment vehicles prior to the expiration dates of those contracts, December 31, 2014; nor will it be able to transfer the responsibilities for administrative services to the successive recordkeeper. As an accommodation to the Contractholder and the plans and participants, MassMutual, on behalf of Hartford Life, and itself has agreed to the Contractholder's request to extend the group funding agreements and ASAs beyond December 31, 2014 and continue each agreement until the implementation by the Contractholder of the new investment and service arrangements with its new provider(s).

MassMutual, in its role as Administrator for Hartford Life and on its own behalf, and the Contractholder hereby agree to the extension of the funding agreements (GC-150016 and GC-150074), the Deferred Comp ASA, and the OBRA ASA on the existing terms of each, as requested by the Contractholder. The extension shall be until the commencement of the new arrangements for the plans with the Contractholder's new service and investment provider(s); provided, however, that the extension will not go beyond March 31, 2015 without the mutual agreement by the parties including any agreed upon modifications of the terms and conditions. Amendments and endorsements to the contracts and agreements will be provided upon request and/or to the extent either party deems advisable.

We would like to thank you for our long mutually beneficial relationship with the State of Nevada, the Nevada Public Employees' Deferred Compensation Program, the Plan and its participants.

Please indicate your acceptance of the foregoing by signing below and returning a copy to the undersigned.

Sincerely,

MASSACHUSETTS LIFE INSURANCE COMPANY, on its own behalf; and as
Administrator for HARTFORD LIFE INSURANCE COMPANY,



Una Morabito
Senior Vice President
MassMutual Retirement Services

The foregoing is agreed to and accepted by the State of Nevada, on behalf of the Nevada Public Employees' Deferred Compensation Program, Plan Sponsor, as of this _____ day of December, 2014.

By: _____

Name: _____

Title: _____

CC:

MassMutual Retirement Services (MMRS) is a division of Massachusetts Mutual Life Insurance Company (MassMutual) and affiliates.

Effective January 1, 2013, Massachusetts Mutual Life Insurance Company ("MassMutual") acquired The Hartford's Retirement Plans Group ("RPG") business. MassMutual has no affiliation, and the RPG business no longer has any affiliation, with The Hartford Financial Services Group, Inc. or any of its subsidiaries. MassMutual has been appointed by Hartford Life Insurance Company ("HLIC") to provide all administrative services necessary to support the insurance contracts issued by HLIC in connection with the RPG business.

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR

A Contract Between the State of Nevada
Acting by and Through Its

Nevada Deferred Compensation Program

100 N Stewart Street Ste 201
Carson City, NV 89701
Contact: Rob Boehmer
Phone: 775-684-3397 Fax: 775-684-3399
Email: rboehmer@defcomp.nv.gov

and

VOYA Financial

(formerly ING Life Insurance and Annuity Company)

One Orange Way
Windsor, CT 06095
Contact: M. Bishop Bastien
Phone: 916-774-7595 Fax: 612-492-0685
Email: Bishop.Bastien@us.ing.com

WHEREAS, NRS 333.700 authorizes elective officers, heads of departments, boards, commissions or institutions to engage, subject to the approval of the Board of Examiners (BOE), services of persons as independent contractors; and

WHEREAS, it is deemed that the service of Contractor is both necessary and in the best interests of the State of Nevada.

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **REQUIRED APPROVAL.** This Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.
2. **DEFINITIONS.**
 - A. "State" – means the State of Nevada and any State agency identified herein, its officers, employees and immune contractors as defined in NRS 41.0307.
 - B. "Independent Contractor" – means a person or entity that performs services and/or provides goods for the State under the terms and conditions set forth in this Contract.
 - C. "Fiscal Year" – is defined as the period beginning July 1st and ending June 30th of the following year.
 - D. "Current State Employee" – means a person who is an employee of an agency of the State.
 - E. "Former State Employee" – means a person who was an employee of any agency of the State at any time within the preceding 24 months.
3. **CONTRACT TERM.** This Contract shall be effective upon Board of Examiners' approval thru December 31, 2019, unless sooner terminated by either party as specified in *Section 10, Contract Termination*. Contract is subject to Board of Examiners' approval (anticipated to be November 12, 2014).
4. **NOTICE.** Unless otherwise specified, termination shall not be effective until 30 calendar days after a party has served written notice of termination for default, or notice of termination without cause upon the other party. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed

certified mail, return receipt requested, posted prepaid on the date posted, and addressed to the other party at the address specified above.

5. **INCORPORATED DOCUMENTS.** The parties agree that this Contract, inclusive of the following attachments, specifically describes the scope of work. This Contract incorporates the following attachments in descending order of constructive precedence:

ATTACHMENT AA:	NEGOTIATED POINTS
ATTACHMENT BB:	INSURANCE SCHEDULE
ATTACHMENT CC:	STATE SOLICITATION OR RFP #3119 and AMENDMENT #1
ATTACHMENT DD	CONTRACTOR'S REVISED RESPONSE
ATTACHMENT EE:	CONTRACTOR'S RESPONSE

A Contractor's attachment shall not contradict or supersede any State specifications, terms or conditions without written evidence of mutual assent to such change appearing in this Contract.

6. **CONSIDERATION.** The parties agree that Contractor will provide the services specified in *Section 5, Incorporated Documents* at a cost of 8 basis points (bps) on variable assets plus \$0.65 per participant per month for the FICA Alternative Plan, to be paid by the participant. Contractor shall pay to the State a one-time fee of \$65,000 for costs related to the Request for Proposal process and on an ongoing basis, the State shall provide an annual statement of expenses, which are properly chargeable to the plan, to be funded through a combination of asset based fees and revenue sharing generated by the variable investment options within the plan. The total estimated contract value, including anticipated asset growth is \$2,600,000.00.

The State does not agree to reimburse Contractor for expenses unless otherwise specified in the incorporated attachments. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the result of legislative appropriation may require.

7. **ASSENT.** The parties agree that the terms and conditions listed on incorporated attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations specified.
8. **BILLING SUBMISSION: TIMELINESS.** The parties agree that timeliness of billing is of the essence to the Contract and recognize that the State is on a fiscal year. All billings for dates of service prior to July 1 must be submitted to the state no later than the first Friday in August of the same calendar year. A billing submitted after the first Friday in August, which forces the State to process the billing as a stale claim pursuant to NRS 353.097, will subject the Contractor to an administrative fee not to exceed one hundred dollars (\$100.00). The parties hereby agree this is a reasonable estimate of the additional costs to the state of processing the billing as a stale claim and that this amount will be deducted from the stale claim payment due to the Contractor.
9. **INSPECTION & AUDIT.**

- A. Books and Records. Contractor agrees to keep and maintain under generally accepted accounting principles (GAAP) full, true and complete records, contracts, books, and documents as are necessary to fully disclose to the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all State and federal regulations and statutes.
- B. Inspection & Audit. Contractor agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices of Contractor or its subcontractors, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Contractor where such records may be found, with or without notice by the State Auditor, the relevant State agency or its contracted examiners, the department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the state Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives. All subcontracts shall reflect requirements of this Section.

- C. Period of Retention. All books, records, reports, and statements relevant to this Contract must be retained a minimum three (3) years, and for five (5) years if any federal funds are used pursuant to the Contract. The retention period runs from the date of payment for the relevant goods or services by the state, or from the date of termination of the Contract, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

10. **CONTRACT TERMINATION.**

- A. Termination Without Cause. Any discretionary or vested right of renewal notwithstanding, this Contract may be terminated upon written notice by mutual consent of both parties, or unilaterally by either party without cause.
- B. State Termination for Non-Appropriation. The continuation of this Contract beyond the current biennium is subject to and contingent upon sufficient funds being appropriated, budgeted, and otherwise made available by the state Legislature and/or federal sources. The State may terminate this Contract, and Contractor waives any and all claims(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason for the contracting Agency's funding from State and/or federal sources is not appropriated or is withdrawn, limited, or impaired.
- C. Cause Termination for Default or Breach. A default or breach may be declared with or without termination. This Contract may be terminated by either party upon written notice of default or breach to the other party as follows:
- 1) If Contractor fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Contract within the time requirements specified in this Contract or within any granted extension of those time requirements; or
 - 2) If any State, county, city, or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or
 - 3) If Contractor becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or
 - 4) If the State materially breaches any material duty under this Contract and any such breach impairs Contractor's ability to perform; or
 - 5) If it is found by the State that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of the State of Nevada with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract; or
 - 6) If it is found by the State that Contractor has failed to disclose any material conflict of interest relative to the performance of this Contract.
- D. Time to Correct. Termination upon declared default or breach may be exercised only after service of formal written notice as specified in *Section 4, Notice*, and the subsequent failure of the defaulting party within fifteen (15) calendar days of receipt of that notice to provide evidence, satisfactory to the aggrieved party, showing that the declared default or breach has been corrected.
- E. Winding Up Affairs Upon Termination. In the event of termination of this Contract for any reason, the parties agree that the provisions of this Section survive termination:
- 1) The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;
 - 2) Contractor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by the Contracting Agency;

- 3) Contractor shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if so requested by the Contracting Agency;
 - 4) Contractor shall preserve, protect and promptly deliver into State possession all proprietary information in accordance with *Section 21, State Ownership of Proprietary Information*.
11. **REMEDIES.** Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall include without limitation one hundred and twenty-five dollars (\$125.00) per hour for State-employed attorneys. The State may set off consideration against any unpaid obligation of Contractor to any State agency in accordance with NRS 353C.190. In the event that the Contractor voluntarily or involuntarily becomes subject to the jurisdiction of the Bankruptcy Court, the State may set off consideration against any unpaid obligation of Contractor to the State or its agencies, to the extent allowed by bankruptcy law, without regard to whether the procedures of NRS 353C.190 have been utilized.
12. **LIMITED LIABILITY.** The State will not waive and intends to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the incorporated attachments. Damages for any State breach shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to Contractor, for the fiscal year budget in existence at the time of the breach. Damages for any Contractor breach shall not exceed one hundred and fifty percent (150%) of the Contract maximum "not to exceed" value. Contractor's tort liability shall not be limited.
13. **FORCE MAJEURE.** Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.
14. **INDEMNIFICATION.** To the fullest extent permitted by law Contractor shall indemnify, hold harmless and defend, not excluding the State's right to participate, the State from and against all liability, claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of Contractor, its officers, employees and agents.
15. **INDEPENDENT CONTRACTOR.** Contractor is associated with the state only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted services pursuant to this Contract, Contractor is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for the state whatsoever with respect to the indebtedness, liabilities, and obligations of Contractor or any other party. Contractor shall be solely responsible for, and the State shall have no obligation with respect to: (1) withholding of income taxes, FICA or any other taxes or fees; (2) industrial insurance coverage; (3) participation in any group insurance plans available to employees of the state; (4) participation or contributions by either Contractor or the State to the Public Employees Retirement System; (5) accumulation of vacation leave or sick leave; or (6) unemployment compensation coverage provided by the State. Contractor shall indemnify and hold State harmless from, and defend State against, any and all coverage provided by the State. Contractor shall indemnify and hold State harmless from, and defend State against, any and all losses, damages, claims, costs, penalties, liabilities, and expenses arising or incurred because of, incident to, or otherwise with respect to any such taxes or fees. Neither Contractor nor its employees, agents, nor representatives shall be considered employees, agents, or representatives of the State and Contractor shall evaluate the nature of services and the term of the Contract negotiated in order to determine "independent contractor" status, and shall monitor the work, relationship throughout the term of the Contract to ensure that the independent contractor relationship remains as such. To assist in determining the appropriate status (employee or independent contractor), Contractor represents as follows:

QUESTION		CONTRACTOR'S INITIALS	
		YES	NO
1.	Does the Contracting Agency have the right to require control of when, where and how the independent contractor is to work?	DB	
2.	Will the Contracting Agency be providing training to the independent contractor?		DB
3.	Will the Contracting Agency be furnishing the independent contractor with worker's space, equipment, tools, supplies or travel expenses?		DB
4.	Are any of the workers who assist the independent contractor in performance of his/her duties employees of the State of Nevada?	DB	
5.	Does the arrangement with the independent contractor contemplate continuing or recurring work (even if the services are seasonal, part-time, or of short duration)?	DB	
6.	Will the State of Nevada incur an employment liability if the independent contractor is terminated for failure to perform?		DB
7.	Is the independent contractor restricted from offering his/her services to the general public while engaged in this work relationship with the State?		DB

16. **INSURANCE SCHEDULE.** Unless expressly waived in writing by the State, Contractor, as an independent contractor and not an employee of the state, must carry policies of insurance and pay all taxes and fees incident hereunto. Policies shall meet the terms and conditions as specified within this Contract along with the additional limits and provisions as described in *Attachment BB*, incorporated hereto by attachment. The State shall have no liability except as specifically provided in the Contract.

The Contractor shall not commence work before:

- 1) Contractor has provided the required evidence of insurance to the Contracting Agency of the State, and
- 2) The State has approved the insurance policies provided by the Contractor.

Prior to approval of the insurance policies by the State shall be a condition precedent to any payment of consideration under this Contract and the State's approval of any changes to insurance coverage during the course of performance shall constitute an ongoing condition subsequent to this Contract. Any failure of the State to timely approve shall not constitute a waiver of the condition.

- A. **Insurance Coverage.** The Contractor shall, at the Contractor's sole expense, procure, maintain and keep in force for the duration of the Contract insurance conforming to the minimum limits as specified in *Attachment BB*, incorporated hereto by attachment. Unless specifically stated herein or otherwise agreed to by the State, the required insurance shall be in effect prior to the commencement of work by the Contractor and shall continue in force as appropriate until:

- 1) Final acceptance by the State of the completion of this Contract; or
- 2) Such time as the insurance is no longer required by the State under the terms of this Contract; whichever occurs later.

Any insurance or self-insurance available to the State shall be in excess of and non-contributing with, any insurance required from Contractor. Contractor's insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by the State, Contractor shall provide the State with renewal or replacement evidence of insurance no less than thirty (30) days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by the Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as Contractor has knowledge of any such failure, Contractor shall immediately notify the State and immediately replace such insurance or bond with an insurer meeting the requirements.

B. General Requirements.

- 1) Additional Insured: By endorsement to the general liability insurance policy, the State of Nevada, its officers, employees and immune contractors as defined in NRS 41.0307 shall be named as additional insureds for all liability arising from the Contract.
- 2) Waiver of Subrogation: Each insurance policy shall provide for a waiver of subrogation against the State of Nevada, its officers, employees and immune contractors as defined in NRS 41.0307 for losses arising from work/materials/equipment performed or provided by or on behalf of the Contractor.
- 3) Cross Liability: All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.
- 4) Deductibles and Self-Insured Retentions: Insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the State. Such approval shall not relieve Contractor from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed fifty thousand dollars (\$50,000.00) per occurrence, unless otherwise approved by the Risk Management Division.
- 5) Policy Cancellation: Except for ten (10) days notice for non-payment of premiums, each insurance policy shall be endorsed to state that without thirty (30) days prior written notice to the State of Nevada, c/o Contracting Agency, the policy shall not be canceled, non-renewed or coverage and/or limits reduced or materially altered, and shall provide that notices required by this Section shall be sent by certified mail to the address shown on page one (1) of this contract.
- 6) Approved Insurer: Each insurance policy shall be:
 - a) Issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the State and having agents in Nevada upon whom service of process may be made; and
 - b) Currently rated by A.M. Best as "A-VII" or better.

C. Evidence of Insurance.

Prior to the start of any work, Contractor must provide the following documents to the contracting State agency:

- 1) Certificate of Insurance: The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to the State to evidence the insurance policies and coverages required of Contractor. The certificate must name the State of Nevada, its officers, employees and immune contractors as defined in NRS 41.0307 as the certificate holder. The certificate should be signed by a person authorized by the insurer to bind coverage on its behalf. The State project/Contract number; description and Contract effective dates shall be noted on the certificate, and upon renewal of the policies listed, Contractor shall furnish the State with replacement certificates as described within *Section 16A, Insurance Coverage*.

Mail all required insurance documents to the State Contracting Agency identified on Page one of the Contract.

- 2) Additional Insured Endorsement: An Additional Insured Endorsement (CG 20 10 11 85 or CG 20 26 11 85), signed by an authorized insurance company representative, must be submitted to the State to evidence the endorsement of the State as an additional insured per *Section 16 B, General Requirements*.
- 3) Schedule of Underlying Insurance Policies: If Umbrella or Excess policy is evidenced to comply with minimum limits, a copy of the underlying Schedule from the Umbrella or Excess insurance policy may be required.
- 4) Review and Approval: Documents specified above must be submitted for review and approval by the State prior to the commencement of work by Contractor. Neither approval by the State nor failure to disapprove the insurance furnished by Contractor shall relieve Contractor of Contractor's full responsibility to provide the insurance required by this Contract. Compliance with the insurance requirements of this Contract shall not limit the liability of Contractor or its subcontractors, employees or agents to the State or others, and shall be in addition to and not in lieu of any other remedy available to the State under this Contract or otherwise. The

State reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements.


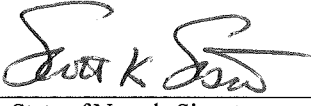

17. **COMPLIANCE WITH LEGAL OBLIGATIONS.** Contractor shall procure and maintain for the duration of this Contract any State, county, city or federal license, authorization, waiver, permit qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract. Contractor will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. Real property and personal property taxes are the responsibility of Contractor in accordance with NRS 361.157 and NRS 361.159. Contractor agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract. The State may set-off against consideration due any delinquent government obligation in accordance with NRS 353C.190.
18. **WAIVER OF BREACH.** Failure to declare a breach or the actual waiver of any particular breach of the Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.
19. **SEVERABILITY.** If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.
20. **ASSIGNMENT/DELEGATION.** To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by State, such offending portion of the assignment shall be void, and shall be a breach of this Contract. Contractor shall neither assign, transfer nor delegate any rights, obligations nor duties under this Contract without the prior written consent of the State.
21. **STATE OWNERSHIP OF PROPRIETARY INFORMATION.** Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under the Contract), or any other documents or drawings, prepared or in the course of preparation by Contractor (or its subcontractors) in performance of its obligations under this Contract shall be the exclusive property of the State and all such materials shall be delivered into State possession by Contractor upon completion, termination, or cancellation of this Contract. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this Contract without the prior written consent of the State. Notwithstanding the foregoing, the State shall have no proprietary interest in any materials licensed for use by the State that are subject to patent, trademark, or copyright protection.
22. **PUBLIC RECORDS.** Pursuant to NRS 239.010, information or documents received from Contractor may be open to public inspection and copying. The State has a legal obligation to disclose such information unless a particular record is made confidential by law or a common law balancing of interests. Contractor may label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 333.333, provided that Contractor thereby agrees to indemnify and defend the State for honoring such a designation. The failure to so label any document that is released by the State shall constitute a complete waiver of any and all claims for damages caused by any release of the records.
23. **CONFIDENTIALITY.** Contractor shall keep confidential all information, in whatever form, produced, prepared, observed or received by Contractor to the extent that such information is confidential by law or otherwise required by this Contract.
24. **FEDERAL FUNDING.** In the event federal funds are used for payment of all or part of this Contract:
 - A. Contractor certifies, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt 67, Section 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.
 - B. Contractor and its subcontracts shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted there under contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.
 - C. Contractor and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall

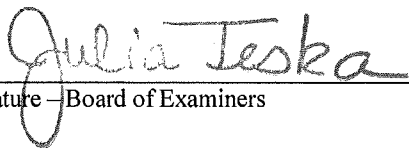
not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)

25. **LOBBYING.** The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this Contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:
- A. Any federal, State, county or local agency, legislature, commission, council or board;
 - B. Any federal, State, county or local legislator, commission member, council member, board member, or other elected official; or
 - C. Any officer or employee of any federal, State, county or local agency; legislature, commission, council or board.
26. **WARRANTIES.**
- A. General Warranty. Contractor warrants that all services, deliverables, and/or work products under this Contract shall be completed in a workmanlike manner consistent with standards in the trade, profession, or industry, shall conform to or exceed the specifications set forth in the incorporated attachments; and shall be fit for ordinary use, of good quality, with no material defects.
 - B. System Compliance. Contractor warrants that any information system application(s) shall not experience abnormally ending and/or invalid and/or incorrect results from the application(s) in the operating and testing of the business of the State.
27. **PROPER AUTHORITY.** The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract. Contractor acknowledges that as required by statute or regulation this Contract is effective only after approval by the State Board of Examiners and only for the period of time specified in the Contract. Any services performed by Contractor before this Contract is effective or after it ceases to be effective are performed at the sole risk of Contractor.
28. **NOTIFICATION OF UTILIZATION OF CURRENT OR FORMER STATE EMPLOYEES.** Contractor has disclosed to the State all persons that the Contractor will utilize to perform services under this Contract who are Current State Employees or Former State Employees. Contractor will not utilize any of its employees who are Current State Employees or Former State Employees to perform services under this Contract without first notifying the Contracting Agency of the identity of such persons and the services that each such person will perform, and receiving from the Contracting Agency approval for the use of such persons.
29. **ASSIGNMENT OF ANTITRUST CLAIMS.** Contractor irrevocably assigns to the State any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of State of Nevada or federal antitrust laws in connection with any goods or services provided to the Contractor for the purpose of carrying out the Contractor's obligations under this Contract, including, at the State's option, the right to control any such litigation on such claim for relief or cause of action. Contractor shall require any subcontractors hired to perform any of Contractor's obligations under this Contract to irrevocably assign to the State, as third party beneficiary, any right, title or interest that has accrued or which may accrue in the future by reason of any violation of State of Nevada or federal antitrust laws in connection with any goods or services provided to the subcontractor for the purpose of carrying out the subcontractor's obligations to the Contractor in pursuance of this Contract, including, at the State's option, the right to control any such litigation on such claim or relief or cause of action.
30. **GOVERNING LAW: JURISDICTION.** This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law of any other jurisdiction. The parties consent to the exclusive jurisdiction of the First Judicial District Court, Carson City, Nevada for enforcement of this Contract.
31. **ENTIRE CONTRACT AND MODIFICATION.** This Contract and its integrated attachment(s) constitute the entire agreement of the parties and as such are intended to be the complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing

and signed by the respective parties hereto and approved by the Office of the Attorney General and the State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

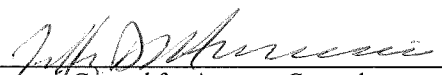
<u></u>	<u>8/11/14</u>	<u>Dianne Bogdan / Vice President</u>
Independent Contractor's Signature	Date	Name / Title
<u></u>	<u>8/12/14</u>	<u>Scott K. Sisco / Chairman</u> 
State of Nevada Signature	Date	Name / Title


Signature — Board of Examiners

APPROVED BY BOARD OF EXAMINERS

On: 11-12-14
Date

Approved as to form by:

<u></u>	On: <u>12 Aug 14</u>
Deputy Attorney General for Attorney General	Date

ATTACHMENT AA
NEGOTIATED POINTS

ATTACHMENT AA
NEGOTIATED POINTS

1. ING's product offering to the State of Nevada is based upon the use of a general account stable value fund – the ING Fixed Account - 457/401 II – which features a 12-month put to accommodate a book value settlement, further defined as Scenario I in the RFP response.
2. ING shall provide a price offering of 8 bps on all variable assets in the plan.
3. ING agrees to reduce the proposed FICA Alternative Plan fee from \$1.00 per month, per account (as proposed in Attachment EE) to \$0.65 per month, per account.
4. ING shall provide five (5) dedicated local representatives to the plan to be located in Carson City and Las Vegas.
5. ING agrees to increase overall plan participation by 10 percentage points, from 24% to 34%, over the course of the five-year contract term. Participation shall be measured following the completion of implementation period on January 1, 2015, and again at the end of the contract term, on December 31, 2019.
6. ING agrees to an annual commitment of 550 group meetings/seminars, and 7,520 individual/one-on-one meetings.
7. Upon contract approval, ING shall pay to the State a one-time fee of \$65,000 for costs related to the RFP process. Ongoing, the State will provide to ING an annual statement of expenses properly chargeable to the Plan, which will be funded through a yet to be determined combination of asset based fees and the revenue sharing generated by the variable investment options within the plan.
8. The contract will become effective upon Board of Examiners approval so that ING may begin plan implementation efforts. Implementation of the plan transition shall be completed no later than December 31, 2014. Contract fees shall not commence until January 1, 2015.
9. ING agrees to the following minimum guarantee net interest rates over the five- year contract term:

Year 1	3.50%
Year 2	3.15%
Year 3	2.75%
Years 4 & 5	2.50%

10. ING agrees to the following additional guarantees regarding service commitments to the plan. State will provide 30 days written notice of any deficiency.

<i>Commitment</i>	<i>Measurement Standard</i>	<i>Service Penalty</i>
Increase Plan participation by 10 percentage points over the five year contract term.	ING will increase the overall participation in the plan by ten percentage points for the period of January 1, 2014 through December 31, 2019. The measurement of the plan participation rate shall be based upon number of actively contributing participants in the plan divided by the total number of eligible participants employed by the State of Nevada, by the Nevada System of Higher Education (NSHE) and by any active alliance partners of the Plan at the time of the calculation.	\$100,000
Timely and Accurate Implementation	The period from State's approval of the agreed upon contract in September 2014 to asset transfer planned for approximately January 2015 is the transition period. ING will provide to the State a detailed timeline for all decisions and steps that will need to be completed for a timely and accurate implementation of the Plan to ING. Once a final implementation date is selected, ING will carry out the transition by this date unless there are issues related to the State's other vendor that make such an implementation difficult to meet. Such issues might include the accuracy of plan level data and the transfer of account information or other relevant data that impacts the proper transition of the plan. Any identified information or delayed transfer of key data impacting the transition of the plan will be communicated to the State as soon as possible.	\$50,000
Group and One on One Meetings	ING agrees to carry out a minimum of 550 group meetings/seminars per year, and 7,520 individual/one-on-one meetings per year.	\$10,000

11. ING agrees to obtain, within 90 days, Insurance Commissioner approval of the unallocated "group" annuity upon which the general fund is based, as set forth in NRS 686C.210, in order that the members of the program may take advantage of the Association's guaranty in the case of insolvency of the Record Keeper.
12. In the event of any conflict or contradiction between the terms of this Contract and the terms of the existing ING Administrative Service Agreement, the ING Trust Agreement, the Morningstar Agreement, and the TD Ameritrade Agreement, the terms of this Contract and the negotiated points document shall control. Notwithstanding anything to the contrary in the Agreements, the State does not waive sovereign immunity and the

State does not waive any limitations or conditions on liability of the State under NRS Chapter 41 or other applicable statutes or laws. The provisions of section 30 herein concerning choice of law, jurisdiction and venue shall control over any different or additional provisions of any of the Agreements, and no Contractor disclaimers of warranty or limitations on Contractor's liability in the Agreements shall apply against the State unless they are expressly stated herein or specifically incorporated into this Contract by reference to a specific section of a specific Agreement. The above shall not be construed to limit the Contractor's ability to contract with individual Plan Participants in accordance with the terms of the Agreements.

13. In calendar year 2014, ING will be changing its name to Voya Financial ("Voya"). All pricing and service commitments and other representations made by ING shall remain in effect subsequent to ING changing its name to Voya.

ATTACHMENT BB
INSURANCE SCHEDULE

ATTACHMENT BB
INSURANCE SCHEDULE

INDEMNIFICATION CLAUSE:

Financial Consultant agrees to faithfully discharge the duties herein set forth and shall indemnify, hold harmless and, not excluding the State's right to participate, defend the State, its officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against all liabilities, claims, actions, damages, losses, and expenses including without limitation reasonable attorneys' fees and costs, (hereinafter referred to collectively as "claims") from and against any and all claims resulting from the acts, omissions and negligent conduct of Financial Consultant or any of its owners, officers, directors, agents, employees or subcontractors with respect to the Financial Consultant's Scope of Work. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of the Financial Consultant to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Financial Consultant from and against any and all claims. It is agreed that Financial Consultant will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Financial Consultant agrees to waive all rights of subrogation against the State, its officers, officials, agents and employees for losses arising from the work performed by the Financial Consultant for the State.

INSURANCE REQUIREMENTS:

Financial Consultant and subcontractors, if any, shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Financial Consultant, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The State in no way warrants that the minimum limits contained herein are sufficient to protect the Financial Consultant from liabilities that might arise out of the performance of the work under this Agreement by the Financial Consultant, his agents, representatives, employees or subcontractors and Financial Consultant is free to purchase additional insurance as may be determined necessary.

- A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Financial Consultant shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- | | |
|---|-------------|
| • General Aggregate | \$2,000,000 |
| • Products – Completed Operations Aggregate | \$1,000,000 |
| • Personal and Advertising Injury | \$1,000,000 |
| • Each Occurrence | \$1,000,000 |

- a. The policy shall be endorsed to include the following additional insured language: "The State of Nevada shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Financial Consultant".

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

- a. Policy shall contain a waiver of subrogation against the State of Nevada.
- b. This requirement shall not apply when a contractor or subcontractor is exempt under N.R.S., **AND** when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

3. **Professional Liability (Errors and Omissions Liability)**

The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim	\$10,000,000
Annual Aggregate	\$10,000,000

- a. In the event that the professional liability insurance required by this Agreement is written on a claims-made basis, Financial Consultant warrants that any retroactive date under the policy shall precede the effective date of this Agreement; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years from the time work under this Agreement is completed.

4. **Financial Institution Bond or Security Dealers Blanket Bond** (The bond is required only if the contractor has access to State funds.)

If the Scope of Services involve receiving, depositing, transferring or investing State funds, one of the above bonds is required.

Bond Limit **\$10,000,000.00**

- a. The bond shall be issued with limits based on the amount of the States investment portfolio with the contractor.
- b. The bond shall include coverage for all directors, officers, agents and employees of the Contractor.
- c. The bond shall **include coverage for third party fidelity and name State of Nevada as loss payee.**
- d. The bond shall **include coverage for extended theft and mysterious disappearance.**
- e. If the scope of services pertains to any employee benefit plans, the bond **shall include a third party ERISA endorsement.**
- f. The bond **shall not contain a condition requiring an arrest and conviction.**

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the State of Nevada is named as an additional insured, the State of Nevada shall be an additional insured to the full limits of liability purchased by the Financial Consultant even if those limits of liability are in excess of those required by this Agreement.
2. The Financial Consultant's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

- C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the State, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent directly to **(Nevada Deferred Compensation Committee, 100 N Stewart Street, Ste 201, Carson City, NV 89701)**
- D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A-VII. The State in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **VERIFICATION OF COVERAGE:** Financial Consultant shall furnish the State with certificates of insurance (ACORD form or equivalent approved by the State) as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.
- All certificates and endorsements are to be received and approved by the State before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal is a material breach of contract.
- All certificates and any required endorsement shall be sent directly to **(Nevada Deferred Compensation Committee, 100 N Stewart Street, Ste 201, Carson City, NV 89701)**. The State project/contract number and project description shall be noted on the certificate of insurance. The State reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATES RISK MANAGEMENT DIVISION.**
- F. **APPROVAL:** Any modification or variation from the insurance requirements in this Agreement shall be made by the Attorney General's Office or the Risk Manager, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.

ATTACHMENT CC
STATE SOLICITATION
RFP 3119 AND AMENDMENT 1

ATTACHMENT DD
CONTRACTOR'S REVISED RESPONSE

ATTACHMENT EE
CONTRACTOR'S RESPONSE

ATTACHMENT D - QUESTIONNAIRE

A. Organization and History

1. Provide a company profile in the table format below.

Question	Response
Company name:	ING Life Insurance and Annuity Company ("ILIAC")
Ownership (sole proprietor, partnership, etc.):	Corporation
State of incorporation:	Connecticut
Date of incorporation:	1976
# of years in deferred compensation market:	42 years
# of years in 457 market	35 years
# of years active in public sector deferred compensation plans	42 years
Relationships with other entities relevant to the subject matter of this RFP	<ul style="list-style-type: none"> • Morningstar Associates, LLC • TD Ameritrade Self-Directed Brokerage Account (SDBA)
List of top officers:	<ul style="list-style-type: none"> • Rod Martin, Chairman and CEO • Maliz Beams, CEO, Retirement Solutions • Jamie Ohl, President, Tax Exempt Markets
Location of company headquarters:	Windsor, CT
Location(s) of the company offices:	<ul style="list-style-type: none"> • Alabama • Arizona • Arkansas • California • Colorado • Connecticut • District of Columbia • Florida • Georgia • Hawaii • Illinois • Indiana • Iowa • Kansas • Kentucky • Louisiana • Maine • Maryland • Massachusetts • Michigan • Minnesota • Mississippi • Missouri • Nebraska • Nevada • New Hampshire • New Jersey • New York • North Carolina • North Dakota • Ohio • Oregon • Pennsylvania • Rhode Island • South Carolina • Tennessee • Texas • Virginia • Washington • Wisconsin
Location(s) of the office that will provide the services described in this RFP:	<ul style="list-style-type: none"> • Carson City, NV • Las Vegas, NV • Windsor, CT
Number of employees living within state regions with the expertise to support the requirements identified in this RFP:	Currently four, with plans to add an additional two for a total of six
Number of employees nationally with the expertise to support the requirements in this RFP:	2,613

Question	Response
Location(s) from which employees will be assigned for this project:	<ul style="list-style-type: none"> • Carson City, NV • Las Vegas, NV • Windsor, CT • Roseville, CA • Braintree, MA

2. Provide the following information:

- Total assets under administration

As of December 31, 2013, ING has over \$340 billion in total assets under administration.

- Total defined contribution assets under administration

As of December 31, 2013, ING has over \$340 billion in total defined contribution assets under administration.

- Total deferred compensation assets under administration

As of December 31, 2013, ING has over \$340 billion in total deferred compensation assets under administration.

- Total public deferred compensation assets under administration

As of December 31, 2013, ING has over \$90.8 billion in public deferred compensation assets under administration.

- Total 457 deferred compensation assets under administration

As of December 31, 2013, ING has over \$51.1 billion in 457 deferred compensation assets under administration.

3. What are your client retention statistics for each of the last three years for deferred compensation plans?

Year	2011	2012	2013
Client Retention Rate	96.6%	96.7%	96.5%

4. For those who left, what percentage left due to issues pertaining to services provided by your organization?

No clients terminated for reasons pertaining to our services.

5. What is the average client relationship duration?

ING's Tax Exempt Markets business has an average client relationship duration of 22.2 years.

6. How many 457 deferred compensation clients have you gained in the last three years? How many have you lost?

ING has gained 100 457 deferred compensation clients and lost 37 in the last three years.

7. List the number and total 457 deferred compensation assets that you currently administer in the following categories of 457 plans:

Number of Participants	Plans		Assets	
	Number	Percent	Amount	Percent
Under 5,000	5,569	99.0%	\$12.7 billion	24.9%
5,001 – 10,000	35	0.6%	\$7.3 billion	14.3%
10,001 – 20,000	7	0.1%	\$3.3 billion	6.4%
20,001-30,000	5	0.1%	\$5.3 billion	10.4%
Over 30,000	12	0.2%	\$22.5 billion	44.0%
Total	5,628	100%	\$51.1 billion	100%

***Data as of December 31, 2013**

8. What is the total number of participants in all defined contribution plans currently being administered by your organization?

As of December 31, 2013, the total number of participants in all defined contribution plans currently being administered is 5,045,474.

9. What is the total number of participants in all public deferred compensation plans currently being administered by your organization?

As of December 31, 2013, the total number of participants in all public deferred compensation plans currently being administered is 2,616,600.

10. What is the last date when your organization had a change in its business structure, whether through an acquisition or divestiture or through an alliance arrangement? If applicable, how did this change in business affect the record keeping division?

Voya Financial is a premier retirement, investment and insurance company serving the financial needs of both individual and institutional customers in the United States. ING U.S. is grounded in a clear mission to make a secure financial future possible for Americans — one person, one family and one institution at a time. All three of our businesses — Retirement Solutions, Investment Management and Insurance Solutions — are focused on the retirement market.

Prior to May 7, 2013, Voya Financial was a wholly owned subsidiary of ING Groep N.V. (ING Group), a global financial institution of Dutch origin offering banking, retirement, insurance and investment management services. On May 7, 2013, Voya Financial closed an initial public offering in which ING Group sold approximately 25% of its ownership stake in Voya Financial and on October 29, 2013 the sale of 30 million shares reduced ING Group's stake in Voya Financial to approximately 57%. On March 25, 2014, ING Group sold approximately 33.8 million shares of Voya Financial common stock, thereby reducing its ownership stake in Voya Financial to approximately 43%. ING Group is required, under the terms of an agreement with the European Commission, to divest the rest of its ownership stake in Voya Financial prior to the end of 2016.

11. Are there any pending or anticipated plans to re-organize your company (within itself or as part of the larger organization of which your company is a part) before January 1, 2015? If so, please describe.

No. We have no pending or anticipated plans to re-organize our company at this time. On March 25, 2014, ING Group sold approximately 33.8 million shares of Voya Financial common stock, thereby reducing its ownership stake in Voya Financial to approximately 43%. ING Group is required, under the terms of an agreement with the European Commission, to divest the rest of its ownership stake in Voya Financial prior to the end of 2016.

Please refer to Tab 8 Appendix A for additional information on Voya rebranding.

12. Please describe all outsourcing arrangements and any contemplated outsourcing arrangements that will be used by you to deliver any of the services you will be providing to the State.

We have established the following outsourcing arrangements to provide additional services to our plan sponsors and participants.

Morningstar Associates, LLC

ING has formed an alliance with Morningstar Associates, LLC to provide a third party investment advisory and managed account service.

TD Ameritrade Self-Directed Brokerage Account (SDBA)

The TD Ameritrade SDBA is available in addition to the investment options available through your retirement plan, administered by ING.

Other Third Party Relationships

In addition to the alliance partners described above, we may engage a third party as part of our ongoing effort to provide you and your employees with the tools necessary to meet your objectives. As an example, we leverage third party research firms for participant and plan sponsor surveys.

B. Client Service/Quality Assurance

- How many of your employees work on defined contribution plans? How many specifically work on 457 deferred compensation plans? Provide a breakdown of the number of full-time equivalent employees working on defined contribution plans as indicated in the chart below:

As of December 31, 2013, 2,613 of our employees work on defined contribution plans. All defined contribution plan employees are cross trained to provide services in all IRC codes and markets.

Management	70
Call Center Mgmt / Supervisors	36
Customer Service Reps	180
Field Reps	56*
Systems Management	24
Systems Staff: Development & Operating / Maintenance	98
Other	2,149**

****Represents field reps of vice president and regional director status***

*****Includes actuarial, administration, finance, investments, legal/compliance, operations, sales/marketing, and training***

- What is the average tenure (in years) of the following positions?

- Plan Administrator

14 years

- Client Relationship Manager

Seven Years

- Field Service Representatives

30 years

- Conversion Project Manager

Six years

- 800 Customer Service Center Representatives

32 months

3. Describe the team and where they would be located that would deal directly with the State on an ongoing basis. Indicate staff size, experience, and turnover rates. In addition, provide a resume for each individual stating the individual's education and work experience.

The following team will deal directly with the State on an ongoing basis. The chart provides a brief description of each member's role in ongoing plan support and location.

Team Member	Role	Location
M. Bishop Bastien <i>Vice President, Institutional Clients</i>	<ul style="list-style-type: none"> Provides management oversight and support to ING's institutional clients Participates in regular plan sponsor meetings 	Roseville, CA
Brian Merrick <i>Vice President, Strategic Relationship Management</i>	<ul style="list-style-type: none"> Provides best practice solutions from across the ING organization and other premier clients Serves as a senior advocate and liaison for the State with ING management and product and service development 	Braintree, MA
Steve Platt, ARPC <i>Regional Vice President</i>	<ul style="list-style-type: none"> The State's relationship manager and ongoing contact Responsible for the local sales and service team Works with local team to establish a communication, education and enrollment strategy Conducts quarterly plan sponsor reviews 	Carson City, NV
Carrie Onorato <i>Investment Advisor Representative</i>	<ul style="list-style-type: none"> Provides one-on-one counseling to participants Provides on-site financial education seminars to employees 	Las Vegas, NV
Eric Honea <i>Registered Representative</i>	<ul style="list-style-type: none"> Provides one on one counseling to participants Provides on-site financial education seminars to employees 	Carson City, NV
Dianna Hennessey <i>Business Coordinator</i>	<ul style="list-style-type: none"> Provides one-on-one in-office counseling to participants Provides NDC administrative support Supports local sales and service team Supports plan communication, education and enrollment strategies 	Carson City, NV
To be hired <i>Registered Representative</i>	<ul style="list-style-type: none"> Provides one-on-one counseling to participants Provides on-site financial education seminars to employees 	Carson City, NV
To be hired <i>Registered Representative</i>	<ul style="list-style-type: none"> Provides one on one counseling to participants Provides on-site financial education seminars to employees 	Las Vegas, NV
Lisa Gilarde <i>Investment Manager, Investment Products & Services</i>	<ul style="list-style-type: none"> Assists in the fund selection and evaluation process Conducts fund due diligence 	Windsor, CT
Jeanne Bunnell <i>Home Office Operations Manager</i>	<ul style="list-style-type: none"> Oversees client relationship team Monitors plan manager performance 	Windsor, CT
Merrill Desrosiers <i>Senior Plan Manager, Defined Contribution Plan Services</i>	<ul style="list-style-type: none"> Day-to-day contact for the State Manages all plan activity, including contributions, disbursements, reporting and statement delivery 	Windsor, CT
Jennifer Whitman <i>Senior Marketing Communications Specialist</i>	<ul style="list-style-type: none"> Develops and implements marketing communications strategies Creates and produces marketing collateral Coordinates with designers in the development of a logo and graphics for custom materials 	Windsor, CT

Team Member	Role	Location
Customer Service Representatives (CSRs)	<ul style="list-style-type: none"> • Handle participant phone inquiries, questions • Process participant phone transactions • Provide investment information (performance, objectives, and mailing of information) 	Windsor, CT Des Moines, IA

On average, our team has in excess of 16 years of financial services experience. Overall, we have averaged nine percent annual turnover during the last five years.

M. Bishop Bastien, Vice President, Institutional Clients

Employed with ING since 1996, Bishop Bastien holds the position of Vice President, Institutional Clients for the Government, Healthcare and Education markets on the west coast. In this capacity, Bishop has responsibility for nine accounts within the states of Nevada, Washington, Oregon, Idaho, California, Arizona, New Mexico, Hawaii and Alaska.

Prior to his current position, Bishop held positions of Regional Director and Vice President of State Government Affairs for the western region and was responsible for western United States government relations activities, including both regulatory and legislative. In addition, he had responsibility for coordinating ING's activities as they related to the National Association of Insurance Commissioners (NAIC) and represented ING on several committees of the American Council of Life Insurers, most notably the Solvency Committee and the State Policy Oversight Committee. Bishop also represented ING on the Alaska, Arkansas, Colorado, Idaho, Iowa, North Dakota and Oklahoma guaranty boards. Prior to his employment with ING, Bishop held several positions as a staff member within the California State Assembly.

Bishop earned a Bachelor of Arts degree in Government from California State University, Sacramento. Bishop is a registered Series 7 and Series 24 principal with the Financial Industry Regulatory Authority (FINRA).

Brian Merrick, Vice President, Strategic Relationship Management

The NDC is part of ING's Premier Segment, which represents the top 1% of our institutional clients within the ING Retirement Services Organization. Brian Merrick is the NDC's Strategic Relationship Manager and works closely with the local team and home office teams in the delivery and execution of these institutional services through the Premier Strategic Relationship Management organization. In this role, Brian serves as a senior advocate and liaison for the State with ING management and product and service development. Brian joined ING in 2008, and has 19 years in retirement service plan administration, relationship management, and consulting.

Brian earned an MBA from the Olin School of Management at Babson College, and a Bachelor of Arts degree in Economics from the College of the Holy Cross. Brian also holds his FINRA Series 6 license.

Steve Platt, ARPC, Regional Vice President

As Regional Vice President, Steve Platt's responsibilities include recruiting, managing and training ING representatives and staff for his region which includes the State of Nevada plan. Steve also manages relations with plan sponsors, including the NDC staff, Committee and its consultant. Prior to joining ING, Steve worked for more than six years as a Financial Representative focusing on retirement planning for teachers and other public employees as well as implementing and servicing deferred compensation retirement plans for private employers.

Steve graduated from Morrison University with a degree in Business. He holds his FINRA Series 7, 24 and 66 licenses as well as Life/Health/Variable Annuity Licenses in many states. Steve has achieved the Accredited Retirement Plan Counselor designation through the Society of Professional Asset-Managers and Record-Keepers.

Carrie Onorato, Investment Advisor Representative

Carrie Onorato has been a field representative assisting southern Nevada governmental employees in planning for their retirement for over 13 years with ING. Carrie counsels and advises employees regarding the advantages of participating in their retirement plan, determining their risk profile, investment selection, asset allocation, distribution and retirement planning.

Carrie is currently working on her Masters of Science in Finance. She holds her FINRA Series 7, 24, 63, 65 licenses as well as her Life/Health/Variable Annuity license in the State of Nevada. She is also a CFP candidate.

Eric Honea, Account Representative

Eric Honea has been an ING field representative in Northern Nevada since 2012. He has over 10 years of professional sales experience including five years assisting teachers and other public employees throughout Northern Nevada with their retirement plans. In his role, Eric conducts seminars, counsels participants through group or individual meetings and educates individuals on topics such as risk tolerance, investment selection, distribution options, retirement planning and asset allocation.

Eric graduated from Shasta College. He holds his FINRA Series 6 and 63 licensed as well as his Life/Health/Variable Contract license in the State of Nevada.

Dianna Hennessey, Business Coordinator

As a Business Coordinator, Dianna Hennessey has been responsible for the day-to-day operations of the ING Nevada Regional Office for over six years. She facilitates plan administration such as coordination with the NDC and all payroll locations, enrollments, contribution changes, plan distributions, unforeseeable emergency counseling, catch-up provision education, and statistical reporting. Dianna also provides support for new payroll location installation, individual customer solutions, and supports participant marketing and communication efforts.

In addition to achieving her MBA in Finance, Dianna is FINRA Series 6 and 63 licensed and holds her Life/Health/Variable Contract license with the State of Nevada.

Lisa Gilarde, CFA, CLU, CPCU – Vice President, Investment Management

Lisa Gilarde has 28 years of experience in the investment products and financial services businesses. Prior to joining ING in 1986, Lisa developed financial product sales proposal software. During her tenure at ING, she has held various positions including quantitative analyst in the Bond Investment Department, Investment Analyst for the Property Casualty business and Financial Analyst.

She holds an MBA in Finance from Rensselaer Polytechnic Institute and a BS summa cum laude from Fairleigh Dickinson University. Lisa also holds the Chartered Financial Analyst designation and is a FINRA general securities principal.

Jeanne Bunnell, Home Office Operations Manager

Jeanne Bunnell has 15 years of management experience and 28 years of experience in the financial services industry. She is responsible for the operation and client satisfaction of ING's government, healthcare and education retirement plans. Before assuming this role, Jeanne was the manager for ING's Corporate Market.

Jeanne holds her FINRA Series 6 and 26 licenses and is an Accredited Retirement Plan Specialist (ARPS).

Merrill Desrosiers, Senior Plan Manager

Merrill Desrosiers joined ING in 2000 and has worked in our Windsor office providing both participant and plan management services. Merrill serves as a Senior Plan Manager for our government, healthcare and education plans.

Merrill graduated from Johnson & Wales University with a Bachelor of Science in Accounting. He has his FINRA Series 6 license.

Jennifer Whitman, Sr. Marketing Communications Specialist

Jennifer Whitman joined ING in 2006 and is currently responsible for developing and executing communication and education plans that educate and engage participants for many of our large government clients. Throughout her tenure at ING, Jennifer has contributed to award-winning campaigns, including ING's Your Number Enrollment Experience and the 2011 National Save for Retirement Week campaign. With over 15 years of experience in the financial services industry, she has a deep understanding of all aspects of the participant lifecycle and is committed to developing strong relationships with her clients.

Jennifer holds a Bachelor's of Science degree in Marketing from Providence College.

4. Will you need to add local or onsite employees in order to provide the required services to this plan? If so, state the number of additional staff required, by job title and function.

Yes. ING is proposing to add two additional local account representatives to service the State's plan.

5. What is the average number of account relationships for each member of the proposed service team? What is the current number of account relationships for the entire team proposed for this account?

Team Member	Average # of Account Relationships	# of Account Relationships
M. Bishop Bastien Vice President, Institutional Clients	9	9
Brian Merrick Vice President, Strategic Relationship Manager	10	10
Steve Platt Regional Vice President	19	19
Carrie Onorato Account Representative	3	3
Eric Honea Account Representative	1	1
Dianna Hennessey Business Coordinator	1	1
Lisa Gilarde Investment Manager, Investment Products & Services	20	20
Greg Anderson Implementation Manager	N/A (involved in implementation process only)	N/A (involved in implementation process only)
Jeanne Bunnell Home Office Operations Manager	103	103
Merrill Desrosiers Senior Plan Manager, Defined Contribution Plan Services	6	6

6. What location(s) would provide the services described in this RFP?

Local Offices

**844 West Nye Lane, Suite 100
Carson City, NV 89703**

**3960 Howard Hughes Parkway, Suite 500
Las Vegas, NV 89169**

Home Office

**One Orange Way
Windsor, CT 06095**

7. Briefly describe the training program and licensing requirements for your field service representatives. What are the licensing requirements?

The field service representatives that are assigned to the State attend extensive in-house and ongoing training courses on various retirement and regulatory topics. Representatives also participate in a rigorous and comprehensive monitoring program (internal and external) to ensure they are meeting established quality standards to ultimately exceed customer expectations. In addition, our field service representatives have access to our Technical Services team who has expertise in the rules and regulations governing retirement plans. These technical experts run quarterly web casts to keep our field service representatives abreast of changes in the industry.

To further enhance our representatives' professional growth, ING created the ING Defined Contribution Center for Professional Development. This team's mission is to determine the training and education needs of all ING sales staff and to bring quality programming to the field service representatives on a regular basis.

Licensing requirements include:

- ***Obtaining FINRA designations (6, 7, 26, 63, etc.)***
- ***State insurance licenses and requisite continuing education***
- ***CRPC and CRPS***
- ***CFS from the Institute of Business and Finance***
- ***CFP® designations***

8. Briefly describe the training program and licensing requirements for your 800 customer service representatives. What are the licensing requirements?

CSRs generally have a college education, one to three years of customer service or financial services experience, and strong communications skills. ING provides six weeks of intensive training to newly-hired CSRs. The comprehensive training program is delivered through a combination of classroom, self-study and on the job training. The curriculum includes the following:

- ***FINRA Series 6 training and exam***
- ***Education on Internal Revenue Service (IRS) rules and regulations for 401(a), 401(k), 403(b) and 457 retirement plans***
- ***Training specific to the products offered at ING***
- ***Customer service systems training for the customer service center and self-service applications***

- *Development in bilingual business skills is provided for our dedicated Spanish line*
- *Testing and assessment of CSRs knowledge*
- *Five calls per month are monitored by our quality assurance, CSR's receive one-on-one feedback*
- *CSRs partner with experienced mentors who guide them throughout the training process.*

CSRs are required to be Series 6 licensed with FINRA prior to servicing our clients.

9. Do you provide training to the State's benefit and payroll staff (Yes/No)? List some of the common topics/issues.

Yes. We design our training initiatives to best meet the State's specific needs and will continue to work with you to develop a training program that best meets the needs of your staff. Some of the common topics/issues include:

- *Specific training for the State's payroll personnel regarding submission of contributions with an ING automation specialist prior to the plans' transition to ING from the prior provider*
- *Sponsor seminars and workshops*
- *Training support for software applications and investment education*
- *Training designed specifically for the State's Administration, Human Resources and Benefits department on a variety of topics including plan processes, legislative changes (such as Pension Protection Act updates), plan expense structure and fiduciary responsibilities*
- *Periodic newsletters*
- *Toll-free telephone support*

10. Complete the following chart on service standards and turnaround time and any associated guarantees:

Transaction	Turnaround Time	Penalty (\$) for Not Meeting Standard
Issuance of Participant Statements	<i>Mailed within 15 business days after quarter end.</i>	\$5,000
Transaction Confirmation Statements	<i>ING generates written confirmations for all financial transactions within two business days of receipt of the approved request.</i>	\$5,000
Hard Copy Plan Level Administrative Reports (hard copies)	<i>Our service standard for providing hardcopy quarterly investment asset reports is no later than 15 calendar days after the quarter end. Monthly investment information is also available on the Sponsor Website by the 10th day of the month following the month in which we are reporting.</i>	\$5,000

Transaction	Turnaround Time	Penalty (\$) for Not Meeting Standard
Processing Payroll Contributions	<i>Applied to participant accounts same business day received in good order if received prior to close of the New York Stock Exchange (NYSE).</i>	\$5,000
Processing New Loans	<i>Loan requests are processed as of the later of the date the request is approved (or authorized) or date the request is received by ING in good order prior to the close of the NYSE; payment is typically mailed or made available electronically through Automated Clearing House (ACH) within five business days of processing, but no later than seven calendar days.</i>	\$5,000
Hardship/Unforeseen Emergency Withdrawals	<i>Withdrawal requests are processed as of the later of the date the request is approved (or authorized) or date the request is received by ING in good order prior to the close of the NYSE. If the participant has previously provided their banking information to ING, payment is typically mailed or made available electronically through ACH within five business days of processing. If the participant's banking information is provided at the time of withdrawal, payment may take up to seven business days.</i>	\$5,000

Transaction	Turnaround Time	Penalty (\$) for Not Meeting Standard
Termination/Rollovers/Direct Transfers for Distribution	<i>Termination/rollovers/direct transfers for distribution are processed as of the date received in good order and payment is mailed or made available electronically within three business days of processing.</i>	\$5,000
Fund Balance Transfers	<i>Processed same business day received in good order if received prior to the close of the NYSE.</i>	\$5,000
Investment Election Requests	<i>Processed same business day received in good order if received prior to the close of the NYSE.</i>	\$5,000
Contribution Percentage Elections/ Changes	<i>Contribution percentage elections/changes are processed effective as of the date received in good order before the close of the NYSE.</i>	\$5,000
QDRO Processing	<i>The actual time to complete a QDRO distribution varies based on the amount of time needed to calculate the current date value and how active the account has been.</i>	\$5,000

11. How frequently do you conduct client and participant satisfaction surveys regarding the quality and performance of your deferred compensation services?

We conduct periodic client and participant satisfaction surveys to ensure that we are delivering the appropriate level of education and service. These surveys are completed on an aggregate basis with a representative sample of our defined contribution plans.

ING commits to conducting an annual participant survey for the State.

12. When was the date of your last client/participant satisfaction survey? Describe the results.

Client Satisfaction Survey

The most recent client (plan sponsor) satisfaction survey was conducted during the third quarter of 2013.

ING partners with an independent research firm, such as Chatham Partners, to survey a representative sample of ING clients to collect specific feedback regarding the service they receive as well as their attitudes toward retirement and related issues.

The most recent surveys were conducted with over 1,100 ING clients. On an overall basis, nearly nine in ten of ING's defined contribution clients were satisfied with the services provided by ING. The results highlighted ING's relative strengths which included the quality of personnel, administrative services, and participant services such as statements and transaction processing.

Participant Satisfaction Survey

The most recent participant satisfaction survey was conducted during the second quarter of 2013.

ING partners with an independent research firm, Ipsos Loyalty, to conduct periodic participant surveys. Based on the overall survey results, more than nine in ten rated their satisfaction with the services provided by ING as "excellent", "very good" or "good" with a majority of those participants rating ING "excellent" or "very good". Satisfaction was highest among those plan participants having regular interaction with ING via phone, in-person or online. ING's areas of relative strength continue to be focused on clear and timely communications (e.g., plan statements) and servicing relationships (i.e., courteous and knowledgeable customer service associates, responsive financial advisors, easy enrollment process). Results were similar among ING participants in the second quarter of 2012 when ING conducted a similar survey. Approximately nine in ten rated their satisfaction with the services provided by ING as "excellent", "very good" or "good". ING uses participant feedback to continually enhance the plan participant experience.

C. Record Keeping/Administration

1. What portion of your organization's expenses is related to record keeping and system technology development?

Approximately 25% of ING Retirement Solutions' operating expenses historically have been related to technology development and maintenance. In addition, of ING U.S.' overall technology investment, nearly 60% is earmarked for the Retirement Solutions line of business.

2. Do you provide an administrative or procedures manual that includes a timeline of critical dates, roles, and responsibilities (Yes/No)?

Yes.

3. Will copies of your administrative forms used by plan participants to request transactions be customized (Yes/No). Briefly describe the level of customization.

Yes. Administrative forms may be customized to include only the transactions available to NDC plan participants.

4. Describe how your payroll contribution reports identify participants contributing up to the current maximum contribution and identify participants in catch-up status.

As part of ING's remittance processing service, ING monitors each payroll remittance received for participants who reach their annual contribution limit, including catch-up. Should a participant contribution be flagged by ING's recordkeeping system as exceeding the annual contribution limit, ING will ask the State to provide written direction as to how to handle the contribution. This process minimizes the need to refund contributions. In the rare event that a refund is necessary, ING will refund either the State or the participant, as directed in writing by the plan.

5. Describe the turn-around time and method for notifying the State when employees reach their contribution limits.

In those instances in which ING's recordkeeping system identifies a participant as having exceeded the annual contribution limits, ING's plan manager will notify the State's staff within five business days of our discovery of the issue. Upon receipt of written notification from the State, ING will process a refund of the excess contributions to either the participant or the State within five business days.

6. Are you able to fully qualify and process unforeseeable emergency withdrawal requests along with first-level appeals (Yes/No)?

- **Fully qualify and process unforeseeable emergency withdrawal requests – Yes**
- **First-level appeals – No**

7. For systematic payment distributions, is payment made on a pro rata basis or can a participant elect systematic payment from specific fund(s)?

Payment is made on a pro rata basis or from specific fund(s).

8. For distributions, does your system withhold Federal tax and if applicable, State tax? (Yes/No)

Yes.

9. Describe your process for searching for missing participants and participants who have not cashed their distribution payment checks.

We will continue to work with the State and use outside resources such as address database firms (e.g., LEXIS/NEXIS) to attempt delivery. In addition, we have a contract with an outside vendor who specializes in this process and researches all undeliverable mail for redelivery to the correct address. If we are unable to reach a resolution after one year of original distribution, we will look to the plan for direction and absent any such direction; we will follow the State's escheatment requirements.

10. Are you able to qualify and process Qualified Domestic Relations Orders with the attorneys representing the parties? Indicate any role the State will be required to play.

Yes. Under the ING Review Service*, ING performs an administrative review of the Domestic Relations Order (DRO) and determines if it has met the requirements for qualification under the IRC. Under this arrangement, ING makes a determination within five business days of receipt of the DRO in good order. If changes to the DRO are necessary, ING coordinates resolution with the parties involved. Once the DRO is deemed to be "qualified" ING splits the participant's account in accordance with provisions of the court order.

When ING receives a signed DRO, or is notified that a legal action is pending in which a DRO will be sought, ING places an administrative hold on the participant's account. During this period, the participant will be restricted from taking a distribution or loan until the Qualified Domestic Relations Order (QDRO) has been processed.

****This service model is available for the provision of ministerial administrative services only, and does not represent the transfer of any plan administrative or fiduciary services to ING and will not require ING to exercise any discretion.***

11. Describe the process you use to track and maintain employee beneficiary data.

ING collects and maintains beneficiary information. Our method for obtaining beneficiary information is online via the Participant Website, a paper form, or through a CSR.

At any time, the State can generate a report from the Sponsor Website to track changes or run an entire report of the beneficiary designations on our system.

12. How much historical plan information do you maintain on participants? List the type of information available. How much information is immediately available?

We retain historical plan information on participants from the time a participant enters the plan or when we take over recordkeeping, whichever is later, and do not remove from our system as long as the plan is in effect. Historical data for discontinued plans is maintained on our system for at least seven years.

Information immediately available includes contributions, distributions, earnings and fund transfers and this information is maintained by fund and by contribution type or source.

13. Does your record keeping system maintain and update beneficiary data? (Yes/No) Will this information be converted during the implementation? (Yes/No)

- **Maintain and update beneficiary data – Yes**
- **Information converted during implementation – Yes***

**ING will make an exception for the conversion of beneficiary data from a prior recordkeeper provided that certain minimum requirements are met, including that data is provided from the State's prior recordkeeper in a format that ING can support, and that ING is held harmless for accepting data from the prior provider that is no longer current. In addition, ING would encourage participants to validate their beneficiary information on ING's Participant Website after the implementation.*

14. Confirm that you have no exceptions related to the State's current procedure for processing payroll contributions including the acceptance of data from the individual political sub divisions.

Confirmed.

15. Do you have the ability to process auto enrollments? (Yes/No) How many of your current 457 plan clients have implemented auto enrollment?

Yes. ING currently has five 457 plan clients that have implemented auto enrollment.

D. Regulatory/Compliance Service

1. Describe how you monitor §401(a) (9) required minimum distributions including:

- Identification of individuals
- Determination of the amount of the minimum required payment
- Payment within required deadlines.

ING notifies participants who have attained age 70½ when the required minimum distributions (RMDs) must commence if they have retired. Participants who are at least 70½ receive this notification annually unless they have already elected to annuitize their benefit under the retirement plan or have elected either the Estate Conservation or Systematic Withdrawal Option.

Each fall, ING provides the State with an information package listing the participants ING has determined will be required to take a minimum distribution. The State reviews the information and authorizes ING to mail the RMD notification package to those identified participants.

ING automatically processes the RMD in early December unless the participant takes a withdrawal sooner.

2. Describe your capabilities and time frames for monitoring maximum deferral limits and the catch-up provisions.

ING provides monthly reports, located on our Sponsor Website, monitoring 457(b) plan participants' deferrals on a monthly basis, allowing the State access to deferral information.

ING monitors catch-up contributions as either a separate contribution which is tracked separately throughout the year, or as a combined contribution included in your regular payroll remittance. We accept and monitor age 50 catch-up contributions, normal retirement age catch-up contributions, and military catch-up contributions in 457(b) plans. We will continue to provide the State's payroll department with notices to identify any participant who is approaching their contribution limit, and any participant who is over the contribution limit.

3. As part of your service, do you provide an annual benefits file, containing financial and non-financial data by participant? (Yes/No)

Yes.

4. Provide a current SAS70 audit of your record keeping system, or any other audit you have performed. Who completes the audit and how frequently?

Please refer to the Enclosures CD in the Supplemental Folder for our most recent Service Organization Control 1 (SOC 1) report.

The audit is performed by Ernst & Young, LLP, our external auditor, and is performed annually.

5. What resources do you have to obtain legal opinions, interpretations of laws, regulations, and other matters on issues pertaining to deferred compensation plans?

Unique to ING is a staff of dedicated professionals with technical expertise in the IRC, ERISA and retirement plan rules, who will continue to assist the State with questions regarding plan design and the impact of regulatory changes. We are committed to keeping our retirement customers informed of legislative changes and regulatory developments concerning retirement benefits and deferred compensation matters.

Your assigned plan manager, Merrill Desrosiers, is the State's primary contact for questions in these areas, information on relevant laws and regulations, or other matters on issues pertaining to deferred compensation plans.

6. Acknowledge and describe in detail your fiduciary responsibility with respect to the Plan.

ING is proposing to serve the plan as a non-discretionary provider of bundled administrative, recordkeeping and investment services. Even though we will be serving the plan in a non-fiduciary ministerial service provider capacity, in providing such services we will agree to adhere to the prudent man standard of care that is required of fiduciaries. In other words, we will agree to perform our responsibilities with the care, skill, prudence and diligence under the circumstances then prevailing that a reasonably prudent person acting in a like capacity and familiar with such matters would use in an enterprise of like character.

7. How do you ensure that your record keeping system is in compliance with all applicable federal and state statutes, rules and regulations, the State plan document, and the contract?

Our recordkeeping vendor, SunGard, is contractually obligated to make legislative and regulatory changes to the OmniPlus system within the timeframe set forth by the IRS. We receive legislative updates from SunGard at least once a year. We make all ING-specific and plan-specific modifications in-house and fully test the updates before installing them.

8. Should the State wish to comply with 408(b)(2) and 404(a)(5) regulations, will you provide 408(b)(2) disclosures to the State and 404(a)(5) disclosures to participants? (Yes/No) If yes, is there an additional cost?

ING can provide 408(b)(2) disclosures. ING has developed 404(a)(5) reports for ERISA plan participants based on the requirements set forth in ERISA Section 404(a)(5). ING is carefully monitoring industry and regulatory developments pertaining to non-ERISA participant fee disclosure including potential impact of SEC no action relief governing usage of 404(a)(5) comparative charts for non-ERISA plans. Our final approach to extending our fee disclosure capabilities to non-ERISA plans will be shaped by these developments.

Yes. There is no additional cost for this service.

E. Reporting

1. Describe the standard reporting package that you would provide the NDC during its quarterly meetings (provide samples).

ING will continue to provide the following reports to the State:

Report Name
Plan Sponsor Activity Report
Enrollment Activity
Quarterly Plan Review*
Consultant Report*
Quarterly Performance Report
Quarterly Plan Statistical Report*
Fund Revenue and Expense Report*
Quarterly Distribution Report*
Fund Balance Contribution Report*
Quarterly Plan Statistical Presentation*

**Ad-hoc reports generated by the local office*

Please refer to Tab 8 Appendix B for sample reports.

2. Will the State be able to generate these reports and publish them on-line? (Yes/No) Are ad-hoc plan level reports available? (Yes/No)

- **Generate and publish reports on-line – Yes**
- **Ad-hoc plan level reports – No, these are generated by the local office. Yes, they can be published on-line.**

3. What is the standard timeframe for providing each plan sponsor report after the reporting period ends including for providing quarterly investment assets reports?

Timeframes for providing each plan sponsor reports/statements are available as follows:

- **Feedback Report – Frequency is elected by the State to view at their convenience - weekly, biweekly, semimonthly and monthly.**
- **On Demand Reporting – 24-hours-a-day, seven-days-a-week on the Sponsor Website.**
- **Plan Sponsor Statements – Our service standard for providing hardcopy quarterly investment asset reports is no later than 15 calendar days after the quarter end. Monthly investment information is also available on the Sponsor Website by the 10th day of the following month.**

4. List the types of demographic participant data will you be able to provide.

ING will continue to provide the State with a comprehensive plan review reporting document that provides in-depth reporting on a variety of topics including:

- **Participant data: number of accounts, new enrollments, demographic data, contributions, distributions, average balances, diversification, and utilization of services.**
- **Plan data: historical assets, reporting on assets/deferrals in each fund, number of participants per fund, style grid, investment returns, and investment ratings.**
- **ING Benchmark Wizard: a comparison of your plan to plans of similar size, plan type, industry type, and/or participant size.**

- **ING Fund Evaluation Scorecard:** produced by ING's Investment Due Diligence team. The scorecard is a purely objective, quantitative tool measuring multiple factors of a fund's performance including risk, risk-adjusted performance, consistency of style, and expenses. We continue to encourage the State to use the Scorecard, in conjunction with their consultant, as an oversight and fund monitoring tool.

5. Describe your standard participant statements and documents (provide samples).

Our quarterly participant statements provide easy-to-read information including:

- ***Personalized rate of return***
- ***Total account balance***
- ***Complete account summary of activity of investments by asset class***
- ***Allocation by source of contribution***
- ***Transaction detail***
- ***Investment performance in increments by fund-inception***
- ***Personalized messaging including but not limited to: IRS regulations, helpful tips and reminders***

Each quarterly statement is mailed to the participant's address we have on file. In addition, a participant may request a statement by contacting the customer service center and speaking with a CSR. The participant statement is also available online, 24-hours-a-day, seven-days-a-week on the Participant Website and a participant may sign up for e-delivery with email notification.

Please refer to Tab 8 Appendix C for a sample participant statement.

6. What time periods are illustrated for a participant's personalized rate-of-return?

Quarterly rates of return are reported after one complete calendar quarter with a balance and transaction activity. A 12 month rate of return is reported after four consecutive calendar quarters are accumulated.

7. Describe your customization capabilities for participant statements.

Participant statements are customized to display the plan name and plan specific investment menu. The State will continue to have the flexibility to suppress items and sections, as well as include the State's logo on the first page of the statement, include plan specific messages, and display the names of money sources used by the plan.

8. How much space is there for customized messages from the State on your quarterly participant statement? Is there an additional cost?

Participant statements have a 964 character limitation, including spaces, for customized messages. There is no additional cost for a customized message.

9. Can you include other printed information, prepared by the State, with the mailing of statements to participants? (Yes/No) If so, please verify that this service is available at no additional cost.

Yes. This service is available at no additional cost.

10. Can statements be provided to participants on an on-demand basis? (Yes/No)

Yes.

11. Are fees disclosed to plan participants on the quarterly statements? (Yes/No) What additional fee disclosure, if any, do you provide?

Yes.

The scope of the Department of Labor ("DOL") 408(b)(2) and 404a-5 regulations only extend to those employee directed defined contribution plans that are subject to ERISA. While a non-ERISA plan may look to DOL guidance as a best practice, there is no regulatory requirement to provide this fee disclosure to non-ERISA plans.

While the DOL's fee disclosure regulations only apply to plans subject to ERISA, some non-ERISA plans may decide to follow these rules as a "best practice". ING has developed 408(b)(2) and 404a-5 reports for ERISA plan sponsors and participants based on the requirements set forth in ERISA Sections 408(b)(2) and 404a-5. ING is carefully monitoring industry and regulatory developments pertaining to non-ERISA fee disclosure including potential impact of SEC no action relief governing usage of 404a-5 comparative charts for non-ERISA plans. Our final approach to extending our fee disclosure capabilities to non-ERISA plans will be shaped by these developments.

F. Loans

1. The State may add a loan feature to the plan. Are you fully capable of administering participant loans? (Yes/No)

Yes.

2. When a loan is taken, can a participant elect that the proceeds come from a specific investment option or must they be taken pro-rata?

The loan is debited from a participant's account on a pro-rata basis across all allocations; as an allocation is depleted the payments continue on a pro-rata basis across the remaining allocations.

3. Describe the flexibility in your loan repayment processing (i.e., additional payments, missed payments, etc.).

Loan repayments are available via ACH debit. We support multiple loans and varying frequencies - weekly, biweekly, semimonthly and monthly submissions. Participants can obtain loan payoff amounts and pre-pay a loan without any penalty via ACH debit. Missed payments can be made up via ACH debit when multiples of the payment expected are submitted.

4. List the different methods you are able to utilize for loan repayments.

ING utilizes ACH debit for loan repayments.

5. Are able to handle multiple loans? (Yes/No)

Yes.

6. How do you handle delinquent and/or defaulted loans?

ING monitors loan end dates and automatically notifies the participant of an impending loan default after 30 and 60 days. When a participant fails to bring a loan current, ING automatically defaults the loan after 90 days - the required grace period.

We will provide loan default monitoring in which the State must agree to set the cure (grace) period to the IRS maximum (end of the calendar quarter following the calendar quarter in which the missed repayment was due). We will send out early (30 and 60 day letters) and final warning letters directly to participants and if loan repayments are not made current, we will automatically default the loan and send a confirmation (and IRS 1099R form at year end) to the participant. Loan reports are available via the Sponsor Website under participant reports, indicating potential loan defaults and actual loan defaults.

Upon notification of leave of absence information from the sponsor, we will allow suspension of repayments, prevent warning letters from being sent, and curtail automatic defaulting of the loan. When the leave is over, the participant must immediately bring repayments up to date or reamortize the loan.

7. Describe any other features and/or limitations of the loan system not detailed above (i.e., loan modeling, amortization scheduling, etc.).

Our system can accommodate all loan processing and recordkeeping, including:

- ***Providing loan modeling via the Participant Website or through a CSR***
- ***Suspending loan payments for employees on a leave of absence for a period not to exceed 365 days***
- ***Suspension of loan repayments for employees on unpaid military leave for the duration of their leave***
- ***Determining the maximum amount available based on plan and IRC rules and the information on our administrative recordkeeping system***
- ***Providing an electronic Payroll Feedback File***
- ***Reporting defaulted loans to the IRS***

G. Custodial Trustee Services

1. For the custody/trustee services you propose, what is the name of the trust company and the total number of years that they have been in operation?

Proposed custody/trustee services are through ING National Trust. ING National Trust has been providing trustee and custodial services for 14 years (since 2000).

2. Are there any restrictions by investment type that pertain to your custodial services? (Yes/No) If yes, what?

No.

3. Confirm that you will trustee outside investment funds.

Confirmed.

4. Do you have a limit on the number of checks/wires available to participants who rollover their distributions or take installments? (Yes/No)

No.

5. Do you have an electronic link with the investment managers for updating participants' accounts on the record keeping system? (Yes/No)

Yes.

6. Will the State be required to execute a custodial agreement with your custodial trustee or will it be part of the contract with the State?

Yes, the State would be required to execute a custodial agreement with ING National Trust. Please refer to the Enclosures CD in the Supplemental Folder for a sample trust agreement.

H. Plan Implementation

1. Explain your implementation/conversion process including timeframe, based upon a January 1, 2015 conversion.

Our experience shows us that the key to a successful implementation is clear and open lines of communication between all parties, including the State and MassMutual.

Our knowledge of how to execute a smooth and seamless implementation enables us to focus on our responsibilities minimizing the amount of time you need to spend on the transition. One key benefit for you is the increased awareness your employees will have about the State's plan. We will build excitement and appreciation during the transition and sustain that momentum long-term.

The detailed process we employ focuses on the following components:

Coordination of Data from MassMutual

Data integrity is critical to ensure that all participants' records are established accurately. To this end, we will involve MassMutual from the beginning, and receive multiple test files well ahead of the targeted implementation date. Our experience with transitioning plans (over \$6 billion in plan assets over the last four years) will help facilitate our conversion of your plan.

A Smooth Transfer of Assets is Ensured with ING

Through our comprehensive process, we will ensure that your participants' financial records will fully balance upon transition to ING.

Comprehensive Communications

The one constant throughout the transition and on an ongoing basis is our focus on providing complete and easy to understand information to participants and employees. During the implementation, all participants receive comprehensive mailings and have the ability to attend an informative group education meeting.

Please refer to Tab 8 Appendix D for a sample implementation timeline. We would work with the State and MassMutual to understand the transition requirements and develop a custom implementation schedule, ensuring a smooth and seamless implementation.

2. By what date would you need authority to proceed to accommodate a January 1, 2015 asset and record keeping transfer?

For an early January 2015 transition, it is suggested that the State provide notification to ING by early September. We would work with the State and MassMutual to understand the transition requirements and develop a custom implementation plan ensuring a smooth and seamless implementation.

3. What involvement will be required from the State during the implementation process?

The State's involvement would include:

- ***Participation in biweekly/weekly conference calls to update you on the conversion status***
- ***Review and sign ING prepared contracts/agreements***
- ***Review and sign-off on all transition communication materials***
- ***Assistance with scheduling group education/transition meetings and securing times and locations for these meetings***
- ***Authorize payroll departments to work with ING in the redirection of existing contributions to the single plan vendor***

4. How are investments handled during the conversion process? How are distributions handled to accommodate the continuity of payments to retirees during the conversion period?

If mapping the transferred assets to comparable funds at ING, upon receipt of the assets from MassMutual, ING will invest the assets in these funds at the plan level, so as to accrue the respective earnings during the transition period.

Generally, no distribution transactions are processed during the conversion. ING and MassMutual will coordinate the pre-payment to retirees of their regularly scheduled installment benefits (Systematic Withdrawal Options or SWOs) in advance of any transition blackout period. A year-end conversion should also require MassMutual to complete the payment of all RMDs in advance of a blackout period to ensure compliance with this important regulation.

5. Describe your procedures during the conversion period to communicate with the State's non-active employees (i.e. retirees and terminated employees with value in the Plan).

Our communication during the conversion period with the State's retirees and terminated employees mirrors the approach targeting all employees with an account balance under the plan. Everyone – active or inactive – will receive the same detailed mailings and the same access to group meetings, local representatives, and toll-free phone support. We will also provide targeted seminars to retirees designed to make them comfortable with the changes taking place. In addition, ING will work closely with the Retired Public Employees of Nevada (RPEN) to extend the communication of the changes and enhancements associated with a plan consolidation with ING.

6. What is the standard length of your blackout period?

Typically, the conversion will be completed five to seven days following the receipt of reconciled data from the prior vendor. We work to minimize this time period.

7. What assurances/guarantees do you provide to the State with respect to a timely implementation?

We guarantee a smooth and seamless transition to ING and are willing to offer a service guarantee to back up our commitment with mutually agreed upon service standards for the State. We will measure our success by ensuring that each step of the process is monitored and delivered on time and that the State and plan participants are satisfied with our services. If ING fails to resolve the deficiency within 30 days, with regard to the implementation, the State may request the service guarantee be paid not to exceed \$25,000 for all combined implementation services.

8. Identify comparable plan conversions in which you have been involved. How many conversions and plan implementations has your company conducted during the past two years involving 10,000 employees or more and how many involving 20,000 employees or more?

As a leading market provider, ING has extensive experience in plan implementations and enhancements for existing clients. Recently, in 2013, ING was re-selected as a service provider for a large hospital entity. Not only was ING retained, but was selected as the exclusive provider for their entire defined contribution plan, resulting in a transfer of \$350 million in plan assets. In addition, the plan consolidation supported their defined benefit plan.

Following the implementation, the number of participants nearly doubled and by mid-2013, we added over 14,000 accounts. The success of this program was largely the result of the investment experience and embedded local service.

ING has converted four plans with over 10,000 employees during the past two years.

ING has converted one plan with over 20,000 employees during the past two years.

I. Systems Capabilities and Hardware

1. What application do you use to record keep and administer defined contribution plans?

ING uses OmniPlus (from SunGard) to record keep and administer defined contribution plans, but with ING evolving the code.

2. Was the software developed internally, leased, or purchased from another provider? Who has the ultimate responsibility/authority to make sure the software remains current with respect to laws, regulations, and client needs?

ING purchased the OmniPlan (subsequently upgraded to OmniPlus) system, including full source code, from what was then Dyatron in 1987. Since that time, we have maintained the integrity of the Omni (since purchased by SunGard) base code while making substantial enhancements to the capabilities via user exits, calculators and integrated proprietary systems.

SunGard is contractually obligated to update the software to comply with all legislative changes.

ING's Legal department is responsible for assessing new or pending legislation and regulatory changes affecting defined contribution plans. ING continually monitors changes in applicable law and regulations to ensure that our qualified plan compliance methodology is kept current and accurate.

3. How long have you used these systems for record keeping?

ING has been using these systems since 1987.

4. Are you planning any major change in the software or hardware supporting your record keeping system in the next 24 months? If yes, please describe.

Yes. ING continuously enhances the software and hardware supporting our record keeping system through major scheduled releases each year. ING's major planned enhancements are as follows:

- ***Participant Website: Personalized modules designed to inform, engage and encourage participants to take action that can lead to a more successful retirement outcome such as increasing savings and diversifying investment holdings.***
- ***Retirement Readiness: Retirement Readiness is at the core of ING's strategic priorities and in response to the demand we are hearing from our plan sponsors, we will continue to invest in technology specifically focused in that area. This includes increasing digital content within, but not limited to, the Learning Center section of our Participant Website as well as the deployment of a client portal that would aggregate all ING administered accounts.***

5. Describe your documented disaster recovery plan. How often do you test your recovery system?

Backups/Resilience

To lessen risk, ING operates multiple data centers and supports multiple recovery options. Two fully hardened primary data centers are maintained to support the mainframe and the majority of mid-range distributed environments. In addition, ING has several alternate data/recovery centers located throughout the U.S. Alternate data centers provide the capability for dedicated recovery equipment and data replication that provide either continuous or near-continuous availability across data centers. ING also maintains a contract with an outside vendor to provide recovery capabilities for mainframe applications. Data centers contain on-site generators and UPS systems to provide continuous power to facilities. A fully redundant wide area network connects all of the data centers in the U.S. including the third party recovery facility. Data replication occurs across production and recovery centers and provides low likelihood of data loss. In addition, application code, infrastructure configurations, and business data are backed up daily and stored in both on-site and offsite vaults based on a predetermined schedule. Off-site vaults are strategically placed throughout the U.S.

Disaster Recovery

ING has a High-Level Disaster Recovery Plan in place for its computer environment, specifying how and when a disaster is declared, the roles and responsibilities of teams and steps to be taken in the event of a disaster. In addition, each site maintains site plans with site-specific contacts and actions. Critical Infrastructure (i.e., network, phone, email) and Platform (i.e., database, middleware) Services maintain plans, as well as each critical application. Plans are built around a worst-case scenario involving loss of a data center or loss of access to the data center, but are also adaptable to less severe disasters. There are three phases in each plan:

- *Immediate response, damage assessment and critical notifications*
- *Environmental and operational restoration*
- *Operational readiness, testing and business resumption.*

Frequency of Testing

Test exercises are executed multiple times each year and compliance with testing requirements is monitored. Shortcomings and remediation activities are documented, assigned Persons-to-Act and target completion dates and monitored for closure by management. Plans are also periodically reviewed by our internal auditors.

6. Where is your main data processing center located? Where is your back-up center located?

ING's main data processing centers are located in Minneapolis, MN and Jacksonville, FL.

For applications that reside in ING data centers, data is replicated between systems in two separate physical locations -- Minneapolis, MN and Jacksonville, FL.

7. How often is data backed-up?

Data is backed up daily and stored in both onsite and offsite vaults based on a predetermined schedule.

8. Describe any system outages within the last three years and how have they been handled.

ING has not experienced any extended, unplanned outage periods in the past three years. During this time period, we have averaged over 99% of planned availability for our Internet applications. Should an outage occur, a dedicated team is in place to resolve any outage.

9. Has any liability resulted from these outages, and are there any pending claims related to these outages?

No.

10. Describe in detail your procedures and safeguards used to guarantee:

- Security for your hardware and facility

Access through all entry and exit points to the ING data centers is restricted through the use of a card access control system. All entry and exit doors at the data centers are connected to an alarm system in the Central Security Control Center or Local Security Station to monitor for unauthorized entry. Video cameras and monitoring equipment are installed near the entry and exit points to the data centers and at perimeter areas to allow security personnel to monitor activities around the critical entry points and the outside perimeter of the data centers.

- Authorized access to data

ING utilizes role-based access control (RBAC), a method of assigning entitlements (or permissions) within an application, system, platforms or other resources. Roles are defined using the basis of least privileged and access granted only to those resources required for the user's job function.

- Confidentiality of data

ING's Infrastructure Security and Threat Management protocols assure data and systems are available, and exhibit the confidentiality and integrity expected by data owners and users to conduct their business. The appropriate level of security applied to the information and systems is based on the classification and criticality of the information and the business processes that use it. The key elements of Infrastructure Security and Threat Management are protection from malicious code, denial of service protection, perimeter protection, use of validated cryptography (encryption), and public access protection. Management includes implementing appropriate controls and protections on hardware, software, and resources; maintaining appropriate auditing and monitoring; and evaluating system threats and vulnerabilities.

- Security for any hard copy of plan-related data or documents

Security classification categorizes information, whether that information is contained on paper or in electronic format, in terms of its sensitivity to loss, disclosure, and availability. The classification is required to implement the appropriate security controls. Data classification is the responsibility of the business asset owner, or their designee, and requires the initial classification, as well as periodic reviews, to ensure the appropriate level of security controls are in place.

11. Are your record keeping and trust systems fully integrated?

Yes.

J. Participant Services/Automated Voice Response System (VRS)

1. Are there any transactions that cannot be processed through the voice response system (i.e., PIN changes, address changes, etc.)?

While most transactions can be performed through the voice response system (VRS), the following are not permitted: loans, withdrawals, address changes, rollover transactions, and beneficiary changes. The participant may request this information but cannot change it through the VRS in order to ensure the information's integrity.

2. Is the VRS fully capable of generating all the necessary administrative forms to handle enrollments, changes in investment elections, transfers between investments, unforeseeable emergencies, terminations, and beneficiary distribution requests?

No; however, a participant may opt out of the VRS and talk to a CSR who would be able to generate all of the necessary administrative forms.

3. How quickly is the VRS updated after transactions are performed?

Transactions are updated and reflected in the participant's account the following business day.

4. Does your VRS capture and retain information regarding the confirmation of a transaction request? (Yes/No)

Yes.

5. In the situation whereby a participant calls the VRS but does not properly complete the transaction, do you retain a record that a call was placed but the transaction was not properly executed? (Yes/No)
Is there any follow-up with the participant? (Yes/No)

- ***Retain record that a call was placed – Yes***
- ***Follow-up with the participant – Yes***

6. Can participants request contribution deduction changes through the VRS? (Yes/No) Can you provide an automated feed back to the State to update their payroll records and contribution changes? (Yes/No)

- ***Request contribution deduction changes – Yes***
- ***Provide automated feed back to the State – Yes***

7. Does your VRS accommodate non-English speaking participants? (Yes/No)

Yes.

8. Does the VRS accommodate the hearing/speech impaired participants? (Yes/No)

Yes.

9. Describe how data is secured within the system (i.e., PIN, audit trail, confirmations).

PIN

ING requires a user ID and PIN to access account information via the VRS. PINs are assigned upon enrollment using a predetermined format. Participants can change their PIN by speaking with a CSR or at any time through the VRS; however, the original PIN must first be entered correctly to gain access to this function. The PIN is held in encrypted format in a centralized IBM DB2 authentication database, which is real-time replicated across two different physical sites.

Audit Trail & Confirmations

All transactions initiated through the VRS receive written confirmation. An audit trail is created by issuance of a transaction confirmation number provided for all changes completed. Using the confirmation number, ING can retrieve the actual transaction completed by the participant. The confirmation number is maintained as a permanent record in the participant history and activity file. Secondly, a confirmation statement is mailed within two business days for any approved transaction performed through the VRS.

10. Describe any security breaches that resulted in improper access to one or more participant's accounts within the last three years, and the steps you took to remedy the breach.

ING is committed to protecting the privacy and confidentiality of individuals' personal information; unfortunately, every company is vulnerable to security breaches. For the limited instances where ING has experienced a breach, immediate action has been taken to notify the plan sponsor. We then work with the plan sponsor to approve notifications to the affected individuals and to offer free credit monitoring. Notice to regulators and others is provided under applicable law. ING has promptly reviewed those processes relative to the incident and implemented appropriate enhancements to assist with the detection and prevention of further breaches.

As a provider of products and services that involve compiling personal—and sometimes, sensitive—information, protecting the confidentiality of that information has been, and will continue to be, a top priority throughout ING.

K. 1-800 Customer Service Center

1. What are the standard hours of operation of your customer service center?

Participants can call the customer service center and speak to CSRs who are available Monday through Friday from 5:00 a.m. to 6:00 p.m. PT., except on NYSE holidays. Access to account information through the VRS is available 24-hours-a-day, seven-days-a-week.

2. Where is your customer service center located?

Our customer service centers are located in Windsor, CT and Des Moines, IA.

3. Where is your back-up customer service center?

We maintain a backup customer service center in Des Moines, IA. The Des Moines, IA office provides business continuity and backup to the Windsor, CT office.

4. List the types of information customer service representatives (CSRs) will be able to provide to the participants.

The following information is available to our CSRs so that they may effectively answer participant questions:

- ***Specific plan provisions***
- ***Historical log and documentation of all calls placed by the participant***
- ***The ability to view all historical and pending transactions processed through the Internet or another CSR***
- ***Detailed participant information, including address, policy number, date of birth, investment of future contributions, current investment allocation, etc.***

5. Are there any transactions that cannot be processed through the customer service center?

Withdrawals, loans and beneficiary changes cannot be processed through the customer service center as they require submission of a completed and authorized form before they are processed.

6. Can employees enroll in the Plans through the customer service center?

No. However, participants may enroll in the plan through the Participant Website or by contacting their local representative who can enroll them using a laptop computer.

7. Can participants change their PIN through a CSR? Can PINs be reset and immediately provided to a participant during the call? Can participants who misplace their PIN call the customer service center and have a new PIN sent directly to their home address?

Yes. Participants can change their PIN by speaking with a CSR or at any time through the VRS; however, the original PIN must first be entered correctly to gain access to this function.

Yes. Participants who misplace their PIN may call the customer service center and speak to a CSR to have a new PIN sent to their home address.

Participants also have the option to receive a temporary password delivered to them via email.

8. Describe how data is secured within the system (i.e., PIN, audit trail, confirmations).

ING requires a user ID and PIN to access account information via the VRS. PINs are assigned upon enrollment using a predetermined format. Participants can change their PIN by speaking with a CSR or at any time through the VRS; however, the original PIN must first be entered correctly to gain access to this function. The PIN is held in encrypted format in a centralized IBM DB2 authentication database, which is real-time replicated across two different physical sites.

Audit Trail & Confirmations

All transactions initiated through the VRS receive written confirmation. An audit trail is created by issuance of a transaction confirmation number provided for all changes completed. Using the confirmation number, ING can retrieve the actual transaction completed by the participant. The confirmation number is maintained as a permanent record in the participant history and activity file. Secondly, a confirmation statement is mailed within two business days for any approved transaction performed through the VRS.

9. Do CSRs back up your Internet site? (Yes/No) If so, how are they accessible during an active Internet session?

Yes. Although a participant cannot elect to move from the Participant Website to a CSR, they may email a CSR and will receive a response within 48 hours.

10. Is there any required licensing for the CSRs in addition to your training program?

Yes. In addition to ING's CSR training program, CSRs are required to be Series 6 registered with FINRA prior to servicing our clients.

11. Are CSR's employees of your company or are they outside contractors?

CSRs are employees of ING.

12. What is the average tenure of a CSR agent?

The average CSR tenure is 32 months.

13. How many total CSR agents does your call center(s) employ on a year-round basis?

ING currently employs 180 CSRs in our call centers.

- 14.

Per Amendment #1 dated April 22, 2014, no question intended.

15. Do you dedicate CSR's to specific accounts? (Yes/No) If yes, how do you determine the number to dedicate and how many would be dedicated to the State?

No. Rather than a dedicated group, our entire CSR team in our Windsor, CT and Des Moines, IA call centers will continue to service the State's program.

16. Do you monitor participant calls for quality control? (Yes/No)

Yes.

17. How long do you maintain the records of conversations?

ING currently maintains the records of participant conversations for the current year plus seven additional years.

18. With respect to complaints, what is the follow-up procedure for complaints about CSRs?

All calls are recorded. If a complaint against a CSR occurs, the call is pulled and reviewed to determine any problems. If an error is found, corrective action is taken on a case-by-case basis by the CSR's supervisor. Overall, follow-up time is 24 to 48 hours.

L. Internet Services

1. Provide an Internet address and instructions on how to access a demonstration of your Internet capabilities for both the participant and plan sponsor.

ING will continue to provide the State with its custom website:

www.ingretirementplans.com/custom/nevada

Participant Website

ING offers a navigational (click-through) Participant Website demo. Please note that some of the demo's functionality is intentionally disabled (including the tools and calculators section) and would be demonstrated in a live presentation. No username or password is required. Access to the demos is available 24-hours-a-day, seven-days-a-week.

<http://www.ingretirementplans.com/demo/HEGease>

Sponsor Website

ING offers an online demonstration to the Sponsor Website which allows you to access a sample plan. Sample content has been prefilled for demonstration purposes. No user ID or password is required. Access to this demo is available 24-hours-a-day, seven-days-a-week.

www.ingretirementplans.com/sponsorwebdemoEASE

2. Describe your participant website capabilities.

Personal Financial Dashboard

To deliver on our belief that all Americans should have access to actionable financial and retirement planning and advice we offer a free online, holistic planning tool that lets employees organize all their accounts in one place, so they can see their complete financial picture and make smart money decisions. With this powerful tool, employees can use it to set goals, create budgets, track spending, review investments, and more, including:

- **Organize, analyze and update all of their financial information**
- **Get a Personal Retirement Action Plan to work toward their goals**
- **Set their financial priorities and track progress**
- **Understand how their assets are allocated across all your accounts**
- **Know what they're spending and where they're spending it**
- **Identify ways to reduce debt and increase savings**
- **Access helpful online workshops and multi-media education**

Employees can enter as many accounts as they like – checking, savings, credit cards, mortgage, insurance, retirement, etc. The tool can update your information automatically, so they always have a current view of their complete financial picture, or they can use it to simply view a snapshot in time. The Personal Financial Dashboard becomes the employee's own private financial space -- there are no intrusive ads or emails. The tool uses advanced security features to keep their information safe.

This tool is accessed through the Participant Website and ING U.S. Retirement Specialists are available to answer participant questions as they use their Personal Financial Dashboard.

ING's Participant Website provides easy-to-use technology and financial tools to help participants monitor and manage their retirement plan account when it is most convenient for them. When appropriate, these tools provide employees an opportunity to take action within their account.

ING's Participant Website will provide the following account information:

Personal rate of return
Total balance by plan as well as balance by individual fund and source
Balance history comparison:
<ul style="list-style-type: none"> Allows participant to select two unique points in time and compare retirement balances and asset allocation Allows participants to see the growth of their account between two dates Scroll over display of fund information and balance
Existing investment fund allocations
Contribution rates
Future contribution investment elections
Monthly income estimator:
<ul style="list-style-type: none"> View current balance in terms of monthly income at retirement Model estimated future monthly income Shows impact of an additional contribution increase
Withdrawal amounts available broken down by type (after-tax, hardship)
Outstanding loan balance information (if permitted under the plan's provisions)
Account transaction history
View and download transaction history directly to a personal management software program (Quicken or Microsoft Money)
Important plan updates and reminders in the customized ING Message Center
Quarterly statements

We also provide detailed information on the plan's investment options, such as:

Objective and strategy detail for each individual fund
Investment performance
Fund performance comparison:
<ul style="list-style-type: none"> Compare historical performance at the fund level Adjustable timetable Leverages best in class fund performance mapping technology (same as Yahoo! Finance)
Asset class allocation:
<ul style="list-style-type: none"> Asset pie chart illustrates allocation of balance Scroll over displays asset class and percentage of overall account
Top holdings, sector weightings, and industry segmentation
An extensive investment glossary

ING's Participant Website offers transaction capabilities similar to those on the VRS. Participants can:

Enroll in the plan
Transfer and re-allocate existing balances between funds
Change future investment election percentages
Change contribution deferral percentages, if contribution rate change services are elected by the plan sponsor
Elect automated contribution rate increases on a specified frequency, if contribution rate change services are elected by the plan sponsor
Change beneficiary elections or other beneficiary maintenance
Modeling and issue loans (if permitted under the plan's provisions)
Payoff loans
Change PIN
Request withdrawal

3. Specify any transactions that cannot be completed via your Internet site.

The following transactions cannot be completed via the internet site as they require additional review of documentation:

- ***Residential loans (unless permitted under the plan's provisions)***
- ***Address changes***
- ***Annuitization requests***
- ***RMDs***
- ***Systematic withdrawal requests***

4. Do you have a mobile app or mobile optimized website? (Yes/No)

Yes.

5. What communication materials or tools do you offer the plan participant via the Internet?

ING offers a variety of web-based tools to assist plan participants in preparing for retirement, including:

- ***Asset Allocation Guidance – Offered as a component of ING's Participant Website, our Asset Allocation Guidance tool assists participants in determining an asset allocation strategy that may best suit their needs. The tool presents participants with a brief risk tolerance questionnaire to help identify what type of investor they may be. The results of the questionnaire identify one of five model portfolios and explain the risk profile of a typical investor. Each model provides suggested allocations at the asset class level. Participants can use these allocations as guidelines to help diversify their investment selections.***
- ***ING Your Number – This website helps individuals identify their numbers -- the amount of money an individual or couple needs to save by the time they retire to live the lifestyle they want. The Your Number interactive tool leads participants through six questions to get their personalized number, which can be shared with retirement representatives to help develop a strategy to reach the number. Visitors to the site can also learn strategies for protecting their savings and game plans for planning into retirement.***
- ***INGCompareMe.com – This tool makes it easier for individuals to see how they compare to others like themselves on a wide range of saving, spending, investing, debt and personal finance matters. The tool relies on responses from site visitors and provides an objective way for users to gauge their financial planning progress and, ultimately, take action.***
- ***My Retirement Outlook® - This calculator assists employees in deciding if they are on track pursuing their retirement financial objectives. My Retirement Outlook compares how much is needed during retirement with the amount that may be available. In doing so, it integrates three common retirement income streams—pension, Social Security, and personal savings—into a holistic analysis.***
 - ⇒ ***To assist participants in creating meaningful results, the calculator is pre-loaded with pension information for hundreds of retirement systems used by educators and governmental employees including the various Nevada PERS pensions available to employees of the State of Nevada.***
 - ⇒ ***My Retirement Outlook can also provide an estimate of Social Security retirement benefits or participants can manually enter a benefit estimate. Current retirement savings, as well as ongoing contributions, are also part of the analysis.***
 - ⇒ ***My Retirement Outlook uses these income sources to create an integrated retirement. In the retirement portion, participants can estimate how much they need to save per paycheck in order to reach tomorrow's retirement financial objectives. My Retirement Outlook was designed to make finding the balance between planning for tomorrow—and living today—easier.***

- **The INCOMEWIZARD®** – This calculator focuses on retirement income and helps participants make the connection between what they are saving today and the potential income generated from those savings in their retirement years. After providing some personal information, a participant can view an estimate of their retirement nest egg, as well as the income that it could generate. The INCOMEWIZARD also encourages participants to test different scenarios, such as saving more, earning a different rate or return, or retiring later.
- **The Monthly Income Estimator tool** – A web page that displays the participants' current balance in terms of monthly income at retirement using basic calculation assumptions. Should the participant want to take the tool a step or two further, we provide the ability for the participant to perform quick "what if" scenarios to model estimated future monthly income by, for example, showing the impact of a contribution increase.
- **Interactive Financial Calculators** – A series of easy-to-use calculators are available to assist participants in making the decision-making process easier:
 - ⇒ **Investor Type** – determines investment personality and suggest model portfolios
 - ⇒ **Roth Contribution Comparison** – compares contributions from a traditional retirement plan (non-IRA) to a Roth retirement plan (non-IRA)
 - ⇒ **Retirement** – performs simple retirement needs analysis
 - ⇒ **Income needs** – performs income analysis for different time frames and rates of return
 - ⇒ **College** – estimates the cost of college
 - ⇒ **Life insurance** – estimates the amount of life insurance needed
 - ⇒ **Tax deferral** – compares investments with different tax characteristics
 - ⇒ **Financial objective** – determines how much you will have in the future or how much you need to save today
 - ⇒ **IRA eligibility** – illustrates eligibility for traditional and Roth IRAs
 - ⇒ **IRA Comparison** – compares traditional and Roth IRAs
 - ⇒ **After tax/Equivalent yield** - compares taxable and tax-advantaged yields on investments
- **On-Demand Education Seminars** – As we do today, ING will continue to work with the State to offer a series of financial and life-planning seminars. The ING seminars are available for in-person presentation or directly to your participants anytime, anywhere via the Internet. All seminars are designed for educational purposes only. Products are only mentioned as they relate to a category to help the participant understand differences.

ING Seminars

Seminar Workshops – In-person PowerPoint presentations which encourage active learning and participation. There are many coordinating event materials to help advertise and increase attendance to the workshop. There are also many coordinating educational materials which could be distributed to attendees.

Seminar Library – Webinars are delivered via the internet on the ING Seminar Library site. The content is delivered in four life stage sections, allowing the viewer to quickly search for and locate information of interest. Webinars are available 24/7, and also allow for tracking to provide information on usage.

Getting Started

- **Basic Investment Concepts:** Investment types; Investment concepts; Investment bloopers
- **Destination: Retirement:** Time in retirement; Employer-sponsored retirement plans; Investment concepts
- **Financial Literacy Education:** Credit and banking; College Education and home ownership; Retirement
- **Retirement Planning:** Retirement Planning; Investment Planning Concepts; Distribution Planning
- **Retirement Planning for Women:** Unique challenges; Taking stock and working toward your goals; Preparing for the future
- **Retirement Review:** Funding Retirement; Organizing Your Resources; Investing in Employer-Sponsored Retirement Plans
- **457(b) Tax-Deferred Plan:** Sources of retirement income; Plan benefits ; Making the most of your money
- **Roth 457(b):** A comparison of traditional vs. Roth plans; Which option is right for you?

Staying on Track
<ul style="list-style-type: none"> • Asset Allocation: Applying asset allocation and diversification; Three key asset classes; Risks of investing • Budgeting: Why budget; How to budget; Tips for saving; Loans and debt • Investor Behavior: Patterns of Investor Irrationality; Overconfidence; Hindsight bias; Short-term focus; Regret; Mental accounting; Hot-hand fallacy • Mutual Fund Investments: The roles within, and styles and types of mutual funds; Standard Deviation, Sharpe Ratio and calculating expenses; Correlation and diversification • Staying the Course: Financial roller coaster; Staying on track; Next steps
Preparing to Retire
<ul style="list-style-type: none"> • Cracking the Nest Egg: Your time in retirement; Retirement needs and funding; Retirement income stream • Estate Planning: Who needs an estate plan?; Important decisions; Important documents • Retirement Plan Rollover Options: Cash out; Stay in; Rollover
Life Events
<ul style="list-style-type: none"> • Positive Change (Job Loss): Severance benefits; Your existing retirement plan; Looking for new work • Teaching Children About Money: Earning Money; Budgeting; Saving Money; Spending Money; Borrowing Money • The Sandwich Generation: Your finances are your first priority; Strategies for funding your children's needs; Planning for elder care

6. Do you offer an automated enrollment process through the Internet? (Yes/No)

Yes.

7. Can participants' e-mail account-specific questions via the Internet site? (Yes/No) If yes, who receives the e-mail, researches the issue, and responds? What is the turnaround time?

Yes. Participants can submit questions via the Internet site through a secured, encrypted email form. CSRs review and research participant email daily. The turnaround time for email requests is within 48 hours.

8. Does your Internet site have the ability to download participant account information software programs (i.e. Microsoft Money, Quicken, etc.)? (Yes/No) If yes, which programs?

Yes. Transaction history is available to be downloaded to the Quicken money management tool and is available for both Windows and Macintosh users.

9. Do you track Internet site hits? If yes, describe what is tracked and the standard reports the State will receive.

Yes. We track the number of visits or 'hits' to the site, and use this information for trending purposes and systems capacity planning. Our Sponsor Website provides a Participant Services Usage Report; this report details how participants interact with ING, utilizing the internet, VRS, or CSRs. The report provides 18 months of data and identifies if participants are completing fund transfers, allocation changes or inquiries (requests for data such as: account values, fund performance, password verification, confirmations of a transaction or unit values/net asset value per share).

Internet hits for the State's participants are as follows:

2014 – 1st Quarter	2013	2012	2011
10,776	35,635	29,047	38,772

10. Describe the security through which a participant passes to use your Internet system. What firewalls do you have in place for your Internet services?

PIN Assignment

For access through the Internet, each participant must complete a one-time registration process, assigning a unique username and password (8 to 20 characters in length). During this initial registration, the participant will need to utilize their previously established PIN to add their account(s) to online access.

Audits and Controls

ING Internet security efforts have focused around the control and audit of:

- *Access to ING's systems*
- *Ensuring safe transport of information over the Internet*
- *Only authorized users can enter ING's private websites*

Online users are authenticated before they are able to use these sites through the use of ID's and passwords. This technology allows us to identify and authenticate individuals as valid users of our websites prior to giving them access to those sites.

Ensuring Privacy

To ensure private information stays private while it travels over the Internet, we enforce a number of security measures to ensure data security. The server uses the Secure Socket Layer (SSL) protocol to provide:

- *Server Authentication - allows your SSL-compatible browser to verify you are conducting business with ING and not some machine on the Internet pretending to be us. We are currently using SSL 3.0/128-bit encryption digital certificate technology on our Netscape Commerce Server for our Internet Website server authentication.*
- *Data Encryption - ensures information sent and received over the Internet is encoded and decoded to ensure privacy and safe transit.*
- *Data Integrity - verifies the contents of a message arrive at their destination in the same form as they were sent.*

In addition to our general website, we also provide links to other ING websites for the purpose of conducting business with our customers and business partners. Our systems use a "firewall" which sits between the Internet and ING internal networks. This technology ensures your private information and our internal networks are invisible to the outside world. This prevents unauthorized personnel from accessing private customer or corporate information.

11. What improvements to your Internet capabilities are planned to occur in the next two to three years?

Improvements to our internet capabilities planned in the next two to three years include:

- *Participant Website: Personalized modules designed to inform, engage and "excite" participants to take action that can lead to a more successful retirement outcome such as increasing savings and diversifying investment holdings.*
- *Retirement Readiness: Retirement Readiness is at the core ING's strategic priorities and in response to the demand we are hearing from our plan sponsors, we will continue to invest in technology specifically focused in that area. This includes increasing digital content within, but not limited to, the Learning Center section of our Participant Website as well as the deployment of a client portal that would aggregate all ING administered accounts.*

Through the coming three-year period, you can count on ING's technology roadmap to be both rigorous and flexible. As a major service provider serving a marketplace that is highly competitive and regulated and also demands significant customization, our technology roadmap requires not only great depth but also quick adaptability. One constant, however, is the importance we place on research in driving our focus and priorities. That research tells us positive messages and visual communications affect participant behaviors - the ability for participants to experience even more engaging and interactive visual communications and education will always form part of our technology roadmap.

12. Are the VRS, Internet, and Customer Service Center's workstation all linked to the same record keeping database? (Yes/No)

Yes.

13. Describe any online capabilities that your system provides for plan sponsor access.

Online access will continue to be available through the State's Sponsor Website. This site allows the State to control access to the site and the ability to authorize various levels of access to the information. Below highlights the main features of the Website:

Participant Level Information

- *Ability to access participant accounts online with full inquiry capabilities*
- *Ability to search for participants and filter by age and account balance*
- *Ability to create reports and export to Word, Excel, and Adobe*
- *Participant data reports including loan amortization schedules and transaction logs*

Plan Level Information

- *Plan summary with a balance*
- *Historical plan balances*
- *Year-to-date contributions*
- *Plan level transaction history*
- *Investment usage reports*
- *Customer service usage reports, VRS, and Internet*
- *Plan level statements with archive*
- *Plan and participant level forms*

The Processing Center includes:

- *Contribution submission and loan repayment tools with real time edit features*
- *Allows for real time changes to demographic information*
- *Robust payroll feedback process to the payroll provider on any contribution and loan changes*

Investment Information includes:

- *Investment option descriptions of all investments in the plan*
- *Fund evaluation scorecard process reviews and grades all funds on a quarterly basis*
- *Fund news including regulatory updates and changes*

On Demand Reporting

On demand reporting puts the plan information at the State's fingertips. This tool allows the State to either pull information from one of the many standard online reports that we have on file or to create their own unique report. The standard reports are predefined reports that only require the State to click on the report they would like to run. The State can also create and schedule the running of their reports and since data is updated daily, most plan data is only a mouse click away. Once reports are created, the output file can be saved to the State's desktop either in Excel (XLS, CSV) or Adobe formats.

M. Communication and Education

1. How long have you been providing communication services to the public sector?

We have been providing employee communication and education services to the public sector since 1967. Today, we are excited and passionate about continuing our partnership and beginning a new chapter in the success of the Nevada Deferred Compensation Plan ("NDC").

Our experience has shown that the key to a successful retirement program can be built upon the foundation of the education and communication plan. Our local relationship management team and communication professionals will continue to work with you to create a comprehensive communications plan effective in maximizing employee awareness and driving appropriate behavior. The multi-faceted approach will provide employees, regardless of their life stage, access to information about their plan(s) and their accounts in the manner most comfortable and convenient for them. We are confident that our program will exceed your expectations and meet your employees' objectives of having a financially solid and satisfying experience throughout their retirement journey.

2. Describe separately your initial and on-going communication and education program (including printed material, visits, training, etc.). These programs should be customized specifically to the State.

ING views our relationship with the State as a partnership. We collaborate on each communication item including, but not limited to, annual reports, communication and education campaigns, custom Q&A's, custom web messages and special quarterly inserts. We will continue to work with the State to identify goals and expectations for communicating, educating, and enrolling participants. Based on those discussions, we will design strategies to support those goals and expectations, review them with the State, adjust as necessary, implement, follow-up and review the success of each.

Our framework for communication and education materials is designed to focus on life stages/life events. Going forward, these pillars will help define the generational targets for NDC campaigns.

- ***Getting Started – Focuses on getting employees to understand the benefits of participating in your plan and includes: the Need to Start Saving; Identifying Options; Retirement Planning and Investing; Allocating Assets; Enrolling in the Plan***
- ***Staying on Track – Focuses on participants and participant engagement, including: Staying informed; Regular Check-ups; Increasing Contributions; Managing Life Events,***
- ***Preparing to Retire – Focuses on pre-retirees and includes: Building a Big Picture View; Rebalancing; Simplifying Accounts; Healthcare Planning; Estate Planning***
- ***Life Events/ Living In Retirement***

Additionally, we will continue to be responsible for the ongoing servicing and education of employees and plan participants. We continually provide comprehensive service and support to include:

- ***Providing ongoing enrollment, educational, and financial meetings/seminars for all locations and shifts***
- ***Meeting one-on-one with employees and participants to provide guidance on a variety of plan-related topics – benefits of participating, dollar cost averaging, catch-up provisions, asset allocation and diversification, and retirement planning***
- ***Conducting annual reviews with plan participants to ensure they are taking full advantage of all plan features***

- *Providing retiree counseling to educate retirees about the available options under the plan, the tax implications of the different options and preparing illustrations of the impact of the options*
- *Conducting group meetings, education presentations and financial, investment and retirement planning seminars targeting different levels of employee sophistication*
- *Performing Financial Healthcheck analysis*
- *Responding to ongoing questions related to plan participation such as eligibility for catch-up, hardship withdrawal provisions, and the impact of divorce*
- *Web-based tools including webcasts, online calculators and tools, and seminars*

We will continue to monitor the performance of our local representatives on an ongoing basis to ensure they continue to provide ongoing service that meets and exceeds the goals and objectives of the State. We solicit feedback from employees following group meetings and seminars to ensure that we are covering the appropriate topics and are delivering the appropriate messages.

3. Provide samples of initial enrollment and on-going communication and education materials.

Please refer to Tab 8 Appendix E for sample enrollment and on-going communication and education materials.

4. Describe the services you offer in the enrollment process. Please be sure to include such items as monitoring, contacting, communicating with, and tracking enrollment of new hires. Will you maintain and control the inventory of all related enrollment materials that are to be included in the enrollment kits? (Yes/No)

As a cornerstone of our communication philosophy, our goal is to help you connect to all employees across the State, regardless of the stage in their retirement journey. We will engage them to drive appropriate behavior and connect with them through multiple channels and media. As they continue through their cycle of life, are living in retirement or have a life event, we will have built trust to ensure they stay with the program.

The most crucial step is capturing enrollments - whenever, wherever, and however your employee is ready to take the first step in securing their financial future. ING is experienced in providing multiple avenues for employees to enroll in the great benefit the State is providing. As such, ING will offer three ways to enroll in the NDC plan: online, in-person, or through our EZ Enrollment process. Each opportunity allows for employees to complete the process independently or with one of our representatives at a location that is convenient for them.

Through our partnership with the NDC, ING's EZ Enrollment campaigns have generated tangible increases in enrollment during the second quarter of each of the last four years. These spikes represent an increase of 76% to 270% over surrounding quarters. In addition, ING has led the way in Roth enrollments since its introduction to the plan in 2012. Currently, 178 employees have started utilizing the feature in the last two years, 52% greater than the number of new Roth enrollments generated by the State's other record keeper (MassMutual) over the same period.

Our representative enrollment process allows our field service representatives to capture participant enrollment information electronically and transmit data immediately to our Windsor, CT office. This assures accuracy and speed of account set up and provides an audit trail for us and the State.

We will continue to offer the following comprehensive services:

- ***Education on the importance of plan participation, including advantages of tax-deferred saving and the importance of starting early***
- ***Preparing various “what-if” scenarios describing the impact on take home pay based on various deferral amounts***
- ***Explanation of the State’s available investment options, including concepts such as diversification and asset allocation***
- ***Discussion of the plan features including contribution limits and distribution provisions***
- ***Review of ING services, including illustration of how to access account information and conduct transactions via the toll-free phone line and Internet***

We will continue to maintain and control the inventory for all related enrollment materials.

5. Describe the communication and education process that you provide for non-active participants with balances in the Plan (i.e. retirees and terminated employees).

Beyond our core suite of education and communication offerings, our local representatives will identify and work with inactive employees – retirees and terminated employees – in this stage of their journey. As the employees approach retirement, representatives will introduce, partner, and transition the relationship to our retirement income specialists. These specialists will work with employees to create individualized strategies for income streams through retirement.

As such, we will continue to engage your retirees through education campaigns and online tools, and provide personalized advice through our network of experienced in-person and phone-based consultants. Materials provide clear, actionable guidance to make sound, informed savings and investment choices as they transition into retirement.

For some, one-on-one sessions with an advisor or group meetings will be valuable as they want the ability to speak with someone, while others, a personalized print or e-communication is most effective.

6. Will you provide participants with onsite, group education and retirement planning sessions or financial/pre-retirement seminars on an on-going basis? (Yes/No). If yes, please list the titles of the subjects that are covered in your program. No description necessary.

Yes.

- ***Basic Investment Concepts***
- ***Destination: Retirement***
- ***Financial Literacy Education***
- ***Retirement Planning***
- ***Retirement Planning for Women***
- ***Retirement Review***
- ***457(b) Tax-Deferred Plan***
- ***Roth 457(b)***
- ***Asset Allocation***
- ***Budgeting***
- ***Investor Behavior***
- ***Mutual Fund Investments***
- ***Staying the Course***
- ***Cracking the Nest Egg***

- *Estate Planning*
- *Retirement Plan Rollover Options*
- *Positive Change (Job Loss)*
- *Teaching Children About Money*
- *The Sandwich Generation*

7. Do you offer any retirement planning software for participants, made available at no additional charge? (Yes/No)

Yes.

8. Do you offer video or web-based educational programs to participants and retirees? (Yes/No) If yes, please list the classes/courses currently available. No description necessary.

Yes.

- *Asset Allocation*
- *Basic Investment Concepts*
- *Budget & Debt Reduction*
- *Cracking the Nest Egg*
- *Destination Retirement*
- *Estate Planning*
- *Financial Literacy Education*
- *Investor Behavior*
- *Mutual Fund Investments*
- *Positive Change*
- *Retirement Planning*
- *Retirement Planning for Women*
- *Retirement Plan Rollover Options*
- *Sandwich Generation*
- *Staying the Course*

"Mini" Webinars

- *Why Budget*
- *How to Budget*
- *Tips for Saving*
- *Loans and Debt*

9. Do you provide information to Plan participants regarding options on distributions? (Yes/No) Describe any services or programs you provide for participants, both retirees and terminated, leaving the Plans.

Yes.

At ING, providing education and guidance to participants at the time of separation or while still active is at the center of all we do. Our focus during this time of transition is to support your participants by providing information designed to educate them on their available options including leaving their assets in the State's plan. Our education and guidance is provided through a highly trained and qualified team of retirement consultants available through our Retirement Consulting services.

Through this program, we support participants who are:

- *Terminating their employment*
- *Planning to retire or already in retirement*
- *Interested in receiving guidance and advice on consolidating retirement accounts*

All of our retirement consultants are FINRA-licensed registered representatives (Series 7, 63 and 65) and have extensive experience in the retirement industry. All retirement consultants are required to complete extensive on-boarding training prior to speaking with participants, as well as adhere to a consultative-based process called "Retirement Consulting the ING Way" that is predicated on understanding a client's unique, individual issues and offering solutions and unbiased product recommendations.

We believe participants who are retiring or changing jobs need specialized, personalized and objective guidance on options available to them. A retirement consultant with ING will clearly explain the pros and cons of all options available to a participant based on the individual's unique needs including their ability to maintain their assets in the State's plan.

10. Describe the State's role in the communication, education, and enrollment process.

ING views our relationship with the State as a partnership. To that end, we will continue to work with you to develop and deliver a customized approach that is multifaceted so all employees can access information about the plan and their accounts in the manner most comfortable and convenient for them. As such, we will continue to work with the State to design strategies to support the State's goals and expectations, regularly review them, adjust as necessary, implement, follow-up and review the success of each.

11. To what extent can the Commission customize communication and investment education materials (e.g., plan name, logos)? Please state if there would be additional charges for customizing or editing these communication materials.

ING will continue to work with the State to develop and implement its Communication Strategy. As part of Tab 8 Appendix E, we have proposed a new brand for NDC. The proposal for the transition and subsequent communication plan incorporates a themed title "Your Journey Starts Here". This theme underscores the commitment from the State to your employees in meeting the goal of a healthy financial future.

This customized approach includes a refreshed State logo, optional tag line, and State branded materials (with or without provider branding as appropriate), including posters, flyers, brochures, html emails and short flash videos (including short live action or introductions) at no additional cost to the State. Please refer to Tab 8 Appendix E for proposed samples.

To help develop, implement and monitor the State's communication strategy, we suggest continuing our current bi-weekly conference calls between State staff and ING, focused exclusively on communication strategies.

12. Can you assist participants who elect to transfer their 457 account assets to purchase service credits? (Yes/No)

Yes.

13. Describe the marketing plan you will implement to increase participation by local governments who are eligible to use the contract.

We will continue to partner with the State to help achieve your participation and plan goals for both State employees and those of participating local governments. These goals remain a critical part of the design and implementation of our ongoing employee education and communication campaign.

Our enrollment programs, including EZ Enroll, are designed to inform, educate, and encourage participation, while minimizing the time employees spend in enrollment meetings. In fact, since we introduced the NDC to EZ Enroll in 2010 it has become the preferred method for employees to enroll in the plan, accounting for two-thirds of all new enrollments. A recent enrollment campaign increased quarterly enrollments by 122% over the previous quarter and 241% over the same quarter in the prior year. Our team of field service representatives plays a key role in that process. We assist in maximizing plan participation by creating awareness and, in conjunction with the NDC, providing the right information at the right time.

14. Describe your proposed strategy for coordinating and integrating plan education and communication activities and materials with those of the PERS (defined benefit) retirement system.

To assist participants throughout their retirement journey, ING has offered the use of the My Retirement Outlook® calculator to the State of Nevada since 2009. My Retirement Outlook compares how much is needed during retirement with the amount that may be available. In doing so, it integrates three common retirement income streams—pension, Social Security, and personal savings—into a holistic analysis. My Retirement Outlook:

- Assists participants in creating meaningful results, whereby the calculator is pre-loaded with pension information for hundreds of retirement systems used by educators and governmental employees including the various pensions available to employees of the State of Nevada.***
- Provides an estimate of Social Security retirement benefits or participants can manually enter a benefit estimate. Current retirement savings, as well as ongoing contributions, are also part of the analysis.***
- Uses these income sources to create an integrated retirement. In the retirement portion, participants can estimate how much they need to save per paycheck in order to reach tomorrow's retirement financial objectives. My Retirement Outlook was designed to make finding the balance between planning for tomorrow—and living today—easier.***

Additionally, ING is committed to ensuring that our representatives are more than capable of speaking to the interaction of the State's defined benefit program (PERS) and the Nevada Deferred Compensation program. In doing so, we will ensure our representatives are properly trained in the basic of PERS and its various tiers and the implications an employees retirement from PERS might have upon an employee's journey and their overall retirement goals and objectives.

15. As indicated, the State prepares a quarterly newsletter entitled "Your Money Tree," which is distributed to participants and retirees. Confirm that your organization can provide this newsletter that contains participant level education topics, current trends and regulatory updates.

Yes. We will continue to work with the NDC to provide relevant educational material, trends and regulatory updates for the State's newsletter.

16. How do you measure the success of your educational programs?

To ensure we are delivering the appropriate level of education and service to participants, we utilize several different methods to measure the effectiveness of our education programs. We measure ongoing success by:

- *Monitoring the number of employees enrolling in the plan*
- *Tracking the number of employees increasing contributions*
- *Monitoring participation in each phase of the education process*
- *Periodic review of plan demographics: We track plan trends to determine: participation levels (by department, by age, by gender), asset allocation (number of funds utilized by participants, frequency of investment changes), average deferral rates (to ensure that once participants are enrolled, they continue to take full advantage of the plan), and utilization of optional plan features (e.g., number of participants electing catch-up, number of outstanding loans, number of hardship and unforeseeable emergency withdrawal requests)*
- *Utilizing e-talk Surveys for our customer service center: Participants who speak with CSRs are encouraged to take an electronic survey to help us measure the quality and responsiveness of our CSRs and the information provided*

In addition to monitoring plan demographics and adjusting communications and education accordingly, we also look at success rates of individual campaigns. As such, we are able to execute campaigns that have targeted success. For example, each year we send a communication announcing upcoming COLA limit changes. For ease of use, we include a contribution deduction change form and this year we saw a 36% increase from responses last year. Communications and education also played a significant role in the rollout out of the Managed Account service; since the go-live date of July, we have over 52 participants and just over one million dollars in participant assets.

We also solicit input from the State regarding our service delivery during our day-to-day interaction and especially during face-to-face meetings. Based on the feedback received, we take steps to enhance our services and proactively correct any shortcomings.

In order to ensure ING's ongoing service delivery is meeting – and exceeding – State expectations, we will conduct an annual survey that allows you to evaluate the effectiveness of both our service strategy and your individual ING Client Relations Manager.

The annual survey results allow us to assess our service delivery and adjust our processes to meet the changing needs of our clients.

N. Field Service Representatives

1. Do you currently have staff located in Nevada? If yes, where?

Yes. ING maintains offices in both Carson City and Las Vegas, Nevada.

2. How many dedicated, onsite, full-time field service representatives are you assigning to the plan? Will they be 100% full-time dedicated representatives? (Yes/No)

ING will continue to utilize the services of ING field service representatives for onsite servicing of the State's plan. ING currently utilizes the services of two representatives to serve State employees and will hire two additional registered representatives if selected as the State's exclusive provider.

All field service representatives, with the exception of one, are 100% full-time dedicated.

3. Describe the structure of how the field service representatives would be organized to service this relationship:

- Location

Field service representatives will continue to be located in both Carson City, NV to service Northern Nevada (including Carson City, Washoe, Douglas, Lyon, Storey, Pershing, Humboldt, Churchill, Mineral, Lander, Eureka, Nye, and Elko Counties) and Las Vegas to service Southern Nevada (including Clark, Lincoln, Esmeralda and White Pine counties).

- Staffing (including functions to be performed)

ING's field service representatives are responsible for the ongoing education and servicing of employees and plan participants. On an ongoing basis, they provide comprehensive service and support to include:

- **Providing ongoing enrollment meetings for all locations and shifts**
- **Meeting one-on-one with employees and participants to provide guidance on a variety of plan-related topics – benefits of participating, dollar cost averaging, catch-up provisions, asset allocation and diversification, retirement planning, and Financial Healthcheck analysis**
- **Conducting annual reviews with plan participants to ensure they are taking full advantage of all plan features**
- **Providing retiree counseling to educate retirees about the available options under the plan, the tax implications of the different options and preparing illustrations of the impact of the options**
- **Conducting group meetings, education presentations and financial, investment and retirement planning seminars targeting different levels of employee sophistication**
- **Delivering education and financial presentations and seminars**
- **Responding to ongoing questions related to plan participation**

- Standard hours of operation

The hours of operation for both our Carson City and Las Vegas office will be from 8:00 a.m. to 5:00 p.m. PT. However, our philosophy is to have our representatives meet with employees when and where it is convenient for the employee as opposed to requiring them to come to our office.

4. How you would handle pre-scheduled consultations?

Our field service representatives will continue to conduct pre-scheduled consultations to keep employees engaged and informed about their plan benefits. ING will continue to work with the State to develop and communicate a schedule of times and locations when field service representatives will be available for consultations.

5. How you would handle walk-ins?

ING's Carson City office is setup to have a representative capable of handling any unscheduled walk-ins available during normal business hours. ING's Las Vegas office will be available by appointment only.

6. What is your annual cost associated for each dedicated service representative?

ING's annual cost associated with each registered representative is approximately \$40,000 to \$50,000 per year.

7. Will you need to hire any additional staff in order to service the State's account?

Yes. As the State's exclusive provider, we will hire two additional registered representatives to service the State's account.

8. Briefly describe the credentials and related experience of local service representatives who will be assigned to the State's account.

Carrie Onorato, Investment Advisor Representative

Carrie Onorato has been a field representative assisting southern Nevada governmental employees in planning for their retirement for over 13 years with ING. Carrie counsels and advises employees regarding the advantages of participating in their retirement plan, determining their risk profile, investment selection, asset allocation, distribution and retirement planning.

Carrie is currently working on her Masters of Science in Finance. She holds her FINRA Series 7, 24, 63, 65 licenses as well as her Life/Health/Variable Annuity license in the State of Nevada. She is also a CFP candidate.

Eric Honea, Account Representative

Eric Honea has been an ING field representative in Northern Nevada since 2012. He has over 10 years of professional sales experience including five years assisting teachers and other public employees throughout Northern Nevada with their retirement plans. In his role, Eric conducts seminars, counsels participants through group or individual meetings and educates individuals on topics such as risk tolerance, investment selection, distribution options, retirement planning and asset allocation.

Eric graduated from Shasta College. He holds his FINRA Series 6 and 63 licensed as well as his Life/Health/Variable Contract license in the State of Nevada.

Dianna Hennessey, Business Coordinator

As a Business Coordinator, Dianna Hennessey has been responsible for the day-to-day operations of the ING Nevada Regional Office for over six years. She facilitates plan administration such as coordination with the NDC and all payroll locations, enrollments, contribution changes, plan distributions, unforeseeable emergency counseling, catch-up provision education, and statistical reporting. Dianna also provides support for new payroll location installation, individual customer solutions, and supports participant marketing and communication efforts.

In addition to achieving her MBA in Finance, Dianna is FINRA Series 6 and 63 licensed and holds her Life/Heath/Variable Contract license with the State of Nevada.

9. Will the State's representatives be responsible for any additional accounts? (Yes/No) If yes, how many?

Yes. Over the course of the contract, business conditions may require that some field service representatives take on additional responsibilities from time to time. Should this need arise, we will notify the State prior to the occurrence. Currently, one of ING's registered representatives is responsible for services provided to two other accounts.

10. Will the representatives assigned to the State's Plans be employees of your firm?

Yes. The representatives will be statutory employees of ING.

11. Detail the compensation structure for the local representative. Be sure to include an explanation of how any bonuses and incentives are determined.

While our field service representatives are compensated on a salary basis, a bonus may be provided should the representatives reach agreed upon metrics. Such bonus compensation, if provided, is structured to correspond to goals shared by the State, including new enrollments, increased contributions, rollovers into the plan and asset retention. Compensation is not based on the investments selected by your plan's participants.

12. Are local representatives incentivized in any way to solicit outside products that are not directly associated with the State's Plans?

No.

13. Are field service representatives available to discuss the plan and investments with participants on a one-on-one basis? If so, how often? Will you provide local annual account reviews for participants?

Yes. ING field service representatives will continue to be available to discuss with participants items regarding plan rules, investments, asset allocation, retirement savings goals and progress toward those objectives.

ING field service representatives are available to meet with employees as often as requested at a time and location that is convenient to the participant.

ING field service representatives are encouraged to also meet with participants at least annually to carry out an account review.

14. Do you offer specific investment advice to participants on an in-person basis other than through the on-line advice provider? (Yes/No) If yes, please describe.

No. ING's representatives do not provide specific investment advice but they do provide guidance to plan participants on investment allocations based upon the participant's investment time horizon, risk tolerance, willingness to accept market volatility, investment experience and overall financial and personal situation. ING's representatives are trained and appropriately licensed (FINRA Series, 7, 63, etc.) to provide such guidance.

Additionally, ING's representatives can provide in-person assistance to participants wishing to utilize the online advice offered by Morningstar through the Managed by Morningstar and Managed by You options.

15. How will these discussions be handled (e.g., in person, via telephone)?

Discussions will be handled in the manner most convenient for the participant - either in person or via telephone.

16. Identify the annual number of group meetings and number of one-on-one consultations you have assumed will be provided by the field service representatives.

ING field service representatives will provide a minimum of 150 annual group meetings and 2,400 one-on-one consultations to the employees of the State.

O. Investment Advisory Services

1. Describe your investment advisory services (i.e., Morningstar ClearFuture, Financial Engines, Managed Accounts, etc.).

Morningstar® Retirement ManagerSM Investment Advisory Services

ING offers investment advisory services through Morningstar Associates, LLC an unaffiliated, independent investment advisor, and a wholly owned subsidiary of Morningstar®, Inc. The Morningstar Retirement Manager platform offers both Morningstar advice online (“Managed by You”) and Morningstar’s managed account services (“Managed by Morningstar”).

Managed by You – Provides objective online investment advice from the investment options available under the State’s plan. Features include:

- ***Research and reports about the plan’s available investment options;***
- ***Tools to help participants set retirement goals and establish an asset allocation strategy;***
- ***Specific, independent, objective and professional investment advice to help participants create a diversified portfolio; and***
- ***Personalized investment option recommendations that factor in a participant’s unique financial situation and savings objectives.***

Managed by Morningstar – A managed account program available to participants who would prefer to have Morningstar actively manage their account. Participants who enroll in this service receive a personalized retirement strategy, discretionary asset management, and ongoing oversight to help them meet their retirement goals. This service is ideal for employees who lack the time or desire to actively manage their retirement account.

2. Describe your due diligence process for selecting the partner and what services are provided.

ING’s team of analysts reviewed the advice providers currently offering this service to plan sponsors, and after a thorough analysis of their methodology and ease-of-use for participants, selected Morningstar® Retirement ManagerSM in 2002. In doing so, ING has established an alliance with Morningstar Associates, LLC, an unaffiliated, independent investment adviser, and a wholly-owned subsidiary of Morningstar, Inc. Morningstar’s brand name and unbiased, professional investment services attracted ING as a provider of online investment management services.

Morningstar, Inc. is among the leaders in providing objective, fundamental analysis of mutual funds with its comprehensive, proprietary databases, and innovative product design and technology applications. Morningstar will provide research, education and advice to help participants set retirement goals and choose an asset allocation strategy.

Specific services include:

- ***Independent, specific, professional investment advice to create a diversified portfolio using the investment options specifically available under the State’s plan***
- ***Investment recommendations and appropriate percentage allocation for participants’ chosen investment options***
- ***Personalized investment option recommendations factoring in each of the State’s participants’ unique financial situation and retirement goals***

3. What are the costs associated with the advisory services? Is it based on total plan level or only charged to participants who elect these services?

Please refer to the Tab 4 in the Cost Proposal Booklet for applicable fees. The fee is only charged to participants who elect the Managed by Morningstar service.

4. Describe the difference between your Internet investment education tools and software and your investment advisory services.

Morningstar Retirement Manager offers a complete advisory and education solution for all participant types. The Morningstar Retirement Manager Website is the primary vehicle through which a participant can engage with Morningstar Associates' education and advisory services. Depending on how involved a participant wishes to be in the retirement planning process, Morningstar Retirement Manager offers a range of services to meet the varied needs of participants—either advice or managed account service—as well as broader investment education and research.

Morningstar Retirement Manager helps make it easier for participants to manage their retirement accounts by giving them a personalized retirement strategy. This includes recommendations for the participant's estimated retirement income goal, the savings rate to help reach that goal, and the most appropriate way to structure their portfolio, including which funds to choose. With the advice service, participants receive their strategy along with a wide range of research and education to help them make better-informed decisions.

For participants who don't have the time, interest, or knowledge to manage their retirement account on their own, the managed accounts service is an ideal solution. The participant assigns Morningstar Associates the responsibility for managing their retirement plan assets as a discretionary asset manager. Morningstar Associates reviews the participant inputs quarterly for any changes to the situation and rebalances the account as necessary. Participants are responsible for implementing the recommended savings rate directly with ING.

General investment education is available to all participants through the Morningstar Retirement Manager Research and Education modules. The Education Module offers multiple avenues through which users can access articles and tools – from a custom-built course and general overview to the complete contents of the education module. Content includes in-depth topics appropriate for novices, along with more complex topics for more sophisticated participants. Morningstar is a company broadly recognized by investors as a trusted independent, objective provider of investment research and market wisdom.

The Research Module allows participants to access information on each of the investment options in their plan. The information in the Research Module comes from the same comprehensive database that supports all of Morningstar's products. Self-directed participants will find the information to be an incredibly valuable resource when deciding among their plan investment options.

In summary, Morningstar Retirement Manager is set apart by Morningstar Associates' dedication to helping individual investors reach their goals. Because it provides personalized retirement strategies, options for ongoing management of the account, and a wealth of research and educational content, we believe Morningstar Retirement Manager is a tremendous value as an employee benefit to retirement plan participants.

5. Does your investment advisory service produce asset allocation recommendations or recommendations of specific funds? (Yes/No)

Yes, our investment advisory services produce both asset allocation recommendations and recommendations of specific funds.

6. Does your investment advisory service include savings rate recommendations? (Yes/No)

Yes.

7. Does your investment advisory service take into account a participant's assets outside of the State's Plan? (Yes/No) If so, list what assets.

Yes. Morningstar Retirement Manager considers the participant's assets outside of the employer-sponsored retirement plan when providing recommendations. If participants choose to add an investment balance and contribution details for any outside accounts that they or their partner have earmarked for retirement, Morningstar Retirement Manager will include those details when constructing the retirement strategy.

Information on other retirement assets will be incorporated into the projected wealth forecast and factored into the underlying assets in the asset allocation strategy. Morningstar Retirement Manager will adjust the equity portion of the plan's asset allocation for any outside accounts.

Morningstar Retirement Manager does not make recommendations on outside accounts.

8. Describe the generally accepted investment theories that form the basis for your advice model.

One of the most important lessons of Modern Portfolio Theory is that an investor ought to control the level of risk in a portfolio by diversifying across a broad set of securities. In practice, this is most often achieved by first allocating the portfolio across a set of asset classes and then holding a diversified portfolio of securities within each asset class. Morningstar Associates follows this prudent practice by first selecting an asset class mix and then implementing the selected asset mix with the set of available funds.

Morningstar Retirement Manager provides recommendations on goals, risks, savings, and investments. All of the advisory services are integrated in the Morningstar Retirement Manager platform, so there is a consistent methodology whether the participant receives fund-specific advice, asset allocation recommendations or is enrolled in managed accounts.

Morningstar Associates' experienced team of investment professionals, well versed in asset allocation and fund selection, have developed their own proprietary asset allocation and portfolio construction methodology for providing investment advice for defined contribution retirement plans. The methodology has three main components (risk assessment and asset allocation, income and wealth projection, and portfolio construction), and is applied consistently across the entire suite of Morningstar Retirement Manager services.

Risk Assessment and Asset Allocation

This component assesses the risk tolerance and risk capacity for the participant and recommends an appropriate asset mix. The risk assessment is based on up to four factors:

- ***Investment Horizon (the number of years until retirement) – In general, the longer the investment horizon, the higher the recommended equity weighting will be.***

- **Risk Capacity** – Morningstar Associates assess the participant's capacity for taking on risk using an asset/allocation model. In this model, the assets consist of current balances in retirement accounts, the streams of future savings to retirement accounts, projected Social Security benefits, and other future cash inflows such as payments from defined benefit retirement plans. The liabilities are current dollar terms. Cash flows in retirement years are adjusted by the probability of being alive during the years in which they occur. The recommended asset mix derived from the investment horizon is adjusted based on risk capacity: equity adjustment is downward for a participant with low risk capacity and upward for a participant with a high-risk capacity.
- **Risk Tolerance** – The recommended strategy considers the participant's responses to an optional risk tolerance questionnaire.
- **Outside Assets** – The Morningstar Associates team examines the asset mix of any retirement assets held outside of the plan and adjusts the recommended asset mix accordingly. For example, if the participant for whom they would recommend a large allocation to equity already has a substantial amount of equity holding in an account outside of the plan, they would lower their recommended allocation to equity within the plan.

Recommended asset mixes are drawn from a policy portfolio continuum that runs from 100% fixed income to two percent fixed income. Each portfolio consists of allocations to a number of asset classes (12 in the current implementation). The equity asset classes include divisions of the U.S. stock market based on market capitalization and value/growth orientation and non-U.S. stocks based on the level of economic development. Fixed income asset classes include divisions of the U.S. bond market based on risk, non-U.S. bonds, and cash.

Income and Wealth Projection

This component provides a probabilistic assessment of the participant's prospects for accumulated wealth at retirement. This both helps a participant know how much money he or she might save and produces an assessment of the income that the portfolio may generate for both current and recommended plan portfolios. The model allows Morningstar Associates to calculate percentiles of accumulated wealth, percentiles of sustainable retirement income, and the probabilities of achieving retirement goals. Based on these probabilistic assessments, participants may choose to alter their savings and retirement plans to obtain better outcomes.

Using an enhanced Monte Carlo simulation technique, Morningstar Associates' models the probability of the participant's accumulated wealth during the pre-retirement years. The simulation includes the balances and cash flows of all retirement accounts for which the participant has provided information.

The simulated returns on each account are based on asset mix, expenses, and their probabilistic model of asset class returns. They use Morningstar, Inc.'s proprietary database to 'look through' the investment options and see what underlying securities they hold when deriving asset mixes. The database also includes expense data on these instruments, which they use to adjust the expected asset class returns for each account included in the simulation.

For the accounts on which Morningstar Retirement Manager makes asset mix recommendations, during the pre-retirement years, the asset mix is varied during the simulation by applying the risk assessment and asset allocation model discussed above to the simulated data. During retirement, the simulation assumes that the participant will continue to invest at the final asset mix and draw down the portfolio until either death or exhausting the retirement assets.

The primary goal is to recommend a strategy that will enable the participant to generate sufficient income to cover the remaining years of his or her life. For each possible year of death, the simulation calculates the probability of success as the percentage of results that have a successful outcome for the year. Morningstar Associates' calculates the overall probability of success as the weighted average of these probabilities, where the weight for each year is the probability that death occurs that year. Morningstar Associates' calculates death probabilities from standard mortality table.

Portfolio Construction

Once the asset mix has been determined for the account on which Morningstar Associates is giving advice, Morningstar Retirement Manager constructs a portfolio of the plan investment options that executes the assigned asset mix by using an optimizer specifically designed for this purpose. The optimizer maximizes the portfolio's average fund quality while minimizing deviations from the recommended asset mix and other target characteristics such as stock exposure to economic sectors, bond duration, and bond credit quality. Experienced investment analysts oversee the optimizer and the resulting portfolios, adjusting the results based on qualitative insights garnered from years of experience in assessing funds and building portfolios.

Fund quality also is assessed by a member of Morningstar Associates' investment team, based on his or her insight into the managers' process, strategy and performance record. Fund asset class exposure and other characteristics targeted are derived from the holdings data in the Morningstar, Inc. database. When a plan option is not in the Morningstar, Inc. database, Morningstar Associates collects the needed performance, expense, and holdings data from the plan provider or portfolio manager. With this holdings-based approach, a single fund that has holdings in multiple asset classes is modeled as a portfolio of those asset classes.

In the portfolio allocation process, Morningstar Associates is often compelled to choose between its two goals — using the funds that provide the best opportunity for superior risk-adjusted performance and hitting asset allocation targets. In these situations, Morningstar Associates attempts to reasonably balance both goals. The team never uses a low-quality fund as a means to hit a target, nor do they overweight the highest quality funds to the extent that they deviate substantially from asset-allocation targets given the plan investment options.

Morningstar Associates is able to achieve this level of precision with its recommendations because of access to Morningstar, Inc.'s extensive database of complete portfolio holdings of nearly every U.S. mutual fund, variable annuity/life sub account, closed-end fund and domestic stock — more than 330,000 investments.

The user interface and methodology is the same for both managed accounts and advice.

9. What is disclosed to participants regarding your fiduciary role and the provider's fiduciary role with respect to these investment advisory services?

Morningstar Associates acts as a fiduciary with respect to the advisory services it provides to the participant.

ING does not have any fiduciary responsibility with respect to Morningstar Retirement Manager services. ING's function is limited to providing administrative and recordkeeping services in connection with those services.

Morningstar Associates, a registered investment advisor and a wholly owned subsidiary of Morningstar, agrees to act as a fiduciary as that term is defined in Section 3(21) of ERISA, with respect to the investment advice and recommendations it provides to plan participants.

Additionally, under Managed by Morningstar (the managed accounts service), Morningstar Associates acts as an investment manager as defined in Section 3(38) of ERISA, which means that it assumes responsibility for discretionary management of the retirement assets for the participants who enroll in this service. If an investment manager is properly appointed, the State does not have liability for the investment decisions of the investment manager; however, the State still has the obligation to oversee and monitor the investment manager. Morningstar Associates will indemnify the State for any losses or expenses that it incurs as a result of Morningstar Associates' breach of fiduciary duty with respect to its advisory services.

10. How many of your existing clients have subscribed to this investment advisory service?

As of December 31, 2013, 7,325 plans utilize the Morningstar Services (Managed by You and Managed by Morningstar).

As of December 31, 2013, 4,807 plans utilize the Managed by Morningstar Services.

As of December 31, 2013, 2,518 plans utilize the Managed by Managed by You Services.

11. Will the State be required to execute a separate contract with your investment advisory provider or it be part of your contract with the State?

Yes. The State would be required to execute a separate contract with Morningstar. Please refer to the Enclosures CD in the Supplemental Folder for a sample contract.

P. Self-Directed Brokerage Services

1. Confirm that you will be able to provide an in-kind brokerage transfer of existing self-directed brokerage account assets.

Confirmed.

2. Fully describe the Self-Directed Brokerage option features and program design requirements.

ING utilizes TD Ameritrade SDBA offered through TD Ameritrade, Division of TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc., members FINRA/SIPC.

With a TD Ameritrade SDBA, your plan participants have access to a broad choice of investment options, world class research, dedicated investor services representatives and multiple ways to personally manage their SDBA account. This option is designed for the experienced investor who wants to independently and actively manage an even greater choice of investment options and is willing to pay additional fees and accept full responsibility for researching, selecting, monitoring and managing their investments.

Through the TD Ameritrade brokerage window, participants have the opportunity to select a variety of investment options including over 8,000 publicly traded stocks, fixed income securities and more than 13,000 open-end mutual funds. Additionally, there are more than 1,300 no-transaction fee mutual funds.

TD Ameritrade allows plan sponsors to easily design a brokerage option just right for their defined contribution plan needs. TD Ameritrade allows you to limit the investment options under the TD Ameritrade SDBA to only mutual funds through the Mutual Fund Option; or you may allow participants to access stocks, mutual funds and fixed income securities through the Brokerage Option. Additionally, TD Ameritrade will automatically prohibit trading of the following securities to all self-directed brokerage accounts: short sales, margin trading, option trading, foreign securities, currencies, limited partnerships, pink sheet securities, futures/commodities, promissory notes, real estate/property, collectibles, municipal bonds and unit investment trusts.

TD Ameritrade provides your plan participants with a comprehensive and powerful trading platform. They can access their account and place trade orders 24-hours-a-day, seven-days-a-week through a registered representative, the VRS or the Internet.

3. Does your self-directed brokerage account require any minimum balance? What happens if minimum balances are not maintained?

To open a TD Ameritrade SDBA, a participant must have a balance of at least \$5,000 in their core investment options. The minimum transfer amount is \$2,500 and the maximum transfer amount is 50% of the total ING retirement plan account balance. A minimum core account balance of \$2,500 must be maintained. All transfer rules are implemented at the plan level and apply to all participants. All transfer rules are monitored at the point of transaction. Should a participant attempt to transfer more than is allowable the transaction will be rejected.

4. Can your brokerage account restrict a participant from investments that are ordinarily not permitted in trustee retirement plans or a part of a “restricted list” established by the plan sponsor (e.g., no precious metals, futures, margin trading, options, commodities, collectibles, short sales, real estate, etc.)?

Yes. TD Ameritrade allows the State to easily design a brokerage option just right for their defined contribution plan needs. TD Ameritrade allows you to limit the investment options under the TD Ameritrade account to only open end mutual funds through the mutual fund option; or you may allow participants to access stocks, closed end mutual funds, exchange traded funds and fixed income securities in addition to open end mutual funds through the Brokerage Option.

Additionally, TD Ameritrade will automatically prohibit trading of the following securities to all self-directed brokerage accounts:

- **Short Sales**
- **Margin Trading**
- **Option Trading**
- **Foreign Securities**
- **Currencies**
- **Limited Partnerships**
- **Pink Sheet Securities**
- **Futures/Commodities**
- **Promissory Notes**
- **Real Estate/Property**
- **Collectibles**
- **Municipal Bonds**
- **Unit Investment Trusts**

5. Describe the procedure you will use in monitoring and enforcing the limitations that are currently in place, such as investment in mutual funds only and maintaining a minimum percent of account balance outside the self-directed brokerage option.

Transfer limitations are monitored using system edits when the participant requests a transfer to the SDBA.

TD Ameritrade offers a full brokerage option where participants can access individual stocks (including ETF and closed end mutual funds,) bonds and a wide selection of mutual funds including no-transaction fee mutual funds. Additionally, a mutual fund only option is available where participants can only access open end mutual funds including no-transaction fee mutual funds. TD Ameritrade’s secure web site controls what securities are available to participants based on the option the State has selected.

6. Describe the rules for transferring from the core options into the brokerage accounts and vice-versa. Are there any restrictions with respect to the transfer of balances between your core defined contribution investment alliance funds and the self-directed brokerage account?

Transfers received in good order by the close of the NYSE, typically Monday-Friday, 4:00 p.m. (Eastern Time), will be valued at the next determined close of the NYSE, generally the same day. Transfers initiated after the close of the NYSE, or on a non-business day, will be valued at the next determined close of the NYSE, generally the next business day. Only liquid assets can be transferred from the brokerage account to the core investment options.

7. During what hours of the day are client service brokerage representatives available to respond to participant trading questions and inquiries?

Client service brokerage representatives are available 5:00 a.m. to 4:00 p.m. PT, Monday through Friday (excluding market holidays).

8. Do participants receive a detailed account summary of all assets held in the brokerage account? When? How often?

Yes. Participants will continue to receive the plan's regular quarterly ING statement showing the total account value of their core account investment options in addition to the aggregate value in the brokerage account.

Additionally, participants will receive a separate brokerage account statement from TD Ameritrade for their SDBA detailing individual holdings and transactions. Participants will receive this statement on a monthly basis when there is activity in their brokerage account and on a quarterly basis when there is no activity in the account. Statements are also available online for participants to print and view.

9. What information from the self-directed brokerage account is reflected and reported on the core participant quarterly statement? Are quarterly plan-level reports provided to the plan sponsor?

Participants will receive a separate brokerage account statement from TD Ameritrade for their SDBA detailing individual holdings and transactions.

In addition to copies of the participants' monthly SDBA statements that can be provided to the State, TD Ameritrade can offer a quarterly plan level report that summarizes trading activity within the plan.

10. Will the State be required to execute a separate contract for self-directed brokerage accounts or will it be part of your contract with the State?

Yes. The State would be required to execute a separate contract with TD Ameritrade. Please refer to the Enclosures CD in the Supplemental Folder for a sample contract.

Q. Trading Restrictions/Market Timing

1. Has the firm been subpoenaed by regulators with regard to the firm's trading practices? If yes, by whom and when?

Yes. Like many other financial services companies, ILIAC and its affiliates (together, "ING") have received informal and formal requests for information since September 2003 from various state and federal governmental agencies and self-regulatory organizations, including the New York Attorney General and the Securities and Exchange Commission (SEC) regarding inappropriate trading of fund shares.

Since 2002, there has been increased governmental and regulatory activity relating to mutual funds and variable insurance products. This activity has primarily focused on inappropriate trading of fund shares, revenue sharing and directed brokerage, compensation, sales practices, suitability, and supervision, arrangements with service providers, pricing, compliance and controls, adequacy of disclosure, and document retention.

Some of these investigations remain pending and in each case, ILIAC and its affiliates have been and are providing full cooperation.

ILIAC and its affiliated broker-dealer, ING Financial Advisers, LLC (IFA) entered into a consent agreement with the New Hampshire Bureau of Securities Regulation (the "NH Agreement") to resolve a petition for cease and desist order and other relief filed by the New Hampshire Bureau of Securities Regulation (the "NH Bureau") concerning ING's administration of the New Hampshire state employees deferred compensation plan, including, inter alia, allegations regarding the existence of market timing activity. Under the terms of the NH Agreement, ILIAC and IFA, without admitting or denying the NH Bureau's claims, has paid \$225,000 in investigative costs and distributed \$2,775,000 to current and former plan participants, and agreed for a five year period to provide their retirement product customers with the one-page disclosure.

As noted above, as a result of this settlement, ILIAC introduced an industry-leading new disclosure document to help employees better understand the specific fees and expenses that may affect their investment in employer-sponsored retirement plans. We welcome the opportunity to take a lead role in the retirement industry by helping retirement plan participants — and potential participants — better understand the nature of the investment products that are offered by employers. We hope that our peers in the industry will follow this lead and create simpler, direct, and easier to understand participant disclosure documents.

We believe that these requests have not had an impact on our fitness or ability to perform our contracts with any current or potential customers, including the State.

2. Has the firm been fined by regulators to pay a settlement(s) regarding market-timing and/or after-hours trading? If yes, please provide the settlement amount(s).

Please refer to our response to Question 1 above.

3. If your firm has been fined by regulators, what was done to monitor that market-timing and/or after-hours trading does not occur in the future?

In an effort to deter inappropriate trading activity, ING has implemented an Excessive Trading Policy under which we monitor trades in our mutual fund and variable insurance products. If ING has determined that an individual has violated ING's Excessive Trading Policy, ING will send that individual a letter warning that another violation of its policy will result in a suspension of the ability to initiate fund transfers or reallocations through the internet, facsimile, calls to the customer service center or such other electronic trading medium that ING may make available from time-to-time. All fund transfers or reallocations would then have to be initiated by First Class Regular U.S. Mail. To date, the policy has been successful in deterring frequent trading.

4. Has the firm conducted an internal review to determine if excessive market timing and/or after-hours trading have occurred in the funds? If yes, what was the outcome of the internal review?

Yes. With respect to internal investigations, ING management, on its own initiative, conducted, through special counsel and a national accounting firm, an extensive internal review of mutual fund trading in ING insurance, retirement, and mutual fund products. The goal of this review was to identify any instances of inappropriate trading in those products by third parties or by ING investment professionals and other ING personnel. The internal review identified several isolated arrangements allowing third parties to engage in frequent trading of mutual funds within the variable insurance and mutual fund products of ING, and identified other circumstances where frequent trading occurred despite measures taken by ING intended to combat market timing. Each of the special arrangements identified in the internal review was terminated and disclosed to regulators, to the independent trustees of ING Funds (U.S.) and in reports previously filed by ILIAC and its affiliates with the SEC. To date, we have not found any special arrangements within the ING defined contribution plan business to permit certain investors to engage in improper mutual fund trading. The SEC has advised ING that it does not intend to pursue enforcement on this issue.

R. Investment Management

1. List the stable value products available on your platform.

ING is proposing the following stable value products:

- **ING Fixed Account**
- **ING Stable Value Fund**
- **Open architecture (non-proprietary stable value product)**

2. Do you offer both separate account products and a general account product? (Yes/No)

Yes.

3. Of the two Stable Value product types, separate account / general account, what product do you recommend for the State and why?

We believe our General Account product best fits the needs and expectations of both the State and its plan participants. Among the reasons we recommend the use of our General Account product (ING Fixed Account) are the following:

- **Plan participants are familiar with and understand this type of credited rate product;**
- **This product offers ING the ability to provide a competitive credited rate while maintaining an overall lower plan expense structure; and**
- **Through the use of a Put, this product provides the NDC with fully liquid assets at the end of the proposed five year contract period.**

4. Can your Stable Value products be filed as an annuity contract and as a funding agreement with the State of Nevada Department of Insurance?

Yes.

5. Complete the tables below for General Account as of December 31, 2013

For a General Account offering, ING is proposing the ING Fixed Account.

ILIAC is an SEC registrant required to file periodic reports, including annual 10-K and quarterly 10-Qs. As a registrant, ILIAC is also subject to rules, including Regulation FD, restricting its ability to disclose material information about the company that has not already been made public through such filings.

Information on ILIAC's general account investments was provided in the company's fourth quarter 2013 quarterly report on Form 10-K (pages 59-69 and 105-118) filed with the SEC. Links to the SEC filing are provided below. Values provided in the fourth quarter 2013 Form 10-K were as of December 31, 2013, and ILIAC is not obligated and does not intend to update such information prior to its regular quarterly financial reporting.

<http://www.sec.gov/Archives/edgar/data/837010/000083701014000057/iliac2013q410-kreport.htm>

Manager	ING
Vehicle Type	Stability of Principal – General Account
Fund Name	ING Fixed Account

Fund Inception	<i>The ILIAC General Account which supports the guarantees for our ING Fixed Account was established in 1966.</i>			
Fund Assets (\$mn)	<i>\$25.1 billion (value of total investments)</i>			
Total Firm Stable Value Assets (\$mn)	<i>N/A</i>			
Effective Duration	<p><i>As of December 31, 2013, the average duration of our fixed maturities portfolio, including securities pledged, was between 6 and 7 years.</i></p> <p><i>Source: ILIAC Form 10-K as of 12/31/2013, page 60.</i></p>			
Market-to-Book Value Ratio	<p><i>As of December 31, 2013, the Market-to-Book Value Ratio for the ING Fixed Account is 104.7%.</i></p> <p><i>The ILIAC general account is managed on an aggregate basis and supports all of the company's financial commitments. No portion of the general account is attributable to a particular customer nor do customers have any undivided ownership interest in general account assets. As ING bears all risk of default in underlying investments, the market-to-book ratio of the assets may not be applicable but is provided for informational purposes.</i></p> <p><i>The ILIAC contract provides that all withdrawals are paid at contract (book) value, either in a lump sum or in installments, as provided in the ILIAC contract.</i></p> <p><i>For your information, ILIAC's Form 10-K as of 12/31/2013 sets forth summary information regarding the amortized cost and fair value of fixed maturity securities in ILIAC's general account. At that date, the amortized cost of fixed maturity securities was \$19,096.7M and the fair value of fixed maturity securities was \$19,944.4M (source: page 84 of ILIAC 12/31/13 10-K). This excludes \$4,573.4M of fair value securities held in mortgage loans, equity, limited partnership, and \$621.3M of fixed maturity securities at fair value using the fair value option, which are not considered part of the fixed maturity securities above and are only reported at fair value in the ILIAC Form 10-K.</i></p>			
Net Interest Rate for contract year 2015	2015			
	3.00%			
Minimum Crediting Rate each contract years	2016	2017	2018	2019
	2.75%	Standard Large Case Rate (currently 2.10%)	Standard Large Case Rate (currently 2.10%)	Standard Large Case Rate (currently 2.10%)
Recommended Benchmark	<i>Given the nature of ING Fixed Account, there is no market value performance or benchmark readily available.</i>			

Crediting Rate Reset Frequency	Monthly
Benchmark for Underlying Portfolio	<i>Given the nature of ING Fixed Account, there is no market value performance or benchmark readily available.</i>
Book Value Structure	100 % of allocation
Liquidity Buffer	<p><i>Additional sources of liquidity include borrowing facilities to meet short-term cash requirements that arise in the ordinary course of business. We maintain the following agreements:</i></p> <ul style="list-style-type: none"> <i>A reciprocal loan agreement with ING U.S., Inc. an affiliate, whereby either party can borrow from the other up to 3.0% of ILIAC's statutory admitted assets as of the preceding December 31. As of December 31, 2013 and 2012, we did not have any outstanding receivable with ING U.S., Inc. under the reciprocal loan agreement. During the second quarter of 2012, ING U.S., Inc. repaid the then outstanding receivable due under the reciprocal loan agreement from the proceeds of its \$5.0 billion Senior Unsecured Credit Facility which was entered into on April 20, 2012. We and ING U.S., Inc. continue to maintain the reciprocal loan agreement and future borrowings by either party will be subject to the reciprocal loan terms summarized above. Effective January 2014, interest on any borrowing by either the company or ING U.S., Inc. is charged at a rate based on the prevailing market rate for similar third-party borrowings or securities.</i> <i>We hold approximately 55.7% of our assets in marketable securities. These assets include cash, U.S. Treasuries, Agencies, Corporate Bonds, ABS, CMBS and CMO and Equity securities. In the event of a temporary liquidity need, cash may be raised by entering into repurchase agreements, dollar rolls and/or security lending agreements by temporarily lending securities and receiving cash collateral. Under our Liquidity Plan, up to 12% of our general account statutory admitted assets may be allocated to repurchase, securities lending and dollar roll programs. At the time a temporary cash need arises, the actual percentage of admitted assets available for repurchase transactions will depend upon outstanding allocations to the three programs. As of December 31, 2013, ILIAC had securities lending collateral assets of \$96.5, which represents approximately 0.1% of our general account statutory admitted assets.</i> <p><i>Source: ILIAC Form 10-K as of 12/31/2013, page 70.</i></p>

Wrap Providers (please list below)	No. The ING Fixed Account is a set of contractual promises backed by ILIAC's general account. There are no other wrap providers for this account.
Total	100%

Quality Allocation*	%
Cash/cash equivalents	N/A
AAA	17.2%
AA	5.1%
A	27.6%
BBB	44.4%
Below Inv Grade	5.7%
NR	N/A

***Fixed maturity securities are generally rated by external rating agencies and, if not externally rated, are rated by ILIAC on a basis similar to that used by the rating agencies. Ratings are derived from three National Association of Insurance Commissioners acceptable rating organizations ("ARO") ratings and are applied as follows based on the number of agency rating received.**

- **When three ratings are received then the middle rating is applied;**
- **When two ratings are received then the lower rating is applied;**
- **When a single rating is received, the ARO rating is applied; and**
- **When ratings are unavailable then an internal rating is applied.**

Source: Compiled from information included in the ILIAC Form 10-K as of 12/31/2013, page 62.

Sector Allocation	%
Cash/cash equivalents	N/A
U.S. Treasury	3.2%
U.S. Govt. Related	1.2%
Corporate	52.0% (US Corp only)
Agency MBS	9.7% (Includes Non-agency)
Non-agency MBS	Included with Agency
ABS	2.3%
CMBS	3.1%
Municipal	0.4%
Other	28.1%

Source: ILIAC Form 10-K as of 12/31/2013, page 59.

Exit Provisions (fully describe all contract discontinuance features)	<u>Employer Directed Full Withdrawals</u> If the State requests a full withdrawal of plan assets with ING, the account balances of the mutual funds held in the custodial or trust account will be paid based on State direction. Amounts held in ING Fixed Account will be fully liquid at the end of contract year five, provided that notice is given at the end of contract year four.
---	---

	<p><u>Transfer Restrictions</u> <i>Transfers between plan investment options offered in the ING program are subject to an industry standard equity wash provision* when there are competing funds within the plan's menu of investment options. Competing funds typically include at least money market funds and the self-directed brokerage account.</i></p> <p><u>Participant Directed Withdrawals</u> <i>Participant benefit withdrawals from the ING Fixed Account or any other investment option offered in the ING Program are allowed at any time. Benefits are payments made under the terms of the plan and as allowed by the IRC for any of the following reasons: retirement, death, loan, in-service withdrawals after age 59 ½, separation from service (not including severance from employment), financial hardship, unforeseeable emergency, in-service distribution and distributions under a Systematic Distribution Option. Non-benefit withdrawals cannot be made from the ING Fixed Account, or if there has been a transfer from the ING Fixed Account within 90 days.</i></p>

6. Complete the tables below for Separate Account as of December 31, 2013

For a Separate Account offering, ING is proposing the ING Stable Value Fund.

Manager	ING
Vehicle Type	Group collective trust
Fund Name	ING Stable Value Fund
Fund Inception	<p>April 8, 2008 <i>The fund is currently invested in the Wells Fargo Stable Return Fund (SRF) and into the Galliard Managed Income Fund (MIF). Both of these underlying portfolios have long track records. The SRF inception date was October 1, 1985 and the MIF inception date was January 1, 1998.</i></p>
Fund Assets (\$mn)	<p>\$340 million <i>The fund is currently invested in the Wells Fargo Stable Return Fund (SRF) and into the Galliard Managed Income Fund (MIF). The SRF has over \$30 billion in assets. The MIF has nearly \$3 billion in assets.</i></p>
Total Firm Stable Value Assets (\$mn)	<p>ING has approximately \$37 billion in stable value assets and the sub-advisor for the ING Stable Value Fund has approximately \$86 billion.</p>
Effective Duration	2.45 years
Market-to-Book Value Ratio	101.6%

Net Interest Rate for contract year 2015	2015			
	<i>N/A- The ING Stable Value Fund is not a declared rate product; it is a daily valued product.</i>			
Minimum Crediting Rate each contract years	2016	2017	2018	2019
	<i>N/A- The ING Stable Value Fund is not a declared rate product; it is a daily valued product.</i>	<i>N/A- The ING Stable Value Fund is not a declared rate product; it is a daily valued product.</i>	<i>N/A- The ING Stable Value Fund is not a declared rate product; it is a daily valued product.</i>	<i>N/A- The ING Stable Value Fund is not a declared rate product; it is a daily valued product.</i>
Recommended Benchmark	3 Year Constant Maturity Treasury Yield + 50 bps			
Crediting Rate Reset Frequency	<i>N/A</i>			
Benchmark for Underlying Portfolio	3 Year Constant Maturity Treasury Yield + 50 bps			
Book Value Structure	100% of allocation			
Liquidity Buffer	19.4% as of 3/31/2014			
Wrap Providers (please list below)	11 wrappers: <ul style="list-style-type: none"> • Prudential – 18.5% • Monumental – 15% • MetLife – 14.6% • American General – 10% • Pacific Life – 8.7% • New York Life – 4.8% • Royal Bank of Canada – 4.0% • MassMutual Life – 2.4% • ING – 2.2% • State Street Bank – 2.2% • TIAA-CREF – 1.1% 			
Total	100%			

Quality Allocation	%
Cash/cash equivalents	19.4%
AAA	58.0%
AA	5.3%
A	11.2%
BBB	6.0%
Below Inv Grade	0.1%
NR	0.0%

Sector Allocation	%
Cash/cash equivalents	19.4%
U.S. Treasury	19.5%
U.S. Govt. Related	4.0%
Corporate	20.5%
Agency MBS	19.0%
Non-agency MBS	0.0%
ABS	8.7%
CMBS	5.3%
Municipal	2.5%
Other	1.1%

Exit Provisions (fully describe all contract discontinuance features)	<p>No transfers may be made from the ING Stable Value Fund to a competing fund.</p> <p><u>Participant Withdrawals</u> Participant directed withdrawals to effect a transfer of assets from the Stable Value Fund to a competing investment vehicle must first be held in a non-competing investment vehicle for at least ninety (90) days before the transfer to the competing investment vehicle may be effected. Whether an investment vehicle is a “competing investment vehicle” is within the sole discretion of the Trustee.</p> <p><u>There are no other transfer restrictions at the participant level, save for trading restrictions described in ING’s Frequent Trading policy enclosed in Tab 8 Appendix F.</u></p> <p><u>Please also refer to the fund’s right to defer payments in certain situations, as described above and to the ING Stable Value Fund Disclosure Statement in Appendix A in the Cost Proposal Booklet for additional information.</u></p> <p><u>Plan Sponsor Withdrawals</u> The Trustee of the ING Stable Value Fund, in its sole discretion, reserves the right to require up to 12 months advance notice for plan sponsor initiated withdrawals from the Fund. The Trustee may grant, in its sole discretion, a withdrawal as of an earlier date. This safeguard is typically referred to as a “12-Month Put”.</p>
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	<p>Large Transactions: Advance written notice of five business days is required for any plan sponsor-directed redemption of \$1,000,000 or more from the ING Stable Value Fund.</p> <p>The ING Stable Value Fund also reserves the right to defer payments and/or maintain a priority order of payment should redemption requests exceed the Fund's liquid assets. If total Fund withdrawals from all plans requesting withdrawals exceed the amount of uncommitted cash and the liquid investments available on the withdrawal date, payments will be made based upon the following priorities:</p> <ul style="list-style-type: none"> • Requests for withdrawals in order to pay benefits from Plans; • Request for withdrawals to effect transfers to other investment directed by Plan participants; • All other withdrawal requests. <p>Please refer to the ING Stable Value Fund Disclosure Statement in Appendix A in the Cost Proposal Booklet for additional information.</p>

7. Are there fees associated with Stable Value products? (Yes/No)
(All fees are to be included in the cost proposal.)

Yes.

8. Is wrap capacity contingent on affiliated investment management? (Yes/No)

ING Fixed Account
No.

ING Stable Value Fund
No.

9. Do you anticipate any changes in wrap fees that would impact the total expense ratio? (Yes/No) If yes, what is the expected impact?

ING Fixed Account
No.

ING Stable Value Fund
No.

10. Provide the total stable value assets under management and the inception dates of your proposed product.

ING Fixed Account

Assets under management: \$25.1billion (value of total investments)

Inception date: The ILIAC General Account which supports the guarantees for our ING Fixed Account was established in 1966.

ING Stable Value Fund

Assets under management: \$340 million. The fund is currently invested in the Wells Fargo Stable Return Fund (SRF) and into the Galliard Managed Income Fund (MIF). Both of these underlying portfolios have long track records. The SRF inception date was October 1, 1985 and has over \$30 billion in assets. The MIF inception date was January 1, 1998 and has nearly \$3 billion in assets. The ING Stable Value Fund's inception date was April 8, 2008.

Inception date: April 2008 (ING Stable Value Fund)

11. Provide returns as of December 31, 2013 for both the proposed product and the general account (if it is not the proposed product).

ING Fixed Account

Trailing Returns	<u>3-Mo.</u>	<u>YTD</u>	<u>1-Yr</u>	<u>3-Yr</u>	<u>5-Yr</u>	<u>7-Yr</u>	<u>10-Yr</u>	<u>Inception</u>
Product	0.56%	2.25%	2.25%	2.53%	2.72%	3.01%	3.26%	N/A
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Annual Returns	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	
Product	2.25%	2.50%	2.85%	3.00%	3.00%	3.75%	3.75%	
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

*Returns should be gross of investment management fees; net of wrap/sub advisor/other

*Periods greater than 1-year should be annualized

ING Stable Value Fund

Trailing Returns	<u>3-Mo.</u>	<u>YTD</u>	<u>1-Yr</u>	<u>3-Yr</u>	<u>5-Yr</u>	<u>7-Yr</u>	<u>10-Yr</u>	<u>Inception</u>
Product	0.44%	1.98%	1.98%	2.38%	2.93%	N/A	N/A	3.16%
Benchmark	0.28%	1.05%	1.05%	1.06%	1.35%	N/A	N/A	1.51%
Annual Returns	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	
Product	1.98%	2.33%	2.84%	3.59%	3.91%	N/A	N/A	
Benchmark	1.05%	0.88%	1.25%	1.61%	1.93%	N/A	N/A	

*Returns should be gross of investment management fees; net of wrap/sub advisor/other

*Periods greater than 1-year should be annualized

12. Provide your most recent ratings from A.M. Best, Moody's, and S&P.

Our current ratings are as follows:

A.M. Best	Moody's	Standard & Poor's
A	A3	A-

13. If you are an insurance organization what is your risk based capital RBC ratio?

The combined estimated risk-based capital (RBC) ratio of 504%* is above the company's target of 425%. Additional information is available via the following link:

<http://investors.voya.com/financial-reporting/default.aspx>

****Estimated combined RBC ratio for ING U.S.'s four principal U.S. insurance subsidiaries***

14. Describe your process for managing the book to market value differential at the time of each new rate reset. How involved, if at all, will the NDC be in this process? For your General Account product will you provide periodic information to monitor the differential?

ING Fixed Account

The ING Fixed Account is a set of contractual promises backed by ING's General Account. In meeting these obligations, ING bears all risk of default in underlying investments, in addition to the risk associated with the timing of deposits and withdrawals, and risks associated with changes in the external interest rate environment. This is in contrast to the operation of a mutual fund or similar investment vehicles, where investors typically bear all investment risk. The ING General Account is managed on an aggregate basis and supports all of the company's financial commitments. No portion of the General Account is attributable to a particular customer, nor do customers have any undivided ownership interest in General Account assets. Therefore, unlike a separate account stable value fund, where a specific market and book value is tracked at the plan level, a market-to-book ratio is not applicable to the General Account.

The ING contract provides that all withdrawals are paid at contract (book) value, either in a lump sum or in installments, as provided in the ING contract.

ING Stable Value Fund

The ING Stable Value Fund is not a declared rate product, so there is no rate reset. It is a daily valued product and interest is credited to a participant's account at the end of each day. The gross yield is determined by a blend of the performance of the two underlying portfolios prior to the deduction of management fees. No involvement from NDC, nor ING, is required in the process.

15. Fully describe the discontinuance options at the Plan Sponsor level at the end of the contract term, indicate if the following will apply, mva adjustment formula ,if so will a two way formula apply for positive position, 12 month Put notification, full book value distribution, installment payments, and in kind transfer of securities.

ING Fixed Account

If the State requests a full withdrawal of plan assets with ING, the account balances of the mutual funds held in the custodial or trust account will be paid based on State direction. Amounts held in the ING Fixed Account will be fully liquid at the end of contract year five, provided that notice is given at the end of contract year four.

ING Stable Value Fund

Upon receipt of written notice to ING stating the discontinuance of the ING Stable Value Fund, the Trustee of the ING Stable Value Fund, in its sole discretion, reserves the right to require up to 12 months advance notice for plan sponsor initiated withdrawals from the Fund. The Trustee may grant, in its sole discretion, a withdrawal as of an earlier date. This safeguard is typically referred to as a "12-Month Put".

16. Will the FICA Alternative Plans receive the same interest rates and minimum guarantees to that of the 457 Plan ?

ING is only proposing the General Account product, the ING Fixed Account, for all scenarios, for the FICA Alternative Plan, with a credited interest rate of 2.50% in contract Year 1, 2.25% in contract Year 2, and the prevailing regular credited rate starting in contract Year 3. The credited rate will never fall below 1.00%.

S. State Contracting

1. Please be advised, pursuant to NRS 80.010, a corporation organized pursuant to the laws of another state must register with the State of Nevada, Secretary of State's Office as a foreign corporation before a contract can be executed between the State of Nevada and the awarded Record Keeper, unless specifically exempted by NRS 80.015.

Confirmed.

2. The selected Record Keeper, prior to doing business in the State of Nevada, must be appropriately licensed by the State of Nevada, Secretary of State's Office pursuant to NRS76. Information regarding the Nevada Business License can be located at <http://sos.state.nv.us>.

Nevada Business License Number:	NV20131431838 – Nevada Business Identification
Legal Entity Name:	ING Life Insurance and Annuity Company

Please refer to Tab 8 Appendix G for ING's Notice of Exemption from the State of Nevada, Secretary of State's Office.

3. Is "Legal Entity Name" the same name as Record Keeper is doing business as?

Yes	X	No	
-----	----------	----	--

4. If "No", provide explanation.

Not applicable.

5. Have you ever been engaged under contract by any State of Nevada agency?

Yes	X	No	
-----	----------	----	--

ING is a currently contracted with the NDC as a plan recordkeeper.

6. If "Yes", complete the following table for each State agency for whom the work was performed. Table can be duplicated for each contract being identified.

Question	Response
Name of State agency:	Nevada Public Employees' Deferred Compensation Program
State agency contact name:	Rob Boehmer
Dates when services were performed:	2003 - Current
Type of duties performed:	457(b) plan recordkeeper
Total dollar value of the contract:	0.35% of plan assets

7. Are you now or have you been within the last two (2) years an employee of the State of Nevada, or any of its agencies, departments, or divisions?

Yes		No	X
-----	--	----	---

8. If "Yes", please explain when the employee is planning to render services, while on annual leave, compensatory time, or on their own time?

Not applicable.

9. If you employ (a) any person who is a current employee of an agency of the State of Nevada, or (b) any person who has been an employee of an agency of the State of Nevada within the past two (2) years, and if such person will be performing or producing the services which you will be contracted to provide under this contract, you must disclose the identity of each such person in your response to this RFP, and specify the services that each person will be expected to perform.

Not applicable.

10. Has your company, or any affiliates, been a party to any litigation, investigations, or settlements during the last three years involving your defined contribution or deferred compensation record keeping and administration services? If yes, please provide: 1) the nature of the claim or action 2) the current status of the litigation and 3) any fines or settlements paid.

Like other companies in the industry, ILIAC currently is a party to a number of lawsuits and arbitrations arising from the normal conduct of business, some of which relate to deferred compensation, defined contribution or public/private pension plans, and others involving individuals who are not participants in such plans, as well as arbitrations and lawsuits involving brokers and/or registered representatives, and employment matters. Moreover, certain claims are asserted as class actions, purporting to represent a group of similarly situated individuals. In one matter, ILIAC is a party to a lawsuit involving a certified class of current and former customers that challenged ILIAC's receipt of certain compensation from mutual funds. Currently, the parties to this matter are seeking approval of a settlement from the court.

While it is not possible to forecast the outcome of any such lawsuits, we do not believe they will have an adverse impact on ILIAC's ability to provide services in connection with this contract. Therefore, ILIAC has responded "No" to Question 11 below and "Not Applicable" to Question 12.

11. Does any of the above apply to your company?

Yes		No	X
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Please refer to our response to Question 10 above.

12. If "Yes", please provide the following information. Table can be duplicated for each issue being identified.

Not applicable. Please refer to our response to Question 10 above.

Question	Response	
Date of alleged contract failure or breach:		
Parties involved:		
Description of the contract failure, contract breach, or litigation, including the products or services involved:		
Amount in controversy:		
Resolution or current status of the dispute:		
If the matter has resulted in a court case:	Court	Case Number
Status of the litigation:		

T. Subcontractor Information

1. Does this proposal include the use of subcontractors?

Yes		No	X
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2. If "Yes", proposer must:

- Identify specific subcontractors and the specific requirements of this RFP for which each proposed subcontractor will perform services.

Not applicable.

3. If any tasks are to be completed by subcontractor(s), proposers must:

- Describe the relevant contractual arrangements;
- Describe how the work of any subcontractor(s) will be supervised, channels of communication will be maintained and compliance with contract terms assured; and
- Describe your previous experience with subcontractor(s).

Not applicable.

4. Proposers must describe the methodology, processes and tools utilized for:

- Selecting and qualifying appropriate subcontractors for the project/contract;
- Ensuring subcontractor compliance with the overall performance objectives for the project;
- Ensuring that subcontractor deliverables meet the quality objectives of the project/contract; and
- Providing proof of payment to any subcontractor(s) used for this project/contract, if requested by the State. Proposal should include a plan by which, at the State's request, the State will be notified of such payments.

Not applicable.

5. Provide the same information for any proposed subcontractors as requested for Primary Contractor.

Not applicable.

6. Business references as specified in must be provided for any proposed subcontractors.

Not applicable.

7. Primary Contractor shall not allow any subcontractor to commence work until all insurance required of the subcontractor is provided.

Not applicable.

8. Ongoing, Contractor must notify the using agency of the intended use of any subcontractors not identified within their original proposal. The contractor must receive agency approval prior to subcontractor commencing work.

Not applicable.

INSTITUTIONAL CLIENTS
M. Bishop Bastien
Vice President

Mr. Rob Boehmer
Program Coordinator/Executive Officer
Nevada Deferred Compensation Program
Nevada State Library & Archives Building
100 North Stewart Street, Suite 210
Carson City, Nevada, 89701

RE: Revised language to Voya's response to Question H, 1 of the RFP Technical Proposal

Dear Rob:

As requested, Voya Financial is offering to you the following language which informs the State of Nevada as to the timeline we may be under assuming a delayed transition of the MassMutual assets within the Nevada Deferred Compensation 457 plan.

Specifically, we would propose adding this language to the answer to Question H, 1 of the RFP's Technical proposal which appears on page 26 of our response. The answer provided at the time of our RFP response would remain and this language would be added to the existing answer. The added language would read as follows:

Extended Transition Period for MassMutual Participants

Because the conversion period for MassMutual participants will extend beyond January 1, 2015, Voya will work with both the State and MassMutual to implement the timeline below which seeks the orderly and smooth transition of the MassMutual assets to Voya. This transition period takes into account the previously identified issues related to the coordination of data transfer with MassMutual and the proper communication of the transition to State of Nevada plan participants.

Voya will work with the State and MassMutual to identify the transition requirements and develop a custom implementation schedule, ensuring a smooth and seamless implementation. The transition should occur no later than March 1, 2015. The timeline goal for that transition is as follows:

November 12, 2014	State Board of Examiners approves the contract with Voya
November 2014	State of Nevada finalizes the fund selections and fund mapping
November 2014	State of Nevada executes appropriate direction letters to facilitate the transition process
November/December 2014	Voya marketing team creates necessary participant communication materials and any supplementary materials needed
December 2014	Complete test discontinuance file provided to Voya (plan and participant data)
Late December 2014	Last participant enrollment activity in the DCP processed by MassMutual
December 2014 or January 2015	Voya mails transition newsletter to participants
January & February 2015	Transition meetings held throughout the state
January/February 2015	Last state payroll submission to MassMutual

Mid-February 2015	Blackout to begin at MassMutual (close of NYSE on date chosen)
Mid-February 2015	Blackout test file with complete plan and participant data provided to Voya
Mid-February 2015	Plans liquidate with MassMutual
Mid-February 2015	Wire and final plan level financial data transmitted to Voya
Late February 2015	Final participant data provided to Voya
March 1, 2015	Full participant access to transferred accounts at Voya

Please let me know if you should have any questions regarding this revision. I would be happy to discuss this with you as needed.

Sincerely,



M. Bishop Bastien

3017 Douglas Blvd., Suite 300
Roseville, CA 95661
T 916-774-7595 F 612-492-0682
E Bishop.Bastien@voya.com
www.Voya.com

AMENDMENT #4 TO CONTRACT

Between the State of Nevada
Acting By and Through Its

Nevada Public Employees Deferred Compensation Program
100 N Stewart Street, Suite 201
Carson City, NV 89701

and

VOYA Financial
(formerly ING Life Insurance and Annuity Company)
One Orange Way
Windsor, CT 06095

1. AMENDMENTS. For and in consideration of mutual promises and/or their valuable consideration, all provisions of the original Contract dated November 12, 2014 remain in full force and effect with the exception of the following:

A. Adjustment to the scope of service.

Current Contract Language:

Plan Implementation contained in Contractor, Voya's response to Question H(1) of the Incorporated Document to the Contract as Attachment EE entitled – "Contractor's Response". Contract with attachment EE attached hereto as Attachment A.

Amended Contract Language:

Plan Implementation Extension for Mass Mutual participants is additional language to Contractor, Voya's response to Question H(1) of the Incorporated Document to the Contract as Attachment EE of the Contract, entitled – "Contractor's Response". The additional Plan Implementation language is attached hereto as Attachment B.

2. INCORPORATED DOCUMENTS. Attachment B (Plan Implementation Extension for Mass Mutual Participants) attached hereto, is hereby incorporated and made a part of the original contract, Attachment A.

3. REQUIRED APPROVAL. This amendment to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

legally bound thereby.

Carl B. Keen

Independent Contractor's Signature Date

Vice President, Voya Retirement Insurance and Annuity Company
Independent's Contractor's Title

Signature _____ Date _____

Title _____

Signature _____ Date _____

Title

Signature - Board of Examiners

APPROVED BY BOARD OF EXAMINERS

Approved as to form by:

On _____ (Date)

Deputy Attorney General for Attorney General

On _____ (Date)

AMENDMENT #1 TO CONTRACT

Between the State of Nevada
Acting By and Through Its

Nevada Public Employees Deferred Compensation Program
100 N Stewart Street, Suite 201
Carson City, NV 89701

and

Segal Advisors, Inc.
d/b/a Segal Rogerscasey
333 West 34th Street
New York, New York 10001
212.251.5900

1. **AMENDMENTS.** All provisions of the original contract NUMBER 14100 dated February 20, 2013, remain in full force and effect with the exception of the following:

A. Extension of contract term and modification of terms of notice.

B. Revised Compensation /Fees.

Current Contract Language:

3. CONTRACT TERM. This contract shall be effective from April 9, 2013 to March 31, 2015, unless sooner terminated by either party as specified in paragraph (10).

4. NOTICE Unless otherwise specified, termination shall not be effective until 30 calendar days after a party has served written notice of termination for default, or notice of termination without cause upon the other party. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, posted prepaid on the date posted, and addressed to the other party at the address specified above.

Attachment CC - COMPENSATION/FEES

Investment Advisors Services \$82,500 to be billed either monthly at the rate of \$6,875 or quarterly at the rate of \$20,625.

Amended Contract Language:

3. CONTRACT TERM. This contract amendment shall be effective from April 1, 2015 to March 31, 2017, unless sooner terminated by either party as specified in paragraph (10)

4. NOTICE. Unless otherwise specified, termination shall be effective immediately upon written notice of termination for default, or notice of termination without cause upon the other party. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, posted prepaid on the date posted, and addressed to the other party at the address specified above.

Attachment CC - COMPENSATION/ FEES. Investment Advisory Services \$62,500 to be billed either monthly at a rate of \$5,208.33, or quarterly at a rate of \$15,625; Travel and expenses included.

2. **INCORPORATED DOCUMENTS.** Exhibit A (Original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.

3. **REQUIRED APPROVAL.** This amendment to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

Independent Contractor's Signature

Date

Signature

Date

Signature

Date

Signature - Board of Examiners

Approved as to form by:

Deputy Attorney General for Attorney General

Independent's Contractor's Title

Title

Title

APPROVED BY BOARD OF EXAMINERS

On (Date)

On (Date)

# of Funds	State of Nevada Current with Add-ons					Total Expense Ratio	Total Fund Revenue	Map To:	# of Funds	State of Nevada Transitional Non-Levelized					Total Expense Ratio	Total Fund Revenue
	Assets									Assets as %						
33	Total Variable Fund Assets: \$385,108,598					0.67%	0.21%	(--> indicates a change)	23	Total Variable Fund Assets: 55.7%					0.54%	0.178%
	Simple Average: 0.67%									Simple Average: 0.54%						
	Weighted Average: 0.58%									Weighted Average: 0.52%						
4	Total Fixed Assets: \$305,954,555								3	Total Fixed Assets: 44.3%						
37	Total Assets: \$691,063,153								26	Total Assets: 100%						
Fnd#	Fund Names		MS Category						Fnd#	Fund names		MS Category				
	Stability of principal															
	Fixed Account															
1318	ING Stable Value Fund 75 CIT	US SA Stable Value		\$0		0.75%	0.55%	-->		Voya General Account				0.0%		
XX1	General Account	Stable Value		\$276,035,827	#N/A			-->						3.9%		
														39.9%		
XXX	Schwab SDBA	Brokerage		\$2,436,063				-->	1202	TD AMERITRADE Self Directed Brokerage Account				0.4%		
1202	TD AMERITRADE Self Directed Brokerage Account			\$489,009				-->	1202	TD AMERITRADE Self Directed Brokerage Account				0.1%		
	Bonds															
	Money Market															
	Other Fixed Income															
xx2	SSgA US Bond Market INLS	Core Fixed Income		\$7,697,212	0.08%	0.00%		-->	799	Vanguard® Total Bond Market Index Fund - Institutional	Intermediate-Term Bor			1.1%	0.07%	0.00%
799	Vanguard® Total Bond Market Index Fund - Institutional	Intermediate-Term Bor		\$4,838,798	0.26%	0.19%		-->	799	Vanguard® Total Bond Market Index Fund - Institutional	Intermediate-Term Bor			0.7%	0.07%	0.00%
	Asset Allocation															
	Lifecycle / Lifestyle															
795	Vanguard® Target Retirement Income Fund - Investor Shares	Retirement Income		\$ 7,749,081	0.35%	0.19%		-->	795	Vanguard® Target Retirement Income Fund - Investor Shares	Retirement Income			1.1%	0.22%	0.06%
791	Vanguard® Target Retirement 2015 Fund - Investor Shares	Target Date 2011-2015		\$ 25,432,274	0.35%	0.19%		-->	791	Vanguard® Target Retirement 2015 Fund - Investor Shares	Target Date 2011-2015			3.7%	0.22%	0.06%
926	Vanguard® Target Retirement 2025 Fund - Investor Shares	Target Date 2021-2025		\$ 11,647,561	0.36%	0.19%		-->	926	Vanguard® Target Retirement 2025 Fund - Investor Shares	Target Date 2021-2025			1.7%	0.23%	0.06%
793	Vanguard® Target Retirement 2035 Fund - Investor Shares	Target Date 2031-2035		\$ 21,534,797	0.37%	0.19%		-->	793	Vanguard® Target Retirement 2035 Fund - Investor Shares	Target Date 2031-2035			3.1%	0.24%	0.06%
794	Vanguard® Target Retirement 2045 Fund - Investor Shares	Target Date 2041-2045		\$ 4,162,658	0.37%	0.19%		-->	794	Vanguard® Target Retirement 2045 Fund - Investor Shares	Target Date 2041-2045			0.6%	0.24%	0.06%
									2473	Vanguard® Target Retirement 2055 Fund - Investor Shares	Target Date 2051+			0.24%	0.24%	0.06%
	Balanced															
	Moderate Allocation															
1257	VY T. Rowe Price Capital Appreciation Portfolio - Inst	Moderate Allocation		\$5,646,089	0.65%	0.28%		-->	1257	VY T. Rowe Price Capital Appreciation Portfolio - Inst	Moderate Allocation			0.8%	0.65%	0.28%
3700	Invesco Equity and Income Fund - Class R6	Aggressive Allocation		\$35,809,361	0.38%	0.00%		-->	3685	Invesco Equity and Income Fund - Class R5	Aggressive Allocation			5.2%	0.48%	0.20%
	Large Cap Value															
	Large Blend															
566	Vanguard® Institutional Index Fund - Institutional Shares	Large Blend		\$ 29,024,044	0.23%	0.19%		-->	566	Vanguard® Institutional Index Fund - Institutional Shares	Large Blend			4.2%	0.04%	0.00%
2228	Parnassus Core Equity FundSM - Investor Shares	Large Blend		\$1,515,533	0.90%	0.40%		-->	2228	Parnassus Core Equity FundSM - Investor Shares	Large Blend			0.2%	0.90%	0.40%
9793	Victory Diversified Stock Fund - Class I			\$29,846,834	0.82%	0.10%		-->	566	Vanguard® Institutional Index Fund - Institutional Shares	Large Blend			4.3%	0.04%	0.00%
	Large Value															
1205	AllianzGI NFJ Dividend Value Fund - Institutional Class	Large Value		\$4,392,912	0.71%	0.10%		-->	1205	AllianzGI NFJ Dividend Value Fund - Institutional Class	Large Value			0.6%	0.71%	0.10%
1360	American Beacon Large Cap Value Fund - Institutional Class	Large Value		\$15,342,499	0.59%	0.00%		-->	1360	American Beacon Large Cap Value Fund - Institutional Class	Large Value			2.2%	0.59%	0.00%
	Large Cap Growth															
	Large Growth															
487	American Funds The Growth Fund of America - Class R-3	Large Growth		\$7,064,830	0.98%	0.65%		-->	487	American Funds The Growth Fund of America - Class R-3	Large Growth			1.0%	0.98%	0.65%
524	Fidelity® Contrafund®	Large Growth		\$3,076,077	0.67%	0.25%		-->	524	Fidelity® Contrafund®	Large Growth			0.4%	0.67%	0.25%
7069	Neuberger Berman Socially Responsive Fund - Inst Class	Large Growth		\$5,218,054	0.69%	0.10%		-->	2228	Parnassus Core Equity FundSM - Investor Shares	Large Blend			0.8%	0.90%	0.40%
1303	T. Rowe Price Growth Stock Fund	Large Growth		\$28,637,503	0.69%	0.15%		-->	1303	T. Rowe Price Growth Stock Fund	Large Growth			4.1%	0.69%	0.15%
	Small / Mid / Specialty															
	Mid-Cap Blend															
7499	Vanguard® Extended Market Index Fund - Institutional Shares	Mid-Cap Blend		\$ 12,761,212	0.27%	0.19%		-->	7499	Vanguard® Extended Market Index Fund - Institutional Shares	Mid-Cap Blend			1.8%	0.08%	0.00%
1773	Lord Abbett Value Opportunities Fund - Class I	Mid-Cap Blend		\$ 17,094,631	0.93%	0.10%		-->	1267	Oppenheimer Main Street Mid Cap Fund - Class Y	Mid-Cap Blend			2.5%	0.86%	0.25%
1267	Oppenheimer Main Street Mid Cap Fund - Class Y	Mid-Cap Blend		\$10,432,876	0.86%	0.25%		-->	1267	Oppenheimer Main Street Mid Cap Fund - Class Y	Mid-Cap Blend			1.5%	0.86%	0.25%
	Mid-Cap Growth															
1209	ColumbiaSM Acorn® Fund - Class A Shares	Mid-Cap Growth		\$2,361,703	1.08%	0.50%		-->	9748	Goldman Sachs Small/Mid Cap Growth Fund - Class A	Mid-Cap Growth			0.3%	1.34%	0.50%
920	Baron Growth Fund - Retail Shares	Mid-Cap Growth		\$1,958,671	1.30%	0.40%		-->	9748	Goldman Sachs Small/Mid Cap Growth Fund - Class A	Mid-Cap Growth			0.3%	1.34%	0.50%
3772	Hartford MidCap HLS Fund - Class IB	Mid-Cap Growth		\$1,723,753	0.96%	0.30%		-->	3772	Hartford MidCap HLS Fund - Class IB	Mid-Cap Growth			0.2%	0.96%	0.30%
7696	Hartford MidCap HLS Fund - Class IA	Mid-Cap Growth		\$47,208,752	0.71%	0.05%		-->	3772	Hartford MidCap HLS Fund - Class IB	Mid-Cap Growth			6.8%	0.96%	0.30%
3615	Munder Mid-Cap Core Growth Fund - Class R6 Shares	Mid-Cap Growth		\$2,405,468	0.96%	0.00%		-->	9748	Goldman Sachs Small/Mid Cap Growth Fund - Class A	Mid-Cap Growth			0.3%	1.34%	0.50%

# of Funds	State of Nevada Current with Add-ons					Total Expense Ratio	Total Fund Revenue	Map To:	# of Funds	State of Nevada Transitional Non-Levelized					Assets as %	Total Expense Ratio	Total Fund Revenue
	Mid-Cap Value																
	Small Blend																
1312	Keeley Small Cap Value Fund - Class A Shares		Small Blend	\$628,764	1.37%	0.35%	-->		7499	Vanguard® Extended Market Index Fund - Institutional Shares		Mid-Cap Blend	0.1%	0.08%	0.00%		
	Small Growth																
6429	Hartford SmallCap Growth HLS Fund - Class IA		Small Growth	\$7,342,249	0.71%	0.05%	-->		9748	Goldman Sachs Small/Mid Cap Growth Fund - Class A		Mid-Cap Growth	1.1%	1.34%	0.50%		
	Small Value																
	Specialty																
	Global / International																
	Foreign Large Cap																
2029	American Funds Capital World Growth and Income FundSM - R-3		World Stock	\$1,829,804	1.09%	0.65%	-->	5036	Franklin Mutual Global Discovery Fund - Class A		World Stock	0.3%	1.32%	0.55%			
5036	Franklin Mutual Global Discovery Fund - Class A		World Stock	\$12,980,620	1.32%	0.55%		5036	Franklin Mutual Global Discovery Fund - Class A		World Stock	1.9%	1.32%	0.55%			
735	Dodge & Cox International Stock Fund		Foreign Large Blend	\$5,453,430	0.64%	0.10%		735	Dodge & Cox International Stock Fund		Foreign Large Blend	0.8%	0.64%	0.10%			
6500	Vanguard® Developed Markets Index Fund - Admiral™ Shares		Foreign Large Blend	\$1,066,421	0.28%	0.19%	-->	6501	Vanguard® Developed Markets Index Fund - Institutional		Foreign Large Blend	0.2%	0.07%	0.00%			
2548	American Beacon International Equity Index Fund - Inst Class		Foreign Large Blend	\$11,224,127	0.26%	0.00%	-->	6501	Vanguard® Developed Markets Index Fund - Institutional		Foreign Large Blend	1.6%	0.07%	0.00%			

Voya Fund Data Disclosures

You should consider the investment objectives, risks, and charges and expenses of the variable product and its underlying fund options; or mutual funds offered through a retirement plan, carefully before investing. The prospectuses/prospectus summaries/information booklets contain this and other information, which can be obtained by contacting your local representative. Please read the information carefully before investing.

Variable annuities and mutual funds under a retirement plan are long-term investments designed for retirement purposes. If withdrawals are taken prior to age 59 ½, an IRS 10% premature distribution penalty tax will apply, unless an IRS exception applies. Money taken from the plan will be taxed as ordinary income in the year the money is distributed. Account values fluctuate with market conditions, and when surrendered the principal may be worth more or less than its original amount invested. An annuity does not provide any additional tax deferral benefit, as tax deferral is provided by the plan. Annuities may be subject to additional fees and expenses to which other tax-qualified funding vehicles may not be subject. However, an annuity does provide other features and benefits, such as lifetime income payments and death benefits, which may be valuable to you.

As Plan Sponsor, it is your responsibility to select and monitor the investments offered under your plan. Voya cannot provide you or your plan with investment advice or make recommendations to you regarding the investment options to be made available under your plan and this presentation does not constitute such investment advice or recommendations. However, we are committed to providing you and your financial professional with information that will help you fulfill your fiduciary duty to select investments for your plan.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, there is no assurance it will be able to do so. While the fund's objective includes the preservation of capital, it is possible to lose money by investing in the fund.

Important Information Regarding Presentations and Proposals:

This presentation is merely a proposal and, as such, represents one possible combination of investment options available under the Voya Product. The Plan's investment fiduciaries are free to select from among any of the investment options available under the Product and are under no obligation or requirement to select all or any of the proposed investment options. The selection of alternative investment options from those proposed may impact the pricing of our services, depending on the levels of investment option revenues available to Voya from such alternatives. The proposal represents Voya's assessment of a variety of factors, including investment option expenses, investment option performance and Voya's own revenue targets. The proposal is not intended to constitute and should not be relied upon as investment advice. This proposal may be made in the context of a competitive RFP process that will consider the competing proposals of other providers. This should not be construed as a recommendation or solicitation to buy, sell or exchange any security.

Expense Ratio

Total Expense Ratio shown for each fund includes the fund-level fees and expenses applicable under this product/program. Fund fees and expenses are subject to change and may vary based on fund size, reimbursements, etc. Fund-level fees and expenses shown above include investment management/advisory fees, 12b-1 fees (if applicable) and other operating expenses. For certain funds, the investment adviser or other service provider to the fund may waive a portion of its fees or reimburse certain fund expenses, which will reduce the expense ratio of the fund for the period of the waiver or adjustment. The amount of any such waivers and adjustments are not reflected above and can be found in the fund's most current prospectus. These waivers and adjustments may not necessarily continue in the future. If the fund imposes 12b-1 fees, such payments are made out of fund assets. Some funds may charge a fund redemption fee when shareholders redeem their shares, so please refer to the fund's prospectus for more information on redemption fees that may apply. The Total Expense Ratio shown for each fund does not include any separate account charges that may be assessed by the Voya separate account product. Some of the investment options shown or proposed may not yet be available in your plan. Investment Options not shown may have different fees and charges that will affect the overall performance. To make the proposed menu as competitive as possible, some investment options suggested may not yet be available on the Voya fund platform and may require a lead time to add these investment options to your plan. Fees and charges will reduce the performance or return of a given investment option.

General Performance Disclosure

The information used in evaluating the investment options do not reflect the fees and expenses charged by Voya's separate account products. Due to the number of Voya products and the difference between sets of fees and expenses, no single set of SEC standardized returns would be applicable to all products. The information is based on fund level expenses only and are provided with the understanding that this is for due diligence purposes of reviewing investment management results. Past performance is not a guarantee of future results.

For Corporate Plans: This presentation is not complete without a Plan Proposal document. If you have not received a Plan Proposal, please contact your Financial Advisor/Consultant or an Voya Representative. The Plan Proposal contains important information regarding the features and costs of the program. You should compare this information to your current program to make an informed decision regarding your potential change in retirement plan provider. In addition (if prospectuses have not yet been delivered) – You should consider the investment objectives, risks and charges and expenses of the investment options carefully before investing. The disclosure booklet contains this and other information. To obtain a free copy of the separate account disclosure booklet and/or fund prospectuses may call their Voya representative or the number above. Please read the disclosure material carefully before investing. (If prospectuses for the proposed funds have been delivered) – This material must be preceded or accompanied by a separate account disclosure booklet and fund prospectuses. Please read the disclosure material carefully before investing.

For Healthcare, Education and Government Plans: The proposed fund menu and/or fund mapping is not complete without a "Request for Proposal" (for new customers), contract prospectus or product disclosure booklet (for existing customers) and fund prospectuses. They contain important information regarding the features and costs of the program. To obtain copies of the product disclosure booklet and/or fund prospectuses you may contact an Voya Representative. Please read them carefully before investing.

Fund revenues (If Applicable)

Fund Revenue numbers refer to fund revenue paid to Voya Figures shown are derived from 12b-1 fees (where applicable), service fees (where applicable) and administrative and/or sub-transfer agent fees. In the case of proprietary funds, (i.e. a fund advised or managed by an Voya company), we have also included pricing credits intended to reflect the value to our business of those management arrangements.

Any insurance products, annuities and funding agreements that you may have purchased are sold as securities and are issued by Voya Retirement Insurance and Annuity Company ("VRIAC"). Fixed annuities are issued by VRIAC. VRIAC is solely responsible for meeting its obligations. Plan administrative services provided by VRIAC or Voya Institutional Plan Services, LLC ("VIPS"). Neither VRIAC nor VIPS engage in the sale or solicitation of securities. All companies are members of the Voya family of companies. Securities distributed by Voya Financial Advisers, LLC (member SIPC) or other broker-dealers with which it has a selling agreement.

CONTRACT HOLDER DIRECTION AND ACKNOWLEDGEMENT LETTER

To: Voya Retirement Insurance and Annuity Company ("VRIAC" or "Voya")

From: Nevada Public Employees' Deferred Compensation Program ("Contract Holder", or "we", or "us")

As authorized Plan Fiduciary for the State of Nevada Public Employees Deferred Compensation Plan, "Plan Number 666783", and The State of Nevada FICA Alternative Deferred Compensation Plan, "Plan Number 666782", we direct VRIAC to implement the following plan changes.

Effective at the close of the New York Stock Exchange (generally 4PM EST), on February 3, 2015, or as soon thereafter as administratively feasible, we direct Voya to make the following changes to the investment options available to Plan 666783:

1. We hereby direct VRIAC to add the following investment options:
 - 2473 - Vanguard® Target Retirement 2055 Fund - Investor Shares
 - 3685 - Invesco Equity and Income Fund - Class R5
 - 1360 - American Beacon Large Cap Value Fund - Institutional Class
 - 1303 - T. Rowe Price Growth Stock Fund
 - 1267 - Oppenheimer Main Street Mid Cap Fund - Class Y
 - 9748 - Goldman Sachs Small/Mid Cap Growth Fund - Class A
 - 5036 - Franklin Mutual Global Discovery Fund - Class A
 - 6501 - Vanguard® Developed Markets Index Fund - Institutional
2. We hereby direct VRIAC to discontinue the following investment options. These investment options will no longer be available for fund transfers, allocation changes, or new contributions to the Plan.
 - 1209 - ColumbiaSM Acorn® Fund - Class A Shares
 - 1312 - Keeley Small Cap Value Fund - Class A Shares
 - 1773 - Lord Abbett Value Opportunities Fund - Class I
 - 2029 - American Funds Capital World Growth and Income FundSM - R-3
 - 6500 - Vanguard® Developed Markets Index Fund - AdmiralTM Shares
 - 920 - Baron Growth Fund - Retail Shares
3. We hereby direct that future contributions that would have been allocated to the Discontinued Investment Options, and existing assets in the Discontinued Investment Options, shall be allocated/transferred to the Replacement Investment Options, as described in the Investment Option Mapping Chart, Exhibit A, as provided by Segal Rogerscasey and in accordance with the direction of the NDC and its actions at its meeting on November 4th, 2014.
4. We direct VRIAC to facilitate a transfer-in-kind of all Self-Directed Brokerage Option (SDBO) assets via the Automated Customer Account Transfer Service (ACATS) from Charles Schwab (MassMutual's SDBO provider) to TD Ameritrade (Voya's SDBO provider).
5. We direct VRIAC to apply a Daily Asset Charge of 0.06% to the following investment options:
 - 795 - Vanguard® Target Retirement Income Fund - Investor Shares
 - 791 - Vanguard® Target Retirement 2015 Fund - Investor Shares
 - 926 - Vanguard® Target Retirement 2025 Fund - Investor Shares
 - 793 - Vanguard® Target Retirement 2035 Fund - Investor Shares
 - 794 - Vanguard® Target Retirement 2045 Fund - Investor Shares
 - 2473 - Vanguard® Target Retirement 2055 Fund - Investor Shares

We understand and agree with the following information regarding the mapping and processing of the Plan's transferred assets from the prior provider, MassMutual, expected to occur on February 10, 2015:

1. Upon the transfer of assets from MassMutual to Voya Plan Number 666783, we direct Voya to invest those assets according to Exhibit A. Future contributions that would have been allocated to the Discontinued Investment Options, and existing assets in the Discontinued Investment Options, shall be allocated/transferred to the Replacement Investment Options.
2. If transferred assets are received prior to participant data, Voya will invest the transferred assets at a Plan level according to the mapping instructions provided in Exhibit A. The transferred assets will be invested as of the date the wire is received by Voya if a plan level breakdown by fund is provided in good order. If no instructions are received, the plan assets will be deposited into Fund 628 – Voya Money Market Fund – Class A, until a plan level breakdown is received in good order.
3. Upon the transfer of assets from MassMutual to Voya Plan Number 666782, all future contributions and existing assets shall be directed to Fund 1057 - Voya Fixed Account – 457/401 II.
4. Transferred Assets will be allocated to Participant accounts on the same day that allocation instructions are received in good order and prior to the close of the New York Stock Exchange ("NYSE").


5. Any interest earned pending allocation instructions will be posted to Participant accounts on a pro-rata basis unless other instructions are provided.
6. Allocation instructions must be received in a secure manner and meet the Voya file format and good order requirements. Voya is authorized to obtain the required information from the prior provider or the authorized Plan Sponsor Representative.
7. Instructions received in good order and after the close of the NYSE or on a non-business day will be processed the next business day.

We acknowledge that:

- All revenue received from the variable investment options in excess of 0.08% in aggregate, including any fund specific Daily Asset Charges, will be reimbursed by Voya to the Plan, as directed by the Plan Sponsor.
- We designate Fund 1057 - Voya Fixed Account – 457/401 II as the default fund for any existing balances or future contributions from an investment option not illustrated in Exhibit A.
- We understand the differences between Funding Agreement GFA-GOVCC-02(NV) and Group Annuity Contract G-CCBII-14.
- On February 3, 2015 Voya will establish two additional Plan Numbers: 666970 and 666971 to support the Alliance Partners and University System subdivisions respectively, which will be governed by the same contract that governs Plan Number 666783. To the extent additional or fewer plan numbers are needed for administrative purposes, Voya will communicate those to the Contract Holder and will attach those as an addendum to this letter of direction.
- We have received the contract information booklet and prospectuses for each of the added variable investment options listed above.

We represent that:

- The undersigned is authorized under the terms of the Plans to direct Voya to execute the instructions described below.

By: 
Authorized Representative of the Contract Holder

Its: Robert R. Boehmer, Program Coordinator

Signed at: Carson City on 12/16/14
City and State Date

Exhibit A – Investment Option Mapping Chart

Discontinued Investment Option		Maps to	Replacement Investment Option	
Fund #	Fund Name		Fund #	Fund Name
N/A	MassMutual General Account	→	1057	Voya Fixed Account – 457/401 II
N/A	SSgA US Bond Market INLS	→	799	Vanguard® Total Bond Market Index Fund - Institutional
799	Vanguard® Total Bond Market Index Fund - Institutional	→	799	Vanguard® Total Bond Market Index Fund - Institutional
795	Vanguard® Target Retirement Income Fund - Investor Shares	→	795	Vanguard® Target Retirement Income Fund - Investor Shares
791	Vanguard® Target Retirement 2015 Fund - Investor Shares	→	791	Vanguard® Target Retirement 2015 Fund - Investor Shares
926	Vanguard® Target Retirement 2025 Fund - Investor Shares	→	926	Vanguard® Target Retirement 2025 Fund - Investor Shares
793	Vanguard® Target Retirement 2035 Fund - Investor Shares	→	793	Vanguard® Target Retirement 2035 Fund - Investor Shares
794	Vanguard® Target Retirement 2045 Fund - Investor Shares	→	794	Vanguard® Target Retirement 2045 Fund - Investor Shares
1257	VY T. Rowe Price Capital Appreciation Portfolio - Inst	→	1257	VY T. Rowe Price Capital Appreciation Portfolio - Inst
3700	Invesco Equity and Income Fund - Class R6	→	3685	Invesco Equity and Income Fund - Class R5
566	Vanguard® Institutional Index Fund - Institutional Shares	→	566	Vanguard® Institutional Index Fund - Institutional Shares
2228	Parnassus Core Equity FundSM - Investor Shares	→	2228	Parnassus Core Equity FundSM - Investor Shares
9793	Victory Diversified Stock Fund - Class I	→	566	Vanguard® Institutional Index Fund - Institutional Shares
1205	AllianzGI NFJ Dividend Value Fund - Institutional Class	→	1205	AllianzGI NFJ Dividend Value Fund - Institutional Class
1360	American Beacon Large Cap Value Fund - Institutional Class	→	1360	American Beacon Large Cap Value Fund - Institutional Class
487	American Funds The Growth Fund of America - Class R-3	→	487	American Funds The Growth Fund of America - Class R-3
524	Fidelity® Contrafund®	→	524	Fidelity® Contrafund®
7069	Neuberger Berman Socially Responsive Fund - Inst Class	→	2228	Parnassus Core Equity FundSM - Investor Shares
1303	T. Rowe Price Growth Stock Fund	→	1303	T. Rowe Price Growth Stock Fund
7499	Vanguard® Extended Market Index Fund - Institutional Shares	→	7499	Vanguard® Extended Market Index Fund - Institutional Shares
1773	Lord Abbett Value Opportunities Fund - Class I	→	1267	Oppenheimer Main Street Mid Cap Fund - Class Y
1267	Oppenheimer Main Street Mid Cap Fund - Class Y	→	1267	Oppenheimer Main Street Mid Cap Fund - Class Y
1209	ColumbiaSM Acorn® Fund - Class A Shares	→	9748	Goldman Sachs Small/Mid Cap Growth Fund - Class A
920	Baron Growth Fund - Retail Shares	→	9748	Goldman Sachs Small/Mid Cap Growth Fund - Class A
3772	Hartford MidCap HLS Fund - Class IB	→	3772	Hartford MidCap HLS Fund - Class IB
7696	Hartford MidCap HLS Fund - Class IA	→	3772	Hartford MidCap HLS Fund - Class IB
3615	Munder Mid-Cap Core Growth Fund - Class R6 Shares	→	9748	Goldman Sachs Small/Mid Cap Growth Fund - Class A
1312	Keeley Small Cap Value Fund - Class A Shares	→	7499	Vanguard® Extended Market Index Fund - Institutional Shares
6429	Hartford SmallCap Growth HLS Fund - Class IA	→	9748	Goldman Sachs Small/Mid Cap Growth Fund - Class A
2029	American Funds Capital World Growth and Income FundSM - R-3	→	5036	Franklin Mutual Global Discovery Fund - Class A
5036	Franklin Mutual Global Discovery Fund - Class A	→	5036	Franklin Mutual Global Discovery Fund - Class A
735	Dodge & Cox International Stock Fund	→	735	Dodge & Cox International Stock Fund
6500	Vanguard® Developed Markets Index Fund - Admiral™ Shares	→	6501	Vanguard® Developed Markets Index Fund - Institutional
2548	American Beacon International Equity Index Fund - Inst Class	→	6501	Vanguard® Developed Markets Index Fund - Institutional