

**Zach Conine**  
*State Treasurer*



**Members**  
State Treasurer Zach Conine  
Lt. Governor Stavros Anthony  
Joe Caldera  
Andy Kao  
William H. Palmer III  
Mary Beth Sewald

STATE OF NEVADA  
THE BOARD OF TRUSTEES OF THE  
NEVADA EMPLOYEE SAVINGS TRUST

**PUBLIC MEETING**

**AGENDA**  
MEETING OF THE BOARD OF TRUSTEES OF THE  
NEVADA EMPLOYEE SAVINGS TRUST

**Monday, April 7, 2025 at 1:00 p.m.**

**Meeting via videoconference at the following physical location(s):**

Nevada State Capitol  
Old Assembly Chambers, 2<sup>nd</sup> Floor  
101 North Carson Street  
Carson City, NV 89701

Governor's Office  
Conference Room, 4<sup>th</sup> Floor  
1 State of Nevada Way  
Las Vegas, NV 89119

Virtually through Microsoft Teams, accessible here:

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Meeting ID: 295 265 886 551

Passcode: Ug3m4WY7

All items listed on this agenda are for discussion and action by the Board of Trustees unless otherwise noted. Action may consist of any of the following: approve, deny, condition, hold, or table.

**Agenda Items**

**1. Roll Call.**

**2. Public Comment.**

Comments from the public are invited at this time. Pursuant to NRS 241.020(3)(d)(7), the Board intends to limit to 3 minutes the time for an individual to speak and reserves the right to impose other reasonable restrictions on place or manner for such comment. No restriction will be imposed based on viewpoint. Comment will only be received on matters relevant to the Board's jurisdiction. The Board is not permitted to deliberate or take action on any items raised during the public comment period until the matter itself has been specifically included on an agenda as an item upon which action may be taken by the Board.

Comments by the public may be emailed to [nest@nevadatreasurer.gov](mailto:nest@nevadatreasurer.gov) by 9:00 p.m. the day before the scheduled meeting and include the commenter's full name. Content may be redacted due to inappropriate language. All written public comments shall, in their entirety, be included as part of the public record.

3. **For discussion and for possible action:** Board review and approval of the minutes of the Board of Trustees of the Nevada Employee Savings Trust meeting held on February 26, 2025.
4. **For discussion:** Staff to provide update and overview of the Nevada Employee Savings Trust covering program branding, communications plan and outreach timeline.
5. **For discussion and for possible action:** Board Review and approval of the Partnership for a Dignified Retirement agreement documents:
  - a. Master Services Agreement
  - b. Vendor Addendum
  - c. Interstate Adherence Contract
  - d. Memorandum of Cooperation
6. **Public Comment.**

Comments from the public are invited at this time. Pursuant to NRS 241.020(2)(d)(7), the Board intends to limit to 3 minutes the time for an individual to speak and may impose reasonable restrictions on place or manner for such comment. No restriction will be imposed based on viewpoint. Comment will only be received on matters relevant to the Board's jurisdiction. The Board may discuss but is precluded from acting on items raised during Public Comment that are not on the agenda.
7. **ADJOURNMENT.**

Notes:

Items may be taken out of order; items may be combined for consideration by the public body; and items may be pulled or removed from the agenda at any time.

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

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**THIS AGENDA HAS BEEN POSTED IN THE FOLLOWING PUBLIC LOCATIONS:**

- **Capitol Building, 1st & 2nd Floors, Carson City, Nevada**
- **Legislative Building, Carson City, Nevada**
- **Nevada State Library, Carson City, Nevada**
- **Blasdel Building, Carson City, Nevada**
- **Nevada Building, 1 State of Nevada Way, Las Vegas, Nevada**

Also online at: [Nevada Treasurer](#) and the [Nevada Public Notice](#).

THE BOARD OF TRUSTEES OF THE  
NEVADA EMPLOYEE SAVINGS TRUST

**Agenda Item 3**  
**April 7, 2025**

**Item: Approval of Minutes of the Board of Trustees of the  
Nevada Employee Savings Trust meeting held on  
February 26, 2025**

**Summary:**

For approval, please see attached minutes from the Nevada  
Employee Savings Trust Board meeting held on February 26, 2025.

**Fiscal Impact:** None by this action.

**Staff recommended motion:**

**To accept and approve the Minutes of the Board of Trustees  
of the Nevada Employee Savings Trust meeting held on  
February 26, 2025.**

THE BOARD OF TRUSTEES OF THE NEVADA EMPLOYEE SAVINGS  
TRUST  
MINUTES OF THE BOARD MEETING  
February 26, 2025

Location:

Via videoconference at the following locations and on Teams

Old Assembly Chambers  
Capitol Building, Second Floor  
101 N. Carson Street  
Carson City, NV 89701

Governor's Office Conference  
Room  
1 State of Nevada Way  
Las Vegas, NV 89119

Board Members Present:

Chairman Treasurer Zach Conine – Carson City  
Joe Caldera – Remote via Microsoft Teams  
Andy Kao – Remote via Microsoft Teams  
Mary Beth Sewald – Remote via Microsoft Teams

Others Present:

Katie Armstrong – Deputy Attorney General, Nevada Attorney General's Office  
Hunter Railey – Colorado Secure Savings Program  
Courtney Eccles – Vestwell  
Kirsten Van Ry – Chief of Staff, State Treasurer's Office  
Erik Jimenez – Chief of Policy, State Treasurer's Office  
Itzel Fausto – State Treasurer's Office  
Veronica Kilgore - State Treasurer's Office  
Evelyn Castro – State Treasurer's Office  
Kayla Slaughter – State Treasurer's Office  
Michael Pelham – State Treasurer's Office  
Nicole Stephens – State Treasurer's Office

**Treasurer Conine**

I'll call to order this meeting for Wednesday, February twenty sixth, ten am as The Board of Trustees of the Nevada Employee Savings Trust.

Sorry, we had a bit of an echo here in the Guinn room. Could've been Governor Guinn's spirit wishing us well in our endeavors but probably was just an unmuted situation.

Let's start with roll call.

Please call the roll, Michael.

**Michael Pelham**

Treasurer Conine

**Treasurer Conine**

Here.

**Michael Pelham**

Lt. Gov Anothny is excused.

Member Caldera.

**Member Caldera**

Here.

**Michael Pelham**

Member Kao

**Member Kao**

Good morning here.

**Michael Pelham**

Member Palmer is also excused today.

Member Sewald

**Member Sewald**

Here.

**Michael Pelham**

You do have a quorum, and I do want to acknowledge, Deputy Attorney General Katie Armstrong is on the line for legal questions.

**Treasurer Conine**

Thank you for jumping in and helping Miss Armstrong.

Appreciate it. Thank you.

Close roll call and move on to public comment.

Comments from the public are invited at this time. Do we have any members of the public in Las Vegas does not appear so.

Is that correct? OK.

**Michael Pelham**

Nobody here.

**Treasurer Conine**

All right. We have changed rooms enough up here in, in Carson City.

It seems unlikely the public will be able to find us, so we should be good on that front. Do we have any public comment that was sent in, in written form.

No. OK, thank you.

I will close the first period for public comment and move on to agenda item number three for discussion possible action. The review and approval of minutes of the Board of Trustees Nevada Employee Savings Trust the meeting on January twenty fourth twenty-five. Do we have any adjustments from board members. Otherwise, I'll take a motion to approve.

**Member Sewald**

So moved.

**Treasurer Conine**

Alright, we have a motion.

Do we have any discussion on the motion?

Hearing none, all in favor say aye.

**Member Kao**

Aye.

**Member Sewald**

Aye.

**Member Caldera**

Aye.

**Treasurer Conine**

All opposed.

Motion passes unanimously. Thank you.

Close agenda number three.

Move on to Agenda number four for discussion The Nevada Employee Savings Trust Operations update, including a presentation from the state of California, delete state of the Partnership for a dignified retirement and a presentation from Vestwell.

**Michael Pelham**

Thank you, Treasurer Conine, I have a short update this month we are in the process of registering a couple different domain names. NEST.gov is the one were hoping to get, but it looks like it might be too generic. We reached out and purchased another NEST.nv.gov, we should have those thirty days out from now. We have contracted with Estipona Group, who is doing some marketing for us, and they will have hopefully final logos and products on March seventh.

We are currently also going through the contracts; those have gone back and forth with our Deputy Attorney general with multiple deputy Attorney generals. Once they're finalized on both sides we will bring them to the board for approval.

Those are the only updates that I have right now and at this time I would like to turn it over to Courtney Eccles from Vestwell or Hunter Riley from Colorado. I don't have the teams up so I'm not sure who's on the line.

**Courtney Eccles**

Hello everyone, this is Courtney Eccles.  
Can you all hear me, OK?

**Treasurer Conine**

Yes, ma'am. Good to see you.

**Courtney Eccles**

Wonderful. Good to see you all. I'll jump right in here, I'm not sure if Hunter has additional items to add. I did have a short presentation for all of you and largely just to talk through all the work that's happening kind of behind the scenes in partnership with Michael, Leslie, Kayla, and the team at the Treasurer's office. So let me see if I can share my screen and hopefully this will work. I know you guys are all in different locations. Can folks see that?

**Treasurer Conine**

Gorgeous.

**Courtney Eccles**

Awesome. All right. It's always good when the tech works out. They didn't hire me to be the IT specialist.

So quickly wanted to just again sort of at a very high-level talk through a lot of the work that we're doing together, the things that are coming in the next three months as we really target a summer launch for this program. And then I would like to show you to get a little bit of a look and feel using Colorado's website and portal as an example, what it looks like for savers, employers, folks who'll come to the website, look for resources and then see what the registration is like.

We're kind of focusing more on website and employer today happy to cover anything around savers at a future meeting, but hopefully this will just give you all a sense of what it will look like and what the experience will be like when we launch the NEST program this summer.

First things first, and I'll try not to be repetitive of what Michael shared.

So obviously one of the key items for all of us working closely with the team on contracts, partner addendums, I know the partner states are communicating together on Interstate agreements and hoping to wrap that up in the coming weeks. In addition, I really appreciate Michael and the team's work on connecting with the state agencies and departments that will provide employer data, that's crucial for the work that we do on our side to identify the businesses in Nevada that will need to participate in the program, create records for those employers, create access codes for those employers and then send out communications this summer when the program is scheduled to open so all of that is underway.

In addition to that, we are taking a lot of the work that you all of the board have done a number of those decisions that you made, I think at the last board meeting right around default contribution rates, auto escalation, things like those are all key components of the program design that we share within our team and ensure that all of the communications reference the right information that when we build the websites in the portals and frankly when we build the automated flows when savers are added into the default that we have all of that accurate and correct.

So I know there may be a few more on the list for today's meeting, but all of that is information along with all of the things that are already dictated in your statute.

All information that we take and use and are building into the systems as we prepare for implementation of the program.

In addition to that, working really closely with the team on a work plan that will really dictate all of the much more granular and detailed responsibilities across the Treasurer's team across Vestwell and across our partner Bank of New York Mellon, who is the custodian for the IRA.

And again, really just shows the amount of work being done March, April and May to prepare for the program launch and I just covered employer data so that again is something we start on early in certain states, it's sometimes been a little tricky to get access to data, but feeling really confident that those conversations have already

started happening early in Nevada, which is wonderful.

Marketing communications and all of the different materials and content that will create, wanted to give you a high level look at that. I think Michael already shared, that you are in the process of securing a URL and finalizing branding, right? So that we know the look and feel, the logo, the colors, all of that will be incorporated into the materials that we create for you and for the program.

So, first and foremost is creating the program website. I'll show you Colorado's in a moment. It'll give you a sense of how we structure these.

Just imagine that it'll look even better with your logo and colors there.

No offense, Hunter. That website is really going to be the home for all the information that anyone would need. We've saver pages, employer pages, a robust help center, videos, links to different materials that folks can use, and we also have materials in English and Spanish. I'll show you some of that, but that's all content that we create certainly takes a good amount of time, but part of being in the partnership means we can really build on core content that doesn't change because it's how the program works, and then the content that will be unique to Nevada, right where we're going to make sure we're talking about NEST in the right way and in the way that resonates with your businesses and with your, with your workers in add.

In addition, we will be building up the employer and the saver portal.

So those are the different places that an employer will go when they are registering for the program when they're making their payroll contributions, when they want to keep track of which of my employees have opted out, things like that. And then obviously the Saver portal is where employees who have an account will go to engage with that account so they can go in and see what their balance is, make changes, request, withdraw all that good stuff. We have a similar layout that we use across the programs we support, but we'll of course be branded for the NEST program.

And then finally, we create an incredibly robust help center, and so that will include videos, articles, step by step instructions with little screenshots for kind of anything and everything that a business or an employer might have a question on, and the great thing about that is over the last few years, we've really learned some of the pain points or areas where folks have confusion and try to point them right to instructions or directions that will help them solve their problems in real time.

Next, and certainly not last, but another core set of the work that we'll be doing is creating the communications that go out to employers and savers.

So we have a set of notices that we send to employers on behalf of the program once the program opens, there's a cadence that comes before the deadline and then we also send some that that are post registration deadline. In addition to that we of course have a cadence of communications that savers receive once added by their employer.

And again, this is all work that that we, as the administrator will take on because we that's not something an employer needs to be focused on separate from the communications. We also create a host of materials, fact sheets, checklists, and videos. So truly our hope is that it means the team at the Treasurer's office doesn't have to make too many things and instead leverage all the resources that we'll put together on behalf of the program.

That was a lot, I talked fast. Any questions there, and if not I'm happy to show you a little bit of what we have on the Colorado side.

### **Treasurer Conine**

Board members, any questions on that.

### **Member Caldera**

Thank you, Courtney. Can you talk a little more about the notices, the pre deadline and the post deadline? And more specifically, how those notices are sent.

### **Courtney Eccles**

Yes, happy to.

So we send the cadence of at least three communications to employers before the deadline. They mention the program is open. Here's what it is, how it works, and your responsibility. And then getting closer to the deadline, there's a hey, your deadline is a month away, and hey, your deadline is a week away.

And then we have two that are sent post deadline. You missed your deadline, but it's not too late. Those are kind of the core messages.

This is where the employer data that I mentioned earlier is really crucial.

We rely on the state to give us information about the businesses that have five or more employees, and we'll use that information to then send out communications.

It is highly encouraged that we try to communicate as much electronically, we've just found folks are much more likely to engage they pay more attention.

I think it's the direction that a lot of communications are going in and it enables us to embed the links right in the e-mail for here's the registration page, here's where you can go to watch this introductory video.

If we don't have an e-mail, we will send the communications hard copy to businesses. On the flip side, for savers, we also have a series of notices that are sent to them. So, the first one again is kind of an introductory you've been added to NEST. Here's what it means for you, and here are your options.

You can do nothing and great, you're going to start saving, you can make changes, you can opt out. We'll communicate those based on the contact information that is provided by employers when they add their employee roster.

So that's a high level there, but kind of gets a cadence content and you know relying on e-mail, and if we don't have an e-mail hard copy.

**Member Caldera**

Thank you.

**Treasurer Conine**

Thank you, Courtney.

Any additional questions from members?

**Member Sewald**

If I may, Mr. Chair.

**Treasurer Conine**

Of course.

**Member Sewald**

Thank you guys very much, this is a great presentation.

Couple of questions sorry if I missed this, what would be the timing of when these first notices would go out? I know the cadence you said there is a plan for that. The second question is, would it be possible for this group to see the communication before they go out just?

If nothing else, has an FYI.

**Courtney Eccles**

Sure, happy to answer. We try to time communications based on what the deadline is for activity. We have found over the 11 other programs that if you're communicating, if you're sending these specific communications too far in advance, folks just don't pay attention to them.

The announcement and the outreach that the office might be doing.

With different business groups, these are really sort of staggered to be about a month and a half, then a month and then a week prior to the deadline. And then we've got two communications that come after deadlines that are about a week in about a month.

And I say roughly because we try to target, missing weekends, holidays, things like that and then certainly you know we work closely with the Treasurer's team, to send communications and make sure they're the right fit. I defer to Michael, but we will certainly be providing these notices in advance to the to the team.

**Member Sewald**

OK.

Thank you very much.

**Courtney Eccles**

Of course.

**Treasurer Conine**

Thank you, member.

Thank you Courtney.

Any additional questions from members?

Member Kao.

**Member Kao**

Hi, good morning.

So in your communications package, do you have something that goes out to folks that does advisory services?

As a small business, I have them reaching out already saying that this is coming, but

they don't know details and we should sign up for their service. That way they have some details to work with as they go out and pursue plans.

### **Courtney Eccles**

It's a great question.

So we create a number of program awareness materials.

It's part of the reason we also have a full website go live. We do not send the program or as the administrator, we do not send specific notices to advisors.

However, we create fact sheets that are useful for business associations, financial advisors, CPA's and other groups that the office might be doing outreach with, that's the kind of information that is helpful to give folks a sense of timing what the program is, the role employers have in how, different entities who work with businesses can be useful.

So that's the type of content that we would have that you could certainly use.

### **Treasurer Conine**

Thank you.

Any additional questions from members?

Courtney, please proceed.

### **Courtney Eccles (Guest)**

Sure. And I want to be conscious of time.

I show things at a high level and then answer questions that you all have. So that the next item I was going to share and hopefully that switched easily on the screen. This is the opening page for Colorado's program website and again we utilize the same structure and design for each of the state websites for Auto IRA programs, but obviously colors, logos, all that content is going to be unique to Nevada, we actually did a full overhaul of nine different programs last year to make sure we had this new layout and part of it is really focused on driving action so you can see when someone comes to the page and I guess one thing I don't know if it'll show for you guys. These are mobile responsive or responsive on desktops. So regardless of how big your screen is, if you're looking at it on a tablet, it'll respond accordingly.

So this is the home page, it's got information. We try to use images key contents. I'm not going to go through all of this in detail, but the thing I did want to show you is we will build out for your program employer landing pages, resource landing pages

and then additional detailed pages underneath that have just a host of information and we link to all of these strategically from the communications that we send.

So there's program details pages, different pages for savers that you can get to from the home page. So, we try to feed them up in addition to having them.

One thing I did want to call out is we'll also ensure that we have Spanish language pages. There's a Spanish home page and then there's an employer page and a saver page that are a collection of the key information from what you would find on the pages that are in English and so those will be part of the content we create for NEST with the launch of the program. In addition to that, we'll work with the team we put together financial resource pages that can include unique links to perhaps different state entities or state programs that you all have.

I know the Treasurer's office has, financial literacy focused programs and content. So that's stuff that we can link to right from this page.

We have a retirement calculator that savers can use to look at. All right, if I'm saving this much a month, what's something I could expect?

I'm this old, what can I think about for later in life? And then obviously a contact us page. And we do also support news pages here. This is an opportunity where if there's articles that come out at the launch of the program, we can build those in on the website.

So again, a lot of content there. One thing I did want to show you is the help center. Again, ignore the branding. This is an example, the help center, something that we build out as part of launch for the program, and it includes a host of different information for businesses how to register with step-by-step instructions how to send contributions.

One thing I wanted to show you is the video series that we will create for each of the programs. There's a 5-minute video that just walks someone through the enrollment right on their screen, as well as a 5-minute video that walks through submitting contributions wheeling to these items in our communications, these are the types of resources that are easy to include in a newsletter or some bit of information that you might be sending out to groups that are interested.

So all of this is content that we will create and make sure we have for NEST when the program launches. The next thing I was going to show and again let me know if this is still OK from a timing standpoint, I can run through just a little the flow for registration. If you all are interested in that.

**Treasurer Conine**

Thanks Courtney.

I certainly am.

Does any board member have a problem running through that real quick?

**Courtney Eccles**

OK, perfect. All right.

**Treasurer Conine**

I know we need everyone from a quorum perspective, so I just want to make sure we don't plan on losing anybody quickly and I'm not seeing any faces.

Please, Courtney. Go ahead. I think this is fascinating.

**Courtney Eccles**

Happy to do it.

So what you can see here and this is something we really worked on, is there used to be kind of a few different places where if you are a saver, you would go to one area if you were an employer, you would go to another and we found that it was actually part of our redesign was connecting and giving everybody sort of a singular starting place.

So if I'm a business or a saver, frankly, coming to the program website for the first time, I can click get started indicate that I'm the business and coming here to register. I will click and continue and then please watch the very smooth transition.

I'm in a staging site here, so ignore the fact that the pictures are different, but I'm just showing you in a staging site what this registration flow will look like.

So an employer gets taken to this page they're going to put their EIN in and then access code. This was the code I mentioned. We generate that on our side, and we include that in the communications that we send to employers.

It's a unique code and it's part of the way that we help validate that the individual or entity coming is who they say they are.

So it's an EIN and access code, you put that in. Click begin.

First step is registering my business this is also where an employer can come to certify their exemption.

So as a reminder, we do everything we can by using 5500 data to remove businesses that we know have filed indicated that they are offering a qualified plan. But there are exceptions to that, not every business has to file. If you're part of a larger qualified plan it's only one EIN that's listed as opposed to all the EIN's that might be participating.

So, we know there are businesses that will get a communication that have a qualified plan. In that case, all they do is click, certify my exemption. They just indicate why they're exempt by checking a little box. They can put their e-mail in and get confirmation that they've exempted from the program. We hold those records for you. So, if that's something the state is interested in, we've got it.

But on our side, they'll be indicated as exempt. In this case we'll move through the registration process. The first step is creating your login email and password.

Another thing I'll point out is that we definitely appreciate there are employers who might have three different businesses, each with a unique EIN.

The great thing about that is that the employer can create one e-mail login and then see their businesses all in the same spot.

So they'll register one and then when they go to register the next one, they'll just login and can add a second a second business.

So I've got this very generic sample e-mail.

I would create my password, put that in and then this is platform terms of use, which are really just what call out, making sure we are keeping data secure, employers are keeping data secure and now they'll start the onboarding here.

The on boarding really consists of providing some key information about the business, what their payroll is, how they plan to remit contributions and then adding employees. So it's kind of a four step process as you can see over here on the side. So first piece I'd add my company name if my doing business name is different, I'll put that in, this helps us when we send future communications put in my address and phone number save and continue then we want to make sure. Do you receive mail at your physical address?

If not, you can click no and then put in what the mailing address is and that way we know we can differentiate between those two. If it's the same, they would just be able to hit save and continue.

Next here is where we learn about payroll. We will ask businesses what they use for payroll. In this case I can say Paylocity here part of why we do this is we offer several

different payroll integrations. If we know what system an employer is using, if we have a payroll integration for that payroll provider, we're going to alert them in their account after they complete registration. We have a little box that'll say, we may have an integration available. You click here for more information and it will take them to the specific help center article on how to set up the integration for that provider. So that's why we ask for that information up front, even if we don't have an integration available, it's really helpful for us to know the payroll providers that employers do use because we are constantly adding to that set of integrations that we offer across payroll providers and want to be able to communicate with folks if we add a new one, six months from now and they have a chance to make it easier. I will say we're really conscience of the fact some employers will always come to the portal for payroll, that's great. It's not hard, if we have an integration that something they can set up and take one less thing off their plates. So, either way we want to make sure this is easy for businesses. So, I've added Paylocity, safe and continue.

#### **Treasurer Conine**

Courtney. Sorry.

Member Kao. Did you have a question?

#### **Member Kao**

I have a question for payroll providers that have either 180 or 360 integrations. Is there a fee to do this on the on the employer side? And if there is a fee, do the employers have a way to opt out and manually still set up?

#### **Courtney Eccles**

Great questions all around. So let me kind of tackle those one by one.

So we offer a variety of integrations. Our goal and hope are always 360.

Just it's, you know, more comprehensive, right?

But we can only build what payroll providers are willing to build to as well.

It's a two-party relationship, obviously. So, we have some of our integrations that are 180. We have some integrations that are 360 and we have a couple integrations right now that are a full 360 through an API specifically with Gusto and with QuickBooks Online.

All that information is in the help center and we serve up the appropriate article

depending on what payroll provider and employer indicates as I mentioned earlier. To your question about fees and the requirement to use it. The first key point is we never set up an integration on behalf of an employer they always need to initiate that integration. Starting point, right?

So even with the API's, it's simple. They click a button, and they can connect through their gusto account, or they can connect to their QuickBooks Online, but it's still something that the employer does. That's not something we have an automated ability to set up on anyone's behalf.

And for same goes for the 360 and the 180 SFTP integrations. Those still need to be initiated by the employer when it comes to fees we Vestwell and I know the state do not charge anything, we don't have control over payroll companies and if they include the integration in a certain tier of service that they provide, for example, I certainly know there are a number of the integrations we have where there's no charge, right, QuickBooks and gusto for example there is not an additional charge. It is part of the services that you get if you utilize those providers, there may be others that do have a small charge for the integration, but it's always up to the employer if they want to set that. So, to your point, you know you can always come directly to the site and submit contributions there.

**Treasurer Conine**

Thank you, Member Kao, any follow up?

**Member Kao**

Oh, that's great. Thank you so much.

**Treasurer Conine**

Of course, Courtney, please continue.

**Courtney Eccles**

Thank you. This is where an employer will put in their pay schedule. In large part, this is just to help us send we send automated reminders four days before a scheduled payroll to just let an employer know you know contributions are coming and so here I would provide my name and then I list my schedule and one of the things we try to do just because, some folks do it weekly some are twice monthly every other week or

on the 15th and the last day.

Whatever you select will show the next 5 pay dates based on what you've inputted. So an employer can just do a quick look on there and then say yes, that aligns that aligns with when I'm running my next 5 payrolls.

Great. So then you'll save the pay schedule and you can add multiple schedules.

Again, the reason for that is I may have three locations I want each one of them as a separate pay schedule, but all within my one account, right?

So a lot of this is really based on an understanding and appreciation that that not every business is the same and we want as much flexibility in here so that employers can manage this in the same way that they run their payroll on their schedule and with the right layouts.

So, this next piece here is where an employer tells us how they're planning to fund or make these contributions.

You can see we've got the different options. We strongly encourage employers to utilize bank account via ACH. It's listed as the default. Now when you go through the actual live version of the portal registration and part of that is just because we know folks use paper check it's an option, but you know there's delays, there's often more opportunities for mistake things like that.

So we'll do bank account via ACH, employers will add bank account. Hopefully you can see this pop up here.

You'll see that you can enter it manually, we try to get folks to default to direct bank connection.

We do that through Plaid. Many of you have, maybe even done this in other ways in in your own life, right where you select your bank.

You then are taken. Let's say I'm using Chase or Citi, right?

I'm taken to my login.

I login using my information and then I can select which bank account.

I use to run payroll.

And connected automatically through Plaid.

Again, it's the, it's the method we try to encourage because it just eliminates the potential for mistyping an account number or a routing number.

But folks can do it either way, so we'll do bank account connection.

I click get started and again because we're in staging. I look at magically connected

via Plaid. I would go through that normal setup in the real environment and again you can add different bank accounts if you'd like to. If you happen to use different accounts for your different payroll groups.

Then we go to saving continue. So last step is adding employees, we try to provide some information here about what is needed.

And you don't see it here in the demo staging site, but we have a little button that's right next to this information where folks can download a sample template if they want to fill that in. We also have it on this main page and then I'll show you with an upload but few different things I'll say here is we know you're going to have some businesses who may be adding just the five employees that they have.

You can manually type that information right in here. Otherwise, folks can upload a file, so we do that, pull our apparel contributions file. One of the things that I think is kind of a nice feature. We definitely appreciate that we have names for the fields that you have to add, but depending on where someone pulled their excel spreadsheet from their payroll system the names might not be identical.

One thing that our system does is it will say hey, we need Social Security number we see in your file you've got this field, this column titled social let us know if that's what we should be matching to.

So in my demo file I named that ZC right?

So I can do those things and just makes a little bit easier not everything has to be identical.

It's one of the places where we've kind of tried to alleviate issues that employers had when adding their list, so I'll hit continue. This all populates here. I will tell you that let's say someone had an error they were missing a digit on a ZIP code or missing a digit on Social Security number.

The box would be highlighted in red before you can save and continue.

So just need to fix that particular item once everything is clean, save and continue success, we've added our employees and then you just click finish onboarding.

So that's the full process, that is registration start to finish for businesses in these programs. Once they've gotten to this part, that's really where we as your administrator will take over.

So this is when the saver communications come in that saver information gets populated and next day we send out those first day communications to the employees who are added, letting them know you've been added to NEST.

Here's what it is great opportunity to save, Here's how you take control of your

account. Got a cadence of communications that will go out to those savers before they are auto enrolled and before an employer can ever actually make contributions. I can show you guys ignore the next page because you're going to see we've got all these samples of mature accounts in them, so just ignore that.

But what you what you would see right if I just finished this process is that the list of folks I added would be here? All of them would be in this pending status, and that's because you're pending until you've gone through that 30 day window to make sure that you received your notices have had a chance to make any changes, have had a chance to opt out.

So if I, an employer wanted to come and run payroll, I couldn't until someone is out of that pending window and then they're listed as active.

You can see this is what it'll show right? If someone has opted out and just a note if you see a handful of employees who are ineligible, it's because on our end we were not able to successfully move them through the federally required know your customer process and in that case we the administrator on behalf of the program, will send a communication to those folks that just says, hey, we need more information to be able to verify your identity, here's how you resolve that.

So it's not something an employer has to take care of.

Let me show you last thing. I'll show you really quick is this is a sample of the contributions page.

So what you'd see here, right? This is obviously a business that's made contributions pretty regularly, but you can start contributions, you can always see your history and the status you can take an action if you just do a contribution.

And you can see savings rate changes so that anytime you come in for your next payroll, you can say, oh Yep, I've got a few folks who may be changed from, you know, 5% to 3 and you can make those changes.

And I will note, we always make sure to communicate with employees when they make a savings change past that initial 30 day window, we just remind them that it could take a payroll or two. We appreciate that businesses sometimes run payroll three or four days before folks actually receive paychecks.

So just a reminder that we always give that buffer of time when employees make those changes.

Alright, I know that was a lot.

Any other questions?

Hopefully this just really gives you a sense of look and feel and kind of the core

process that employers will experience and will be eliminating all of the Colorado verbiage and NEST focused.

**Treasurer Conine**

This is great, I appreciate it.

Any questions from members at this stage?

All right, Courtney, any closing thoughts or Michael, any closing thoughts on agenda item number four?

**Courtney Eccles**

Nothing for me. Thank you.

**Michael Pelham.**

I have none thank you.

**Treasurer Conine**

All right. Excellent.

Thank you both. Without close agenda number four, which was just for discussion, move on to agenda item number five for discussion and for possible action.

Presentation on recommendations and board selection of Nevada Employee Safety Trust program design elements. These were the two items that we punted on at the last meeting. The auto escalation, cap rate and self-enrollment feature.

Let's take them one at a time. Michael, start with the auto escalation cap rate.

**Michael Pelham**

Last meeting we were kind of throwing out numbers. Is eight percent going to be a good tap out rate or is ten percent.

So I reached out to Georgetown University they do great work with auto IRA programs. They provided me this list of states who all have auto escalation and their cap rates. We can see that most of them are at ten percent, we do see Vermont and Connecticut are at eight percent, but I have gotten some information that these two states are looking to increase their cap rate to ten percent.

So we recommend ten percent. We see other states are going in that direction.

I do want to mention that the states that were early adopters, we have Oregon as an

early adopter, and they right now have an average savings rate at over seven percent.

Oregon residents are saving close to that eight percent. So, we we're recommending at ten percent.

I'm happy to answer any questions.

**Treasurer Conine**

Thank you, Michael. And for anybody looking for this, this is around page sixty five in your PDF is the comparison of the board packet of the different cap rates.

Happy to open it for questions.

Just sort of a quick pinning from the chair perspective in many states, this cap rate has set been set in statute and so then they have to go back and do a statutory change to fix it. In this state, it's a decision of this board. So if this board chooses ten and then later on gets information they want to make it eight, they certainly can. And if they make it eight and later on, they make decisions should be ten, they certainly can, and that will be years away from the start of the program, just given the nature of auto escalation.

So I'll start there.

Any questions from members or comments?

**Member Caldera**

I would support the 10%.

**Treasurer Conine**

OK.

Thank you, member. Caldera. We don't have to do a nose count right now. Although given the nature of quorum and the fact that there are four of us here, hopefully we will all agree if we get to a solution but happy to take a motion on making that auto escalation cap rate ten percent.

**Member Caldera**

I will make the motion to move forward with the 10% cap rate.

**Treasurer Conine**

All right.

Any discussion on that motion all in favor say Aye. all right. Motion passes unanimously.

**Member Sewald**

Aye.

**Member Caldera**

Aye.

**Member Kao**

Aye.

**Treasurer Conine**

Motion passes unanimously. Thank you all very much, Michael. If you could move on to the self-enrollment option.

**Michael Pelham**

The early adopter states there were questions last meeting about the self-enrollment option. The board asked that we reach out to other states to see when this was offered for early adopters. I can tell you all states has this option Oregon currently has eleven hundred savers that have enrolled based upon the self-enrollment option. We believe it's a mechanism to allow all Nevadans to save. Above all we want to point to the statute 353d.310 the board shall determine a method for employers other than covered employers and employees participate in the program if allowed under federal law. So, we went back and looked at the statute and we think this the intention behind the statute is to have the self-enrollment option.

With that I'm available to answer any questions.

**Treasurer Conine**

Thank Michael.

OK. Quick comment from the chair. I think that's really the load bearing piece of this. We believe statutorily we have a responsibility to offer this if it's available, it is available, but we do have to vote on it as a board.

Any questions from members or we'll take a motion to that end.

**Member Caldera**

Yes, I'll make a motion to go ahead and move forward with the self-enrollment option.

**Treasurer Conine**

All right.

Any discussion on that motion? Thank you, member.

All right. All in favor, say Aye.

**MS Member Sewald**

Aye.

**Member Kao**

Aye.

**Member Caldera**

Aye.

**Treasurer Conine**

Any opposed?

Motion passes unanimously.

Thank you, Michael.

That closes agenda item number five. On agenda item number six, I'm going to pull that from the agenda, but I'm going to take just a moment to kind of explain why.

So, this is the board review and approval of the basically the agreement between us and the other states to join the Colorado Program as well as the agreement addendum to Vestwell. Those grades are still going back and forth with negotiation on a relatively minor points, but the points between our attorneys and the Attorney General 's office and Vestwell's attorneys and Colorado 's attorneys, etcetera, etcetera, I don't want to bring something to the board that is you know five percent of the way there. And then have to bring it back in case anything changes. I don't waste anybody 's time from a presentation perspective.

So we're going to punt on that one and table it until a future conversation when everybody else goes, generally the board, this board will be kind of gets the last bite at the apple, not some sort of strange bite in the middle. And then at the end of the apple, just to butcher the heck out of that metaphor.

So, we'll skip agenda item number six.

Move on to agenda item number seven. Our set-in period for public comment.

I see we have some friends who've joined us in Las Vegas.

Any public comment in Las Vegas? Gentlemen at the table.

Ok, no public comment in Las Vegas.

No one has joined us in Carson City, has any public comment joined us online?

I see some new folks online.

Carrying on, we'll close the second period for public comment, and we'll move to adjournment.

We are adjourned.

Thank you, board members, Michael, Courtney, Hunter etc.

Have a great day



**Nicole Stephens** stopped transcription

THE BOARD OF TRUSTEES OF THE  
NEVADA EMPLOYEE SAVINGS TRUST

**Agenda Item 4**  
**April 7, 2025**

**Item:**       **Staff update to the Board on Nevada Employee Savings Trust program branding, communications and outreach.**

**Summary:**

Michael Pelham, Program Manager of the Financial Literacy and Security Division, will provide an overview of the NEST program branding, communications, and outreach timeline.

**Staff recommended motion:**

<b>No action needed. This item is informational</b>
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THE BOARD OF TRUSTEES OF THE  
NEVADA EMPLOYEE SAVINGS TRUST

**Agenda Item 5**  
**April 7, 2025**

**Item:** Board review and approval of the Partnership for a Dignified Retirement (PDR) documents including Master Services Agreement, Vendor Addendum, Interstate Adherence Agreement and Memorandum of Cooperation. Direct State Treasurer staff to finalize the contract documents with the (PDR) and Vestwell State Savings LLC.

**Summary:**

Lesley Mohlenkamp, Deputy Treasurer of the Financial Literacy and Security Division, will provide an overview of the agreement and addendum documents for Board review and approval.

**Staff recommended motion:**

**Board to approve Master Services Agreement, Vendor Addendum, Interstate Adherence Agreement and Memorandum of Cooperation documents and move to direct State Treasurer staff to finalize the contract documents with the PDR and Vestwell State Savings LLC.**



**State of Colorado  
Department of the Treasury  
Master Agreement Terms and Conditions**

**Program Administration Services for the Partnership for a  
Dignified Retirement**

**Colorado Department of the Treasury  
200 E Colfax Ave., #140  
Denver, Co 80203**

**And**

**Vestwell State Savings, LLC  
1410 Broadway, 23<sup>rd</sup> Floor  
New York, NY 10018**

**Master Agreement Number: 178638**

**Amended and Restated Effective August 10, 2023**

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## 1. COLORADO MASTER AGREEMENT OVERVIEW

### 1.1. Parties

This Master Agreement Terms and Conditions (this “Master Agreement”) is entered into by and between the State of Colorado, acting by and through the Colorado Secure Savings Plan Board (hereinafter, “Lead State”), and Vestwell State Savings, LLC (hereinafter, “Contractor”).

This Master Agreement governs the Program Administration Services for the Partnership for a Dignified Retirement (the “Partnership”) to facilitate automatic enrollment IRA programs within approved Partner States. This Master Agreement sets forth the minimum responsibilities of Contractor with respect to providing Program Administration Services.

In accordance with **§24-110-201, C.R.S.**, this Master Agreement is established as a cooperative purchasing agreement available for use by the Lead State and other States, which may encompass their local agencies and political subdivisions, including, but not limited to, city and county government entities, public utilities, public school districts and state institutions of higher education, under the terms, conditions and rates set forth in this Master Agreement. Each State utilizing the Services under this Master Agreement shall establish its own contract (“Partner State Addendum”), issue its own tax exemption certificate, and resolve any disputes arising from such contract, directly with Contractor.

Contractor and Lead State hereby agree to the following terms and conditions.

### 1.2. Effective Date

This Master Agreement shall not be effective or enforceable until the date on which it is approved and signed (hereinafter called the “Effective Date”) by the Colorado State Controller or designee and Contractor.

### 1.3. Order of Precedence

**1.3.1.** This Master Agreement, and its accompanying Exhibits and related contract documents, shall have the following order of precedence:

- a) This Master Agreement, including all exhibits and attachments;
- b) Memorandum of Cooperation between the Partner State and Lead State;
- c) Interstate Agreement between the Partner State and Lead State; and
- d) Partner State Addendum.

**1.3.2.** Except as specifically allowed elsewhere in this Master Agreement, any conflict among these documents shall be resolved by giving priority to these documents in the order listed above. Contractor terms and conditions that apply to this Master Agreement are only those that are expressly accepted by Lead State and shall be incorporated into this Master Agreement.

### 1.4. Term

**1.4.1. Initial Term.** The Parties’ respective performances under this Master Agreement shall commence on the Effective Date and shall terminate seven (7) years after the Effective Date (the “Initial Term”), unless terminated sooner pursuant to **Section 5.14 (Defaults and Remedies)**, or extended further as specified in **Section 1.4.2** below.

**1.4.2. Extension of Master Agreement.** Lead State, at its discretion, shall have the option to extend the term of this Master Agreement beyond the Initial Term for one additional period of two (2) years, and, thereafter, for one additional period of one (1) year (collectively, the “Extension Term(s)”) (Initial Term and Extension Term(s), collectively, the “Terms”). Any extension shall be on the same terms specified in this Master Agreement. The total term of the Master Agreement, including all

Extension Terms, shall not exceed ten (10) years. To exercise this option, Lead State shall deliver a written notice to Contractor no less than thirty (30) days prior to the end of the then current Term.

- 1.4.3. Amendments.** The terms of this Master Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written and signed approval of the Lead State and Contractor.

## 2. DEFINITIONS

The following terms shall be construed and interpreted as follows:

TERM	DESCRIPTION
<b>Account</b>	The IRA of an enrolled Employee or individual established and maintained under the Partner Program.
<b>Affiliate</b>	A person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person or entity specified.
<b>Applicable Law</b>	The provision of a law, regulation or rule which applies in a given context, including formal published guidance or policies issued by entities with legal authority to enforce, interpret or uphold those laws, regulations or rules.
<b>Beneficiary</b>	The individual(s), person(s), or entity(ies) entitled to receive the proceeds of an IRA upon the death of the IRA owner.
<b>Business Day</b>	Any day on which the New York Stock Exchange is open.
<b>Code</b>	The Internal Revenue Code and any regulations, rulings, announcements, or other guidance issued thereunder, as amended.
<b>Contractor</b>	The person or entity performing Services under the terms and conditions set forth in this Master Agreement.
<b>Custodial Agreement</b>	IRS Model 5305-RA contractual agreement that describes the Roth IRA's terms and conditions and meets the requirements of section 408A of the Internal Revenue Code.
<b>Disclosure Acknowledgement</b>	A nontechnical explanation of the statutory requirements relating to the IRA that meets the requirements of Treasury Regulations Section 1.408-6.
<b>Effective Date</b>	Is as defined in <b>Section 1.2</b> .
<b>Employee</b>	Any individual who is eighteen years or older, who is employed by an Employer and, if applicable, for the minimum period of time established by applicable law of the Partner State, and who earns wages subject to income tax.
<b>Employer</b>	A person or entity meeting the definition of an Employer or Covered Employer required to participate in the Program under the applicable State law.
<b>FINRA</b>	The Financial Industry Regulatory Authority.
<b>Independent Contractor</b>	A natural person, business, or corporation that provides Services to another entity under the terms specified in a contract. An employer-employee relationship does not exist.
<b>Individual Retirement Account (IRA)</b>	Individual retirement account or individual retirement annuity under Section 408(a), 408(b), or 408A of the Code.
<b>Intellectual Property</b>	Any and all patents, copyrights, service marks, trademarks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.

<b>Interstate Agreement (IA)</b>	An agreement between Partner States and the Lead State, which details expectations, duties, and governing arrangements for the Partnership for a Dignified Retirement. The agreement identifies areas of decision-making authority, participating in any governing bodies, as well as data sharing frameworks from Partner States.
<b>Investment Options</b>	Asset categories include, but are not limited to: short-term investments, fixed income investments, domestic equity investments, international equity investments, Global Equity investments, Balanced investments (including Target Date and Target Risk).
<b>IRA Requirements</b>	The applicable federal and state laws, rules and regulations that a provider, trustee, custodian, insurance company or administrator of an IRA must comply with for the IRA to constitute and IRA under Code sections 408 or 408A and otherwise satisfy all applicable federal and state tax, securities, privacy and other requirements.
<b>IRS</b>	The Internal Revenue Service.
<b>Lead State</b>	The state that is leading the procurement for the Partnership, which is the State of Colorado.
<b>Marketing Plan</b>	The annual plan for marketing and promotion approved by the Partnership.
<b>Master Agreement</b>	Means this Master Agreement, executed by and between the Lead State and Contractor, and such subsequent amendments as may be executed between Lead State and Contractor.
<b>Memorandum of Cooperation (MOC)</b>	A non-binding framework of collaboration between one or more State Boards of Directors (“Parties”) through with the Parties commit to exchanging information and liaising with stakeholders in order to explore whether to formalize a long-term legal relationship(s) to design, implement, and operate a joint Auto-IRA program.
<b>MSRB</b>	The Municipal Securities Rulemaking Board.
<b>Net Asset Value (NAV)</b>	A fund's or company's total assets less its liabilities.
<b>Normal Business Hours</b>	8:00 a.m. to 5:00 p.m., Monday through Friday (state holidays excluded), regardless of time zone.
<b>Partnership</b>	The Partnership for a Dignified Retirement, which is comprised of the approved Partner Programs as well as an advisory board consisting of the directors in each Partner State.
<b>Partner Program</b>	The automatic enrollment IRA program enacted by legislation for Employees and Savers in a Partner State, that adheres to the requirements of the Master Agreement, the MOC and the IA.
<b>Partner Program Assets</b>	The Accounts associated with the enrolled Savers of a Partner State.
<b>Partner Program Disclosure Booklet</b>	A technical document describing the Partner Program including important information about the investments, risks, fees, and features associated with the Partner Program.
<b>Partner Program Disclosure Statement</b>	A nontechnical explanation of the statutory requirements relating to the IRA that meets the requirements of Treasury Regulations Section 1.408-6.
<b>Partner Program Materials</b>	Logos, slogans, promotional items, educational items, and presentations designed for communicating with stakeholders, Employers and Savers.
<b>Partner Program Records</b>	Any and all Partner State data, information, and records regardless of physical form including, but not limited to, information subject to disclosure as Public Records.
<b>Partner State</b>	A U.S. state, which encompasses all government entities within that state, or the District of Columbia, or one of the territories of the United States, or any duly authorized agency or authority of that state that enters into a Partner State Addendum. Lead State is also a “Partner State.”
<b>Partner State Addendum</b>	A bilateral agreement executed by Contractor and a Partner State incorporating this Master Agreement and any other additional Partner State specific language or other

	Requirements substantially in the form attached hereto As Addendum A.
<b>Person</b>	A natural person and does not include such entities as a corporation, public agency, political subdivision or association.
<b>Program Administrator</b>	A Third-Party financial services entity that will assist the Partnership in carrying out its obligations in order to promote retirement savings for Savers in a convenient, low-cost, and portable manner.
<b>Program Administration Services (“Services”)</b>	The services provided by the Awarded Contractor which include: Partner Program support, creating a web-based IRA platform, public program website creation and administration, recordkeeping and administration, marketing and outreach, customer service, compliance and oversight, reporting and client services.
<b>Public Record</b>	All books and Public Records of a governmental entity, the contents of which are not otherwise declared by law to be confidential must be open to inspection by any person and may be fully copied or an abstract or memorandum may be prepared from those public books and Public Records.
<b>Saver(s)</b>	Any Employee or other individual who is eighteen years or older, who earns wages subject to income tax, and who owns an Account in a Partner Program, including (a) a Saver who owns an Account, but is no longer an Employee, or (b) the Beneficiary of a Saver.
<b>State Administrative Fee</b>	A portion of the basis point fees collected from Assets under management and/or the portion of an account fee collected from Savers’ Accounts associated with a Partner State and remitted to the associated Partner State.
<b>Subcontractor</b>	A Third-Party, if any, engaged by Contractor to aid in performance of the Services.
<b>Regulatory Body</b>	The MSRB, FINRA and any other State or federal entity or association that regulates the activities of Contractor.
<b>Solicitation</b>	A written offer or attempt to purchase Products and/or Services through an official Proposal, Evaluation, and Award process.
<b>Third Party</b>	Where capitalized, means someone who may be indirectly involved but is not a principal party to an arrangement, contract, deal, lawsuit or transaction.
<b>Trading Day</b>	Day that New York Stock Exchange is open, from 9:30am - 4:00pm Eastern Time.
<b>Withdrawal</b>	A removal of funds from an Account.

### 3. PROGRAM PROVISIONS

#### 3.1. Fees, Costs and Guarantee Period

##### 3.1.1. Contractor’s Fee

- a) Contractor shall be entitled to charge and collect a fee from Accounts, as specified in **Exhibit A**.
- b) In the event that Contractor breaches this Master Agreement or otherwise fails to meet performance standards, the State will provide written notice to the Contractor with sufficient detail to enable Contractor to understand the nature of the deficiency. Within 10 days of receiving the notice, the Parties will meet, promptly and in good faith, to discuss any alleged breaches and Contractor will be provided with at least 60 days, or other agreed upon time, to cure any deficiency. If Contractor has not remediated any deficiency within 60 days after receiving notice of it, the Partner States, at their option, may require that Contractor cease collecting its fees, or that Contractor place fees in escrow, pending cure of the breach.

##### 3.1.2. Limitations

- a) Except as specifically set forth in **Exhibit A**, Contractor shall bear all of its costs and expenses associated with this Master Agreement, the Partner State Addenda, the Partner Programs, and the Services, as well as its other obligations and responsibilities under this Master Agreement, including, but not limited to, as applicable, preparation of all offering materials for the Partner

Programs, including the Partner Program Disclosure Booklet or Summary Program Disclosure

Booklet. No such costs or expenses shall be paid from or reimbursed out of the Partner Programs or by Lead State.

- b) Neither Lead State, nor any Partner State, shall have any responsibility for any fees provided for under this Master Agreement. Any fees payable to Contractor shall be payable only from Accounts, and only as permitted by this Master Agreement and in the Partner Program Disclosure Booklet, unless otherwise agreed to in a Partner State Addendum and, only then, with such fees being the responsibility of only that Partner State.

### **3.1.3. State Administrative Fee**

Each Partner State may charge, and Contractor shall collect on the Partner State's behalf, a State Administrative Fee as specified in each Partner State's Addendum. Such State Administrative Fee shall apply only to those Accounts owned by Savers of that Partner State. The fee shall be remitted to the Partner State as separately agreed between the Contractor and the Partner State.

- 3.1.4.** Contractor shall ensure that their program website contains the approved Fee Table, and will not post any updated Fee Tables without prior written authorization from the Partnership.

- 3.1.5.** The fees listed in **Exhibit A** must be guaranteed throughout the term of this Master Agreement, including any Extension Terms; however, Lead State reserves the right to renegotiate the fees once per calendar year. Any revisions to the Fee Table shall be mutually agreed upon by Lead State and Contractor. In addition, Contractor may decrease its fees at any time. Lead State must be notified of any such decrease, and provided with a copy of the updated Fee Table.

## **3.2. Program Administration Services**

Contractor is only authorized to provide the Services that are awarded under this Master Agreement, as referenced in **Section 4 (Statement of Work)**.

## **3.3. Participants and Scope**

- 3.3.1.** Contractor may not provide any Services under this Master Agreement to a Partner State until:

- a) A Memorandum of Cooperation (MOC) is executed between the Partner State and Lead State;
- b) An Interstate Agreement is executed between the Partner State and Lead State; and
- c) A mutually agreeable Partner State Addendum between the Partner State and Contractor is executed. This Master Agreement is applicable to any Partner State Addendum, except to the extent altered, modified, supplemented or amended by a Partner State Addendum. By way of illustration and not limitation, this authority may apply to confidentiality requirements, defaults and remedies, governing law and venue, indemnification, and insurance requirements. The expectation is that these alterations, modifications, supplements, or amendments shall be addressed in the Partner State Addendum. In addition, Partner States may limit:
  - i.) Available Services; and
  - ii.) Any additional items as deemed necessary by the Partner State.

- 3.3.2.** Use of this Master Agreement by Partner States are subject to individual state's statutes.

- 3.3.3.** Obligations under this Master Agreement are limited to those Partner States who have signed a Partner State Addendum.

- 3.3.4.** Each Partner State must enter into its own Partner State Addendum with Contractor to establish and/or continue its receipt of Services from Contractor. The Partner State Addendum may contain details specific to each Partner State, or terms designed or required by that Partner State's laws and regulations.

- 3.3.5.** A Partner State may not participate in the Partnership or receive Contractor's Services unless its

Partner State Addendum has received the prior written consent of the Lead State via bi-lateral signatures on the MOC and the IA between the Lead State and the Partner State.

### 3.4. Right to Publish

Throughout the duration of this Master Agreement, Contractor must secure from Lead State prior approval for the release of any information, including any written correspondence, which pertains to the potential work or activities covered by this Master Agreement. If Contractor is required to release information per state or federal law or regulations, Lead State's approval shall not be unreasonably withheld, delayed, or conditioned. Failure to adhere to this requirement may result in termination of this Master Agreement for cause.

## 4. STATEMENT OF WORK

### 4.1. General Program-Related Duties and Provisions

- 4.1.1. Upon execution of an agreement between Contractor and each Partner State pursuant to section 3.3.1(c), Contractor shall develop and implement each Partner Program as an automatic enrollment IRA program, shall serve as administrator of each Partner Program, and shall be responsible for all items outlined in this Statement of Work. Contractor shall fulfill the services detailed in **Exhibit B**, *Program Launch Timeline*, in accordance with the deadlines contained in **Exhibit B**, to ensure timely and efficient launch of the Partner Program.
- 4.1.2. Contractor shall cooperate with each Partner State and any consultants, advisors, auditors, or legal counsel designated by the Partner State to review, evaluate or otherwise provide advice regarding their Partner Program.
- 4.1.3. Contractor may not engage an Affiliate or a Third Party (including an approved Subcontractor) to do anything on its behalf that Contractor is prohibited from doing directly under this Master Agreement.
- 4.1.4. At all times, Contractor shall utilize approved, qualified personnel to perform the services. Contractor shall be responsible for any economic detriment caused by Contractor's failure to use such personnel.
- 4.1.5. Contractor shall have no right or title to or interest in the Accounts, assets held in the Accounts, Partner Program Assets, or any Partner Program Records.
- 4.1.6. Upon request, Contractor shall provide the Partner State with access to all of their Partner Program Records within a reasonable time and in a form mutually acceptable to the Partner State and the Contractor.

### 4.2. Partner Program Support

- 4.2.1. Contractor shall support Lead State in its efforts to leverage the infrastructure being built for the Partnership to serve similarly structured retirement initiatives of other states ("**Partner Programs**"), in order to maximize efficiencies and lower costs. In particular, Contractor shall design and provide the Services to facilitate Lead State's ability to add Partner Programs as part of the administration of the Partnership.
- 4.2.2. Contractor shall serve as Program Administrator for all Partner Programs.
- 4.2.3. Contractor shall not interfere with the contractual relationship between Lead State and any Partner State, and shall not solicit, directly or indirectly, Partner States to cease their relationship with the Partnership.
- 4.2.4. Contractor shall be able to accommodate Partner Programs as part of its Services. This shall entail offering customized branding for Partner Programs, as well as separate accounting and state-specific compliance, where necessary. Specific Services may include, but are not limited to:

- a) Managing separate websites for each Partner Program (while core content will remain the same across Partner websites, sites should be customizable with regard to Partner branding, URLs, logos, and State-specific information).
- b) Customizing statements, forms, correspondence, marketing material and other documents to display Partner Program branding and information.
- c) Providing separately branded Partner Program Disclosure Statements.
- d) Providing separate audited financial statements for each Partner Program's assets.
- e) Assisting Lead State to recruit additional states to join the Partnership.

#### **4.3. Web-based IRA Platform**

Contractor shall provide a modern, accessible, secure online IRA platform that allows Savers and Employers to easily perform all aspects of plan/account set-up and management. The IRA platform shall:

- 4.3.1.** Provide Employers and Savers with instructions and information regarding the facilitation of exemptions and enrollment for Employers, and opt-out for Savers.
- 4.3.2.** Allow Employers to easily perform all necessary administrative tasks, including, but not limited to:
  - a) Uploading and managing Employee rosters and data;
  - b) Inputting, changing, and otherwise managing payroll contributions for Savers;
  - c) Integrating with payroll providers; and
  - d) Designating authorized individuals to access the Employer portal.
- 4.3.3.** Allow Savers to easily and reliably perform all self-service account management and maintenance, including, but not limited to the following:
  - a) Change investment elections;
  - b) Change contribution levels;
  - c) Transfer invested monies between portfolios;
  - d) Request contributions and distributions (within Partner Program limits);
  - e) Update profile and demographic information;
  - f) Change Beneficiary designations/changes;
  - g) Update passwords;
  - h) View and download statements, confirmations, tax forms, and other pertinent documents; and
  - i) View account information (i.e., account balances, historical transactions, earnings, and performance data).
- 4.3.4.** Provide a secure Employee and Employer portal for users to upload documents and other forms.
- 4.3.5.** Utilize technology which incorporates industry-standard security procedures in addition to having a recovery plan for contingencies such as data breaches.
- 4.3.6.** Be mobile device-friendly.
- 4.3.7.** Compliance with the Americans with Disabilities Act by satisfying WCAG 2.1 A/AA or any , federal and state (as applicable) accessibility laws, regulations, or guidelines that are effective subsequent to the execution of this Agreement and applicable notification laws and regulations

governing notices that must be given to Savers concerning benefit eligibility.

**4.3.8.** Be available 24 hours a day, with exceptions for pre-planned maintenance down-time.

#### **4.4. Public Program Website**

**4.4.1.** Contractor shall provide each Partner Program's public-facing website. The website shall substantially conform to Contractor's sample webpage depictions, as shown in their proposal response to RFP-TRES-NP-22-001. The website shall provide all relevant program information to Employers and Savers and shall be mobile optimized, compatible with all major web browsers, and ADA compliant. Contractor's responsibilities shall include the following:

- a) Website design and build;
- b) Hosting and maintenance;
- c) Ongoing creation of site content including interactive features such as modeling tools and retirement calculators;
- d) Directing/linking users to pertinent actions (e.g., enrollment, login to Employer and Employee portals, etc.);
- e) Developing and updating FAQs based on Partner State feedback; and
- f) Hosting plan resources, forms, disclosures, and documents.

**4.4.2.** Contractor shall make the website available 24 hours a day, with exceptions for pre-planned maintenance down-time.

**4.4.3.** Contractor shall make reasonable updates and changes to website design and content within five (5) Business Days of a change request from the Partner State, provided that, if updates cannot be made within five (5) days due to permissions, legal analysis, or other complexities, Contractor agrees to (1) notify Lead State in writing with a statement that indicates why additional time is needed, and (2) work diligently and in good faith thereafter to implement the changes as expeditiously as possible.

**4.4.4.** Contractor consents to the Partnership requiring Contractor to generate robust website and webpage reporting, including, by way of example and not limitation, requiring that Contractor collect and report details concerning traffic to specific webpages, Account activity, user report generation, click-rates, time spent on pages.

**4.4.5.** To the extent the Partnership allows Partner States to specify the display of their names or logos on webpages, or to otherwise implement webpages that are unique to the Savers, Employers or Accounts of the Partner States, Contractor agrees to implement such state-specific requirements as directed by the Partnership.

**4.4.6.** Contractor further agrees to maintain in place and comply with its privacy policy, which it will review on a regular basis to confirm that it complies with Applicable Law. Partner States will be available, at the request of Contractor, or upon the request of any Partner State, to review Contractor's privacy policies for compliance with their state-specific privacy laws.

#### **4.5. Recordkeeping and Administration**

Contractor shall provide all recordkeeping and administrative services necessary to ensure the effective operation of the Partner Programs and in accordance with Applicable Law. These Services include the following:

**4.5.1.** Keeping secure and accurate records for each Employer and Employee account and for the Partner Program as a whole.

- 4.5.2.** Collecting State Administrative Fees and remitting them to Partner Programs.
- 4.5.3.** Processing account enrollments and account closures (including handling any operations necessary following the death of a participant).
- 4.5.4.** Conducting comprehensive “Know Your Customer” and Office of Foreign Assets Control screening during enrollment and on an ongoing basis, if required.
- 4.5.5.** Processing and recording the purchase, sale, and exchange of units in each Partner Program.
- 4.5.6.** Providing separate accounting for each participant including contributions, investment changes and distribution history, on a daily basis.
- 4.5.7.** Providing all custodial, fund accounting, and banking services necessary to support each Partner Program’s operations, such as:
  - a)** Custodianship of assets;
  - b)** Segregation of funds;
  - c)** Cash management;
  - d)** Automated clearing house (ACH) processing;
  - e)** Net Asset Value calculation; and
  - f)** Assessing and remitting Partner Program fees.
- 4.5.8.** Administering a default provision (with a holding period or at a set dollar amount, and designated default portfolios) for Savers who do not select investments.
- 4.5.9.** Processing contributions via ACH, payroll deduction, and check.
- 4.5.10.** Permitting Savers to contribute to multiple portfolios.
- 4.5.11.** Monitoring IRA contribution limits and preventing accounts from making excess contributions.
- 4.5.12.** Processing distributions via ACH and check.
- 4.5.13.** Enforcing hold times according to industry best practices, in order to prevent fraud and loss.
- 4.5.14.** Supporting decumulation strategies and options adopted by each Partner Program.
- 4.5.15.** Processing IRA rollovers to and from qualified retirement plans.
- 4.5.16.** Supporting the use of all Investment Options selected by the Partner Program.
- 4.5.17.** Creating all Partner Program forms necessary for account set-up, maintenance and transacting (mirroring the enrollment and self-service functions available on the web-based IRA platform).
- 4.5.18.** Timely handling all customer fulfillment requests for Partner Program literature, forms, or other information.
- 4.5.19.** Managing a P.O. Box or other central mailing address where participants can send in forms, documentation, or contributions.
- 4.5.20.** Processing all account transactions, forms, and other instructions accurately and in a timely manner.

- 4.5.21. Providing quarterly account statements according to the participant's preferred method of receipt (paper mail or electronic delivery).
- 4.5.22. Providing account confirmations and other correspondence to participants as necessary.
- 4.5.23. Completing and distributing all required IRS tax forms (e.g., 1099-R and Form 5498).
- 4.5.24. Establishing a data exchange with any necessary Partner States to intake information regarding eligible Employers.
- 4.5.25. Developing and distributing compliance notices to eligible Employers.
- 4.5.26. Assisting the Partner Program in administration of any current or future statutory grant programs to incentivize Employer compliance.
- 4.5.27. Distributing Partner Program Disclosures as dictated by law and industry best practice.
- 4.5.28. Collaborating with other Partnership stakeholders, such as Investment Managers, banking institutions and payroll providers.
- 4.5.29. Using industry best practices regarding data encryption, information security, backup processes and procedures, and system redundancy.

#### **4.6. Partner Program Assets**

- 4.6.1. Partner Program Assets in the Investment Options shall be maintained by Contractor in omnibus Custody Accounts held in the name of the Partnership. The Custody Accounts shall be established and held pursuant to this Master Agreement, and with respect to each Partner State, the applicable Partner State Addendum. Contractor warrants that assets will be legally segregated but operationally commingled so that assets are identifiable by Partner Program at the individual participant account level. Contractor shall preserve, invest, and expend the Partner Program Assets solely pursuant to and for the purposes of the Partner Program.
- 4.6.2. Partner Program Assets shall be held in omnibus Custody Accounts by investment option and will be uniquely assigned to an individual Program and record kept separately at the participant account level. Contractor must ensure assets of all programs can be separated and will be accounted for at the Partner Program level for supplementary audit disclosure and activity reporting to each Partner Program. Contractor warrants that this system of account maintenance will permit (i) timely and accurate accounting for individual IRAs and (ii) the orderly and efficient withdrawal of the Accounts of specific Partner States, if needed and (iii) meets all federal requirements.

#### **4.7. IRA Custodian Services**

- 4.7.1. Contractor shall either directory or through a Subcontractor serve as IRA custodian for the Partner Programs.
- 4.7.2. Contractor shall satisfy all laws contained in the Code and its implementing regulations and guidance, and all criteria established by the IRS to act as custodian of each IRA established under the Partner Programs. In the event that Contractor, at any time, fails to satisfy IRA criteria to act as custodian of the IRAs established under the Partner Programs, Contractor shall report to the Partnership in writing on the scope and nature of the discrepancy and Contractor's proposed remedial action.
- 4.7.3. Contractor shall perform its duties consistent with the IRA Custodial Account Agreement and IRA Disclosure Statement and the duties required under the IRA Requirements.

**4.8. Account Establishment**

**4.8.1.** Contractor shall establish an individual Account in each Partner Program for each enrolled Employee or Person, in accordance with the Disclosure Acknowledgement and Account application.

**4.8.2.** Contractor shall establish operational protocols designed to ensure that a Saver cannot open more than one account in the Partner Program.

**4.9. Contributions**

**4.9.1.** Contractor shall receive contributions to an Account made on behalf of the Employee or Person or by any Third Party in accordance with Applicable Law. Contractor shall receive contributions via all of the methods (e.g., ACH, payroll deduction, etc.) permitted by the Partner Program, or as otherwise agreed to by the applicable parties.

**4.9.2.** Contractor shall invest all contributions it receives in the Investment Option(s) designated by the Employee or Person, or, if the Employee or Person has not designated any Investment Option(s), then Contractor shall invest the contributions in a default option according to the Partner Program rules. Contractor shall credit each such contribution received in good order to the Account to which such contribution is made.

**4.9.3.** Contributions received in good order before the close of trading on the New York Stock Exchange (usually 4:00 P.M., Eastern Time) on any Trading Day shall be credited the same day to the Account to which the contribution is made. Contributions received in good order after the close of trading on the New York Stock Exchange on a Trading Day, or received in good order on a day other than a Trading Day, shall be credited to an Account on the next Trading Day.

**4.9.4.** Contractor will establish operational protocols that ensure compliance by Employee or Person with contribution limits under Code Section 408 and any other Applicable Law.

**4.9.5.** Contractor shall not enforce any minimum contribution requirements for Partner Programs unless otherwise stated in a Partner Program Addendum.

**4.10. Withdrawals**

Contractor shall process requests by Employee or Person for Withdrawals in accordance with the Employee or Person's directions, Applicable Law, and the Partner Program Disclosure Booklet. Contractor shall offer Withdrawals via all of the methods (e.g., ACH) permitted by the Partner Program, and as otherwise agreed to by the applicable parties.

**4.11. Tax Reports**

**4.11.1.** Contractor shall comply with all tax law reporting as is or may be required by a Program Administrator under Applicable Law, including without limitation the IRA Requirements, or any requirements of any Partner State Tax Department.

**4.11.2.** Contractor shall report to the IRS, Partner State Tax Department, an Employee or Person, Beneficiary or any other Person to the extent required of a Program Administrator by Applicable Law, if there are any Withdrawals from the Partner Program by any individual or for the benefit of any individual during a calendar year.

**4.11.3.** At the Partner State's request and to the extent consistent with the terms of any agreement between Contractor and the requesting Partner State, Contractor shall provide an annual listing, in a form approved by the Partner State, to the Partner State Tax Department of all Withdrawals to any individual with respect to an interest in an Account.

**4.11.4.** Contractor shall prepare and file statements and information relating to the Partner Program and the Accounts to the extent required of a Program Administrator by federal and Partner State tax law,

with written confirmation of such filing provided to the Partner State.

#### **4.12. Partner Program Disclosures**

- 4.12.1.** Contractor shall prepare the Partner Program Disclosure Booklet and Summary Program Disclosure Booklet, if applicable, in cooperation with, and to the satisfaction of, the Partner State. Contractor shall, at its own expense, distribute the Partner Program Disclosure Booklet in the method (i.e., via paper mail or electronic delivery) requested by the recipient.
- 4.12.2.** Contractor shall amend or supplement the Partner Program Disclosure Booklet and Summary Program Disclosure Booklet, if applicable, to take into consideration material developments subsequent to the preparation and delivery of the initial Partner Program Disclosure Booklet.
- 4.12.3.** Contractor shall promptly notify the Partner State of any Partner Program provisions that are no longer true or accurate, and promptly make any necessary revisions to the Partner Program Disclosure Booklet, and distribute the new Partner Program Disclosure Booklet to Employee or Person and others, as may be required.

#### **4.13. Compliance and Oversight**

Contractor shall be responsible for ensuring the Partner Programs have proper oversight, and compliance in accordance with Applicable Law and the duties of a Program Administrator. Contractor shall:

- 4.13.1.** Administer the Partner Programs and otherwise provide Services in compliance with all relevant statutes, regulations, and industry best practices.
- 4.13.2.** Monitor for legal and regulatory changes that may affect the Partner Programs, and report any necessary compliance-related changes to the Partnership.
- 4.13.3.** Secure any legal opinions or letters Contractor deems necessary or prudent for the purposes of ensuring its Services comply with applicable laws and regulations.
- 4.13.4.** Prepare and distribute a Partner Program Disclosure Statement, Summary Program Disclosure Booklet, and any supplements thereto, to Partner Program participants.
- 4.13.5.** Prepare and distribute the required IRA Disclosure Documentation and Custodial Agreement and any supplements thereto, to Partner Program Employers and/or Savers.
- 4.13.6.** Engage a third-party firm to prepare annual audited financial statements of the Partnership Trust with supplementary schedules of Partner Program assets for the Partner Programs.

#### **4.14. Reporting**

Contractor shall be responsible for generating and distributing reports regarding each Partner Program, in accordance with Applicable Law. These reports shall include, but not be limited to, the following:

- 4.14.1.** Monthly Tracking Metrics Report: This report shall include the Tracking Metrics as specified in **Exhibit C**.
- 4.14.2.** Quarterly Report: This report shall detail Employer compliance, exemptions, enrollments, Employee opt-out rates, contribution rates, investment options, customer service matters, call volumes, outcomes, and other relevant information.
- 4.14.3.** Ad-hoc Report: This report shall consist of any requested, and available information.
- 4.14.4.** Annual Report: This report shall consist of monthly and quarterly data, and any additional information as requested by the Partner States.

**4.14.5.** Any other reports required by the Partner States.

**4.15. Partnership and Partner Program Marketing and Outreach**

**4.15.1.** Contractor shall provide marketing and outreach services to all Partner States in order to reach and educate the broadest audience. These Services shall include the following:

- a) Supporting annual Marketing Plan development and execution;
- b) Designing logos and developing slogans for Partner Programs;
- c) Creating and producing promotional materials for Partner Programs;
- d) Creating and producing educational materials for Employers, Savers, and stakeholders;
- e) Supporting Partner State efforts to develop a financial literacy curriculum designed to help Employers and Savers understand the Partner Program and maximize its benefits;
- f) Delivering presentations and otherwise supporting/assisting Partner States through creation of communication documentation to be distributed by Partner States to their respective stakeholders, Employers, and Savers;
- g) Tracking and analyzing Partner Program SEO and site analytics; and
- h) Assisting in the planning and execution of public launch events for Partner Programs.

**4.15.2.** Contractor shall also assist Lead State with marketing and outreach efforts including:

- a) Social media accounts and marketing campaigns;
- b) Digital and print marketing campaigns;
- c) Designing logos and developing slogans for the Partnership;
- d) Creating and producing promotional materials for the Partnership; and
- e) Working with any marketing firms Lead State may retain.

**4.15.3.** Contractor must obtain the prior written consent of Partner States prior to using their name, logo, seal, trademark, or brand name on any Partner Program Material or on any other advertising, publicity, or promotion material.

**4.15.4.** Contractor and the Partnership may work together to create marketing performance standards that are designed to evaluate Contractor's marketing efforts, and that Contractor shall thereafter participate in providing information, data, reports and such other materials as may be requested by the Partnership to understand and evaluate Contractor's marketing efforts. Contractor agrees these marketing performance standards may include requirements that Contractor reach specific percentages of eligible participants (both Employers and Savers), as well as other related stakeholders, advocates, interest groups, partners, and providers.

**4.15.5.** Contractor shall provide Lead State and all Partner States with regular updates on:

- a) Marketing efforts;
- b) Marketing expenditures; and
- c) The results (effectiveness) of marketing efforts.

**4.16. Program Materials**

**4.16.1.** All Partner Program Materials shall be approved by the Partner State prior to use. If, at any time, the

Partner State requests changes to any Partner Program Materials, Contractor shall revise the relevant materials and provide an updated copy of the materials to the Partner State within thirty (30) days of the Partner State's request. For any revision or updates that may take longer than 30 days, Contractor must notify and receive approval from program staff of the Lead State.

- 4.16.2.** All Partner Program Materials shall display the Partner Program's name, logo and other identifying marks in a manner and at a level acceptable to the Partner State.
- 4.16.3.** Partner Program Materials shall comply with all Applicable Law regarding disclosures for Individual Retirement Accounts and state-administered retirement programs, including generalized disclosure on (a) the investment objectives, risks, charges and expenses associated with the Partner Program, (b) availability of and the need to read carefully the Partner Program Disclosure Booklet, and (c) the provision that neither the principal contributed nor the investment return, if any, of the Partner Program is guaranteed by Lead State, the Partner States, Contractor, or any of their respective Affiliates, the federal government or any agency thereof, or any other Person. All Partner Program Materials shall reference the Partnership.

#### **4.17. Customer Service**

- 4.17.1.** Contractor shall provide best-in-class customer service necessary to ensure efficient, supportive Partner Program operation. Contractor shall perform all necessary customer service for each Partner Program, as outlined in herein and as otherwise may be reasonably necessary to operate the Partner Program. This includes, but is not limited to:
- a)** Providing phone and email support from 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding state holidays.
  - b)** Providing callers with a voice messaging system during times that the call center is unavailable.
  - c)** Utilizing a customer authentication protocol to prevent unauthorized account access.
  - d)** Providing multilingual staff who can communicate at a minimum in English and Spanish.
  - e)** Providing training for all customer service representatives to ensure staff has ample knowledge of each Partner Program.
  - f)** Adhering to customer service support standards mutually agreed upon by the Partnership and Contractor.
  - g)** Establishing an escalation protocol, to be approved by the Partnership, for the quick resolution of customer complaints and difficult issues.
  - h)** Recording and regularly reviewing calls and emails with Employers and Account holders for quality control purposes, and making such recordings available to Lead State and/or any Partner State upon request.
  - i)** Performing post-service satisfaction surveys and reporting results monthly to Lead State and/or Partner States.
- 4.17.2.** All customer service representatives shall be knowledgeable about the Partnership, the Partner Program Disclosure Booklet, the Partner Program Materials, and Partner Program policies and procedures, and shall engage in polite, responsive conversation. For each Partner Program, Contractor will apply the same performance and evaluation criteria for the Lead Program to measure and evaluate Contractor's customer service quality, including, by way of example and not limitation, criteria that requires Contractor to solicit feedback or satisfaction surveys from Savers, Employers, Beneficiaries, or other Persons who interact with Contractor, or that requires Contractor to track or collect data related to its customer service interactions.

**4.18. Client Services**

Contractor shall inform and consult with each Partner State regarding the following:

**4.18.1.** Partner Program performance and operations.

**4.18.2.** Attending meetings and providing Partner Program information, as requested.

**4.18.3.** Being available via phone and/or email between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, State Holidays excluded.

**4.18.4. Key Personnel**

a) Contractor shall designate a dedicated team of Key Personnel to serve each Partner State. The team shall include:

- i.) The overall business head responsible for Contractor's engagement with the Partner State;
- ii.) The day-to-day manager;
- iii.) The senior-most investment professional;
- iv.) The senior-most marketing professional; and
- v.) The senior-most professional(s) responsible for operations, recordkeeping and customer service.

b) Changes in Control, Organization or Key Personnel

- i.) In the event of any change in the majority ownership, control, or business structure of Contractor, or of any other material change in Contractor's business, partnership or corporate organization, Contractor shall immediately notify Lead State of such change in writing. Contractor agrees to promptly provide Lead State with such additional reasonable and relevant information as may be requested.
- ii.) Contractor shall notify each applicable Partner State of any proposed changes to Key Personnel prior to implementing such changes. Contractor will notify each Partner State in writing that changes have been made, within two calendar days after implementing such changes.
- iii.) In the event of any changes to Key Personnel, Contractor shall immediately designate interim Key Personnel reasonably acceptable to the Partner State and, within six months, shall designate permanent Key Personnel.

**4.18.5.** Providing Partner Program files, records, documents and data to the appropriate Partner State, that are in Contractor's possession and control, upon request.

**4.19.** Partner State Relationship with Contractor. Each Partner State will work directly with the Vendors on matters related to the day-to-day administration of the Program in that Partner State. Such items include by example and not as a limitation: Concerns raised by Employers or Savers participating in that State's Partner Program, administration of and deposits to IRAs for Savers in that State's Partner Program, State-specific marketing materials and outreach for that State's Partner Program, Operation and content of the website operated for that State's Partner Program; matters relating to the Partner State's State Administrative Fee, Contractor presentations and reporting to the Partner State.

**5. GENERAL PROVISIONS****5.1. Insurance**

**5.1.1.** Unless otherwise agreed in a Partner State Addendum, Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. Contractor will also confirm, on an annual basis, that Bank of NY Mellon has maintained insurance

consistent with the terms of this Agreement. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Partner State and having a rating of A-, Class VII or better, in the most recently published edition of Best's Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Partner State's option; result in termination of its Partner State Addendum.

**5.1.2.** overage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below, with a reasonable deductible for each of the following categories:

- a) **Commercial General Liability insurance** covering premises operations, Independent Contractors, completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence, \$2 million general aggregate, \$2 million completed operations aggregate and \$50,000 for any one fire. If any aggregate limit is reduced below \$2,000,000 because of claims made or paid, Contractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to the Partner State a certificate or other document satisfactory to the Partner State, showing compliance with this provision.
- b) **Professional Liability insurance** covering any damages caused by an error, omission or any negligent act with minimum limits as follows: (i) \$1,000,000 each occurrence, and (ii) \$2,000,000 general aggregate. The policy, including claims made forms, shall remain in effect for the duration of this Master Agreement and for at least one year beyond the completion and acceptance of the work under this Master Agreement, or, alternatively, a two-year extended reporting period if market conditions allow. Contractor named in this Master Agreement shall be responsible for all claims, damages, losses or expenses, including attorney's fees, arising out of or resulting from Contractor's performance of professional services under the Contract.
- c) **Cyber Liability / Protected Information insurance** covering claims and losses with respect to network, internet (Cloud) or other data disclosure risks (such as data breaches, releases of Confidential Information, unauthorized access/use of information, and identity theft) with minimum limits of not less than \$10,000,000 per occurrence and \$15,000,000 general aggregate. Such insurance must cover risk of loss associated with personally identifying information, protected health information tax information PCI, CJI, and claims based on alleged violations of privacy rights through improper use or disclosure of protected information. Contractor's coverage must include: (i) failure to protect data, including unauthorized disclosure, use or access; Security failure or privacy breach; (ii) failure to disclose such breaches as required by law, regulation or contract; (iii) costs associated with notifications, public relations, crisis management advice and expenses, credit monitoring, postage, advertising, forensic examinations to determine cause and scope of data breach, Board risk mitigation services, and other services to assist in managing and mitigating a cyber-incident; (iv) interruptions of business operations; RTO expenses; (v) network security failure; (vi) cyber-extortion; (vii) cyber-terrorism; (viii) failure to comply with HIPAA, Family Educational Rights and Privacy Act (FERPA), PCI Data Security Standard, or Graham Leach Bliley Act; and, (ix) other cyber-liability or cyber-crime expenses.
- d) **Crime insurance** coverage with minimum limits as follows: (i) \$5,000,000 each occurrence, and (ii) \$10,000,000 general aggregate. Such insurance must include employee dishonesty coverage.
- e) **Automobile Liability insurance** covering any auto (including owned, hired and non-owned), with a minimum limit of \$1,000,000 each accident combined single limit.
- f) Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.

**5.1.3.** All insurance coverage shall be primary over any insurance or self-insurance program carried by Contractor.

**5.1.4.** Except for Crime insurance and Professional Liability insurance, all insurance policies secured or maintained by Contractor or its Subcontractors in relation to this Master Agreement shall include clauses stating that each carrier shall waive all rights of recovery under subrogation or otherwise

against Contractor or the Partner States, their agencies, institutions, organizations, officers, agents, employees, board, and volunteers.

- 5.1.5.** Contractor shall pay premiums on all insurance policies and will notify the Program if such policies are canceled, not renewed, or change in any material way, have a condition that then not be revoked or cancelled by the insurer until thirty (30) calendar days after notice of intended revocation or cancellation thereof shall have been given to Contractor, and Contractor shall forward such notice to the Partner States within seven (7) days of Contractor's receipt of such notice.
- 5.1.6.** Prior to commencement of performance, and at any time during the Term upon the request by Lead State, Contractor shall provide to Lead State a certificate of insurance or any other evidence that is satisfactory to Lead State:
  - a)** Shows Lead State and the Partner States as additional insureds, and;
  - b)** Provides that Contractor's liability insurance policy shall be primary for any covered losses. Unless otherwise agreed in any Partner State Addendum, the Partner State's rights and Contractor's obligations are the same as those specified in the first sentence of this subsection. Before performance of any Services performed after execution of a Partner State Addendum authorizing it, Contractor shall provide to a Partner State who requests it the same information described in this subsection.
- 5.1.7.** Contractor shall furnish to Lead State and Partner State, on request, copies of certificates of all required insurance within seven (7) calendar days of the execution of this Master Agreement, and the execution of a Partner State Addenda's effective date and prior to performing any Services. The insurance certificate shall provide the following information: the name and address of the insured; name, address, telephone number and signature of the authorized agent; name of the insurance company; a description of coverage in detailed standard terminology (including policy period, policy number, limits of liability, exclusions and endorsements); and an acknowledgment of the requirement for notice of cancellation. Copies of renewal certificates of all required insurance shall be furnished within fifteen (15) days after any renewal date. These certificates of insurance must expressly indicate compliance with each and every insurance requirement specified in this section. Failure to provide evidence of coverage may, at sole option of Lead State, or any Partner State, result in this Master Agreement's termination or the termination of any Partner State Addendum.
- 5.1.8.** Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement or any Partner Addendum.

## **5.2. Records Administration and Audit**

Contractor shall maintain books, records, documents, SOC-1 and SOC-2 reports (including any such reports of its Subcontractors), and other evidence pertaining to this Master Agreement to the extent and in such detail as shall adequately reflect performance and administration of the Partnership. Contractor shall permit Lead State, a Partner State, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers, SOC-1/SOC-2 reports and records directly pertinent to this Master Agreement for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of five (5) years following termination of this Master Agreement to assure compliance with the terms hereof or to evaluate performance hereunder. Notwithstanding the prior two (2) sentences, neither Contractor nor its Subcontractors shall be required to provide access to any systems or data or records that do not directly concern the provision of Services under this Master Agreement or Contractor's adherence to its performance obligations hereunder, and in no event shall such reviews include any systems, data or other information relating to other clients of Contractor or its Subcontractors, or any proprietary or confidential information of Contractor or its Subcontractors, or require Contractor or its Subcontractors to disclose any information that would or might result in the waiver of any attorney-client privilege. Lead State and any Partner State, as applicable, shall ensure that any such review does not interfere with the Contractor's or its Subcontractors' ability to perform the Services or otherwise with the operations of their business. As a condition to accessing confidential or proprietary records, Lead State and any Partner State, as applicable, and its internal and external professional advisors, if any, shall be required to comply with Contractor's and its

Subcontractors' reasonable security requirements. Upon Contractor's reasonable request, prior to access to Contractor's or its Subcontractors' personnel, agents, consultants, contractors, subcontractors, data, facilities and systems, each such person shall be required to sign a confidentiality agreement with Contractor or a Subcontractor, as applicable, that requires such person to meet the reasonable confidentiality requirements of Contractor or a Subcontractor, as applicable. Contractor, on behalf of itself and its Subcontractors, if any, agrees that, for avoidance of doubt, and not by means of limitation, the following data types are not subject to withholding by Contractor from Lead State on grounds that such data is "proprietary," "confidential," or "owned" by Contractor or its Subcontractors: (1) personally identifiable information submitted by Savers, Employers, or Beneficiaries; and (2) data submitted by Savers, Employers, or Beneficiaries as part of participation in the Program.

- 5.2.1.** The rights and obligations herein exist in addition to any quality assurance obligation in this Master Agreement requiring Contractor to self-audit Master Agreement obligations and that permits Lead State to review compliance with those obligations.

### **5.3. Legal Compliance**

- 5.3.1.** Contractor, and/or their Subcontractors, shall provide the Services in accordance with all applicable RFP requirements, this Master Agreement, and Applicable Law.
- 5.3.2.** Contractor will monitor for legal and regulatory changes that may materially affect Contractor's respective Services to Beneficiaries and the Partner Programs. In the event any such legal or regulatory changes occur, Contractor will make recommendations for amendments or supplements to the Partner Program processes and Partner Program Materials as needed.
- 5.3.3.** Contractor shall adhere to each Partner State's Applicable Law governing protection of persons with disabilities, as well as applicable standards and policies, as and when adopted by the Partner State. Further, Contractor shall comply with the Americans with Disabilities Act ("ADA") for any disclosures, plan descriptions, Disclosures Acknowledgements and Partner Program forms, and websites.
- 5.3.4.** To the extent Contractor retains Subcontractors or has personnel performing Services under this Master Agreement who are located outside the United States of America, Contractor agrees to create and submit a disclosure form documenting such out-of-country performance.

### **5.4. Confidentiality, Non-Disclosure, and Injunctive Relief**

- 5.4.1. Confidentiality.** Contractor acknowledges that it and its employees may, in the course of providing Services under this Master Agreement, be exposed to or acquire information that is confidential to Partner State clients. Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees in the performance of this Master Agreement, including, but not necessarily limited to:
- a) Any Partner State records;
  - b) Personnel records;
  - c) Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information. "Confidential Information" does not include information that:
    - i) Is or becomes (other than by disclosure by Contractor) publicly known;
    - ii) Is furnished by a Partner State to others without restrictions similar to those imposed by this Master Agreement;
    - iii) Is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement;

- iv) Is obtained from a source other than a Partner State without the obligation of confidentiality;
- v) Is disclosed with the written consent of a Partner State; or
- vi) Is independently developed by employees, or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

**5.4.2. Non-Disclosure.** Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance under this Master Agreement. Contractor shall advise each of its employees and of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist a Partner State in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise the Partner State immediately if Contractor learns that any Person who has had access to Confidential Information has violated the terms of this Master Agreement, and Contractor shall at its expense cooperate with the Partner State in seeking injunctive or other equitable relief in the name of the Partner State or Contractor against any such Person. Except as directed by the Partner State, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any Person or entity, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at a Partner State's request, Contractor shall turn over all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Master Agreement.

**5.4.3. Injunctive Relief.** Contractor acknowledges that breach of this section, including disclosure of any Confidential Information, will cause irreparable injury to a Partner State that is inadequately compensable in damages. Accordingly, a Partner State may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of the Partner State and are reasonable in scope and content.

**5.4.4. Partner State Law.** The provisions of this **Section 5.4** shall be applicable only to the extent they are not in conflict with the applicable laws of any Partner State; in which case these provisions shall apply to such Partner State only to the extent they do not conflict with such Partner State's conflicting laws, but shall continue to apply to all other Partner States as written.

**5.4.5.** The rights granted to a Partner State, and Contractor obligations under this section shall also extend to the cooperative's Confidential Information, defined to include Partner State Addenda, as well as transaction data under this Master Agreement. This provision does not apply to disclosure to Lead State, or a Partner State exercising an audit, inspection, or examination pursuant to **Section 5.2** (Records Administration and Audit). To the extent permitted by law, Contractor shall notify Lead State of any entity seeking access to the Confidential Information described in this subsection.

## **5.5. Cybersecurity & Protection of Information**

**5.5.1.** Contractor represents, warrants, and covenants, on behalf of itself and its Subcontractors, that it will maintain an information security program designed to protect the information, data, and records of Savers, Employers and Beneficiaries, including all of their personal identifiable information ("Participant Information"). Contractor's program shall include, at a minimum, administrative, technical, and physical safeguards to ensure the security and confidentiality of all customer information, to protect Participant Information against anticipated threats or hazards to the security or integrity of such customer information, and to protect against unauthorized access to or use of the

information pertaining to Savers, Employers, Beneficiaries, and their accounts. Contractor agrees to have a SOC-2 report prepared annually by one or more qualified independent auditors and agrees to confirm on an annual basis that BNY Mellon has prepared a SOC 1 report. Contractor agrees that any Partner State may, upon reasonable advance request by such Partner State, (i) require that Contractor produce documentation, reports, or other information concerning its cybersecurity practices, protocols, safeguards and records; and/or (ii) inspect and monitor access or use of Participant Information from the Partner State, subject to Contractor's reasonable security requirements, for the purpose of evaluating security controls. Contractor shall adhere to such request(s). Contractor agrees the safeguarding of Participant Information is of critical importance to each of the Partner States.

- 5.5.2.** Contractor shall provide for the security of Participant Information that, at a minimum: (i) meets the most recently promulgated IRS Publication 1075 requirements for all tax information and is in accordance with "safeguarding requirements" applicable to federal tax information under that law; and, (ii) complies with the most recently updated PCI Data Security Standard from the PCI Security Standards Council for all PCI, as applicable.
- 5.5.3.** Contractor is responsible for ensuring all Subcontractors who will have access to Participant Information adhere to these Cybersecurity & Protection of Information terms.
- 5.5.4.** Contractor shall use, hold, and maintain the Participant Information in compliance with any and all Applicable Laws, and only in facilities located in the United States. Contractor shall maintain a secure environment that ensures confidentiality of all Participant Information, wherever located.
- 5.5.5.** Upon expiration or termination of this Master Agreement, Contractor shall return or destroy all Participant Information for any Partner State which is no longer participating in the Partnership. If requested by any Partnering State, Contractor shall certify that the return or destruction has occurred, including the dates of occurrence and the methods used to return or destroy Participant Information. If Contractor is prevented by law or regulation from returning or destroying Participant Information, Contractor warrants it will guarantee the confidentiality of, and cease to use, such Protected Information, unless such continued use is specifically required by law or regulation and, even then, only as is required to comply with such law or regulation.
- 5.5.6.** If Contractor becomes aware of any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any Participant Information (an "Incident"), Contractor shall at its sole expense: notify the Partner State(s) of the affected Savers, Employers, or Beneficiaries. Contractor shall, thereafter, work with the affected Partner States to develop and implement a remediation plan designed to evaluate the reason for the Incident and reduce the risk of future comparable Incidents and coordinate a notice campaign that complies with Applicable Law, to be paid for by Contractor at its sole expense. Contractor shall ensure its Subcontractors agree to terms that require the reporting in accordance with this **Section 5.5.6** for any Incident. Contractor shall pay for its proportionate share of the costs and expenses associated with notification and remediation of the Incident depending on the cause of the Incident.
- 5.5.7.** Partner States may condition access they provide to any Participant Information, or any other data or records of Partner States, upon Contractor entering into data sharing agreements or comparable agreements with the Partner States.

## **5.6. License of Pre-Existing Intellectual Property**

Throughout the term of this Agreement, any renewal term, and any transition period Contractor grants to the Partner State a license to use, modify, or dispose of the Intellectual Property and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The license shall be subject to any Third Party rights in the Pre-existing Intellectual Property. Contractor shall

obtain, at its own expense, on behalf of the Partner State, written consent of the owner for the licensed Pre-existing Intellectual Property.

### **5.7. Public Information**

This Master Agreement and all related documents are subject to disclosure pursuant to Lead State's public information laws.

### **5.8. Assignment/Subcontracts**

Neither Party may, without the other Party's prior written consent (which will not be unreasonably withheld, conditioned, or delayed), assign any of its rights or delegate any of its duties under this Agreement (whether by change of control, operation of law or otherwise); provided, however that:

- a) Contractor or its Subcontractors may, without the prior written consent of Lead State, assign this Agreement or any of its rights, or delegate any of its duties hereunder: (a) to any Contractor Affiliate or Subcontractor Affiliate; (b) to any successor to the business of Contractor or Subcontractor to which this Agreement relates, subject to the requirement that the assignee or delegee is registered with the Securities and Exchange Commission and is otherwise legally qualified to provide the services required hereunder, including services capable of supporting the services of the type, nature, size, and extent needed to serve the Program, in which event Contractor agrees to provide notice of such successor to Lead State and Lead State shall have the option to terminate this Master Agreement if it determines, in its sole discretion, that the successor is performing inadequately, or (c) as otherwise permitted in this Agreement.
- b) Any purported assignment or delegation by a Party in violation of this provision will be voidable at the option of the other Party. This Agreement will be binding upon, and inure to the benefit of, the Parties and their respective permitted successors and assigns.

Notwithstanding the paragraphs above in this **Section 5.8**, Lead State may without the prior written consent of Contractor, assign this Agreement to any Partner State if either (1) that Partner State succeeds to the role of "Lead State" pursuant to processes contained in the Interstate Agreement by and among Lead State and all other Partner States, or (2) in the event Lead State is prohibited, by operation of law, from participating in the auto-IRA program, continuing its participation in the Partnership, or serving as Lead State in the Partnership. In either event, and as an additional condition of any assignment, the Partner State must agree to be bound by all terms of this Agreement and Contractor will have the option within 30 days of receiving notice of any proposed assignment to terminate this Agreement.

### **5.9. Changes in Contractor Representation**

Contractor must notify Lead State of changes in Contractor's key personnel, in writing within ten (10) calendar days of the change. Contractor agrees to propose replacement key personnel having substantially equal or better education, training, or experience as possessed by the key person proposed in Contractor's original Proposal.

### **5.10. Independent Contractor**

- 5.10.1.** Contractor shall perform duties as an Independent Contractor, and not as an employee. Neither Contractor nor any employee of Contractor, shall be or deemed to be an employee of Lead State, and/or any Partner State.
- 5.10.2.** Contractor acknowledges that its employees are not entitled to unemployment insurance benefits unless Contractor or a Third-Party provides such coverage, and that Lead State, and any Partner State does not pay for or otherwise provide such coverage.
- 5.10.3.** Contractor shall have no authority to bind Lead State and any Partner State to any agreements, liability, or understanding except as may be expressly set forth in this Master Agreement or Partner State Addendum.

## **5.11. Use of Subcontractors**

- 5.11.1.** Lead State authorizes Contractor to subcontract with the following individuals/entities: (a) The Bank of New York Mellon; (b) BNY Mellon Investment Servicing US Inc.; (c) BNY Mellon Investment Servicing Trust Company.
- 5.11.2.** In addition to the Subcontractors referenced in **Section 5.11.1** above, Contractor may otherwise subcontract the performance of any of the Services only with the prior written consent of the Partnership.
- 5.11.3.** No delegation or subcontract by Contractor shall relieve Contractor of its respective responsibilities hereunder, and Contractor shall be responsible for the performance of its respective Subcontractors and shall remain obligated hereunder as if no subcontract had been made.
- 5.11.4.** Each subcontract shall be a written agreement providing, in a form satisfactory to the Partnership, (and unless waived in whole or in part by Lead State) that:
- a)** The Subcontractor agrees to discharge the Services and perform the obligations of a Contractor to which such subcontract applies in accordance with the applicable provisions of this Master Agreement;
  - b)** Lead State and each Partner State are third-party beneficiaries of such subcontract with the right to enforce such subcontract directly against the Subcontractor;
  - c)** The Subcontractor shall in no event have: **(i)** any right to payment from or to impose a lien on the Partner Program Assets, or **(ii)** any right to payment from any other asset of the Partner State; and,
  - d)** Such other requirements as the Partnership may reasonably request.
- 5.11.5.** Contractor warrants that all delegates and Subcontractors engaged in performing the Services shall be properly licensed and otherwise authorized to perform Services under Applicable Law, and Contractor agrees that it shall enforce the performance obligations of each respective Subcontractor or, at the option of Lead State, shall assist Lead State in enforcing such obligations and provisions.
- 5.11.6.** Contractor warrants and represents that at all times during the Term or any Extension Term of this Master Agreement, the subcontract agreements with its Subcontractors will contain the language required by **Section 5.11.4(a), (b), and (c)**.

## **5.12. Contingency Programs**

Contractor shall at all times have a contingency program reasonably designed to ensure that Partner Program operations will continue in the event of business disruptions, including, but not limited to, natural disasters, pandemics, technical disasters, and internal and external malicious activity (including cyber-attacks that affect systems and/or business networks).

## **5.13. Force Majeure**

Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. Lead State may terminate this Master Agreement after determining such delay or default will reasonably prevent successful performance of this Master Agreement. For purposes of this Master Agreement, the COVID-19 pandemic and its related health and supply-chain issues shall not constitute a force majeure event.

## **5.14. Defaults and Remedies**

- 5.14.1.** The occurrence of any of the following events shall be an event of default under this Master Agreement:
- a)** Material nonperformance of contractual requirements; or

- b) A material breach of any term or condition of this Master Agreement and a failure to cure within the period set forth in this Agreement; or
- c) Any certification, representation or warranty by Contractor in this Master Agreement that proves to be untrue or materially misleading; or
- d) Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
- e) Any default specified in another section of this Master Agreement.

**5.14.2.** Upon the occurrence of an event of default under this Master Agreement, Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of sixty (60) calendar days in which Contractor shall have an opportunity to cure the default, if such default is capable of being cured. Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part, if Lead State, in its sole discretion, determines that it is reasonably necessary with no other alternative reasonably available to preserve public safety, stop, prevent or mitigate public harm, or protect the best interests of Savers.

**5.14.3.** If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, or other agreed upon time, Contractor shall be in breach of its obligations under this Master Agreement and Lead State shall have the right to exercise any or all of the following remedies:

- a) Exercise any remedy provided by law;
- b) Terminate this Master Agreement and any related contracts or portions thereof;
- c) Suspend Contractor from being able to respond to future Solicitations; and/or
- d) Suspend Contractor's performance.

**5.14.4.** Unless otherwise specified in a Partner State Addendum, in the event of a default under a Partner State Addendum, a Partner State shall provide a written notice of default as described in this section and have all of the rights and remedies under this **Section 5.14** regarding its participation in this Master Agreement, in addition to those set forth in its Partner State Addendum.

**5.14.5.** The Lead State or a Partner State shall be in default under this Agreement if:

- a) Lead State or a Partner State fails or refuses to timely authorize Contractor to withdraw the fees permitted under this Agreement from Accounts, and where such failure or refusal to authorize persists for a period of sixty (60) calendar days;
- b) Lead State or a Partner State commits any material breach or default of any covenant, warranty, or obligation under this Agreement, and such breach or default is not cured within sixty (60) calendar days after Contractor's notice or such longer period as the Lead State or a Partner State, acting with due diligence, shall reasonably require to cure such breach or default; or
- c) If there is a change in Applicable Law which has a Material Adverse Effect on the ability of Contractor to fulfill its duties and obligations under this Agreement or in the event funding from State, federal, or other sources is withdrawn, reduced, or limited in any way after the Effective Date and prior to the Final Termination Date to the extent such would cause a Material Adverse Effect and require cessation of the Program, the Lead State and any affected Partner State will be considered in default and the Parties agree to meet promptly and in good faith to renegotiate the terms of this Agreement or, at Contractor's discretion, the Agreement may be considered to

be terminated even if that termination is prior to the expiration of any term or renewal term. The remedy available to Contractor for a default under this subsection “c”, **Section 5.14.5** shall be limited to Contractor’s right to terminate this Agreement if re-negotiation fails.

The non-performance of any Partner State shall constitute a default with respect to that Partner State only.

- 5.14.6.** In the event the Lead State is in default under **Section 5.14.5**, Contractor may, at its option, terminate this Agreement. Contractor shall be entitled to collect fees accrued up to the date of termination, calculated in accordance with this Agreement, from the Accounts upon termination. There shall be no other remedies.
- 5.14.7.** In the event the Lead State terminates this Agreement under subsection “c” of **Section 5.14.5**, or in the event the Lead State or a Partner State is in default under **Section 5.14.5** and whether or not the Contractor elects to exercise its right to terminate the Agreement under this **Section 5.14.6**, the Contractor’s sole remedy shall be to collect fees from Accounts due for Services provided prior to such termination. In no event shall the Lead State or a Partner State be liable to the Contractor for any expenses arising out of or related to termination of this Agreement or for anticipated profits.
- 5.14.8.** In the event a Partner State is in default under **Section 5.14.5**, Contractor may, at its option, terminate this Agreement with respect to Partner State. Contractor’s sole monetary remedy shall be to collect from Partner State for fees due for Services provided prior to such termination.
- 5.14.9.** In no event shall the Lead State or a Partner State be liable to the Contractor for any indirect, incidental, consequential, exemplary, punitive or special damages, or damages for lost profits or loss of business opportunity, whether or not such damages are foreseeable and even if Contractor has been advised of the possibility of such damages.

## **5.15. Partnership Termination**

In the event this Master Agreement is terminated or is not renewed, Contractor will cooperate with the Partnership to facilitate an efficient, accurate, and timely transition of the Partner Programs to the Partner State or a new contractor (the “Transition”) – whether at the end of the Term and all Renewal Terms, or upon the removal or termination of a Partner State’s Program. In effecting the Transition, Contractor shall:

- 5.15.1.** Use commercially reasonable efforts to efficiently, accurately, and timely facilitate the transfer of the Accounts, Partner Program Records, and the Services from Contractor to any entity designated by Lead State. In doing so, Contractor shall provide reasonable consideration for the best interests of the enrolled Savers or Persons, shall be protective of Lead State’s obligations, and shall avoid the likelihood of an increase in economic loss, or the likelihood of resulting liability, to the Savers or Persons, Beneficiaries, or the Partner States;
- 5.15.2.** Work with Lead State and Transitioning Partner States to develop plans for transitioning, such as the transfer of Accounts and Savers personal information when a Partner State leaves or is removed from the Program, including formalizing a plan in advance that examines how such transitions will be handled, how Accounts and Savers’ personal information will transfer to any new service provider or program administrator, and the timing for Transition;
- 5.15.3.** Continue to provide those services that the Partnership determines are necessary and appropriate to enable the Transition for the fees in effect at the effective date of termination, and shall not restrict any services or Partner Program features until the Transition is complete, unless otherwise approved in writing by Lead State;
- 5.15.4.** Not impede or delay an orderly Transition, and shall not allow any of its employees, Affiliates, or

Subcontractors to delay an orderly Transition;

**5.15.5.** Make all Partner Program Records and unredacted data readily accessible to the Partner States and the successor contractor at no charge, and in a sortable, accessible electronic form and format reasonably agreed upon by Lead State and Contractor, and capable of migration to any successor contractor or other designated database of the Partner States; and

**5.15.6.** Take all commercially reasonable steps necessary to facilitate the orderly transfer of all files, data, information and assets of, or relating to, the Partner Programs, to the successor Contractor at no charge, and in a sortable, accessible electronic form and format approved by Lead State, including ensuring all data is transferred to a successor contractor or other designated database within ninety (90) days of the end of term or Partnership termination, whichever occurs earlier.

## **5.16. Waiver of Breach**

Failure of Lead State or any Partner State to declare a default or enforce any rights and remedies shall not operate as a waiver under this Master Agreement or Partner State Addendum. Any waiver by Lead State or any Partner State must be in writing. Waiver by Lead State or Partner State of any default, right or remedy under this Master Agreement or Partner State Addendum, or breach of any terms or requirements of this Master Agreement, or a Partner State Addendum, shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement or Partner State Addendum.

## **5.17. Debarment**

Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (Contract) by any governmental department or agency. This certification represents a recurring certification made at the time any Services are provided under this Master Agreement.

## **5.18. Indemnification**

**5.18.1.** Contractor shall defend, indemnify and hold harmless Lead State, and Partner States, along with their officers, agents, and employees as well as any person or entity for which they may be liable, from and against claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to property arising from act(s), error(s), or omission(s) of Contractor, its employees or Subcontractors or volunteers, at any tier, relating to the performance under this Master Agreement.

**5.18.2. Indemnification – Intellectual Property.** Contractor shall defend, indemnify and hold harmless Lead State, and Partner States, along with their officers, agents, and employees as well as any person or entity for which they may be liable ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Contractor's technology or services used in connection with the Program, infringes Intellectual Property rights ("Intellectual Property Claim").

**5.18.3.** The Indemnified Party shall notify Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide reasonable notice, Contractor shall not be relieved from its obligations unless Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to Contractor. If Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of it. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible. The Indemnified Party shall furnish, at Contractor's reasonable request and expense, information and assistance necessary for such defense. If Contractor fails to vigorously pursue the defense or settlement of the Intellectual Property Claim, the Indemnified Party may assume the defense or settlement of it and Contractor shall be liable for all costs and expenses, including reasonable

attorneys' fees and related costs, incurred by the Indemnified Party in the pursuit of the Intellectual Property Claim. Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

## **5.19. Standard of Care & Limitations of Liability**

- 5.19.1.** Subject to the terms of this **Section 5.19**, Contractor shall be liable to the Lead State or any Partner State (or any Person or Employer claiming through the Lead State or any Partner State) for Losses (as defined below) only to the extent (1) the acts or omissions of Contractor, Contractor's officers, directors, employees, subcontractors or agents, result in willful misconduct, bad faith, negligence, or (2) Contractor fails in its obligations and duties under this Master Services Agreement, or (3) Contractor fails to adhere to standards and requirements imposed by Applicable Law (collectively, the "Standard of Care"). "Loss" or "Losses" means direct damages, excluding, for the avoidance of doubt, indirect, incidental, exemplary, punitive or special damages, or damages for lost profits or loss of business opportunity, whether or not such damages are foreseeable and even if the Party responsible for such damages has been advised of the possibility of such damages.
- 5.19.2.** Contractor will perform the Services, and discharge its responsibilities, duties and obligations under this Agreement, in a manner that is consistent with Applicable Law and consistent with the terms herein. Lead State acknowledges that Contractor (i) is not a fiduciary under ERISA Sections 3(21) or 3(38), or under Code Section 4975; (ii) is not undertaking to provide impartial investment advice or to give advice in a fiduciary capacity; and (iii) does not receive compensation for providing investment advice. Contractor will perform its Services, and discharge its responsibilities, duties and obligations under this Agreement with the same degree of care and skill under the circumstances then prevailing that a prudent Person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.
- 5.19.3.** Except as otherwise expressly set forth in this Agreement, Contractor's liability under this Agreement shall be subject to the following limitations:
1. The Contractor's liability shall be limited solely to those direct damages that are caused by Contractor's failure to perform its obligations under this Agreement in accordance with the Standard of Care.
  2. Notwithstanding anything in this Agreement to the contrary, in no event shall Contractor be liable under this Agreement for any indirect, incidental, consequential, exemplary, punitive or special damages, or damages for lost profits or loss of business opportunity, whether or not such damages are foreseeable and even if Contractor has been advised of the possibility of such damages.
  3. Contractor will have no liability under this Agreement for any action taken or not taken pursuant to and in accordance with written instructions received from Lead State or any Partner State or from any Person reasonably believed by Contractor to be a Person identified by Lead State or a Partner State as its authorized agent or representative, where such written instruction directs Contractor to take any action outside the scope of this Contract and Contractor objects to such direction in writing, or where such written instruction directs Contractor to undertake any action or not take any action and Contractor has objected to such direction in writing.
  4. With respect to custody services provided by Contractor's Authorized Subcontractor under this Agreement, in no event shall Contractor or such Authorized Subcontractor be liable for any Losses arising out of any of the following:
    - a. Lead State's or a Partner State's decision to invest in or hold Program assets in any particular country, including any Losses arising out of or relating to: (A) the financial infrastructure of a country and unrelated to the duties and performance of the Contractor; (B) a country's prevailing custody and settlement practices; (C) nationalization, expropriation or other

governmental actions; (D) a country's regulation of the banking or securities industry; (E) currency and exchange controls, restrictions, devaluations, redenominations, fluctuations or asset freezes; (F) laws, rules or regulations or orders that at any time prohibit or impose burdens or costs on the transfer of assets to, by or for the account of the Program; or (G) market conditions which affect the orderly execution of securities transactions or affect the value of securities; or

- b. The insolvency of any Person, other than Contractor or an Authorized Subcontractor, including but not limited to any depository, broker, bank or counterparty to the settlement of a transaction or to a foreign exchange transaction.

**5.19.4.** Nothing in this **Section 5.19** shall be deemed to protect or purport to protect Contractor against any liability to any Saver, Employer, Beneficiary, or other Person to which Contractor would otherwise be subject by reason of willful misconduct, bad faith, negligence or reckless disregard of obligations or duties imposed hereunder or imposed by Contractor's failure to follow law or regulation. By this Master Agreement, neither Lead State nor any Partner State claims to waive or release any right, privilege, or protection of any Person who is not a Party to this Master Agreement, including, by way of example and not limitation, any Saver, Employer, or Beneficiary. Contractor legal duties and obligations to Savers, Beneficiaries, and other Persons for which Contractor has duties imposed by law by virtue of its custody services remain unaltered by this Master Agreement.

**5.19.5.** Notwithstanding any provision to the contrary in this Section, no limitation on Contractor or Authorized Subcontractor's liability under this Section shall limit or affect:

- a) The liability and responsibilities imposed by law or regulation upon Contractor or Authorized Subcontractor by virtue of their rendering of the custodial services; or
- b) Any claims, losses, or damages for which coverage is mandated or available under any insurance required under this Master Agreement; or
- c) Any claims or damages arising out of bodily injury, including death, or damage to tangible property of the Lead State; or
- d) Any claims or damages resulting from the disclosure of personally identifying information, confidential information or data loss (e.g., cybersecurity breaches or disclosure or theft of data of Savers, Employers, Beneficiaries, or other Persons under is maintained by Contractor).

With respect to "b" in this **Section 5.19.5**, the limitations set forth in this **Section 5.19** in no way limit, alter or affect the "Insurance" provisions contained in **Section 5.1**. The "Insurance" provisions in **Section 5.1** remain independent obligations of Contractor and its insurers, and nothing in this **Section 5.19** shall be construed to limit, alter, or affect the insurance provisions and broad insurance requirements contained in **Section 5.1**.

**5.19.6.** Contractor will have no liability under this Agreement for any Losses in connection with the Program that arise out of, or relate to, fraud, theft, or other unauthorized establishment and/or maintenance of, contributions to, or withdrawals from, an Account so long as Contractor complied in material respects with its security procedures and Contractor was not responsible for such fraud, theft, or unauthorized establishment and/or maintenance of, contributions to, or withdrawals from an Account.

**5.19.7.** This "Limitations of Liability" in this **Section 5.19** have no bearing on Contractor's indemnification and defense obligations contained elsewhere in this Master Agreement, including, specifically **Section 5.18**.

## **5.20. No Waiver of Sovereign/Governmental Immunity**

**5.20.1.** In no event shall this Master Agreement, or any Partner State Addendum issued thereunder, or any

act of a Lead State, or a Partner State be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. Lead State and all Partner States specifically reserve all rights to raise sovereign/governmental immunity as a defense to any claim or action, as well as any similar defenses permitted under Partner State law for such Partner State under such Partner State's law.

- 5.20.2.** This section applies to a claim brought against the Partner State only to the extent Congress has appropriately abrogated the Partner State's sovereign immunity and is not consent by the Partner State to be sued in federal court. This section is also not a waiver by the Partner State of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

## **5.21. Governing Law and Venue**

- 5.21.1.** The construction and effect of this Master Agreement shall be governed by the laws of Lead State. Venue for any administrative or judicial action relating to this Master Agreement shall be in the City and County of Denver, Colorado.
- 5.21.2.** The construction and effect of any Partner State Addendum issued against this Master Agreement shall be governed by and construed in accordance with the laws of the Partner State.
- 5.21.3.** If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): (1) Lead State for claims relating to the procurement, evaluation, award, or Master Agreement performance or administration if Lead State is a party; or (2) the Partner State if (a) the Partner State is a named party and (b) Lead State is not a party.

## **5.22. Limited Exception for Partner State Agreement Control**

The provisions of this Master Agreement control over the terms of any Partner State Addendum. However, as between a specific Partner State and Contractor, the conflicting terms in a Partner State Addendum shall control over the terms of this Master Agreement if, and only if, the following elements are met: (1) the terms are contained in a separate attachment to the Partner State Addendum so that the Lead State can easily review which precise terms Partner State believes conflict with terms of this Master Agreement; (2) the separate attachment references the exact section (or sections) of the Master Agreement with which the attachment's proposed language conflicts; (3) Lead State determines, in its sole discretion, that such conflict does not materially impact Contractor's Services or pricing to other Partner States, or, if there is a material impact, that the Partner State Addendum between the Partner State and Contractor adequately minimizes such impact; and, (4) Lead State issues a written notice to Partner State that appears on Lead State letterhead and states the Lead State approves the conflicting term(s). The intent of this provision is to allow specific Partner State Addendum to control with respect to Partner State Addendum with Contractor, but only if the Lead State approves, following this process.

## **5.23. No Promises, Warranties or Guaranties**

Although Partner State's may make promises, warranties, or guaranties in their Partner State Addendums – which, for avoidance of doubt, are enforceable only with respect to the promising, warranting, or guaranteeing Partner State and Contractor – Contractor acknowledges and agrees that Contractor is not relying and has not relied upon any promises, warranties or guaranties except for those specifically stated in this Master Agreement. Specifically, by way of example and not limitation, as of the Effective Date of this Master Agreement, neither Lead State nor any Partner State has made any promises, warranties, or guaranties concerning: (a) a minimum number of Accounts; (b) a minimum number of participating Employers and Savers; (c) a minimum number of states served by this program (i.e., the number of Partner States); (d) the value of assets held in Accounts; or (e) the total value of assets under management. Contractor accepts the risk that any of the aforementioned categories will not match what is or was projected or anticipated by any party.

## **5.24. Limitation of Responsibilities**

- 5.24.1.** No Partner State, including Lead State, is responsible for the acts, errors, or omissions of any other Partner States, and each Partner States. Each Partner State is solely responsible for their respective obligations that arise pursuant to this Master Agreement and their Partner State Addendum.
- 5.24.2.** Lead State, Partner States, and Contractor agree that all Partner State Addendum set forth only those rights and responsibilities by and between Contractor and the Partner State, and no Partner State Addendum creates any promises, obligations, rights or guarantees of any non-party Partner State (including Lead State) to that addendum.
- 5.24.3.** Lead State assumes no liability for the acts or omissions of Contractor. Nothing in this Master Agreement may be construed to require Lead State to declare breach, bring suit, or otherwise take any form of enforcement action against Contractor on behalf of any Partner State (though terms contained in the Interstate Agreements may require as much). Contractor agrees that nothing in this Master Agreement shall require Lead State to participate in any action, litigation, or dispute that may arise between Contractor and Lead State. The terms of this Master Agreement are independently enforceable by any Partner State against Contractor.

## **5.25. Entire Agreement**

This Master Agreement, including its exhibits, represent the complete integration of all understandings between the Lead State and Contractor related to the Partnership, the programming described herein, and Contractor's Services under this Master Agreement. All prior representations and understandings related to the services, oral or written, are merged into this Master Agreement. Prior or contemporaneous additions, deletions, or other changes to this Master Agreement shall not have any force or effect whatsoever, unless embodied herein. While the Partner State Addendum may expand upon, add to, or, in strict accordance with the process described herein, modify these terms with respect to a given Partner State's relationship with Contractor, the entirety of the terms for this Master Agreement are contained within the four corners of this document and its exhibits.

## **5.26. Partner State Participation Approval**

Contractor acknowledges that the signature of Partner State Addendum is principally designed to ensure Partner States can insert any State-specific terms that are unique to those States and required by their laws and regulations. While there may be good grounds for a Partner State not to participate in the Program by virtue of its State-specific terms, Contractor agrees to act in good faith in allowing State's to become Partner States, make reasonable efforts to accommodate Partner States' unique terms and requirements, and, if Contractor is unable or unwilling to agree to terms requested by a Partner State, to bring the issue to Lead State for further discussion and consideration.

## **5.27. Digital Signatures**

This Master Agreement may be executed in counterparts which, when taken together, will be deemed an original and constitute one and the same document. Digital signature through agreement management applications or by hard-copy signature that is subsequently scanned and e-mailed will be sufficient to bind the executing party.

## **5.28. Severability**

The invalidity or unenforceability of any provision of this Master Agreement shall not affect the validity or enforceability of any other provision of this Master Agreement, which shall remain in full force and effect, provided that the signing parties can continue to perform their obligations under this Master Agreement in accordance with its intent.

## **5.29. Statutes, Regulations, Rules, and other Authority**

Any reference in this Master Agreement to a statute, regulation, rule or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Master Agreement.

**5.30. Counterparts**

The invalidity or unenforceability of any provision of this Master Agreement shall not affect the validity or enforceability of any other provision of this Master Agreement, which shall remain in full force and effect, provided that the parties can continue to perform their obligations under this Master Agreement in accordance with its intent.

**5.31. Waiver**

A party's failure or delay in exercising any right, power, or privilege under this Master Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

**5.32. Lead State Procurement Code**

As between Contractor and Lead State, nothing herein shall be construed as a limitation, whole or partial waiver, or release of any terms or provisions of the Lead State's laws and rules governing procurement. Lead State specifically preserves all protections and rights applicable to procurements by Lead State.

**5.33. Standard & Manner of Performance**

Subject to the specific performance standards for Contractor stated herein, Contractor shall perform its obligations under this Master Agreement in accordance with the highest standards of care, skill and diligence in Contractor's industry, trade, or profession.

**5.34. No Third Party Beneficiaries**

Except for the parties' valid respective successors and assigns, this Master Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the parties hereto and the Partner States. Enforcement of this Master Agreement and all rights and obligations hereunder are reserved solely to Lead State, the Partner States, and Contractor. Any services or benefits which third parties receive as a result of this Master Agreement are incidental to this Master Agreement, and do not create any rights for such third parties.

**5.35. Authority**

Each party hereto represents and warrants to the other that the execution and delivery of this Master Agreement and the performance of such party's obligations have been duly authorized.

**5.36. Survival**

Any provision of this Master Agreement that imposes an obligation on a party after termination or expiration of this Master Agreement shall survive the termination or expiration of this Master Agreement and shall be enforceable by the other party.

**5.37. Binding Effect**

All provisions of this Master Agreement, including the benefits and burdens, shall extend to and be binding upon the parties' respective successors and assigns.

SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS MASTER AGREEMENT

Each person signing this Contract represents and warrants that the signer is duly authorized to execute this Contract and to bind the Party authorizing such signature.

<p><b>CONTRACTOR</b> <b>Vestwell State Savings, LLC</b> Douglas Magnolia, President</p> <p>By: <u>Douglas Magnolia</u> Douglas Magnolia, President</p> <p>Date: <u>8/10/2023   5:13 PM EDT</u></p>	<p><b>STATE OF COLORADO</b> <b>Jared S. Polis, Governor</b> Department of the Treasury David L. Young, Treasurer</p> <p>By: <u>David L. Young</u> David L. Young, Treasurer</p> <p>Date: <u>8/10/2023   10:25 PM MDT</u></p>
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ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

In accordance with §24-30-202, C.R.S., this Contract is not valid until signed and dated below by the State Controller or an authorized delegate.

<p><b>STATE CONTROLLER</b> <b>Robert Jaros, CPA, MBA, JD</b></p> <p>By: <u>Nathan Manley</u> Nathan Manley, Controller Delegate</p> <p>Effective Date: <u>8/14/2023   7:24 AM PDT</u></p>
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**EXHIBIT A, FEE TABLE AND TERMS****I. Allowable Fees**

In accordance with, and subject to the terms contained in, **Section 3** of the main body of this Master Agreement, Contractor shall be entitled to charge to Accounts the following fees. All fees shall be charged directly to the Accounts.

**A. Asset-Based Fee**

- 1) Contractor may charge an Asset-Based Fee of no more than 15 bps per annum, with such Asset-Based Fee decreasing as total assets under management increase according to the following table:

<b>TABLE 1</b> <b>Asset-Based Fee</b>	
<b>Asset Level</b>	<b>Fee (%)</b>
\$0.0-2.0B	0.15%
\$2.0-4.0B	0.12%
\$4.0B+	0.10%

- 2) These Asset-Based Fees shall be charged across all Accounts based upon the total Partner Program Assets.
- 3) As soon as the combined assets of the Partner Program Assets exceeds \$2 billion, the Asset-Based Fee for all Accounts shall drop to 0.12% (and shall drop again upon meeting the \$4 billion threshold). This is designed to be a flat fee on all assets, charged according to the current value of total Partner Program Assets, such that all Savers realize the fee drop produced by scaling across the Partner Programs.

**B. Account-Based Fee**

<b>TABLE 2</b> <b>Account-Based Fee</b>	
<b>Account Level</b>	<b>Fee (\$)</b>
1-200K accounts	\$22.00 per account annually
200-350K accounts	\$20.00 per account annually
350K+ accounts	\$18.00 per account annually

Account-Based Fees fee reductions decrease according to the total number of Accounts of all Partner States.

**C. Additional (Account Elective) Fees**

Contractor shall have the right to charge the following additional Account-specific fees for transactions and elections initiated by Savers.

**1) A Rollover Fee (\$50 one-time)**

In the event an Employee elects to transfer their account, or any portion of the account, to another IRA, Contractor may charge the Account fifty (\$50) dollars as a rollover/transfer fee.

**2) Paper Statement Fee (\$10 per annum)**

In the event an Employee elects to receive quarterly statements in hard-copy (paper) form, Contractor may charge the Account ten (\$10) dollars per annum.

**3) Paper Checks (\$5 per check)**

In the event an Employee seeks to deposit funds in their Account using paper checks, Contractor may charge the Account five (\$5) dollars per check deposited. In the event the Employee makes a withdrawal of the funds within the first ninety (90) days of the initial funding date of the Account, Contractor agrees to waive this fee.

**II. Additional Fee Terms**

**A.** Under no circumstances will the fees charged by Contractor exceed the terms contained in this Exhibit A.

**B.** Contractor's fees in this Exhibit A do not include fees that may be charged by any investment manager in accordance with the terms agreed to between Lead State and such investment manager in a separate written and signed agreement. Neither Contractor's fees nor the investment management fees include the State Administrative Fee. Contractor's fees and the State Administrative Fees are ongoing, paid out of Account proceeds by Account adjustment, and billed quarterly in arrears. Depending upon the end structure of the investments, they will be accounted and accrued either in determining the daily investment share/unit-value or NAV.

**EXHIBIT B, PROGRAM LAUNCH TIMELINE**

This *Program Launch Timeline* sets forth the terms and deadlines for the initial launch of the of Contractor's duties at Program Administrator.

Extension Authorized. Lead State shall have the right, in its sole discretion, to extend any deadline identified in this Exhibit B, provided that, in the event of such extension, all subsequent deadlines in this *Program Launch Timeline* are extended by the same number of days as Lead State's extension. To exercise this right, Lead State shall issue a written notice to Contractor, appearing on State letterhead, that explains an extension of the Program Launch Timeline is being issued and which provides the new Program Launch Timeline as an exhibit. A written and signed amendment is not required for Lead State to extend these deadlines. Any extension authorized in accordance with this paragraph shall serve to completely delete and replace the below *Program Launch Timeline*, including, if there are multiple extensions, any amended timeline pursuant to this paragraph, with the timeline attached in the exhibit to the Lead State's written notice.

Task	Description	Start Date	End Date	Lead Org	Comments
<b>Launch Pilot Program on or by October 31, 2022</b>					
<b>Employer Marketing &amp; Outreach</b>					
Pilot Employer List	identify employers	April	October 31, 2022	Lead State	Engaging with stakeholder groups; following up with employers who connected through the existing program website; ER identification crucial to pilot launch (fairly time intensive)
Pre-Pilot Engagement	meetings, webinars, prep work with each employer	May	October 31, 2022	Lead State & Contractor	Once employers are committed, both Contractor and the Lead State will work with employers to ensure they are prepped for their onboarding and complete registration and first payrolls (includes meetings, onboarding sessions, webinars, and data integration)
Finalize branding			July 31, 2022	Lead State	Branding will be used across multiple work streams and is needed to finalize program documents, the program website, both portals, and various outreach materials

Develop and finalize marketing strategy & tasks		May	August 31, 2022	Lead State & Contractor	Create marketing strategy around pilot (outreach, any press for pilot launch, etc.) and pre-plan for formal launch activities
<b>Program Oversight</b>					
<b><i>Program Documents</i></b>					
Draft and Finalize Program Description		June	September 30, 2022	Contractor & Lead State	Drafted by Contractor with Lead State Final Approval. Requires information on investment line-up, certain program feature, etc.
Draft & Finalize IRA Custodial Agreement & Forms		June	September 30, 2022	Contractor & Lead State	Drafted by Contractor with Lead State Final Approval
<b><i>Rules and Program Policies</i></b>					
Program Rules/Regulations		April	June 30, 2022	Lead State	Draft and finalize program administrative rules. State to determine timing should the rules need to be in place by pilot launch vs Program launch. (Specifics from rules are often used to draft website content and FAQ materials.)
<b>Recordkeeping &amp; Operations</b>					
Call Center Setup & Training		August	October 31, 2022	BNY Mellon	Ensuring proper staffing and training of team on all CO Program items
Recordkeeping System Set-up		June	October 31, 2022	BNY Mellon	Operational processes to prepare for recordkeeping services on the BNY Mellon system
<b>Investments</b>					
Finalize fund line-up		April	June 30, 2022	Lead State	Ensure specific fund line-up is finalized and approved (if-needed). Fund information needed for website, PD, and other fact sheets, etc.

Meetings/Materials from Investment Managers		July	September 30, 2022	Contractor	Contractor team will hold meetings as needed with each investment manager and will get the necessary materials for Program documents and the Program website
Open and seed funds			September 30, 2022	All parties	Will require work from investment managers, CO staff, and Contractor
Program Website & Communications					
Pilot Landing Page	design, copy, and development	May	June 30, 2022	Contractor	We'll design a landing page that can go live before the full Program website to help with the early employer recruitment.
Full Program website	design, copy, and development	June	September 30, 2022	Contractor	Development of the full Program website to be ready for pilot launch - this process will include the development and approval of content, layout, etc. by the Lead State
Employee/Saver Fact Sheet	design & copy	June	September 30, 2022	Contractor	Use for pilot recruitment and then ongoing saver education (with review/approval from Lead State)
Employer Fact Sheet	design & copy		September 30, 2022	Contractor	Use for pilot recruitment and then ongoing employer outreach (with review/approval from Lead State)
EE enrollment notices	design & copy		August 31, 2022	Contractor	Communications will be developed to send to employers participating in the pilot. (Will be created by Contractor team with review and approval from the Lead State.) Note - these are only the communications required for pilot, additional Employer and Saver Communications will be developed for full launch.
EE enrollment reminders	design & copy		August 31, 2022	Contractor	
EE auto-enrollment notices	design & copy		August 31, 2022	Contractor	
ER enrollment communications	design & copy		August 31, 2022	Contractor	
ER contribution reminders	design & copy		August 31, 2022	Contractor	
Saver & Employer Portals					

Configure Saver Portal	design, copy, and development	June	September 30, 2022	Contractor	Portal will need to be developed and configured specific to CO Program needs, including branding, specific program features and content
Configure Employer Portal	design, copy, and development	June	September 30, 2022	Contractor	Portal will need to be configured to specific CO Program needs, including branding, program design elements, etc.
Portal Testing		July	October 31, 2022	All parties	

**EXHIBIT C, TRACKING METRICS**

	<b>Metric</b>	<b>Description</b>	<b>Reporting Party</b>
<b>Account Data</b>	Total Open Accounts	Number of accounts currently open, regardless of funded status	Program Administrator
	Total Funded Accounts	Number of open accounts carrying more than a \$0 balance	Program Administrator
	Monthly Accounts Opened	Number of new accounts opened in past month	Program Administrator
	Monthly Accounts Closed	Number of accounts closed in past month	Program Administrator
	Total Accounts Making Payroll Contributions	Number of accounts contributing via payroll deduction	Program Administrator
	Multiple Employer Accounts	Number of accounts receiving contributions from more than one employer	Program Administrator
	Opt-out Rate	Percentage of employees opting out of the Program	Program Administrator
<b>Asset and Transactional Data</b>	Total Assets	Total assets under management ("AUM")	Program Administrator
	Assets by Investment Option	A breakdown of total AUM in each portfolio	Program Administrator
	Total Contributions (\$)	Total dollar contributions made since Program inception	Program Administrator
	Monthly Contributions (\$)	Total dollar contributions made during past month	Program Administrator

Metric	Description	Reporting Party
Average Contribution (\$)	Size of the average contribution since Program inception	Program Administrator
Average Monthly Contribution (\$)	Size of the average contribution made during past month	Program Administrator
Average Deferral Rate	Average percentage of wages employees deduct from their paycheck and contribute to the Program	Program Administrator
Average Funded Account Balance	Average account size, excluding accounts with \$0 balance	Program Administrator
Balance Ranges	<p>Number of accounts in pre-determined balance ranges</p> <p><i>E.g., ## accounts with between \$.01 and \$500, ## accounts with between \$500.01 and \$1,000, ## accounts with between \$1,000.01 and \$5,000, etc. [The Board can determine the ranges it desires.]</i></p>	Program Administrator
Accounts with Maximum Contribution	<p>Number of accounts that have made the maximum contribution for the year</p> <p><i>(Since the contribution limit is a yearly one, you will measure this to determine how many/what percentage of accounts max out each year. The year-end number will be the most important one.)</i></p>	Program Administrator
Total Withdrawals (\$)	Total dollar amount of withdrawals made since Program inception	Program Administrator
Monthly Withdrawals (\$)	Total dollar amount of contributions made during past month	Program Administrator
Accounts that Made a Withdrawal	Number of accounts that had a withdrawal in past month	Program Administrator

	Metric	Description	Reporting Party
Employee Demographic Data	Geographic Region	<i>If the Board is able to identify/define Regions of interest and provide zip codes for each region, Program Administrator may be able to track # of accounts by Region – dependent on your Program Administrator's data reporting abilities.</i>	Program Administrator
	Average Age	Age of average account holder	Program Administrator
	Age Ranges	Number of account holders in pre-determined age ranges  <i>E.g., XX participants between 18-25; XX participants between 26-35...etc. [The Board can define the ranges it is interested in]. This tends to give you a better idea of who your typical saver is, more so than Average Age, which is just a single number that can be skewed by outliers in the data set. It will also help the Program identify the most common age range.</i>	Program Administrator
Employer Data	Total Registered Employers	Number of businesses that have registered	Program Administrator
	Employers That Have Added Employee Data	Number of registered businesses that have contributed their employee data	Program Administrator
	Employers Submitting Payroll Contributions	Number of registered businesses submitting contributions via payroll	Program Administrator
	Total Exempt Employers	Number of businesses that do not meet eligibility criteria to participate	Program Administrator

**Partner State Agreement**  
PARTNERSHIP FOR A DIGNIFIED RETIREMENT

This Partner State Agreement (this “Agreement”) is entered into between the Office of the State Treasurer for the State of Nevada, on behalf of the Nevada NEST Program (“Undersigned Partner State”), and Vestwell State Savings LLC (“Vendor”) for purposes of Undersigned Partner State’s receipt of services under the Partnership for a Dignified Retirement (“PDR”). This Agreement relates to the master services agreement known as State of Colorado Department of Treasury Master Agreement Terms and Conditions, and effective as of **March 31, 2025** (the “Master Services Agreement”), between the State of Colorado (“Lead State”) and Vendor.

WHEREAS, Undersigned Partner State is participating in the PDR and has executed the Adherence Agreement Signature page of the Interstate Adherence Agreement by and between the participating states;

WHEREAS, Vendor has signed the Master Services Agreement with Lead State; and

WHEREAS, Undersigned Partner State hereby seeks to enter into a Partner State Agreement with Vendor in order to receive the benefit of Vendor’s services to the PDR and its partner state members.

NOW THEREFORE, Vendor and Undersigned Partner State agree as follows:

1. Agreement to be Bound.

The Master Services Agreement is hereby incorporated into and made a part of this Agreement. By and through such incorporation, and subject to the terms of the Master Services Agreement, Undersigned Partner State hereby agrees to be bound by those terms made applicable to “Partner States” as part of the Master Services Agreement, and Vendor hereby agrees to allow such rights and provide such benefits to Undersigned Partner State as though it is a “Partner State” under the Master Services Agreement.

2. Additional Terms.

Notwithstanding section 1.3.1 or any other provision of the Master Services Agreement or any provision of the Interstate Agreement (as defined in the Master Services Agreement), and with the consent of the Lead State, Undersigned Partner State and Vendor agree, as by and between them, to the following additional terms:

- A. Vendor acknowledges that notwithstanding anything to the contrary stated or implied in the Master Services Agreement, the Nevada NEST Program Board (the “Board”) has the authority only to incur obligations on its behalf and not the State of Nevada.

- B. Vendor acknowledges that notwithstanding Section 3.3.1.a) of the Master Services Agreement, the Lead State and Undersigned Partner State have mutually waived the requirement for a Memorandum of Cooperation.
- C. Section 4.4.1. is amended to include a subpart “g)” that provides: “Complying with all relevant requirements of official State of Nevada websites.”
- D. All data types identified in Section 5.2 of the MSA as not subject to withholding by Contractor from Lead State shall not be subject to withholding by Contractor from Undersigned Partner State.
- E. Vendor and Undersigned Partner State agree to set an implementation timeline within 30 days of execution of this Agreement.
- F. Vendor and Undersigned Partner State shall determine the most efficient means for transferring State Administrative fees collected by the Vendor to Undersigned Partner State.
- G. Vendor will attend all Board meetings and provide such reports as Undersigned Partner State may reasonably request at least on a quarterly basis. Vendor will work with Undersigned Partner State to determine the content and presentation of such reports. Vendor will annually attend at least one Nevada NEST Program Board meeting in person, if requested by the Undersigned Partner State.
- H. Vendor shall execute and comply with the State of Nevada Terms and Conditions Governing Cloud Services and Data Usage Agreement attached hereto.
- I. Vendor shall use its best commercial efforts to comply with all policies, technical standards, forms, and guidelines related to information technology and information security and privacy as may be required by the Nevada Office of the Chief Information Officer (OCIO) and/or other applicable agency.
- J. Unless legally prohibited by applicable law and without violating any of Vendor’s other contractual or other obligations Vendor shall notify Undersigned Partner State in writing of its knowledge regarding the existence of any investigation, examination or other proceeding involving Vendor, or any key personnel or designated staff thereof, including a subcontractor retained to perform a service or any key personnel or designated staff of a subcontractor, commenced by any regulatory or law enforcement agency and involving allegations of fraud or illegal conduct related to any service provided under the Agreement.
- K. Any and all notices required to be sent under the Agreement shall be in writing and shall be mailed, certified or registered mail, or emailed, as

follows:

If to Undersigned Partner State:

Attn: Board of Trustees of the Nevada Employee Savings Trust  
State Treasurer Zach Conine, Chair  
1 State of Nevada Way  
Las Vegas, NV 89119  
[nest@nevadatreasurer.gov](mailto:nest@nevadatreasurer.gov)

If to Vendor:

Attn: Vestwell  
Matt Golden  
360 Madison Ave, 15th Floor  
New York, NY 10017  
[matt.golden@vestwell.com](mailto:matt.golden@vestwell.com) with a copy to [Legal@vestwell.com](mailto:Legal@vestwell.com)  
617-945-3917

3. Other Terms.

- A. Effective Date. This Agreement is effective on the date of the last signing party below.
- B. Term & Termination. This Agreement shall continue in effect until the earlier of: (a) termination, expiration or other cessation of the Master Services Agreement between Lead State and Vendor; (b) the parties hereto enter into a written and signed Amendment that terminates this Agreement; or (c) the Master Services Agreement or this Agreement is determined by a court of law of competent jurisdiction to be terminated, expired, invalid, void, or otherwise unenforceable with respect to one or both of the parties hereto.
- C. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the parties can continue to perform their obligations under this Agreement in accordance with the intent of this Agreement.
- D. Vendor / Jurisdiction. In the event of a dispute between Undersigned Partner State and Vendor where such dispute resolution is not led by Lead State on behalf of the partner states, Undersigned Partner State and Vendor agree that jurisdiction for such dispute shall reside solely in the State of Nevada.
- E. No Third-Party Beneficiaries. Except for the parties' valid respective successors and assigns, this Agreement does not and is not intended to confer any rights or remedies upon any person or entity, including enforcement of this Agreement, other than the rights and obligations

hereunder which are reserved solely to the Lead State, the Partner States, and Contractor. Any services or benefits which third parties who are not Parties to this Agreement receive as a result of this Agreement are incidental to this Agreement, and do not create any rights or ability to enforce the terms of this Agreement for such third parties.

- F. Authority. Each party hereto represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations have been duly authorized.
- G. Separate Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered an original and all of which shall constitute a single instrument. The parties agree that a fax or electronically transmitted valid and authorized original signature shall be deemed an original, provided the original copies are promptly delivered.
- H. State Start-Up Fee. Upon execution of this Agreement, the Undersigned Partner State shall pay the Vendor a one-time start-up fee of \$100,000.00 for costs associated with the development and launch of the Program. The Undersigned Partner State will pay the start-up fee within three months of the execution of this Agreement, and in advance of the Program being made operational. Vendor and Undersigned Partner State shall determine the most efficient means for transferring Start-Up Fee from Undersigned Partner State to the Vendor.
- I. Undersigned Partner State does not waive or limit any of the provisions or defenses under NRS Chapter 41.

FOR VENDOR:

Signed\_\_\_\_\_

Douglas Magnolia

Name\_\_\_\_\_

President, Vestwell State Savings

Title\_\_\_\_\_

Date\_\_\_\_\_

FOR UNDERSIGNED PARTNER STATE:

Signed \_\_\_\_\_

Zach Conine

Name \_\_\_\_\_

Nevada State Treasurer

Title \_\_\_\_\_

Office of the State Treasurer

Agency/Department \_\_\_\_\_

Date \_\_\_\_\_

ACKNOWLEDGEMENT BY THE LEAD STATE:

Signed \_\_\_\_\_

Name David L. Young \_\_\_\_\_

Title Treasurer \_\_\_\_\_

Date \_\_\_\_\_

**Establishment of the  
PARTNERSHIP FOR A  
DIGNIFIED RETIREMENT  
*and*  
INTERSTATE ADHERENCE  
AGREEMENT**

WHEREAS, many states have formed partnerships for the benefit of providing cost-effective, tax-advantaged investment programs for people with disabilities;

WHEREAS, State-run retirement investment programs dedicated to increasing access to workplace retirement savings in the private sector would similarly benefit participants in such programs through collaboration and resource-pooling across States;

WHEREAS, Colorado, acting by and through its Department of Treasury, has invested resources towards creating, researching, implementing, administering and maintaining a private sector auto-enrollment payroll deduction program for the eligible citizens of Colorado;

WHEREAS, Colorado believes that this work will allow its constituents access to an affordable auto-enrollment payroll deduction IRA, program and that there are substantial economies of scale, efficiencies, and resource advantages that can be realized if, multiple states work with Colorado in furtherance of its creation, implementation, administration and maintenance of a private sector auto-enrollment payroll deduction IRA program

WHEREAS, Colorado has determined that several States agree that a multi-state auto enrollment payroll deduction IRA program will create cost efficiencies, and will ultimately benefit participating states and all their program participants;

NOW THEREFORE BE IT RESOLVED THAT, the “Partnership for a Dignified Retirement,” is established as a multi-state consortium operating a private sector auto-enrollment payroll deduction IRA Program and

NOW THEREFORE BE IT FURTHER RESOLVED THAT the Partnership for a Dignified Retirement shall be operated pursuant to the terms provided below in the Interstate Adherence Agreement, and upon its execution participating States may collaborate, share resources and expertise, and efficiently retain, evaluate and monitor vendors that operate the Program through contracts authorized and executed in accordance with the terms of this Agreement.

## PARTNERSHIP FOR A DIGNIFIED RETIREMENT INTERSTATE ADHERENCE AGREEMENT

For and in consideration of the mutual promises and covenants contained in this Interstate Adherence Agreement (“this Agreement”) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the participating States each agree as follows:

### I. DEFINITIONS:

As used in this Agreement:

“**IRA**” means a Roth individual retirement account authorized pursuant to Section 408A of the Internal Revenue Code or a traditional individual retirement account pursuant to Section 408 of the Internal Revenue Code.

“**PDR Lead State**” means the State designated by the PDR to solicit, retain, supervise, and monitor the Vendor(s).

“**Lead State Member**” means the natural person designated by Lead State to serve as Member on its behalf.

“**Master Services Agreement**” means the contract entered into between a Vendor and the Lead State that governs the Vendor’s performance and the delivery of Vendor’s services, and upon which participating States sign on via execution of a Partner State Agreement with said Vendor, including the anticipated agreements between Lead State and a program administrator and investment managers.

“**State Member**” means each participating State’s natural person designated to serve on the PDR and represent their State’s interests in the PDR, the Program, and this Agreement.

“**Members**” means the Lead State Member and each State Member, collectively.

“**Partnership for a Dignified Retirement**” or “**PDR**” means the consortium by the States under this Agreement to facilitate collaboration, communication, and decision-making with respect to the Program and this Agreement.

“**Program**” means the auto-enrollment payroll deduction IRA program operated as the PDR, and as specified in, and subject to, this Agreement and the Master Services Agreement(s).

“**Saver**” mean Employee or other individual who is eighteen years or older, who owns an Account in a Partner Program, including (a) a Saver who owns an Account, but is no longer an Employee, or (b) the Beneficiary of a deceased Saver.

“**Signature Page**” means the Interstate Adherence Agreement Signature Page (Exhibit A) used to execute this Agreement by each State and in so doing authorizing the State to participate in the PDR in strict accordance with the terms of this Agreement.

“**State**” means a duly authorized state government body executing the Signature Page and participating in the PDR.

“**States**” means the collective of all States that are parties to this Agreement via their execution of the Signature Page, which pledges the State to participation in the PDR.

“**Vendor**” means a third-party independent contractor retained to provide services to the Program, including program administrator and one or more investment managers.

## **II. OVERVIEW OF THE PDR CONSORTIUM.**

1. Establishment. Through this Agreement the States hereby participate in the PDR.
2. Purpose. The purpose of the PDR is for the States to participate in the ongoing administration of the Program and make Program recommendations. To fulfill this purpose the States participating in the PDR will:
  - A. Appoint a “Lead State Member” to perform the responsibilities as set forth in Article V, below;
  - B. Support the Lead State in its assessment and evaluation of each of the Vendors, and create processes for monitoring the Vendors;
  - C. Identify shared expenses to be incurred by the States and the manner in which such expenses may be apportioned;
  - D. Share documentation relating to Vendor performance, including performance statistics, audit documents; and,
  - E. Form and participate in committees or working groups delegated to address significant planning, Vendor performance monitoring, and Program strategies, modifications and implementation
  - F. Ensure equitable treatment of Members under the Master Services Agreements and any Partnership Addendum.
- ~~3.~~ Expenditures. The PDR shall not authorize the expenditure of monies by any State.
4. PDR Eligibility & Approval. Only duly authorized state government bodies are permitted to participate in the PDR. A State may participate in the PDR only upon application and upon approval of a majority of current Members. To participate a State must execute each Partner State Agreement with all authorized Vendors.

## **III. PDR STRUCTURE AND PROCESSES.**

1. Meetings. The PDR will meet regularly by video conference, phone and/or in-person to discuss implementation and maintenance of the Program, and to receive updates from Lead State. The PDR shall at a minimum hold regularly scheduled meetings each quarter.
2. Meeting Agendas. An agenda will be set for each meeting. The agenda will be prepared by the Chair and/or the Secretary and will be circulated in advance of the meeting. Each agenda will include updates from the Lead State which may include

information regarding Vendor performance, reporting, results and statistics, and any other information, topic or presentation deemed appropriate. Prior to release of an agenda, the Chair or Secretary will solicit agenda items from Members. Members may request that the Chair and Secretary add a specific agenda item.

3. Attendance. Members or their designees should make good faith efforts to attend all scheduled meetings.
4. Chair & Secretary. The PDR meetings shall be chaired by either the Lead State Member or their designee. Meetings shall be conducted in an informal manner that approximately follows the Robert's Rules of Order for matters concerning motions and voting.

The Chair shall appoint as Secretary a State Member or a staff person affiliated with any State. The Secretary shall be responsible for sending meeting invitations, preparing brief minutes of the discussions of each meeting, and circulating draft meeting minutes for approval by the PDR at subsequent meetings.

The Chair and the Secretary will coordinate the agenda items for meetings.

5. Special Meetings. Upon not less than 24-hours of written notice, the Chair may call a special meeting to discuss or take formal action on a specific item of business. Special Meetings may also be called at the request of a majority of the Members.
6. Notices. A meeting notice shall be deemed properly delivered if sent via e-mail to the e-mail address on file for each Member.
7. Voting. All action taken by the PDR shall be made by a majority vote of the Members in attendance at the meeting. Each State Member shall have one vote. A vote is required for each of the following decisions:
  - A. Appointment or replacement of a Lead State;
  - B. Amendment or modification of any portion of any Master Services Agreement, with any such amendment or modification being subject to veto by the Lead State and consent of the countersigning Vendor;
  - C. Amendment or modification of this Agreement;
  - D. Removal of a State from the PDR;
  - E. Approval or retention of Vendors pursuant to a cost-sharing arrangement among the States, provided that no State shall be required to participate in cost-sharing unless it consents to doing so and commits funding pursuant to its laws and rules;
  - F. Determination of whether a State's laws, rules, policies, or actions are in compliance with this Agreement and the obligations of that State under the PDR; and,
  - G. Any decision the Lead State Member deems appropriate or necessary to resolve by a vote.

8. Quorum. A quorum is required for any formal action taken by a vote of the Members. A quorum exists if two-thirds of the Members are in attendance.
9. Subcommittees. The PDR may establish subcommittees or working groups consisting of Members, as well as staff appointed by States to represent Members or provide advice, information or expertise.
10. Vendor Grievance. A grievance by a State asserting a Vendor's failure to satisfactorily perform a contract obligation shall be noticed and resolved in accordance with this section.

A. Lead State Identification of Vendor Issues. In the event the Lead State determines that a Vendor may have or has materially failed to perform a Vendor contract obligation, in whole or in part, the Lead State shall take such action as it deems necessary or prudent to gather information and assess and evaluate the Vendor's performance.

- i. If, after gathering information and evaluation, the Lead State determines that it is more likely than not that the Vendor has failed or is failing to perform a contract obligation in whole or in part, the Lead State shall provide a written notice regarding that determination to all Members. The written notice shall, in separately numbered paragraphs, specify each Vendor contract obligation performance failure that has or may have occurred and upon the Lead State's information and belief: (1) identify each specific Vendor contract obligation that has been, may have been or is being violated; (2) if applicable, identify each specific law, regulation, rule, or other required policies, guidance, or requirements the Lead State believes may have been violated or are being violated; and (3) state precisely what action or inaction is needed of the Vendor to cure or avoid the violation ("1," "2," and "3", collectively, the "Grievance Notice Requirements").
- ii. Thereafter, the Members shall meet to discuss each contract performance obligation violation and collaborate on possible actions the Lead State may take to manage Vendor performance.

B. Non-Lead State Identification of Vendor Issues. In the event that a State other than the Lead State determines that a Vendor has or may have materially failed to perform a contract obligation in whole or in part, the State must report such possible performance failure to the Lead State Member in writing (for purposes of this Section "10", such State is hereafter the "Reporting State").

Upon the Lead State's receipt of the writing the Lead State Member and the Reporting State Member shall meet to discuss the issue. Together the Lead State Member and Reporting State Member shall work in good faith and reasonable diligence to assess the Vendor's potential failed contract obligation performance and determine whether the Lead State Member and the Reporting State Member agree regarding whether a Vendor has, failed or is failing to perform any contract obligation or violated any provision of law.

- i. In the event the Lead State Member and the Reporting State Member determine that a Vendor has materially failed in its contract obligation performance the Lead State shall (A) provide a written notice to the Members that complies with the Grievance Notice Requirements; and (B) commence the Lead State's enforcement duties.
  - ii. In the event that:
    - a) the Lead State Member and Reporting State member do not agree that the Vendor has materially failed in its contract performance obligations, in whole or in part the Lead State Member shall make a determination regarding the potential failed contract performance obligation;
    - b) the Lead State declines to pursue any action against the Vendor, including any further investigatory action or the exercise of any contractual rights or remedies, the Lead State Member shall determine, in their sole discretion, whether the issue concerns solely or substantially the Reporting State, and not all States,
    - c) After action by the Lead State, if the Reporting State Member determines, in its sole discretion, that the Vendor continues to fail performance of its contract obligations in whole or in part, the Reporting State shall issue a written notice to all Members. The written notice must comply with the Grievance Notice Requirements, except all averments shall be on the Reporting State's behalf, only.
  - iii. Thereafter, the Reporting State has the right, subject to the terms of the Master Services Agreement, and solely on behalf of itself and its Savers (if applicable), to conduct such independent investigation, demands, declarations, and enforcement permitted under the Master Services Agreement, and to seek any claims or remedies against the Vendor allowed under the Master Services Agreement or allowed under its Partner State Agreement; provided that no such remedies of Reporting State may seek to, or result in, the termination, invalidation, revocation, alteration, modification, or amendment of the Master Services Agreement or this Agreement. No action, claims, or relief sought of or by any Reporting State, may reduce, alter, modify, or materially impact the rights of the other States. Any action, claims, or relief sought by the Reporting State shall only pertain to the Reporting State and its Savers. The Reporting State may not materially impact the rights of other States or their Savers.
- C. Lead State's Enforcement. The Lead State may take such actions and may exercise all such rights as are permitted or required by the Master Services Agreement with regard to the Vendor. The States agree such action may include, but may not be limited to, discussions with the Vendor, exercising of contractual rights of the Lead State to audit and monitor the Vendor, declaration of breach,

and pursuit of legal remedies in court; provided that no such action may include the signing or execution of any settlement agreement, amendment, modification, or any other document that seeks to modify the Master Service Agreement unless the document is approved by the States pursuant to a vote. *See* (III)(7)(D). Nothing in this Section “10” shall prevent the Lead State from initiating any action or claim to enforce the rights of the Lead State and, by extension, the States, immediately if the Lead State deems doing so is prudent to protect the rights of the Lead State or the States; provided that the Lead State shall inform all other States of any formal claim or dispute and satisfy the Grievance Notice Requirements within a reasonable time after taking action or commencing any claim.

- D. Vendors May Not Rely Upon PDR Grievance Process. For avoidance of doubt, no Vendor may raise a claim or defense surrounding any purported failure to adhere to the internal processes prescribed by this (III)(10). With respect to any dispute between a Vendor and the Reporting State, the Reporting State’s written notice required by this section are preliminary in nature only, and shall not serve to bar, estop, waive, or in any way prevent the Reporting State from raising additional or different claims, revising claims, or making additional or different factual or legal determinations in subsequent proceedings against a Vendor.

#### IV. STATE RESPONSIBILITIES.

Each participating State shall be responsible for the following:

1. Membership & Designees.

- A. Appointment of “State Member.” Each State must designate a person who will actively participate on the State’s behalf as a “State Member.” The State Member, or their authorized designee, should attend all PDR meetings.
- B. Authorized Designees. Each State Member may designate a person who is authorized to attend PDR meetings and, in the State Member’s absence to, vote on matters in the State Member’s stead. To designate such person, the State Member must notify the Chair, the Secretary, and the Lead State Member via an e-mail that states substantially as follows:

“I State member \_\_\_\_\_ hereby designate \_\_\_\_\_ as my State Member Designee. In the event I am not in attendance at a PDR meeting, I authorize my State member Designee to represent my State and vote on my behalf as State Member for the State of \_\_\_\_\_. A vote cast by my State Member Designee shall have the same force and effect pursuant to the terms of this Agreement as if I had cast the vote.”

- C. Changes in State Member or State Member Designee In the event a State Member or State Member Designee leaves their State employment, ceases to have authority to serve or otherwise no longer serves as State Member or State Member Designee, the State shall immediately notify the Chair and the

Secretary.

2. State Maintenance Duties. Each State agrees, throughout the duration of their participation in the PDR, to adhere to the following requirements.

A. Mandatory Participation. Participation by Required Employers from each State must be mandated by that State's laws. The mandate must include automatic enrollment of the employees of each Required Employer into an IRA with the opportunity for an Employee to opt out.

Required Employers at a minimum include all of a State's private employers who have been in business for at least twenty-four consecutive months, who do not offer a qualified retirement plan and who employ five or more employees

B. Outreach. Each State must provide resources to conduct outreach and marketing efforts to promote the Program within their State.

C. Staffing. Each State agrees to employ at least one full-time staff person for the purposes of carrying out the State PDR requirements and all other Partner State responsibilities.

D. Laws, Rules & Continued Legal Authority. Each State shall, at all times, maintain full legal authority to participate in the Program without material conflict between that State's laws, regulations, rules, or policies and the Program. Each State agrees that cost-efficiency and scalability is a material benefit to the State's participation in the PDR and, accordingly, each State shall avoid implementing laws, regulations, rules, policies or any other form of requirement that will or could raise cost on other States.

E. Investment Policy Statement. Each State agrees to ensure any Investment Policy Statement adopted by that State which directly concerns or relates to the Program is substantially consistent with the Lead State's Investment Policy Statement. Each State consents to the Lead State's determination of investment options line-up, investment strategy, and investment election offerings for the duration of the State's PDR and Program participation. Pursuant to Section III.2, State Members may suggest investment performance and potential modifications in or additions to investment options as a topic of discussion for the PDR.

3. Vendor Performance Monitoring. Each State agrees to participate in Meetings and assist the Lead State in the evaluation and monitoring of Vendor performance contract obligations, both under the Master Services Agreement and applicable laws, regulations and rules.

4. Partner State Agreements. Each State shall execute and enter into a Partner State Agreement with all authorized Vendors that are subject to a Master Services Agreement with the Lead State. Each State must ensure their Partner State Agreement conforms with that State's laws, as well as any other applicable laws, regulations, rules, or official guidance. The Partner State Agreement must be substantially in the form provided at Exhibit B.

5. Master Services Agreement. Each State must review and understand the Master Services Agreement prior to executing any Partner State Agreement with an authorized Vendor. Each State must review the Master Services Agreement with all Vendors to understand the terms of those services and ensure their State's participation in the PDR and the Program will not result in a violation of any applicable law, rule or regulation. By entering into this Agreement, each State consents to those terms, rights, conditions, and limitations in the Master Services Agreement applicable to "Partner States."

6. Compliance with Law. Each State is charged with ensuring its participation in the Program and the PDR comports with its own laws, regulations, rules, and requirements of any kind.

7. Withdrawal from Agreement. A State may only withdraw from this Agreement upon termination of its Partner State Agreement. A State that (a) fails to execute a Partner State Agreement in accordance with Section V.3 within ninety (90) days after full execution of a Master Services Agreement by the Lead State, or (b) terminates its Partner State Agreement with a Vendor shall be removed from the PDR.

If the Lead State is removed from the PDR, the PDR shall appoint a new PDR Lead State, subject to approval of each authorized Vendor, and the removed PDR Lead State agrees to assign all Master Services Agreement between Vendor(s) and the removed Lead State to the new Lead State.

## **V. LEAD STATE RESPONSIBILITIES.**

1. Initial Lead State – Colorado. Colorado will serve as the PDR Lead State for so long as it remains contracted as "Lead State" with the program administrator and investment manager vendors selected during calendar year 2022. The States anticipate this responsibility to continue from the effective date of the contracts with those Vendor(s) until the termination of those contracts.

Thereafter, the PDR shall vote to appoint a PDR Lead State.

2. Procurement. For each procurement the PDR Lead State shall:
  - A. Create a Program implementation and/or transition schedule;
  - B. Draft a request for proposal or similar solicitation designed to create a competitive bidding process in compliance with the laws of the PDR Lead State, to seek Vendor(s);
  - C. Establish an evaluation team comprised of interested eligible State Members. In order to be eligible to be on the evaluation team, the State Member must represent a State that has legal authority to enter into a contract with the Vendor(s); and
  - D. Award one or more contracts to Vendor(s) based on a scoring process that is in compliance with the laws of the PDR Lead State and approved by the PDR.

At its own cost, the PDR Lead State may obtain the services of external advisors, including advisors to provide services to the PDR Lead State on the procurement of

Vendor(s).

3. Contracts. The PDR Lead State is authorized and required to retain at least one Vendor to serve as a program administrator and at least one Vendor to serve as an investment manager. The PDR Lead State will enter into a Master Services Agreement with each Vendor. Each Master Services Agreement must set forth the Vendor's scope of work and the general terms and conditions based on the advice and approval of the PDR. Each State shall within ninety (90) days of the execution of this Agreement enter into a separate contract (i.e., their Partner State Agreement) with all Vendors that sets forth the terms and conditions specific to such State. The form of this contract shall be substantially in the form contained in Exhibit B. In the event that the scope of work within any Master Services Agreement requires amendment, the PDR Lead State shall obtain the unanimous approval of the States before executing such amendment.
4. Master Service Agreement Maintenance & Vendor Oversight. The PDR Lead State shall devote adequate internal staffing and undertake good faith and reasonable efforts to monitor, oversee, and evaluate each Vendor's performance under the terms of the applicable Master Service Agreement.

## **VI. EXPLICIT UNDERSTANDINGS OF STATE RIGHTS.**

All rights of the States surrounding the Program and each State are expressly reserved to those States to the extent those rights do not conflict with this Agreement or any Master Services Agreement. Nonetheless, for avoidance of doubt, each State has the right and authority to:

1. Grievances with Vendors. Conduct independent assessments, evaluations, and other actions necessary to evaluate Vendors' qualifications and performance; provided however, that grievances by States must adhere to the processes established in (III)(10), above.
2. Consultants & Other Non-PDR Contractors. Retain additional consultants or other third parties it deems necessary or prudent to evaluate the performance of a Vendor or assure compliance with the terms of any Partner State Agreement. States remain free to undertake all such actions they deem necessary or prudent to effectuate their rights or the rights of their Savers. This Agreement is intended as a vehicle for collaboration and realization of cost-efficiencies, and not as a barrier to independent enforcement of any State's rights or privileges.
3. Cost-Sharing for Additional Services. The States may vote to retain consultants or other experts to assist the PDR in carrying out its monitoring and evaluation of Vendors. In doing so, the States may agree on sharing costs associated with the consultants or other experts; provided, however, that no State shall be required to remit any portion of monies towards any cost-sharing, even if all other States vote in approval and are willing to contribute their proportionate share of costs. Consultants or other experts shall be retained only by one of the States – and not the PDR – pursuant to an agreement between the State and the consultant or vendor.

4. No Vendor Performance Guarantees By the PDR Lead State. The States agree that the PDR Lead State, does not guarantee and is not responsible for any given Vendor's performance or compliance with the terms of any Master Services Agreement.

Nothing in this Agreement shall be construed as empowering the PDR to exercise any power or function properly residing with any State, including, without limitation, the ability of a State to independently select and contract with a vendor of its own choosing, at its own costs, and outside of the rights, privileges, duties and responsibilities of the PDR structure.

## **VII. OTHER TERMS.**

1. Advisory in Nature. Except for the determinations expressly set forth herein, the intent of this Agreement is to make the PDR advisory in nature, only. The States agree that delegation of control and oversight to the PDR Lead State reduces the resources required of the other States and reduces costs by requiring that Vendors will be retained pursuant to a cooperative procurement and consult primarily with and take direction from the PDR Lead State with regard to the overall administration of the Master Services Agreement for the PDR. The States further agree that each State will have direct communication with the Vendors on matters related to the day-to-day implementation and administration of the Program in that State that are not applicable to the Partnership as a whole. Such items include by example and not as a limitation: Implementation, concerns raised by individuals participating in that State's Program; administration of IRAs for Employees of the Partner State, marketing materials and outreach for that State's Program; communications with Employers and Employees in that, operation and content of the website operated for the Partner State's program; matters regarding State Administrative Fees; and Vendor reports and presentations to the State.
2. Disagreements Among States. In the event of disagreements among States the States mutually agree to engage in informal mediation.
3. Ex-Officio Status. The PDR may have as many Ex-Officio Members as the Members deem necessary or prudent for purposes of carrying on the business of the Board or supporting the Program or the PDR. Ex-Officio Members shall not vote, and shall only attend meetings and participate at the discretion of the Board. Each Vendor is presumptively an Ex-Officio Member, subject to any determination otherwise by the Board. Ex-Officio membership does not confer a right to attend or participate in all meetings and, for avoidance of doubt, the Members and the PDR are expressly authorized to convene without Ex-Officio Members present and without notice to the Ex-Officio Members.
4. Limitation of Liability.
  - A. By and through this Agreement, no State accepts liability or responsibility for the acts, errors or omissions of any other State.
  - B. No commissioner, officer, agent, board member, or employee of any State or State itself shall be charged with any liability or held liable under any term or provision of this Agreement, or because of its execution or because of any breach

hereof. Nothing in this Agreement is intended to nor shall be construed to require any State to defend, hold harmless, and/or indemnify any other State or vendor.

- C. Although the States agree this Agreement provides no or very limited action, to the extent any claim could arise out of any State's, including the PDR Lead State's obligations under this Agreement and each State hereby agrees that such action is expressly limited to the requirement of specific performance of another State's duties and obligations. No State may seek or claim against any other State any financial remuneration of any kind, such as damages, costs, fees, or expenses. The sole remedy for each State arising out of this Agreement is for an order requiring specific performance of any other State.
  - D. Each State retains its independent fiduciary duty to the Savers located within that State. No State is entitled to rely upon any other State in the exercise of their fiduciary obligations with respect to their State's Savers.
5. Independence of States. Nothing in this Agreement shall be deemed to create a partnership, joint venture, and/or principal and agent relationship between the States and/or their respective counsel. No State shall become liable for any representations, acts or omissions of one of the other States contrary to the provisions hereof.
6. Confidentiality & Public Disclosure. This Agreement, along with all of the Signature Pages incorporated as a part of this Agreement, and all documents sent or received by the PDR and its Members in relation to this Agreement or created by the PDR under this Agreement (e.g., agendas; meeting minutes), are public records subject to disclosure under each State's open records and disclosure laws without prior notice to any other State. This general statement of public disclosure is limited by the following three exceptions:
- A. Individual State Laws. The States will continue to apply their State's public disclosure and open records laws if doing so results in the withholding or additional protection of records or information, as permitted or required by that State's laws, including restrictions on disclosure of personally identifying information;
  - B. Federal Laws. The States will not disclosure any records or materials for which the disclosure would cause a State to violate any federal law or regulation; and,
  - C. PDR Confirmation of Non-Disclosure. The States recognize and agree that there may be instances where the States agree that records created or received by the PDR or its States are not disclosable under law. The States anticipate that these may include, but are not necessarily limited to: (1) examinations and records surrounding Vendor cybersecurity compliance and practices; (2) records concerning litigation or litigation strategy that may affect the performance or ongoing participation in the Program of the PDR Lead State, the performance or ongoing participation in the Program of any Partner State, or pre-litigation claims or dispute resolution with Vendors, to the extent the PDR deems confidentiality of such records necessary to implement the rights of the States

with respect to those Vendors; and (3) records subject to heightened protection, frequently by operation of law, due to the nature of their content, such as protected health information and personally identifiable information. In such instances, the States and their respective Members agree to: (A) avoid disclosing such records; (B) to segregate such records from non-confidential records; (C) endeavor to clearly label all records containing protected information as “Confidential”; and, if disclosure must be made pursuant to law or court order; and (D) redact, de-identify or aggregate information whenever possible to avoid the disclosure of confidential information to the greatest extent legally permitted.

7. Entire Agreement. This Agreement and to the extent incorporated herein, any related Master Services Agreement and Partnership Addendum, constitutes the entire agreement between the States with regard to the matters contained herein, and it supersedes all oral or written communications, representations, understandings, undertakings, or agreements between the States relating to the Contract and this Agreement. Each State is executing this Agreement wholly upon its own volition, individual judgment, belief, and knowledge, upon the advice of counsel, and this Agreement is made without reliance upon any statement or representation of any other State, except those representations and warranties expressed in this Agreement.
8. The parties intend that the PDF Program, related Partner State Programs, as well as the Master Service Agreement, are authorized procurement activities within the scope of state authority and do not relate to any employee benefit plan governed by The Employee Retirement Income Security Act, 29 U.S.C. 1001, et seq. (“ERISA”). The agreements shall be interpreted to give effect to that intention, including the application of the severability clause under Section VII (12) severability provisions if necessary
9. Amendments & Modifications. This Agreement cannot be amended or modified except by a written instrument, signed by each State, following a unanimous vote of the States to amend.
10. Order of Precedence. In the event any term in this Agreement or a Partner State Agreement conflicts with the terms of any Master Services Agreement, the Master Services Agreement shall control provided, however that no term in the Master Services Agreement may diminish the rights of any State hereunder.
11. No Third-Party Beneficiaries. This Agreement has no third-party beneficiaries. No Vendor, consultant, or other party retained by any State is a third-party beneficiary to this Agreement, and a Vendor cannot enforce any provision in this Agreement. Vendors and the States shall continue to adhere to their Partner State Agreements.
12. Severability. If any provision of this Agreement is deemed invalid, illegal, or unenforceable, the balance of the Agreement shall remain in full force and effect to the greatest extent allowed by law. Upon a determination by a court of competent jurisdiction that any provision is invalid, illegal, or unenforceable, the court may

modify this Agreement to affect the original intent of the States as closely as possible in order that the agreement contemplated hereby be consummated as originally contemplated to the greatest extent possible.

13. Survival. Any provision of this Agreement which, either by its terms or to give effect to its meaning, shall survive, including but not limited to those terms which contain limitations of liability and protect or allow the protection of records and preservation of confidentiality survive termination of this Agreement, whether in whole or with respect to any State.
14. Preservation of Rights. No State has waived any defense, right, immunity or other protection under law, including any statutory provision, by entering into this Agreement.
15. Authority. Each State represents that it has legal authority to participate in the PDR enter into this Agreement and be bound by the terms herein. Each State shall maintain lawful authority to participate in the Program according to its terms, processes, Master Services Agreement(s), and this Agreement. If it is determined that such representations are (or have become) incorrect, such State shall immediately notify the other States and either remedy the issue or withdraw from the PDR. A State that breaches this Section, may be removed from the PDR under Section IV.2.D.
16. Scanned Counterparts Acceptable. This Agreement may be executed in counterparts, and the States agree that any signed and scanned Signature Page (e.g., a PDF) shall be treated as though it was an original signature by the signing State.
17. Effective Date. This Agreement shall be binding upon both (1) the signing State executing the “Adherence Agreement Signature Page” contained in Exhibit A, and (B) the signing State and Vendor entering into a “Partner State Agreement” with all Vendors in substantially the form contained at Exhibit B.

**SIGNATURE PAGES FOLLOW**

**THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK**

## EXHIBIT A

### Adherence Agreement Signature Page

The State of Colorado (the "Signing State"), hereby elects to participate in the Partnership for a Dignified Retirement (the "PDR") and, in doing so, represents and agrees as follows:

1. The Signing State has reviewed the Interstate Adherence Agreement, has reviewed all applicable Master Services Agreement(s), and hereby elects to become a "State" pursuant to the Interstate Adherence Agreement, and subject to the terms therein.
2. The undersigning individual has authority to bind the Signing State to the terms contained in the Interstate Adherence Agreement.
3. The Signing State designates the following individual employee of State to serve as its "Member" for purposes of the Interstate Adherence Agreement:

**Name:** William Hunter Railey  
**Title:** Executive Director  
**E-mail:** william.railey@state.co.us

**Or:**

The person, whomsoever they may be, who now or hereafter serves in the role of \_\_\_\_\_ (name), within the \_\_\_\_\_ (department or agency name) unless and until changed otherwise by our State.

### FOR SIGNING STATE:

\_\_\_\_\_  
Signed  
William Hunter Railey  
\_\_\_\_\_  
Name  
Executive Director  
\_\_\_\_\_  
Title  
Colorado Department of the Treasury, SecureSavings Program Division  
\_\_\_\_\_  
Agency / Department

Date: \_\_\_\_\_

### Adherence Agreement Signature Page

The State of Nevada (the "Signing State"), hereby elects to participate in the Partnership for a Dignified Retirement (the "PDR") and, in doing so, represents and agrees as follows:

1. The Signing State has reviewed the Interstate Adherence Agreement, has reviewed all applicable Master Services Agreement(s), and hereby elects to become a "State" pursuant to the Interstate Adherence Agreement, and subject to the terms therein.
2. The undersigning individual has authority to bind the Signing State to the terms contained in the Interstate Adherence Agreement.
3. The Signing State will, within 90 days of execution of this Signature Page, enter into a Partner State Agreement with all Vendors in the form approved by the PDR and, in doing so, agrees to be bound to those terms that apply to Partner States as part of the Master Services Agreement for such Vendor.
4. The Signing State designates the following individual employee of State to serve as its "Member" for purposes of the Interstate Adherence Agreement:

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_

**Or:**

The person, whomsoever they may be, who now or hereafter serves in the role of \_\_\_\_\_ (name), within the \_\_\_\_\_ (department or agency name) unless and until changed otherwise by our State.

#### FOR SIGNING STATE:

\_\_\_\_\_  
Signed

Date: \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Agency / Department

## EXHIBIT B

### Form of Partner State Agreement

#### Partner State Agreement

#### PARTNERSHIP FOR A DIGNIFIED RETIREMENT

This Partner State Agreement (this “Agreement”) is entered into between \_\_\_\_\_ (“Undersigned Partner State”) and \_\_\_\_\_ (“Vendor”) for purposes of Undersigned Partner State’s receipt of services under the Partnership for a Dignified Retirement (“PDR”). This Agreement relates to the master services agreement known as \_\_\_\_\_, and effective as of \_\_\_\_\_ (the “Master Services Agreement”), between the State of Colorado (“Lead State”) and Vendor.

WHEREAS, Undersigned Partner State is participating in the PDR and has executed the Adherence Agreement Signature page of the Interstate Adherence Agreement by and between the participating states;

WHEREAS, Vendor has signed the Master Services Agreement with Lead State; and,

WHEREAS, Undersigned Partner State hereby seeks to enter into a Partner State Agreement with Vendor in order to receive the benefit of Vendor’s services to the PDR and its partner state members.

NOW THEREFORE, Vendor and Undersigned Partner State agree as follows:

1. Agreement to be Bound.

The Master Services Agreement is hereby incorporated into and made a part of this Agreement. By and through such incorporation, and subject to the terms of the Master Services Agreement, Undersigned Partner State hereby agrees to be bound by those terms made applicable to “Partner States” as part of the Master Services Agreement, and Vendor hereby agrees to allow such rights and provide such benefits to Undersigned Partner State as though it is a “Partner State” under the Master Services Agreement.

2. Additional Terms.

Undersigned Partner State and Vendor agree, as by and between them, to the following additional terms:

**[To be completed by Undersigned Partner State and Vendor]**

3. Other Terms.

A. Effective Date. This Agreement is effective on the date of the last signing party below.

- B. Term & Termination. This Agreement shall continue in effect until the earlier of: (a) termination, expiration or other cessation of the Master Services Agreement between Lead State and Vendor; (b) the parties hereto enter into a written and signed Amendment that terminates this Agreement; or (c) the Master Services Agreement or this Agreement is determined by a court of law of competent jurisdiction to be terminated, expired, invalid, void, or otherwise unenforceable with respect to one or both of the parties hereto.
- C. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the parties can continue to perform their obligations under this Agreement in accordance with the intent of this Agreement.
- D. Vendor / Jurisdiction. In the event of a dispute between Undersigned Partner State and Vendor where such dispute resolution is not lead by Lead State on behalf of the partner states, Undersigned Partner State and Vendor agree that jurisdiction for such dispute shall reside solely in the State of \_\_\_\_\_, with exclusive venue in \_\_\_\_\_.
- E. No Third-Party Beneficiaries. Except for the parties' valid respective successors and assigns, this Agreement does not and is not intended to confer any rights or remedies upon any person or entity, including enforcement of this Agreement, other than the rights and obligations hereunder are reserved solely to the Lead State, the Partner States, and Contractor. Any services or benefits which third parties who are not Parties to this Agreement receive as a result of this Agreement are incidental to this Agreement, and do not create any rights or ability to enforce the terms of this Agreement for such third parties.
- F. Authority. Each party hereto represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations have been duly authorized.
- G. Separate Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered an original and all of which shall constitute a single instrument. The parties agree that a fax or electronically transmitted valid and authorized original signature shall be deemed an original, provided the original copies are promptly delivered.

# **MEMORANDUM OF COOPERATION**

Between

**COLORADO SECURESAVINGS PROGRAM BOARD**

and

**NEVADA EMPLOYEE SAVINGS TRUST BOARD**

(hereinafter each referred to individually as “a Party” and collectively as “the Parties”)

## **PURPOSE**

The purpose of this nonbinding Memorandum of Cooperation (“MoC”) is to outline a framework of collaboration regarding the governance elements of the Partnership for a Dignified Retirement (PDR) to clarify the terms of Interstate Adherence Agreement (“IAA”) between the Colorado SecureSavings Program Board (“CSSPB”) and the Nevada Employee Savings Trust Board (“NESTB”). Specifically, this MoC will detail Colorado’s commitment as Lead State to initiating a formal process within the PDR to detail governance processes for potential Partner State termination in a manner beneficial to all Partner States.

## **BACKGROUND**

The MoC is entered into for the specific purposes of:

1. Clarifying technical changes to the IAA that will align PDR governance with Nevada state law. (Section IV.2.A.; 2.D.; and 2.E.)
2. Detailing the process for making technical changes to the IAA to satisfy the NESTB oversight functions, Nevada statutes, and PDR governance policies.
3. Providing clarity to the NESTB from the PDR Lead State (Colorado) on the intent and purpose of Partner State termination governance provisions.
4. Commit the PDR to initiating dialogue and pursuing formal amendments to the IAA regarding Partner State termination.

## **SCOPE: AREAS OF EXPLORATION**

The Parties agree to cooperate in exploring the optimal structure, form and design of a partnership between the CSSPB and the NESTB that results in Partner State termination terms memorialized in formal amendments to the IAA.

Such efforts may include:

- 1) Potential shared costs and resources, including:
  - i. Consultants, including program, and legal services;
  - ii. Allocation and use of resources, specifically personnel resources;
- 2) Shared governance and fiduciary responsibilities, where applicable;
- 3) Such other matters as are deemed appropriate by the Parties.

## **TIME AND MANNER OF COLLABORATION AND EXPLORATION**

This MoC covers two areas of concern in the IAA:

## Technical Amendments

This MoC will cover technical amendments to the IAA, as well as the process for making the changes prior to formal signature by NESTB and PDR representatives.

- In Section IV(2)(A) of the IAA: Existing language will be changed from “private employers who have been in business for at least twenty -four consecutive months, who do not offer a qualified retirement plan and who employ five or more employees.” to “...private employers who have been in business for at least thirty-six consecutive months, who do not offer a qualified retirement plan and who employ one or more employees at a minimum.”
- In Section IV(2)(D) of the IAA: Existing language will be changed from “each State shall avoid implementing laws, regulations, rules , policies or any other form of requirement that will or could raise cost on other States” to “... each State shall be expected to support laws, and maintain regulations, and policies to ensure Programs are operationally similar as a condition of remaining members of the PDR.”
- In Section IV(2)(E) of the IAA: Existing language will be changed from “Each State consents to the Lead State determination of investment options line-up, investment strategy, and investment election offerings for the duration of the State’s PDR and Program participation.” to “Each State consents to the PDR’s determination of investment options line-up, with the Lead State as the contracting entity with investment managers, investment strategy, and investment election offerings for the duration of the State’s PDR and Program participation.

The technical amendments described above will be accepted and authorized by the PDR advisory board following NESTB authorization of the existing IAA and Partner Addendum with Vestwell Savings LLC, and **will be executed prior to** NEST and PDR representatives formally signing the amended IAA..

## Establish PDR Termination Process

Pursuant to this MoC, the Parties will collaborate and explore governance processes specific to Partner State termination in a manner that holds all parties – remaining Partner States, as well as the exiting state – harmless in the event of a Partner State termination. To address the complexity and risk factors involved in termination governance provisions, the PDR has embarked in the process of securing program consultant and legal services to support governance amendment dialogue and solutions. The PDR agrees to commit to an expedient review of formal termination amendments for the IAA for a target finalization before July 1, 2026.

The scope of this section of the MoC becomes effective upon approval by the NESTB and upon formally joining the PDR via a signed Partner Addendum with Vestwell Savings LLC, as well as formally approving and signing the amended IAA.

## CONFIDENTIALITY

The Parties shall adhere to applicable laws when sharing and maintaining data. Each Party shall not share data that is confidential, proprietary, or otherwise not publicly available unless a separate datasharing agreement is entered into by the Parties to allow sharing of such data. For any data that is shared, the Parties shall only make use of such data for the furtherance of the purposes described herein, and for no other purposes.

## LIABILITY AND TERMINATION

**Liability:** Nothing in this MoC is deemed to create a legally binding or legally enforceable agreement and, consequently, no liability shall attach to either party in the event of its failure to carry out any of the terms of this MoC.

Each party is responsible for the way in which it carries out its undertakings under this MoC and no liability shall attach to the other party as a result.

**Termination:** Each Party may terminate this MoC at any time by giving written notice to the other.

## **AGREEMENT**

This MoC represents the entire agreement between the Parties. The parties indicate agreement with this Memorandum of Cooperation by their signatures below.

Signed on behalf of the Parties:

\_\_\_\_\_  
Date \_\_\_\_\_  
**William “Hunter” Railey**  
Colorado SecureSavings Program

\_\_\_\_\_  
Date \_\_\_\_\_  
**Zach Conine**  
Chair, Nevada Employee Savings Trust Board