

ORIGINAL

**PROPOSAL TO PROVIDE
INVESTMENT CONSULTING
SERVICES TO:**

Hampton Employees' Retirement
Plan of the City of Hampton,
Virginia

Technical Proposal
RFP # 11-355439/D

July 19, 2011 / 3:00 p.m.

Frank Carofano

Vice President

(212) 251-5981 / (212) 251-5290, fax
fcarofano@segaladvisors.com

Craig S. Chaikin

Consultant

(212) 251-5486 / (212) 251-5290, fax
cchaikin@segaladvisors.com

Segal Advisors
333 West 34th Street, 5th Floor
New York, NY 10001
www.segaladvisors.com

Copyright ©2011 by Segal Advisors, Inc. All rights reserved.

 **SEGAL ADVISORS**



333 West 34th Street New York, New York 10001
T 212.251.5900 F 212.251.5290 www.segaladvisors.com

July 18, 2011

Ms. Doris McRae, CPPB
Senior Buyer
Consolidated Procurement Div.
1 Franklin Street, Suite 345
Hampton, VA 23669

Re: Proposal to Provide Investment Consulting Services

Dear Ms. McRae:

Segal Advisors appreciates the opportunity to submit a proposal to provide investment consulting services to the Board of *City of Hampton Employees' Retirement Plan of the City of Hampton, Virginia* (the "Plan"). As a comprehensive consulting firm, Segal Advisors is fully capable of, and committed to, providing the entire scope of consulting services described in your Request for Proposal ("RFP") and based on our history of providing said services to public plans.

We are an independent consulting firm with no affiliations with investment managers, brokerage firms or financial organizations. Our only business is investment consulting. This allows us to avoid all perceived or real conflicts of interest. As an employee owned firm, we have a vested interest in meeting our clients' needs. We differ from most organizations providing similar services in our ability to combine funding expertise, knowledge of investment issues and practical experience in organizing and monitoring investment programs. Those capabilities enable us to better monitor the critical relationship between plan financial requirements and investment strategy.

As one of the ten largest providers of consulting services to pension plans in the country, Segal Advisors is staffed with a highly trained and experienced professional staff. Our consultants have a unique combination of "real world" experience as plan sponsors and investment bankers, along with distinguished academic credentials.

We differ from most organizations providing similar services in our ability to combine funding expertise, knowledge of investment issues and practical experience in organizing and monitoring investment programs. These capabilities enable us to better monitor the critical relationship between plan financial requirements and investment strategy. In addition, we also utilize the knowledge and expertise outlined above to provide in-depth training and understanding to our client base.

We view our consulting role as one providing the necessary professional and technical information to our clients so that well defined investment policies can be formulated, implemented and evaluated. Our role is to advise you on how you can better achieve your goals and objectives. Through industry knowledge, experience, and research, we will help you make informed decisions. We understand the importance of developing and maintaining effective investment programs and helping you fulfill your responsibilities.

The organizational structure of Segal Advisors also lends itself well to providing objective, client-focused advice. We are an independent, 100% employee owned firm. As such, it is our policy to maintain no

Ms. Doris McRae
July 18, 2011
Page 2

financial relationships with any investment organization we evaluate on behalf of our clients. In this respect, we do not accept brokerage commissions in payment for our services.

Segal Advisors offers:

- Objective, unbiased consulting focused on client needs
- Professionals with years of specialized expertise
- Proactive, innovative approach to delivering solutions in both short and long-term planning
- Access to extensive firm-wide resources and research
- A record of comprehensive and on-time deliverables for our clients
- Competitive fees

Thank you again for considering us for this important assignment. We look forward to participating in the next phase of your search for an investment consultant. Upon review, if there are any questions or need for additional information regarding our proposal response and related fees, please feel free to contact our office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Frank Carofano', with a long horizontal flourish extending to the right.

Frank Carofano
Vice President

Table of Contents

	SECTION
Acknowledgement Receipt.....	1
Scope of Services	2
Response to Questionnaire.....	3
 Exhibits/ Attachments	
Team Overview / Biographies	4
References.....	5
Anti-Collusion/ Nondiscrimination Clause	6
Sample Performance Report.....	7
SEC Registration.....	8
Proof of State Registration.....	9



REQUEST FOR PROPOSALS

City of Hampton

ISSUING OFFICE:

DATE: June 28, 2011

Consolidated Procurement Div.
1 Franklin Street, Suite 345
HAMPTON, VA 23669
TELEPHONE: (757) 727-2200
FAX: (757) 727-2207
Hours: 8:00 a.m.-4:30 p.m.

Attention of Offeror is Directed To Section
2.2-4367 to 2.2-4377 Code of Virginia
(Ethics In Public Contracting)

RFP ITEM NO.
11-355439/D

PROCUREMENT OFFICER

Doris McRae, CPPB
Senior Buyer

CLOSING DATE

July 19, 2011

CLOSING TIME

3:00 P.M. EST

PREPROPOSAL CONFERENCE
NONMANDATORY

DATE: N/A
TIME:

SEALED PROPOSALS will be received in the Issuing Office above until Closing Date and Closing Time as specified in this solicitation including any addenda issued by this office. The City of Hampton is not responsible for late delivery by U.S. Postal mail or other couriers. All inquiries for information regarding this Request for Proposal are to be directed to the Issuing Office as defined herein.

COMMODITY: Investment Management Services NIGP CODE: 946-56

PLEASE FILL IN OFFEROR'S NAME & ADDRESS
IN THE SPACES PROVIDED BELOW:

THIS IS NOT AN ORDER

THE CITY OF HAMPTON, HEREAFTER REFERRED TO AS "THE CITY", RESERVES THE RIGHT TO ACCEPT OR REJECT ANY AND ALL PROPOSALS IN WHOLE OR IN PART AND WAIVE ANY INFORMALITIES IN THE COMPETITIVE NEGOTIATIONS PROCESS. FURTHER, THE CITY RESERVES THE RIGHT TO ENTER INTO ANY CONTRACT DEEMED TO BE IN ITS BEST INTEREST. THE ENTIRE CONTENTS OF THE REQUEST FOR PROPOSALS, ANY ADDENDA, OFFEROR'S PROPOSAL AND NEGOTIATED CHANGES SHALL BE INCORPORATED BY REFERENCE INTO ANY RESULTING CONTRACT.

THE CITY OF HAMPTON DOES NOT DISCRIMINATE AGAINST FAITH-BASED ORGANIZATIONS.

The City of Hampton Employees' Retirement System is seeking proposals from qualified Offerors to provide Independent Investment Advisory/Consultant Services.

ACKNOWLEDGE RECEIPT OF ADDENDUM: #1 FL #2 FL #3 FL #4 FL (Please Initial)

THE CITY OF HAMPTON CANNOT LEGALLY AGREE TO ANY CLAUSE INDEMNIFYING THE CONTRACTOR FROM ANY DAMAGES ARISING OUT OF THE CONTRACT/AGREEMENT/LEASE OR HOLDING THE CONTRACTOR HARMLESS. THE SUBMISSION OF A BID OR A PROPOSAL CONSTITUTES AN AGREEMENT BY THE CONTRACTOR NOT TO REQUEST SUCH LANGUAGE IN THE RESULTING CONTRACT. IN COMPLIANCE WITH THIS SOLICITATION AND TO ALL THE CONDITIONS IMPOSED HEREIN, THE UNDERSIGNED AGREES TO PERFORM ANY CONTRACT AWARDED AS A RESULT OF THIS SOLICITATION. THE FOLLOWING SECTION SHALL BE SIGNED BY AN AGENT AUTHORIZED TO BIND THE COMPANY. FAILURE TO EXECUTE THIS PORTION MAY RESULT IN PROPOSAL REJECTION.

Authorized Agent:

carofano@segaadvisors.com
Email Address

ENCLOSURES

(212) 251 5981
Telephone Number

(212) 251 5240
Fax Number

Frank Carofano
Type or Print Name
13-2646110
Company FEI/FIN#

There may be no modification of this Agreement, except in writing, executed by the authorized representatives of the City and Consultant.

ARTICLE XVIII. SIGNATURE OF PARTIES

As evidence of their agreement to the terms and conditions set forth herein, the parties affix their authorized signatures hereto:

ATTEST: CITY OF HAMPTON

City Clerk (Signature) City Manager/Authorized Designee

OFFICE OF CITY ATTORNEY
Approved as to legal form and sufficiency

Date: _____

Sr. Deputy City Attorney

ATTEST: (COMPANY)

Corporate Secretary/Authorized Agent

By: _____
Signature of Corporate Officer

VP, Director of operations & technology
Title

STATE OF New York
CITY/COUNTY OF Kings, to-wit:

The foregoing instrument was acknowledged before me this 18th day of July, 2011, by FranCIS P. Cardano (Name), Vice President (Title) of SEGAL COMPANY, a Virginia professional corporation, on its behalf. He/She is personally known to me or has produced _____ as proper identification.

Roseanne Rosenthal
Notary Public

My Commission expires: 12/31/2013

Registration No. 24-4739060

ROSEANNE ROSENTHAL
Notary Public, State of New York
No. 24-4739060
Qualified in Kings County
Commission Expires 12/31/2013

Scope of Services

Segal Advisors is prepared to offer the following Scope of Services as listed in your RFP:

A. General Requirements:

The independent investment advisory/consultant firm or persons (herein-after referred to as the Firm) will serve a key role in the oversight of investment activity through the review of investment processes, performance and risk exposure in order to enhance due diligence performed by the Plan's Board of Trustees. The Firm will: examine the Plan's Investment Policy and financial data, monitor investment activity, and measure investment performance and risk with consideration of "value added" measures. The Firm shall provide such services through the use of widely accepted, industry recognized, concepts, methods and quantitative analytical techniques.

B. Specific Requirements:

1. The Firm shall review the Plan's Investment Policy, processes and objectives with respect to current market conditions and provide recommendations for revisions.
2. The Firm shall review investment performance data, financial asset allocation and activities and shall report to the Board and Plan staff any deviation from current Investment Policy and/or standard practices as approved by the Board.
3. The Firm shall attend Board meetings quarterly and present reports that detail an independent assessment of the Plan's investment earnings, rate-of-return and risk, relative to current market conditions and industry accepted benchmarks.
4. The Firm shall provide strategies for enhancing investment portfolio performance while adhering to the Plan's Investment Policy and cash flow needs.
5. The Firm shall review Plan and staff operations and procedures to evaluate the appropriate safekeeping of Plan assets.
6. The Firm shall provide training for staff, the Board and/or City Management on relevant investment management subjects and updates to applicable guidelines and regulations.
7. The Firm shall ensure that all investment advice provided complies with all state and federal laws and policies of the City.

Response to Questionnaire

- i. Within the past five years, have there been any significant developments in your organization such as changes in ownership, restructures, reorganizations or investigations?

Segal Advisors, a wholly-owned subsidiary of The Segal Group, was established in 1969 by the firm's parent when the company saw a need to provide independent and unbiased investment consulting advice. Segal Advisors is a national firm providing services to all types of employee benefit plans from offices throughout the United States and Canada. Segal Advisors is headquartered in New York City with additional offices in Boston, Chicago, Cleveland, Houston, Los Angeles, Portland and Toronto, Ontario. Your Plan will be serviced by our New York office.

The Segal Group is a privately held corporation, owned entirely by its active senior employees, including employees of Segal Advisors. There have been no changes to the ownership structure of Segal Advisors nor are any expected in the near future.

- ii. Within the last 5 years, has your organization or an officer or principal been involved in actual or threatened litigation, administrative or regulatory, or similar investigation proceedings, relating to your financial asset or management services? If so, provide an explanation and indicate the current status or disposition. Under disposition, include any censures or reprimands received from regulatory bodies.

No.

- ii. Please note any ownership or financial relationships with any other financial firms, including asset management firms, broker or dealer firms, banking, insurance, or actuarial firms.

Segal Advisors is not affiliated with any other companies or joint ventures. Segal Advisors does not offer investment management or securities brokerage services or serve as a consultant to investment managers, investment advisors, brokers or registered investment companies. We have no involvement in brokerage commission arrangements. One hundred percent of our revenue represents fees paid by clients for investment consulting services rendered. Segal Advisors has deliberately forgone these additional revenue opportunities to maintain the highest level of independence in the industry. We work diligently to maintain our independence and avoid any conflicts of interest.

- iii. Describe your firm's back-up procedures in the event that key personnel in this assignment should leave the firm or become incapacitated or in the event of a natural disaster.

Our team approach to client servicing ensures that if a key person assigned to an account should leave the firm, there is always a team member familiar with the account ready to continue providing uninterrupted investment consulting services. In the event a team member leaves the firm, the client is contacted and another team member is immediately assigned.

Security of client data and files as well as planning for disaster recovery receive high priority from the upper management of our organization. Details of the various procedures in place are described below:

- iv. Describe the efforts the Firm makes to keep its investment professionals informed of developments relevant to public sector pension investment.

We continuously keep abreast of current financial and regulatory trends and will initiate discussion on matters of concern to our clients when appropriate. In certain instances, Trustee's bring specific issues to our attention and we can address them in various formats including training sessions. Through our parent company, The Segal Company, we have access to an extraordinary amount of knowledge and experience in all aspects of employee benefits.

Our consultants and analysts use the many different publications and databases to which we subscribe to remain current on trends in the world financial markets and the public sector. This knowledge is incorporated into our daily consulting to our clients. In addition, we produce a financial market overview that is included with our quarterly client reports. This overview highlights general economic conditions and market results by investment mandate and stylistic orientation with the goal of providing a framework for understanding how the current market conditions may have impacted a client's overall performance.

- v. Describe the types of investment research the Firm uses and the methodology used to monitor and evaluate portfolio performance and risk, as well as to recommend investment decisions including the primary strategies for asset allocation and adding value to a portfolio.

Segal Advisors subscribes and has access to several manager databases for quantitative data lookup. They include:

- eVestment Alliance and InvestWorks – Manager databases for traditional asset classes covering well over 1,800 firms and 6,400 products
- ThomsonONE – Private Equity manager source with over 24,000 fund profiles and more than 13,000 firm profiles
- Preqin – Real Estate and Infrastructure database with data/profile access to over 1,000 real estate and 280 infrastructure fund managers
- Morningstar Direct & Lipper – Access to over 23,000 mutual fund and institutional products

We utilize manager databases as a screening tool to identify promising managers to perform additional due diligence on. The information contained in a database is instrumental in helping us get to know a manager and enables us to have a more productive meeting with Portfolio Managers when we interview them either in our offices or theirs. Managers are not charged fees for inclusion.

In addition, we have a proprietary database on our Client Management System (CMS). This database maintains all internal research notes and memos, important manager communications and manager profiles. All information in CMS is stored permanently and serves as a historical reference for our research. CMS is used to store all research notes on the hundreds of investment managers that manage money for our clients as well as all potential managers with whom our research group has met face to face or through an onsite visit.

The combination of applications shown above allows us to monitor, compare, and contrast the investment results, styles and capabilities of literally thousands of investment managers, mutual funds and investment products. We have the capability to access returns for a multitude of benchmark indices and a variety of style-specific universes.

Segal Advisors prepares quarterly evaluations of our client's investment returns based on monthly compilations of data. The main objective of our performance measurement services is to assist our clients in evaluating the strengths and weaknesses of the investment program and of the Fund's individual managers' investment judgments. Our primary concern in presenting performance statistics is to ensure the managers' compliance with the benchmarks, targets and restrictions spelled out in the account's statement of investment guidelines, objectives and benchmarks. The report is also intended to determine if the managers have complied with stipulations spelled out in the written investment policy statements.

We begin our reports with an overview of economic and general market conditions over the relevant time periods highlighting the trends in equity and fixed income markets. This overview establishes a framework for understanding how general market conditions may have affected your fund's overall performance and manager specific performance as it relates to style and/or investment mandate.

We monitor our clients' portfolios in terms of the individual "sub"-portfolios, whether separate asset classes or separate investment managers that exist as underlying components of the total Fund. Each sub-portfolio is monitored against benchmarks constructed to the specific guidelines and objectives established for that particular management relationship. Our performance presentation includes overall plan results, results for each major asset class, and, in the case of multiple managers, results for each investment manager on a quarterly and annual basis. The performance in each of these areas is compared to relevant benchmark portfolios including market indices and universes of other similar professionally managed

institutional accounts. For each portfolio managed by a separate investment manager, we include a detail of the commitment to the major asset categories, and shifts in those commitments, for the overall investment program. We also present sources of growth or decline in total assets arising from contributions, investment income, and capital appreciation/depreciation for each investment manager on an annual and quarterly basis. Performance is summarized in both written and tabular or graphical form to assure complete presentation and clarity of results.

Our performance attribution analysis measures the components of the portfolio return that is attributable to the portfolio managers' active management decisions, compared to the relevant market indices and asset mix policy. It measures the returns due to total active management, timing relative to asset allocation or sector allocation, and security selection.

For each manager, we may calculate rates of turnover in both the equity and fixed income portions of their portfolios as indicators of trading activity and management style. Additionally, we may review brokerage commission costs and expenses to determine their reasonableness.

We use various risk measures in analyzing a manager's performance. Standard deviation, a measure of variability, is used to determine the volatility of returns. These risk measures are compared to those of the plan's designated benchmarks in order to assess the risk assumed by the investment manager.

We generally review asset allocation at least annually. Annual reviews provide an opportunity to address any gaps in asset allocation, as well as to provide analysis of asset class returns, valuations, and correlations relative to historical trends.

- vi. Submit samples of reports and include a description of processes the Firm would use to assist in identifying appropriate benchmarks and other measures of performance.

We utilize the PARis performance measurement system to produce our performance reports. This web-based software tool is licensed from a third party vendor, Investment Metrics. Together with this software, our performance group analysts enter all relevant data into the PARis system. After multiple levels of review, the finalized report is produced and prepared for client delivery.

Our client reports can be produced on a quarterly, semi-annual or annual frequency based on the agreement with the client. Reports are generally available six weeks after the quarter end period. On occasion, when Board meetings are held shortly after quarter end, we make our best effort to provide a full report. In addition, if sufficient time has elapsed between the quarterly report and the Board meeting, we will provide current month returns and market value for each investment manager ("flash reports").

Segal Advisors' reporting system allows for a high degree of flexibility in performance report production. This allows us to add or modify various charts and tables to tailor our reports to meet the individual client needs and levels of sophistication. Clearly, certain core tables are necessary in all reports to accurately convey information necessary to the investment decision making process. However, we have the ability to add various additional analysis to highlight more complex areas of concern. Examples include detailed exhibits of portfolio characteristics, performance attribution and index relative portfolio statistics.

Performance reports provide absolute and relative measures of performance and risk at the Fund level and at the individual manager level. Performance reports consist of data, charts, and narrative analyses, as well as proactive recommendations as needed.

Our reports are designed to address the need for and provide evidence of the Fund's efforts to comply with their fiduciary responsibilities. Our reports:

- Provide an overview of economic and general market conditions over the relevant time periods;
- Compare Total Fund and Combined Segments to appropriate benchmarks.
- Compare each investment option's results to appropriate market indices and universes of similarly managed vehicles;
- Verify investment style of each option;
- Measure the risk characteristics of each investment option;
- Track historical performance with a focus on consistency.

The main objective of our performance measurement services is to assist our clients in evaluating the strengths and weaknesses of the investment program and of the Fund's individual managers' investment judgments. Our primary concern in presenting performance statistics is to ensure the managers' compliance with the benchmarks, targets and restrictions spelled out in the account's statement of investment guidelines, objectives and benchmarks. The report is also intended to determine if the managers have complied with stipulations spelled out in the written investment policy statements.

Segal Advisors' reporting capabilities are extensive and flexible. We view the reporting function and the report format as an evolving process. Our reports can be extremely detailed or more summary in nature. We have various "optional" reports that we may add as additional exhibits to our performance reports. Our report formats are flexible and we do provide executive summaries for clients who wish to receive them.

We have included a sample performance report in *Section 8*.

- vii. Describe the nature and frequency of meetings the Firm would recommend to keep staff informed.

We recommend quarterly meetings with the Board.

- viii. Describe the training available for the Board and staff as it relates to their investment responsibilities? Provide qualifications of the individuals that would be assigned to conduct the training.

Segal Advisors sponsors seminars, writes position papers and will provide tailored workshops to clients. We continuously keep abreast of current financial and regulatory trends and will initiate discussion on matters of concern to our clients when appropriate. In certain instances, Trustees' bring specific issues to our attention and we can address them in various formats including training sessions. Because Segal Advisors is a wholly owned subsidiary of The Segal Company, we have access to an extraordinary amount of knowledge and experience in all aspects of employee benefits. Examples of special requests that we have been asked to provide are presentations on pension obligation bonds, analysis of Proxy Voting, review of custodial services, and establishment of commission recapture programs. Upon request, Segal Advisors would be willing to work with the Trustees to prepare and present detailed information on any topic of interest to the Trustees.

- ix. Provide a copy of the Firm's SEC and/or FSA registration.

We have included a copy of our SEC registration in **Section 9**.

- x. Provide proof of state registration.

We have included a proof of state registration in **Section 10**.

Exhibits/Attachments

Team Overview/ Biographies

Segal Advisors employs a team approach to client servicing. Under this approach, each client is assigned at least one primary consultant and a back-up consultant who are, in turn, supported by an investment associate(s) and the rest of our support staff. This approach allows us to utilize the knowledge and practical experience of our staff, while providing each client with the high level of service that they expect and deserve from a firm of our caliber.

The proposed consulting team that will be assigned to this relationship would consist of experienced individuals with proven consulting skills.

As lead consultant, **Frank Carofano** will perform direct client service roles and coordinate the firm's activity. **Craig Chaikin** will provide additional support to the team and serve as back-up consultant. The team is supported by the New York office that houses our research, performance and ALM/Asset Allocation practice.

In general, consultants service between 12 to 15 relationships. The caseload may vary based on the size and complexity of each client's account. As the size of an individual consultant's workload increases, certain cases may be transferred to the associate level consultants and additional staff will be hired.

Biographies

Frank Carofano, Vice President, Director of Investment Operations and Technology, New York

Mr. Carofano is a Vice President and Director of Investment Operations and Technology in Segal Advisors' New York office. He has over 13 years of investment consulting experience and serves as lead consultant to several clients.

Mr. Carofano is also responsible for managing firm infrastructure, with emphasis in the areas of:

- Operations,
- Technological utilization,
- Team dynamics (including consulting strategy and research),
- Individual development, and
- Interaction and cooperation between office locations.

Mr. Carofano joined Segal Advisors' New York office as an Associate Consultant in 2003. He became a Consultant in 2006 and was named Director of Investment Operations and Technology in 2008. Mr. Carofano was named Vice President in 2009.

Prior to joining the firm, Mr. Carofano gained five years of experience working in the financial services industry at Mellon Financial, where he consulted to senior management at publicly traded companies on various topics ranging from equity market trends to corporate governance issues. He also previously worked as a buy-side Research Analyst for the government of Singapore, for a mutual fund company, and on a currency trading desk at a multinational bank.

Mr. Carofano graduated from Hofstra University with a BA in Banking and Finance. He holds a Masters in Computer Information Systems (MCIS) from Boston University and is a credentialed Project Management Professional (PMP®).

Craig Chaikin, Consultant, New York

Mr. Chaikin is a Consultant in Segal Advisors' New York office with three years of experience in investment consulting. His responsibilities include managing client relationships, the production and analysis of performance measurement and evaluation reports, performing manager searches asset allocation studies, and conducting defined contribution plan analysis. Mr. Chaikin also works on various special projects such as researching alternative investments.

Prior to joining Segal Advisors, Mr. Chaikin worked for Fifth Third Asset Management on the client service team, where he was responsible for client reporting. He also worked for Ameriprise Financial as a Financial Advisor.

Mr. Chaikin graduated from Miami University's (Ohio) Richard T. Farmer School of Business with a BS in Finance. He received his MBA from Xavier University. Mr. Chaikin has completed all three examination levels of the Chartered Financial Analyst (CFA) Program.

References

Name, address, and telephone number of at least 5 persons who may be contacted for reference including at least one client for whom services were terminated in the last 2 years;

Ms. Karen Burnette
Vice President for Administration
Hampton Roads Transit
3400 Victoria Boulevard
Hampton, VA 23661
Tel (757) 222-6161

Mr. Stephen McCleave
President & Business Agent
Amalgamated Transit Union Local No. 1177
510 East 18th Street
Norfolk, VA 23504
Tel (757) 248-1819

Mr. Allan Kujala
Fund Administrator/Personnel Director
Kent County Retirement
555 Bay Road
Dover, DE 19901
Tel (302) 744-2310

Mr. Peter Klein
Fund Administrator
Electrical Workers Local 26 IAP
4601 Presidents Drive, Suite 300
Lanham, MD 20706
Tel (301) 731-1063

Mr. Eugene Caccamise
Bricklayers & Allied Craftworkers NY Local 3
3750 Monroe Avenue
Pittsford, NY 14534
Tel (585) 303-1891

ANTI-COLLUSION/NONDISCRIMINATION/DRUG-FREE WORKPLACE REQUIREMENTS

ANTI-COLLUSION CLAUSE:

IN THE PREPARATION AND SUBMISSION OF THIS PROPOSAL, SAID OFFEROR DID NOT EITHER DIRECTLY OR INDIRECTLY ENTER INTO ANY COMBINATION OR ARRANGEMENT WITH ANY PERSON, FIRM OR CORPORATION, OR ENTER INTO ANY AGREEMENT, PARTICIPATE IN ANY COLLUSION, OR OTHERWISE TAKE ANY ACTION IN VIOLATION OF THE SHERMAN ACT (15 U.S.C. SECTION 1), SECTIONS 59.1-9, 1 THROUGH 59.1-9, 17 OR SECTIONS 59.1-68, 6 THROUGH 59.1-68, 8 OF THE CODE OF VIRGINIA

THE UNDERSIGNED OFFEROR HEREBY CERTIFIES THAT THIS AGREEMENT, OR ANY CLAIMS RESULTING THEREFROM, IS NOT THE RESULT OF, OR AFFECTED BY, ANY ACT OF COLLUSION WITH, OR ANY ACT OF, ANOTHER PERSON OR PERSONS, FIRM OR CORPORATION ENGAGED IN THE SAME LINE OF BUSINESS OR COMMERCE; AND, THAT NO PERSON ACTING FOR, OR EMPLOYED BY, CITY HAS AN INTEREST IN, OR IS CONCERNED WITH, THIS PROPOSAL; AND, THAT NO PERSON OR PERSONS, FIRM OR CORPORATION OTHER THAN THE UNDERSIGNED, HAVE, OR ARE, INTERESTED IN THIS PROPOSAL.

DRUG-FREE WORKPLACE:

DURING THE PERFORMANCE OF THIS CONTRACT, THE CONTRACTOR AGREES TO (I) PROVIDE A DRUG-FREE WORKPLACE FOR THE CONTRACTOR'S EMPLOYEES; (II) POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, A STATEMENT NOTIFYING EMPLOYEES THAT THE UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, DISPENSATION, POSSESSION, OR USE OF A CONTROLLED SUBSTANCE OR MARIJUANA IS PROHIBITED IN THE CONTRACTOR'S WORKPLACE AND SPECIFYING THE ACTIONS THAT WILL BE TAKEN AGAINST EMPLOYEES FOR VIOLATIONS OF SUCH PROHIBITION; (III) STATE IN ALL SOLICITATIONS OR ADVERTISEMENTS FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE CONTRACTOR THAT THE CONTRACTOR MAINTAINS A DRUGFREE WORKPLACE; AND (IV) INCLUDE THE PROVISIONS OF THE FOREGOING CLAUSES IN EVERY SUBCONTRACT OR PURCHASE ORDER OF OVER \$10,000, SO THAT THE PROVISIONS WILL BE BINDING UPON EACH SUBCONTRACTOR OR VENDOR.

FOR THE PURPOSE OF THIS SECTION, "DRUG-FREE WORKPLACE" MEANS A SITE FOR THE PERFORMANCE OR WORK DONE IN CONNECTION WITH A SPECIFIC CONTRACT AWARDED TO A CONTRACTOR IN ACCORDANCE WITH FEDERAL LAW, THE EMPLOYEES OF WHOM ARE PROHIBITED FROM ENGAGING IN THE UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, DISPENSATION, POSSESSION OR USE OF ANY CONTROLLED SUBSTANCE OR MARIJUANA DURING THE PERFORMANCE OF THE CONTRACT,

EMPLOYMENT DISCRIMINATION BY THE SUCCESSFUL OFFEROR SHALL BE PROHIBITED:

1. DURING THE PERFORMANCE OF THIS CONTRACT, THE CONTRACTOR AGREES AS FOLLOWS:

a. THE OFFEROR, SHALL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF RACE, RELIGION, COLOR, SEX, NATIONAL ORIGIN, AGE, DISABILITY, OR ANY OTHER BASIS PROHIBITED BY STATE LAW RELATING TO DISCRIMINATION IN EMPLOYMENT, EXCEPT WHERE THERE IS A BONA FIDE OCCUPATIONAL QUALIFICATION REASONABLY NECESSARY TO THE NORMAL OPERATION OF THE CONTRACTOR. THE CONTRACTOR AGREES TO POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES SETTING FORTH THE PROVISIONS OF THIS NONDISCRIMINATION CLAUSE,

b. THE CONTRACTOR, IN ALL SOLICITATIONS OR ADVERTISEMENTS FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE CONTRACTOR, SHALL STATE THAT SUCH CONTRACTOR IS AN EQUAL OPPORTUNITY EMPLOYER.

c. NOTICES, ADVERTISEMENTS, AND SOLICITATIONS PLACED IN ACCORDANCE WITH FEDERAL LAW, RULE OR REGULATION SHALL BE DEEMED SUFFICIENT FOR THE PURPOSE OF MEETING THE REQUIREMENTS OF THIS SECTION,

2. THE CONTRACTOR WILL INCLUDE THE PROVISIONS OF THE FOREGOING PARAGRAPHS A, B, AND C IN EVERY SUBCONTRACT OR PURCHASE ORDER OF OVER \$10,000, SO THAT THE PROVISIONS WILL BE BINDING UPON EACH SUBCONTRACTOR OR VENDOR.

Name and Address of OFFEROR:

Date: July 18, 2011 Authorized Signature: [Signature]

Printed Name: Frank Carofano Title: Vice President

Phone Number: (212) 251 5981 Fax Number: (212) 251 5290

Email Address: fcarofano@segaladvisors.com

Federal Tax Identification Number/Social Security Number: 13-2646110

Is Offeror a "minority" business? Yes ☒ No ☐ If yes, please indicate the "minority" classification below:

African American : Hispanic American American Indian Eskimo Asian American 'Aleut 'Other; Please Explain:

Is Offeror Woman Owned? Yes ☒ No ☐

Is Offeror a Small Business? Yes ☒ No ☐

Is Offeror a Faith-Based Organization? Yes ☒ No ☐

RFP 11-355439/0