October 30, 2007

Consulting Services for 403(b) Program – Request for Proposal RFP-CS07M

Rockingham County Public Schools

MERCER

MARSH MERCER KROLL

GUY CARPENTER OLIVER WYMAN

Contents

1.	Cover Letter	· · · · · · · · · · · · · · · ·
2.	Introduction	3
3.	Proposed Work Plan General Consulting Vendor Evaluation	5
4.		12 13
5.	Contract Terms Exceptions to Standard Contract Terms	17 17
6.	Signature Sheet	19

Cover Letter

October 30, 2007

Ms. Cheryl Yoder Mast Director of Finance Rockingham County Public Schools 100 Mount Clinton Pike Harrisonburg, VÀ 22802

Subject:

Request for Proposal RFP-CS07M – Proposal for Consulting Services for 403(b) Program

Dear Cheryl:

Thank you for your interest in Mercer with regard to an engagement to manage a vendor review and evaluation for Rockingham County Public Schools (RCPS) and its 403(b) program. We believe our firm is uniquely qualified to assist RCPS through the experience and resources of our Public Sector and Non-Profit Consulting Specialty group.

Mercer's Non-Profit Consulting team has been serving clients for more than 25 years and consists of professionals who work exclusively with non-profit clients nationwide. Mercer provides advice on tax-deferred retirement savings plans, related qualified retirement programs, and executive deferred compensation programs and has expertise in the following areas:

- Vendor search
- Vendor management
- Plan design
- Diagnostic review

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- Compliance review
- Plan and Board governance
- Deferred compensation in non-profit organizations
- Investment option performance monitoring and fiduciary review of programs

Mercer has extensive experience with non-profits, specifically with educational organizations, including both K-12 and higher education institutions. Our approach provides our clients with customized solutions, a commitment to independent and unbiased advice, and a significant presence in the marketplace.

Mercer's work plan is designed to assist RCPS to select appropriate service provider(s) and investments for its voluntary 403(b) program. Our proven provider selection process has been used to select service providers from both the insurance industry and mutual fund families that have the ability to provide administration, education/communication, participant services and flexible investments for retirement plans.

We look forward to the opportunity to work with RCPS on this project. If you have any questions concerning this proposal, please let us know.

Sincerely,

Lori Z. Wright, CEBS, CMS

Lori Z. Wiight

Senior Associate

lori.wright@mercer.com

804 344 3750

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

Introduction

Mercer understands that RCPS maintains a voluntary 403(b) program that currently offers products through nine (9) service providers, including both annuity contracts and custodial mutual funds. RCPS employs approximately 2,000 employees, with an estimated 20% participation at the present time.

RCPS intends to evaluate its 403(b) program providers in order to better understand the providers, the products, and on-site service they provide to RCPS participants, and the education services they offer. The goal of the evaluation is to identify a limited number of providers to offer a competitive range of products and services for the benefit of participants.

Mercer is proposing an efficient and proven strategy to assist RCPS with meeting the objective of evaluating its program structure, vendors, and investments and selecting a limited number of vendors to offer 403(b) products to its employees. Our process is outlined in this proposal. The ultimate goal of a search is to choose the vendor(s) best suited to deliver a high level of services to both participants and the plan sponsor. Generally, we find that both parties will be pleased if the vendor(s):

- Provides timely, responsive, and accurate service;
- Assists participants in the accumulation of wealth for retirement through good communications;
- Is cost effective for both the participants and the employer;
- Keeps up with industry innovations in order to stay competitive and stay in business;
- Is a good "fit" with your objectives and your culture.

We recognize that each plan sponsor is unique and our process is designed to take into account the areas of particular-importance to RCPS.—Specifically, we have proposed two alternative vendor evaluation processes. The first proposal will involve conducting a strategic review of RCPS's current vendors that provides an efficient method to reduce the number of vendors approved to provide investments and services to the RCPS

403(b) program to a reasonable number willing and able to assist RCPS with compliance with the final 403(b) regulations. Alternatively, we are proposing a full vendor evaluation through a competitive bid process. Each option has advantages and disadvantages and we will work with RCPS to determine which approach best meets your needs.

Strategic review through limited RFI process	Full vendor evaluation through competitive bid RFP process	
 Successful vendors familiar to employees Easier implementation and conversion to new products Ability to leverage the current vendor position(s) for more efficient proposals that improve the investment and service offerings to employees Offers RCPS ability to comply with the final 403(b) regulations Does not provide full fiduciary due diligence with regard to exploring the position of the RCPS program in the K-12 403(b) market Is not made available to vendors not already on RCPS's approved vendor list May be better suited to selection of a limited group of multiple vendors 	 May provide for competitive proposals with quality investment and service offerings through market competition Expands potential provider list to those outside of RCPS's approved vendor list Will assist with satisfying full due diligence standards for review of vendor qualifications Offers RCPS the ability to select a vendor or vendors specifically able to comply with the final 403(b) regulations May be better suited to selection of an exclusive vendor 	

Proposed Work Plan

The below proposed work plans offer two different approaches to meet the needs of RCPS. In addition, Mercer confirms our ability to provide technical assistance to address specific issues on an as needed basis and to provide assistance with the development of defined contribution plan design and documentation. Assistance with these items is described below and is included in the timing and fees outlined in the proposed work plans listed below.

General Consulting

In advance of the specific vendor evaluation services proposed below, Mercer would partner with RCPS to develop its strategic position with regard to the 403(b) program. As part of the initial kick off meeting, Mercer would provide in-depth information regarding the 403(b) responsibilities that will be required effective January 1, 2009, with the effective date of the final 403(b) regulations. After detailed discussions and fact finding, Mercer and RCPS will outline the 403(b) program structure that best fits RCPS's needs on a going-forward basis, and tailor the vendor evaluation to put that structure into practice. The appropriate evaluation process may depend upon the ideal number of vendors anticipated for selection by RCPS. Following the vendor evaluation process, Mercer would assist RCPS with the development and/or review of appropriate program documentation that meets the terms of the 403(b) regulations. In addition, Mercer would be available to consult with RCPS on strategic and practical 403(b) issues throughout the term of the contract.

Vendor Evaluation

As noted in our cover letter, Mercer is proposing two alternative work processes for consideration by RCPS. The first work plan provides a process to evaluate RCPS's current vendors and recommend a limited number of vendors to be approved by RCPS on a going forward basis. The second work plan provides Mercer's proven vendor selection process in the event RCPS's needs include going out to the full market to evaluate appropriate vendor candidates.

Option 1 - Strategic Review of Current Vendors

Once the desired ongoing 403(b) structure has been determined, Mercer would solicit information from each of the current RCPS 403(b) vendors regarding their ability to offer appropriate compliance and administrative services, participant services, investments, and fees under the redesigned 403(b) program. This information would be evaluated and recommendations presented to RCPS regarding continued approval of one or more of the current vendors, with the enhancements noted during the evaluation process. The process would include:

- Request for Information (RFI) to each RCPS-approved vendor for enhanced arrangements;
- Analysis of vendor responses and preparation of recommendations for RCPS;
- Delivery of report and recommendations to the RCPS committee;
- On-site finalist presentations to explore enhancements and services with recommended vendors;
- Negotiation with selected vendor(s) on performance guarantees; and
- Final confirmation of proposed product terms and investment line-ups.

In this proposed evaluation option, RCPS will have the advantage of being familiar with each of the vendors. As such, the RFI and evaluation will provide a high level overview of each vendor and will focus on: enhancements the vendor can offer to RCPS as one of the selected providers; the vendor's capabilities and ability to assist RCPS with compliance of the new 403(b) regulations; enhanced investment products the vendor is willing to offer; and the associated fees charged to the participants and any revenue received by the vendor. In addition, the RFI and evaluation process will review the quality of plan sponsor and participant services through on-site service provided by the vendor.

It should be noted that this review and evaluation process does not include quantitative or qualitative analysis of current or proposed investment options. Mercer's analysis in the area of investments will be limited to a discussion of the investment array and an outline of the investments proposed by each provider by asset class. In addition, we will review the salient provisions of any fixed annuity accounts and/or stable value products which are proposed by the vendors.

We have developed the following project timeline based on our experience with similar projects. This timeline will be customized based on RCPS's objectives and needs.

Activity	Responsibility	Timing
Meeting to determine goals and set strategy	Mercer/RCPS	Week 1
Data collection	Mercer/RCPS/Vendors	Weeks 2 – 3
Draft Request for Information to current RCPS vendors for enhanced arrangements	Mercer	Week 4
Preparation of RFI responses	Vendors	Weeks 5 – 7
Conduct analysis of enhanced arrangements and prepare summary report	Mercer	Weeks 8 – 11
Facilitate decision-making	Mercer/RCPS	Week 12
Finalist presentations	Mercer/RCPS/Vendors	Week 15
Confirm terms of arrangements and investment line-ups	Mercer/RCPS/Vendor(s)	Ongoing
Implementation assistance (optional)	Mercer/RCPS/Vendor(s)	Ongoing
Vendor(s) goes live	Mercer/RCPS/Vendor(s)	To be determined

Our estimated project fees for the Strategic Review of Current Vendors process would be approximately \$30,000 to \$35,000.

The assumptions utilized to develop this fee are:

- One two-hour meeting/conference call for project discovery;
- An RFI sent to no more than nine vendors for analysis;
- Preparation of a recommendations report based on RFI responses;
- One two-hour meeting to present report and recommendations regarding enhanced vendor arrangements;
- One full-day meeting for finalist presentations;
- Additional meetings or services will be quoted for approval prior to initiating such services;
- Base pricing does not include review of service contracts/agreements or plan documents; and
- Out-of-pocket expenses such as travel or shipping will be billed to you at cost and are not included in the above fees.

Option 2 - Full Vendor Evaluation

As an option for RCPS consideration, particularly if RCPS indicates an exclusive vendor best fits the 403(b) program needs going forward, Mercer has the capability to provide a full vendor selection process utilizing a Request for Proposal to the broader market. This process follows a series of steps to completion: Planning and Development, Evaluation and Selection, and Implementation.

Step 1: Planning and Development

Following the initial strategy and design development phase, Mercer and RCPS would then collaborate to articulate the goals and objectives for the vendor market evaluation as well as the timing of the project. The next step is to develop both screening criteria and evaluation criteria to include in the Request for Proposal (RFP). Screening criteria should be stringent enough to limit the number of proposals received to those providers best positioned to respond to RCPS's needs, and could include, but would not be limited to, minimum credit quality standards, experience levels, and servicing and compliance abilities. Following the screening criteria, Mercer and RCPS would work together to develop evaluation criteria, based on a general list developed by Mercer specifically for the K-12 market, with additional criteria added specifically for RCPS. The basic evaluation criteria fall into four general categories — experience and organization, administration and servicing, investment flexibility and quality, and fees and expenses.

The next step would be to incorporate the goals and objectives, timing, and criteria into a Request for Proposal (RFP) explanatory document and questionnaire to be distributed to a select group of qualified service providers. The RFP distribution list would include the largest of your current vendors, as well as a list of select vendors recommended by Mercer and approved by RCPS, that would, by past experience, meet the qualifications required by the RFP. Mercer would then collaborate with RCPS procurement staff to ensure: that the RFP process is appropriately advertised; that the RFP and associated questionnaire are distributed to the pre-selected vendors; that appropriate responses are provided to vendor questions regarding RCPS's program; and vendor proposals are received in accordance with procurement procedures.

Step 2: Evaluation and Selection

Once the vendor proposals are received, Mercer will review each proposal to determine that it meets the screening criteria outlined in the RFP and present those findings to RCPS. If it is found that one or more proposals do not meet the selection criteria, Mercer will consult with RCPS to determine whether the proposal should be evaluated. We would expect no more than six (6) proposals to be evaluated. Once the proposals have been screened, Mercer will prepare a report analyzing the proposals in the categories noted earlier and offer recommendations on the selection of finalist organizations.

Mercer's analysis of experience and organization, administration and servicing, and fees and expenses is provided in an in-depth manner to assure RCPS of each vendor's capabilities, strengths, and weaknesses in each area. Mercer's analysis in the area of investments will be limited to a discussion of the investment array and an outline of the investments proposed by each provider by asset class. In addition, we will review the salient provisions of any fixed annuity accounts and/or stable value funds which are proposed by the service providers.

The RFP and evaluation process will provide comparative detail on each vendor's capabilities and offering in the areas of:

- Experience and Organization
 - Strong K-12 403(b) market experience
 - Significant corporate resources
 - Significant client base similar to RCPS
 - References
- Administration and Servicing
 - Reporting capabilities
 - Administration and outsourcing
 - Compliance responsibilities
 - Participant services
 - Communication and education services
 - System capabilities
 - Recordkeeping capabilities
 - Timing of transaction processing
 - Implementation process
- Participant Services
 - On-site meetings
 - Call Center and voice response system
 - Website
 - Communication strategy and materials
- Investments
 - Investment structure
 - Proposed investment array
- Fees and Expenses
 - Participant-paid investment expenses
 - Total vendor revenue received
 - Participant-paid administrative expenses
 - Competitive pricing
 - Disclosure of all pertinent investment and administrative expenses and rebates from investment funds

Following presentation and discussion of our analysis, RCPS, with Mercer's assistance, will select a limited group of vendors as finalists. These organizations will be requested to make a presentation to RCPS, which Mercer would facilitate, to address more detailed aspects of their proposals, respond to questions, and offer any enhancements to their original proposal. Once all presentations have concluded, Mercer will assist RCPS with the decision-making process.

As part of the RFP process, Mercer will solicit information from each proposer surrounding performance standards and guarantees. In the finalist interviews, these standards will be further explored with specific dollar amounts surrounding performance guarantees. Additionally, Mercer will provide assistance with negotiating performance guarantees during this stage.

Step 3: Implement Solution

Mercer has found that many clients benefit greatly from a continued relationship through the negotiation and implementation process. Mercer has extensive experience with vendors and can play a vital role in ensuring that the new provider is integrated with the client in a smooth and positive transition.

Traditional implementation services include contract/service agreement review and plan document assistance. Mercer will review the vendor contract(s) and ensure that its final offer complies with the terms of the RFP and the vendor's proposal(s) and representations. Additionally, to ensure that the vendor(s) will comply on an ongoing basis with your administrative guidelines, investment policy, and Federal law and regulations, we would recommend that the service provider(s) be required to sign a Provider Agreement with RCPS to reflect the company's responsibility for administrative and compliance tasks and to hold RCPS and its participants harmless if the vendor fails to comply with the terms of the Agreement.

We have developed the following project timeline based on our experience with similar projects. This timeline will be customized based on RCPS's objectives and needs.

Activity	Responsibility	Target Completion Date		
Step 1 – Planning and Development				
Meeting to determine goals and objectives, set evaluation and selection criteria, and set vendor list to receive RFP		Week 1		
Collection of defined contribution plan information including:	RCPS/Vendors	Weeks 1 – 2		
Current vendor contacts				
Product summaries				
Service Agreements/Hold Harmless Agreements with current vendors (if applicable)				
Latest annual financial reports from vendors for the program (if available)				
Annuity contracts and/or custodial agreements	·			
Written policies and procedures		-		
Program information made available to employees or enrollment materials				

Activity	Responsibility	Target Completion Date
Step 2 - Evaluation and Selection		
Draft Request for Proposal	Mercer	Weeks 2 – 3
Review of RFP	RCPS	Weeks 3 – 4
Finalize and distribute RFP	Mercer/RCPS	Week 5
Prepare RFP response	Vendors	Weeks 6 – 9
Receive vendor proposals and review for satisfaction of RFP requirements; prepare evaluation report (assumes no more than seven (7) proposals)	Mercer	Weeks 10 – 14
Meeting to deliver evaluation report and select finalists	RCPS/Mercer	Week 15
Notification of finalists	Mercer	Week 15
Finalist presentations	RCPS/Mercer/Vendors	Week 18
Final negotiations	RCPS/Mercer/Vendors	Weeks 19 – 22
Selection of vendor	RCPS	Week 23
Step 3 – Implementation (Optional)		
Review Contracts	RCPS/Mercer	Week 23 and on
Implementation begins	RCPS/Vendor	TBD
Mercer attendance at initial vendor meeting	RCPS/Mercer/Vendors	Ongoing
Vendor goes live	RCPS/Vendors	Ongoing
TOTAL FEES		\$50,000 to \$55,000

The assumptions utilized to develop the above fees are:

- One half-day meeting/conference call for project discovery and strategy development
- Analysis of no more than six (6) proposals
- Preparation of an evaluation report based on RFP responses
- One half-day meeting to present report and recommendations
- One full-day meeting for finalist presentations
- Review of no more than two (2) vendor contracts and one half-day implementation meeting/conference call
- Additional meetings or services will be quoted for approval prior to initiating such services
- Out-of-pocket expenses such as travel or shipping will be billed to you at cost and are not included in the above fees.

Experience and Staffing

Mercer is a nationally recognized leader in assisting public sector and not-for-profit plan sponsors with respect to vendor selection and management and consulting on their retirement programs. We understand the special considerations and needs of our clients who offer 403(b) and 457(b) plans to their employees and how they differ from clients in the private sector. Our reach in the market enables our clients to benefit from our extensive knowledge of best practices. For each of our clients we provide customized solutions, commitment to independent and unbiased advice and extensive knowledge of the marketplace.

A summary of our experience and tools are below:

Experience

- Professionals dedicated to the public sector and not-for-profit market
 - National Public Sector business
 - Public Sector network of professionals
 - Dedicated not-for-profit consulting group based in Richmond, VA
- Comprehensive DC service experience
 - Design
 - Service and fee benchmarking
 - Request for proposal coordination
 - Fee negotiations
 - Conversion and implementations
 - Compliance
- Proven plan management process

Resources and Tools

- National and regional DC leaders and extensive local office consultant network
- Quality and consistency standards
- Proprietary DC Plan Surveys
- Information Resource Center
- Washington Resource Group
 - Over 20 Attorneys
 - Legislative Info Service website

Experience

Mercer has extensive experience with K-12 and other public sector defined contribution plans. To formalize our commitment to the market, Mercer created a national Public Sector and Non-Profit Defined Contribution Plan consulting group. This group, working from its base in Richmond, Virginia, is nationally recognized for its experience, expertise, and resources.

Mercer has been assisting clients in identifying the most appropriate vendor for their defined contribution plans for over 25 years. In the last two years, we have completed over 30 vendor searches or vendor benchmarking projects. While we are flexible in accommodating the needs of our clients, we do have a proven process in place for conducting vendor searches.

A sample list of education and other public sector clients for whom Mercer has provided vendor searches or vendor benchmarking projects within the last 3 years includes:

Defined Contribution Plan Clients

Chesterfield County Public Schools, VA

City of Virginia Beach, VA

Fairfax County, VA

Montgomery County Public Schools, MD

Archdiocese of Indianapolis, IN

Minneapolis Public Schools, MN

References

Below are references for organizations Mercer recently assisted with similar services.

Chesterfield County Public Schools

Kim Carter
Office of Benefits and Administration
P.O. Box 10
Chesterfield, VA 23832
804 748 1544

Mercer

Montgomery County Public Schools

John Kevin Investment Officer 7361 Calhoun Place, Suite 401 Rockville. MD 20855 301 517 5822

City of Virginia Beach

Patricia A. Phillips
Director of Finance
2401 Courthouse Drive, Building #1
Virginia Beach, VA 23456
757 385 4681

Riverside Health System

Nancy J. Hicks Director, Business Health & Benefits Services 12652 Jefferson Highway, Suite C Newport News, VA 23602 757 856 7050

Mercer's Team

It is Mercer's commitment on each project to provide the most experienced team of professionals available throughout the organization to meet the client's specific needs and objectives. Our team brings extensive experience and expertise with respect to the vendors, investments, administration, services, and fees. Lori Wright is a 403(b) vendor management specialist who will serve as relationship manager and project leader for RCPS. Glenn Poehler, leader of the National Non-Profit and Public Sector Defined Contribution group, will provide technical oversight for the project. Sarah Phillips will provide additional support and analysis with regard to the vendor evaluations. Each of the three team members has consulted and provided services for several school clients, including experience with the above mentioned clients. Biographies for each team member are provided below.

All of the consultants on your team have the ability to call on any of Mercer's consultants nationwide to help with your issues. We are organized to put as few constraints as possible on the client-consultant relationship and encourage creativity and initiative in problem solving. Through peer review and exacting report standards, we ensure high quality, professional service.

Lori Wright, CEBS, CMS

Lori Wright is a senior associate in Mercer's Not-for-profit Consulting group in Richmond, Virginia. Lori provides retirement plan consulting for 403(b), 401(a), 401(k) and 457 plans and vendor management and selection services to employers, as well as design and technical assistance to other consultants within the Mercer organization.

She joined Mercer in 1988. Lori previously served as Recording Clerk for the South Carolina House of Representatives. She also has administrative defined contribution plan experience with the South Carolina Deferred Compensation Commission, the administrator for the State of South Carolina 457 Plan. She has provided consulting services to major not-for-profit, public sector, and church plan sponsors, including healthcare systems, universities, public school systems, and research institutions.

Lori has a Bachelor of Arts in political science from the College of Charleston, Charleston, South Carolina. She has obtained the Certified Employee Benefits Specialist (CEBS) and the Compensation Management Specialist (CMS) designations offered by the International Foundation of Employee Benefit Plans in conjunction with the Wharton School of the University of Pennsylvania. Lori is also a fellow in the International Society of Certified Employee Benefit Specialists (ISCEBS).

Sarah Phillips

Sarah joined Mercer in 2005 and currently serves as an analyst in the Not-for-profit Consulting group in Richmond, Virginia.

She assists with proposal preparation, market research studies, vendor evaluations, plan diagnostics and other consulting projects.

Sarah graduated magna cum laude from Lynchburg College in Lynchburg, Virginia with a Bachelor of Science in Mathematics. She has completed coursework in the Certified Employee Benefits Specialist (CEBS) designation offered by the International Foundation of Employee Benefit Plans in conjunction with the Wharton School of the University of Pennsylvania.

Glenn Poehler, ASA, MAAA, EA

Glenn is a principal in Mercer Human Resource Consulting (Mercer) in the Richmond office. He has over 25 years of experience in qualified and nonqualified plan consulting. Glenn previously served as chairman of Mercer's national user group for defined contribution administration systems and as the defined contribution practice leader for the Richmond office.

Glenn serves as a practice leader in Mercer's Public Sector and Non-Profit Consulting group. He has extensive-experience in the design, administration, funding, and computer application of all types of qualified and non-qualified defined contribution and deferred compensation plans including 401(k), profit sharing, thrift savings, 403(b), and 457

Plans. Glenn specializes in consulting to health systems, hospitals, and institutes of higher education.

He has written and lectured extensively in the areas of section 403(b) and 401(k) tax and ERISA compliance. Glenn is the co-author of "The Equity Trust-Executive Compensation: Building a Better Mousetrap" published in the 2004 edition of Journal Reports: Law and Policy by The Bureau of National Affairs, Inc. He is a contributing author to Nonprofit, Compensation, Benefits, and Employment Law, published by John Wiley & Sons, Inc. in October, 1998. He is a co-author of "Tax-Deferred Annuities v. 401(k) Plans: The Choice is Yours" published in the November, 1996 edition of Tax Management Compensation Planning Journal.

Glenn received his bachelor of science degree in mathematics from Virginia Polytechnic Institute and State University. He is an associate of the Society of Actuaries, member of the American Academy of Actuaries, and an enrolled actuary.

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Contract Terms

Exceptions to Standard Contract Terms

Below are Mercer's proposed exceptions to the requirements listed in the RFP. We offer them for your review and consideration, should we be selected for further negotiations. Prior to the commencement of any work in connection with this RFP, Mercer will work with RCPS to arrive at a mutually acceptable service agreement. Mercer's performance of services for RCPS is subject to the negotiation and execution of such an agreement, the terms of which may vary from the terms contained in this RFP.

- Section 2.2. Termination. Contractor should be provided a right to terminate in the event of an uncured breach by the Rockingham County Public Schools.
- Section 2.5. Audit. The audit right should be limited to those books and records
 directly related to Contractor's performance of the services. Any such audit should be
 made upon reasonable prior written notice, during normal business hours and be
 subject to the execution of a confidentiality agreement reasonably satisfactory to the
 Contractor. The right to a post-termination audit should only extend 18 months (the
 expiration of an accounting cycle).
- 3. Section 2.6. Insurance. Please note the following with respect to the insurance requirements:
 - A. Contractor should only be required to name the Rockingham County Public Schools as an additional insured with respect to its comprehensive general liability and comprehensive automobile liability policies and such status should be with respect to (i) specific amounts of insurance (not minimum amounts) and (ii) its vicarious liability arising out of the Contractor's provision of the Services.
 - B. The issuing company will endeavor to provide 30 days' notice prior to cancellation.

- C. Insurance should be at mutually agreed limits. The Contractor's insurance is provided through a blanket program administered through its ultimate parent, Marsh & McLennan Companies. The insurance is underwritten by the world's preeminent insurance companies with scope and limits of coverage which exceed usual and customary standards for similar firms insuring similar risks. The Contractor's insurance carriers should not be subject to approval by the Owner's Attorney or Risk Manager.
- 4. Section 2.11. Indemnification. Contractor's indemnification obligation should only extend to damages to the extent directly caused by or arising out of the negligent or wrongful acts or omission of the Contractor. The Contractor's indemnification should not be applicable to the extent any liability is attributable to the negligence or wrongful acts or omissions of an indemnified party. In no event should the Contractor be liable in connection with the services or the final agreement for any indirect, special, punitive, consequential or incidental damages.
- 5. Section 6.1. Contract Term. Any renewal of the contract should be subject to the mutual agreement of the parties.

Signature Sheet

Attached

Mercer

SIGNATURE SHEET

My signature certifies that the proposal as submitted complies with all Terms and Conditions as set forth in RFP – CS07M.

My signature also certifies that the accompanying proposal is not the result of, or affected by, any unlawful act of collusion with another person or company engaged in the same line of business or commerce, or any act of fraud punishable under Title 18.2, Chapter 12, 498.4 of the *Code of Virginia*, 1950 as amended. Furthermore, I understand that fraud and unlawful collusion are crimes under the Virginia Governmental Frauds Act, the Virginia Government Bid Rigging Act, and Virginia Antitrust Act, and Federal Law, and can result in fines, prison sentences, and civil damage awards.

My signature also certifies that this firm has no business or personal relationships with any other companies or persons that could be considered as a conflict of interest or potential conflict of interest to the Rockingham County Public Schools, and that there are no principals, officers, agents, employees, or representatives of this firm that have any business or personal relationships with any other companies or persons that could be considered as a conflict of interest or a potential conflict of interest to the Rockingham County Public Schools, pertaining to any and all work or services to be performed as a result of this request and any resulting contract with the Rockingham County Public Schools.

I hereby certify that I am authorized to sign as a Representative for the Firm:

Complete Legal Name of Firm: Mercer Inc.				
Order From Address:	Three James Center, 1051 East Cary Street, Suite 900			
	Richmond, Virginia 23219			
Remit To Address:	Same			
Fed ID No.:	13-2834414			
Signature:	M. Poch			
Name (type/print):	Glenn R. Poehler			
Title:	Principal			
Telephone: (<u>804</u>) <u>344 3748</u>	Fax No.: (<u>804)</u> 344 2601			
Date: October 30, 2007	Minority: No Women Owned: No			

To receive consideration for award, this signature sheet must be returned to the Rockingham County Public Schools as it shall be a part of your response.

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Mercer (US) Inc. Three James Center 1051 East Cary Street, Suite 900 Richmond, VA 23219 804 344 2600 **E**...

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