

Request for Proposals
for
Service Organization Controls 1 Reporting Services
for the
Retirement Systems of Alabama
and the
Public Education Employees' Health Insurance Plan
for
Fiscal Years 2019, 2020, 2021, 2022, and 2023
RFP 18-010

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Section I – General Information for the Bidder

A. Purpose

This Request For Proposals (RFP) solicits vendor proposals for a Report on Controls at a Service Organization Relevant to User Entities' Internal Control over Financial Reporting (SOC 1) related to the Retirement Systems of Alabama (RSA) and the Public Education Employees' Health Insurance Plan's (PEEHIP) description and the suitability of the design and operating effectiveness of the controls in place for fiscal years 2019, 2020, 2021, 2022, and 2023, prepared in accordance with *Statement on Standards for Attestation Engagements (SSAE) No. 18*.

B. Description of RSA & PEEHIP

Introduction

The RSA is an umbrella organization consisting of the Teachers' Retirement System (TRS), the Employees' Retirement System (ERS), the Judicial Retirement Fund (JRF), PEEHIP, the Alabama Retired Education Employees' Health Care Trust (PRT), and the RSA-1 Deferred Compensation Plan (RSA-1).

The TRS, a cost-sharing multiple-employer public employee retirement plan, was established as of September 15, 1939, pursuant to the *Code of Alabama 1975, Title 16, Chapter 25* (Act 419 of the Legislature of 1939) for the purpose of providing retirement allowances and other specified benefits for qualified persons employed by State-supported educational institutions. The responsibility for the general administration and operation of the TRS is vested in its Board of Control.

The ERS, an agent multiple-employer public employee retirement plan, was established as of October 1, 1945, pursuant to the *Code of Alabama 1975, Title 36, Chapter 27* (Act 515 of the Legislature of 1945). The purpose of the ERS is to provide retirement allowances and other specified benefits for state employees, State Police, and, on an elective basis, to all cities, counties, towns, and quasi-public organizations. Assets of the ERS are pooled for investment purposes. However, separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of its employees only. The responsibility for the general administration and operation of the ERS is vested in its Board of Control.

The JRF, a cost-sharing multiple-employer public employee retirement plan, was established as of September 18, 1973, pursuant to the *Code of Alabama 1975, Title 12, Chapter 18* (Act 1163 of the Legislature of 1973) for the purpose of providing retirement allowances and other specified benefits for any Justice of the Supreme Court of Alabama, Judge of the Court of Civil Appeals, Judge of the Court of Criminal Appeals, Judge of the Circuit Court, or office holder of any newly created judicial office receiving compensation from the State Treasury. The *Code of Alabama 1975, Title 12, Chapter 18, Articles 3 & 4* (Act 1205 of the Legislature of 1975) enlarged the scope and coverage of the JRF to include District and Probate Judges, respectively. The responsibility for the general administration and operation of the JRF is vested in the Board of Control of the ERS.

The PEEHIP was established in 1983 pursuant to the *Code of Alabama 1975, Title 16, Chapter 25A* (Act 83-455 of the Alabama Legislature) to provide a uniform plan of health insurance for active and retired employees of state and local educational institutions which provide instruction at any combination of grades K-14 (collectively, eligible employees), and to provide a method for funding the benefits related to the plan. The four-year universities participate in the plan with respect to their retired employees, and are eligible and may elect to participate in the plan with respect to their active employees. Responsibility for the establishment of the health insurance plan and its general administration and operations is vested in the PEEHIP Board of Control. The Board is a corporate body for purposes of management of the health insurance plan. All assets of the PEEHIP are held in trust for the payment of health insurance benefits. The Board has been appointed as the administrator of the PEEHIP and PRT.

The PRT is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that administers healthcare benefits to the retirees of participating state and local educational institutions. The Trust was established under the Alabama Retiree Health Care Funding Act of 2007 which authorized and directed the PEEHIP Board of Control to create an irrevocable trust to fund postemployment healthcare benefits to retirees. Active and retiree health insurance benefits are paid through the PEEHIP.

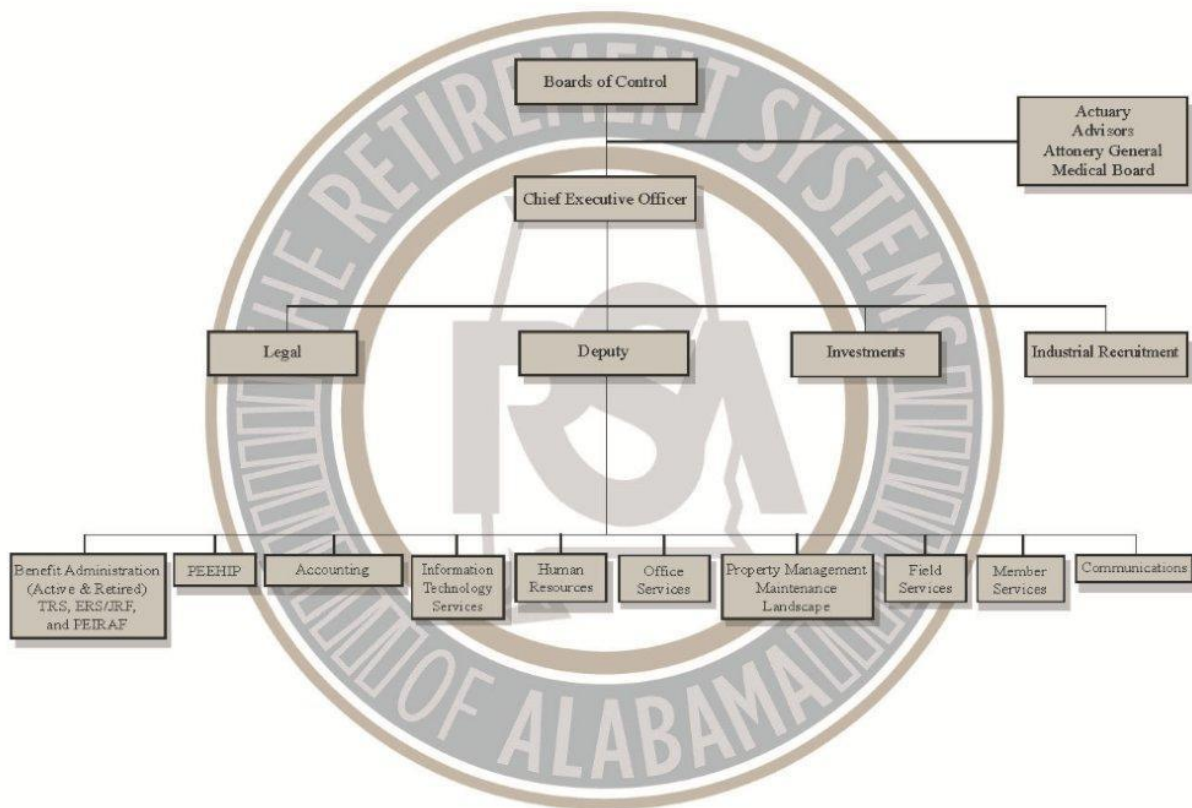
RSA-1 was established as of November 26, 1986, under the provisions of the *Code of Alabama 1975, Title 36, Chapter 27A* (Act 685 of the Legislature of 1986). RSA-1 operates as a deferred compensation plan as defined in Section 457 of the Internal Revenue Code of the United States and began receiving deferred portions of employees' income on January 1, 1987. The responsibility for the general administration and operation of RSA-1 is vested in its Board of Control which is made up of the TRS and ERS Investment Committee members. All members of TRS, ERS, JRF, and employees of employers eligible to participate in the ERS pursuant to provisions of the *Code of Alabama 1975, Title 36, Chapter 27, Article 6*, and public officials and employees of the State of Alabama or any political subdivision thereof (collectively, participating employers) are eligible to participate.

RSA provides the following administrative and support services to all of the plans described above: Legal, Investments, Accounting, Information Technology, Human Resources, Office Services, Property Management & Maintenance, Field Services, Member Services, and Communications.

Organization

The following is a brief summary of the major organizational roles at the RSA and is intended to provide a general overview of the organization and does not include all groups or activities. An organizational chart of the RSA is shown below and is followed by narrative descriptions of the various divisions.

Retirement Systems of Alabama



Chief Executive Officer

The CEO is appointed by the Boards of Control to administer the various RSA programs and to manage the day-to-day operations of the RSA. This includes overall decision making authority over all the aspects of the RSA operations.

Deputy Director

The Deputy Director answers directly to the CEO and oversees the core business operations of the RSA.

Legal

The Legal Division provides legal advice to all RSA divisions, reviews and interprets governing statutes and regulations, offers counsel to the governing boards, reviews contracts entered into by the RSA, defends and prosecutes lawsuits, assists with the appeal process of both administrative and statutory denials, and assures compliance with any fiduciary obligations. The Division includes Legislative Counsel, who monitors legislation that could have an impact on the RSA, provides guidance to the RSA personnel, and represents the RSA to the Legislature. There are six employees within the division.

Investments

The Investment Division's major function is to optimize the total return on RSA's investment portfolio through a policy of long-term diversified investment, using parameters of prudent risk management. The RSA Investments personnel administers and monitors the RSA investments, coordinates the RSA cash flow, implements the asset allocation strategy, and monitors and reports on investment activity and performance. There are seventeen employees within the division. Each individual on the Investments personnel generally focuses on a certain asset class, with consideration given to how their recommendations affect the overall portfolio. There are both passive and active strategies employed within equities, and the entire fixed income portfolio is actively managed. Direct investments are also part of the RSA investment strategy and consist of both equity and debt investments, and they are managed by the Director of Private Placements.

Benefits Division

The primary function of the Benefits Division is to calculate and process all retirement, disability, death, and refund claims. Benefits personnel also administer and maintain recurring benefits, return to work, beneficiary information, and provides counseling, guidance, and education to the RSA members (active, inactive, and retired), their beneficiaries, and employers. To provide these services, personnel must be knowledgeable of the Alabama law as it pertains to all participating employers and be able to explain how it affects members and employers. When needed, Benefits personnel serve as a liaison between the member and employer and the RSA. There are eighty-one employees within the division described above.

Accounting Division

The Accounting Division has several functional areas with varying responsibilities related to accounting and financial reporting as described below. There are 61 employees in the Accounting Division.

- 1) CFO-Accounting
 - oversight of the Accounting Division as a whole
 - monitors internal controls for the entire organization and all related entities
 - develops and implements strategies related to PEEHIP funding
 - prepares the Budget Requests for RSA and all related entities
 - tests all participant and employer data and provides it to the actuary for the annual actuarial valuations
 - manages Construction Accounting
- 2) Financial Reporting
 - prepares RSA's Comprehensive Annual Financial Report (CAFR) for TRS, ERS & JRF
 - prepares audited financial statements for RSA-1 & PEIRAF and any other external financial reporting
 - analyzes the general ledger to ensure entries are posted to the correct accounts
- 3) Investment Accounting
 - managing and projecting cash needs
 - works closely with Investment personnel, brokerage firms, traders, the State Treasurer, the State Comptroller, and the custodial bank
 - recording the daily investment activity and settling all trading activity
 - acquiring and retaining all required authorizations related to trading of securities and cash movements
 - reconciling to the custodial bank, the in-house investment accounting software, and the general ledger for all investment activity The investments of the RSA are 100% internally managed
 - responsible for the investment activity for 23 funds with investments valued at approximately \$42 billion at September 30, 2017
 - Investments include Short-Term Investment Funds, Commercial Paper, Domestic Fixed Income & Equity Securities, International Equity Securities, Direct Private Placement Investments, and Directly-owned and managed Real Estate Investments
 - Investment performance is calculated and reported by the third party custodial bank
- 4) Revenue Accounting
 - responsible for collecting, balancing, and posting the employee and employer contributions for TRS, ERS, JRF, RSA-1, and PEEHIP
 - calculate investment earnings and post to members' accounts
 - producing quarterly statements for RSA-1 and PEIRAF
 - Balances member account detail from the subsidiary ledger to the general ledger for JRF, RSA-1, and PEIRAF
- 5) Member Payroll
 - Verifies and balances the monthly retirement payroll for approximately 142,000 recipients
 - processes one daily and two weekly ad hoc payrolls
 - balances the 1099 file to the check distributions and general ledger
- 6) Accounting Operations
 - Responsible for all aspects of the accounts payable function
 - Maintains detail of various general ledger accounts to ensure entries are posted correctly and timely
 - Prepares the annual Operations Plans for the expense funds of TRS, ERS, JRF, and PEEHIP
 - Prepares the audited financial statements for PEEHIP and PRT

The Financial Analysis area provides data analysis in support of decisions as well as process improvement implementations. The Real Estate Accounting section provides all accounting functions and reporting for the wholly owned office complexes.

Information Technology Division

The IT Division provides technology solutions which enable superior customer service to members, employers, and annuitants. IT maintains an integrated Microsoft Windows-based file/application server, web, imaging, and telecommunications infrastructure, assures a high level of information security and disaster recovery readiness, and ensures support to changing business needs and legislative changes. The Chief Security Officer (CSO) is responsible for assuring the confidentiality, integrity, and availability of information and information systems throughout the organization. The CSO ensures that appropriate technology monitoring and controls are in place. There are thirty-nine employees in this division.

Human Resources

The Human Resources Division is responsible for administering all human resource functions for the organization. This includes recruitment, employment practices, benefits and compensation, and management policies. They also are responsible for personnel training and development. There are three employees in this division.

Office Services

The Office Services Division is responsible for handling incoming mail and processing outgoing mail. Officer Service personnel scans incoming paper documents into the imaging system in order for them to be entered into workflow or stored. This area also researches and validates enrollments and enters address changes for active and inactive members. Office Services is responsible for purchasing any equipment or supplies necessary for conducting business ensuring the proper maintenance of the equipment. In-house printing and binding services are also available through Office Services. There are nine employees within the division.

Property Management / Maintenance

This division is responsible for managing the various real estate investment properties owned by RSA. This includes marketing vacant office spaces; negotiating, executing, and monitoring appropriate contracts and leases; maintaining tenant relations, providing support to tenants including telecommunications and IT; and maintaining both the interior and exterior of the buildings and the surrounding grounds. There are sixty-two employees within the division.

Field Services

The Field Services Division conducts an ongoing series of educational seminars for TRS and ERS members in order to better educate participants of their retirement benefits. They also provide informational programs on health insurance, the RSA-1 Deferred Compensation Plan, and the Flex savings program. There are eight employees within that division.

Member Services

The Member Services Division serves as the initial point of contact for members of RSA, their beneficiaries, participating employers, and other financial professionals. The primary function of employees in Member Services is receiving and filtering incoming telephone inquiries. After assessing the nature of each inquiry, personnel then provides general plan information and/or necessary documents or forwards the more technical inquiries to the appropriate division. Member Services also receives, filters, responds to, or forwards incoming email and written inquires. All contact, regardless of the type, should be documented in the member files for review and/or future reference. Member Services also manages the visitor center for members with appointments or those who may walk-in to see a RSA Benefits Counselor. Visitor center personnel assesses the reason for member visits and may either assist visitors with general plan inquiries providing both information and plan documents or schedule a session with a benefits counselor. The visitor center personnel also accepts, receives, and forwards to the correct party member payments for various plans. There are twenty employees within this division.

Communications

The Communications Division provides information to the general public, employers, and members regarding RSA. They create forms, newsletters, benefit booklets, manuals, and correspondence for members and employers, as well as technical manuals and training materials for RSA employees. In addition, Communications personnel develops content for and maintains RSA's public website as well as an intranet for RSA personnel. There are three people within the division.

C. Other Information

Other documents that are considered as part of this RFP may be located via the internet as follows:

RSA Website – www.rsa-al.gov

1. RSA Comprehensive Annual Financial Report (CAFR) – 2017
2. TRS Summary Plan Description
3. ERS Summary Plan Description
4. Member Handbooks for TRS, ERS, State Police, JRF, and PEEHIP
5. RSA-1 Publications
6. PEEHIP Publications

Alabama Secretary of State Website – www.sos.alabama.gov

1. TRS Law – *Code of Alabama 1975, Title 16, Chapter 25*
2. ERS Law – *Code of Alabama 1975, Title 36, Chapter 27*
3. JRF Law – *Code of Alabama 1975, Title 12, Chapter 18*
4. PEIRAF Law – *Code of Alabama 1975, Title 36, Chapter 27A*
5. PEEHIP Law – *Code of Alabama 1975, Title 16, Chapter 25A*
6. PEEHIP Retiree Trust Law – Legislative Act 2007-16

D. Proposal Timetable

Proposal issued and posted to RSA's website	August 10, 2018, 2:00 p.m. CST
Deadline for receipt of questions	August 17, 2018, 2:00 p.m. CST
Responses to questions posted to RSA's website	August 21, 2018, 2:00 p.m. CST
Proposals Due	September 10, 2018, 2:00 p.m. CST
Finalist Interviews	September 13-14, 2018

All proposals will be submitted (six (6) copies) in a sealed wrapper with the following plainly marked on the front:

RETIREMENT SYSTEMS OF ALABAMA
SOC AUDIT PROPOSAL
RFP 18-010
OPENING September 10, 2018

In addition to the six physical copies of your proposal, you must provide your proposal in electronic format. We also request a redacted physical copy and in electronic format.

Proposals sent via FedEx or UPS:

Mr. Edward Davis
Retirement Systems of Alabama
201 South Union Street
Montgomery, Alabama 36104

Proposals sent via U.S. Mail:

Mr. Edward Davis
Retirement Systems of Alabama
PO Box 302150
Montgomery, Alabama 36130-2150

Proposals may be hand delivered to Room 574 of the Retirement Systems Building, 201 South Union Street, Montgomery, Alabama. Proposals will be accepted until 2:00 p.m. CST on September 10, 2018, and opened at that time. Proposals will not be accepted after this time. The RSA reserves the right to reject any and all responses to this RFP.

E. Delivery Schedule

Selected firm must be prepared to begin engagement no later than February 1, 2019. The selected firm will prepare two separate reports: one for RSA and one for PEEHIP. Both reports must be issued no later than November 30 of each year.

F. Payment Schedule

Payment will be made based upon submitted invoices for work performed during the period. Invoices may not be submitted more frequently than monthly. Payment will be made within 30 days of receipt of the invoice.

G. Selection of Firm

The RSA expects to employ the successful vendor. All responding vendors will be notified in writing within a reasonable length of time following the selection. Prior to the selection of a firm, two or more vendors may be requested to make oral presentations to the evaluation committee. The proposal shall become the property of the RSA.

H. Economy of Preparation

Proposals should be prepared simply and economically and provide a concise description of the bidder's response to the requirements of this RFP. Emphasis should be on clarity. The RSA will not be responsible for any costs incurred by any bidder in the preparation of a proposal or oral presentation to evaluation committee.

I. Disclosure of Proposals

Proposals may be subject to disclosure and/or reproduction under Alabama law after the completion of the RFP process. Bidder's redacted copy of the Proposal shall include redaction of all confidential and/or proprietary information. Bidder agrees to intervene in and defend any lawsuit brought against the RSA for its refusal to provide Bidder's alleged confidential and/or proprietary information to a requesting party. The RSA shall provide Bidder written notice of any such lawsuit within ten (10) days of receipt of service by the RSA. Bidder shall intervene within thirty (30) days of notice or will be deemed to have waived any and all claim that information contained in the Proposal is confidential and/or proprietary and any and all claims against the RSA for disclosure of Bidder's alleged confidential and/or proprietary information.

J. News Releases

News releases pertaining to this RFP or the service to which it relates will be made only with prior written approval of the CEO or his representative.

K. Addenda to the RFP

Any modifications made to the RFP prior to the proposal due date will be placed on the RSA website.

L. Contact Point

Any questions that arise concerning this RFP may be directed to Mr. Edward Davis at Edward.davis@rsa-al.gov.

M. Minimum Qualifications

Proposals will be accepted from public accounting firms where both the firm and the assigned personnel meet the following minimum qualifications:

- Audit Manager/Partner on this engagement must possess a current Certified Information Systems Auditor certification and must have at least five years of experience combined in SOC 1 and 2 reporting.
- All firm personnel assigned to the engagement must sign a non-disclosure & confidentiality agreement.
- Furnish resumes for primary persons responsible for the engagement reflecting relevant experience.
- Furnish references from a minimum of three clients for whom the firm has completed SOC 1 Type 2 reports.

Section II – Information Required from Bidders

Proposals must be submitted in the format outlined below:

A. Qualifications of the Firm

1. Business Organization

State the full name and address of your organization, and if applicable, the branch office or other subordinate element that will perform or assist in performing the work hereunder. Indicate whether you operate as an individual, partnership, or corporation; if as a corporation, include the state in which you incorporated. State whether you are licensed to operate in the State of Alabama.

2. Prior Experience

As part of your proposal, include a brief statement (maximum of five pages) concerning the relevant experience of persons from your firm who will be associated at the highest management levels with the proposed engagement. Do not include general corporate background brochures. Emphasize experience directly applicable to SOC 1 Type 2 reporting.

3. Personnel

Identify lead individuals by name and title and include a resume of each.

4. Authorized Officials

Include the names and telephone numbers of personnel authorized to execute the proposed contracts with the RSA.

5. Personally Identifiable Information

Describe any policies, procedures, and/or training that your firm has in place or your employees have attended regarding the security of client information.

6. Additional Information and Comments

Include any other information believed to be pertinent but not specifically requested elsewhere in this RFP.

B. Technical Proposal

Prepare a description of the approach you anticipate following in critical audit areas. Describe the approach you anticipate following for each asset category and each area of operating revenues and expenditures. Be specific indicating expected use of confirmation, examination, analytical review, comparative analysis, etc. Specifically discuss your methodology utilizing a readiness approach, timing of the engagement, estimated number of hours, and estimated client involvement.

C. Cost Proposal

Proposal must include a pricing model for completion of a SOC 1 Type 2 report for the investment transactions and cycle, member contribution reporting, member retirement/withdrawal disbursements and participant data. The information requested in this Section is required to support the reasonableness of your proposal price. Your proposal must include a Fee Schedule for fiscal years 2019, 2020, 2021, 2022, and 2023. Please list the title and projected work hours for each staff category

Section III – Criteria for Evaluation

A. General

The following process will be used to evaluate vendor proposals:

- a. A review committee will evaluate each proposal submitted in response to these Proposal specifications.
- b. Responses received within the time frame and in the form specified by the guidelines will first be evaluated to confirm that all proposal sections, as detailed, have been provided in the Proposal response.
- c. Each proposal will be reviewed and points awarded to all items on the Proposal Evaluation Form. A proposal component may be awarded points not to exceed the maximum specified. The total technical score available is 70 points.
- d. Each proposal component will be summed to obtain a total score.
- e. RSA will conduct interviews with the finalists.

B. RSA & PEEHIP’s Rights

Proposers should note that RSA and PEEHIP reserve the right to modify this evaluation structure if it is deemed necessary or request additional information from vendors. It is the intention of RSA and PEEHIP to select the most qualified and cost-effective proposal based on the evaluation of the Proposer’s responses to this RFP. However, RSA and PEEHIP reserve the right to ask vendors for additional information and/or an oral presentation to clarify their proposals. RSA and PEEHIP also reserve the right to cancel or terminate the RFP or reject any or all proposals received in response to this RFP.

C. Cost & Price Analysis

The cost evaluation will be based on an examination by the Evaluation Committee of each Proposer’s stated cost components and will constitute 30% of the overall proposal’s evaluation. The preparation of your reports should be a fixed price. Billing is to be submitted with the detail, by staff member, of hours worked on each task. The total paid to the selected vendor for your reports will not exceed the proposed cost unless both parties agree in writing.

Cost scoring will be determined as follows:

- a. Cost proposals must be provided in a separate envelope clearly labeled “Cost Proposal.”
- b. The Proposer submitting the lowest cost Proposal will receive 30 points.
- c. All other Proposers will be evaluated by use of the following formula:

Lowest Cost of All Proposals

$$\text{Cost of Proposal Under Evaluation} \times 30 \text{ points} = \text{Proposer’s Score for Cost Proposal}$$

RSA & PEEHIP are not liable for any expense for use of a job classification by the proposer not identified in the proposer’s response.

D. Proposal Evaluation Form

General Proposal Categories	Possible Points	Reviewer’s Score
Description of Services to be Performed	10	
Experience with Similar Proposals	20	
Experience of Personnel Assigned	20	
IT Risk	10	
Methodology and Ability to Meet Timeline	10	
Total Technical Score	70	
Cost Proposal	30	
Total Possible Points	100	

Proposers must respond to all required components of the RFP. Finalist Interviews will allow for a possible additional 10 points.

Section IV – Additional Documents

The following documents are referenced in this RFP and must be completed and submitted with the proposal:

- A. State of Alabama Disclosure Statement (Pursuant to the *Code of Alabama 1975, Title 41, Chapter 16, Article 3B*)
- B. Sample RSA State Contract
- C. Immigration Compliance Certificate Business Associate Agreement
- D. Bidder Profile Form
- E. Bidder References Form
- F. HIPAA Compliance Questions
- G. Sample Business Associate Agreement
- H. IRS Form W-9
- I. Confidentiality and Non-Disclosure Agreement



State of Alabama

Disclosure Statement

(Required by Act 2001-955)

ENTITY COMPLETING FORM

ADDRESS

CITY, STATE, ZIP

TELEPHONE NUMBER

()

STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD

ADDRESS

CITY, STATE, ZIP

TELEPHONE NUMBER

()

This form is provided with:

Contract

Proposal

Request for Proposal

Invitation to Bid

Grant Proposal

Have you or any of your partners, divisions, or any related business units previously performed work or provided goods to any State Agency/Department in the current or last fiscal year?

Yes

No

If yes, identify below the State Agency/Department that received the goods or services, the type(s) of goods or services previously provided, and the amount received for the provision of such goods or services.

STATE AGENCY/DEPARTMENT	TYPE OF GOODS/SERVICES	AMOUNT RECEIVED

Have you or any of your partners, divisions, or any related business units previously applied and received any grants from any State Agency/Department in the current or last fiscal year?

Yes

No

If yes, identify the State Agency/Department that awarded the grant, the date such grant was awarded, and the amount of the grant.

STATE AGENCY/DEPARTMENT	DATE GRANT AWARDED	AMOUNT OF GRANT

1. List below the name(s) and address(es) of all public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF PUBLIC OFFICIAL/EMPLOYEE	ADDRESS	STATE DEPARTMENT/AGENCY

OVER

2. List below the name(s) and address(es) of all family members of public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the public officials/public employees and State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF FAMILY MEMBER	ADDRESS	NAME OF PUBLIC OFFICIAL/ PUBLIC EMPLOYEE	STATE DEPARTMENT/ AGENCY WHERE EMPLOYED
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If you identified individuals in items one and/or two above, describe in detail below the direct financial benefit to be gained by the public officials, public employees, and/or their family members as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

Describe in detail below any indirect financial benefits to be gained by any public official, public employee, and/or family members of the public official or public employee as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

List below the name(s) and address(es) of all paid consultants and/or lobbyists utilized to obtain the contract, proposal, request for proposal, invitation to bid, or grant proposal:

NAME OF PAID CONSULTANT/LOBBYIST	ADDRESS
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By signing below, I certify under oath and penalty of perjury that all statements on or attached to this form are true and correct to the best of my knowledge. I further understand that a civil penalty of ten percent (10%) of the amount of the transaction, not to exceed \$10,000.00, is applied for knowingly providing incorrect or misleading information.

Signature _____ Date _____

Notary's Signature _____ Date _____ Date Notary Expires _____

Act 2001-955 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000.

<<SAMPLE>> AGREEMENT TO PROVIDE <<PROFESSIONAL>> SERVICES

THIS AGREEMENT TO PROVIDE <<PROFESSIONAL>> SERVICES (THE "AGREEMENT"), which results from RFP <<____-____>> entitled Request for Proposal for <<Professional>> Services, is made and entered into effective <<_____, 2018>>, by and between the <<Teachers' Retirement System of Alabama and the Employees' Retirement System of Alabama, collectively the Retirement Systems of Alabama ("RSA") /// Public Education Employees' Health Insurance Board, on behalf of the Public Education Employees' Health Insurance Plan of Alabama ("PEEHIP")>>, and <<Insert Contractor Name>>, hereinafter referred to as "Contractor".

Recitals

- A. <<To be drafted based upon RFP, Proposal, and services required>>.
- B. The parties wish to enter into this Agreement to formalize the terms under which Contractor will provide the services.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants of the parties contained herein, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **SCOPE OF SERVICES.** Upon request of <<RSA/PEEHIP>>, Contractor shall perform the following services for <<RSA/PEEHIP>> ("Services"):
 - a. <<To be drafted based upon RFP, Proposal, and services required>>.
 - b.
2. **CONSIDERATION.** As consideration for the services rendered pursuant to this Agreement, <<RSA/PEEHIP>> agrees to compensate Contractor in accordance with the rates and fees set forth in Exhibit A, which is attached hereto and incorporated herein by reference.

Contractor shall send monthly detailed invoice(s) for all work in arrears. <<RSA/PEEHIP>> shall have thirty (30) days from receipt of an invoice from Contractor to render payment. Should <<RSA/PEEHIP>> dispute any invoiced amount, <<RSA/PEEHIP>> must deliver within thirty (30) days of receipt of invoice written notice to Contractor detailing the specific facts and circumstances of the dispute and shall timely pay all undisputed amounts. The parties agree to work together in good faith to resolve any disputed amounts.

The maximum compensation due to Contractor during the term of this Agreement shall not exceed \$_____.

3. **TERM.** This Agreement shall be for the period beginning <<____>> and ending <<____>>. <<Depending upon RFP, possibly insert...The parties may, by mutual written consent, renew this Agreement for <<insert #>> additional one year terms upon the same terms and at the same fees contained herein>>.

4. **APPROVALS.** Contractor acknowledges and understands that this Agreement is not effective until it has received all required state government approvals, and Contractor shall not begin performing work

under this Agreement until notified to do so by <<RSA/PEEHIP>>. Contractor is entitled to no compensation for work performed prior to the effective date of this Agreement.

5. INDEPENDENT CONTRACTORS. Contractor acknowledges that Contractor is an independent contractor, and neither Contractor nor Contractor's employees are to be considered employees of <<RSA/PEEHIP>> or entitled to benefits under the State of Alabama merit system.

6. NO STATE DEBT, ETC. Contractor acknowledges that the terms and commitments contained herein shall not be constituted as a debt of the State of Alabama in violation of Article 11, Section 213 of the Constitution of Alabama, 1901, as amended by Amendment Number 26. It is further agreed that if any provisions of this Agreement shall contravene any statute or Constitutional provision or amendment, either now in effect or which may, during the course of this Agreement, be enacted, then that conflicting provision in the Agreement shall be deemed null and void and the remaining provisions shall continue to be valid and enforceable. Contractor may not assign this Agreement or any interest herein or any money due hereunder without the expressed written consent of <<RSA/PEEHIP>>. Contractor's sole remedy for the settlement of any and all disputes arising under the terms of this Agreement shall be limited to the filing of a claim with the Board of Adjustment of the State of Alabama.

In the event of proration of the funds from which this Agreement is to be paid, the Agreement will be subject to termination by <<RSA/PEEHIP>>.

7. INDEMNIFICATION. To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless <<RSA/PEEHIP>>, its administrators, officers, directors, agents and employees (the "Indemnitees"), from and against any and all claims, damages, losses, and expenses, including but not limited to reasonable attorney's fees, arising out of or resulting from Contractor's performance of services under this Agreement and/or any other of Contractor's acts and/or omissions under this Agreement.

Contractor acknowledges and agrees that, notwithstanding anything to the contrary contained herein or in any other agreement between the parties hereto, <<RSA/PEEHIP>> shall not indemnify or hold harmless Contractor, its affiliates, administrators, officers, employees or agents. Contractor further acknowledges and agrees that <<RSA/PEEHIP>> shall not be liable to Contractor for any late fees, penalties, collection fees or attorney fees unless specifically agreed to in a writing signed by <<RSA/PEEHIP>>.

8. INSURANCE. Contractor agrees that Contractor shall maintain or obtain (as applicable), with respect to the activities in which Contractor engages pursuant to any Agreement that results from this RFP, general liability insurance and cyber security insurance in amounts reasonable and customary for the nature and scope of business engaged in by such party. <<With certain services, specific limits and additional requirements will be inserted>>. The foregoing coverages shall be maintained without interruption for the entire term of this Agreement. Contractor shall deliver to <<RSA/PEEHIP>> evidence of such insurance on or before the date the Agreement goes into effect and annually thereafter. <<RSA/PEEHIP>> reserves the right to require additional insurance coverage than listed herein as <<RSA/PEEHIP>> deems appropriate with a thirty day notice to Contractor.

Contractor must provide at least thirty days (10 days in the event of cancellation due to non-payment of premium) prior notice of any cancellation, non-renewal or material change to any insurance policy covered by this Agreement. If any such notice is given, <<RSA/PEEHIP>> shall have the right to require

that a substitute policy (ies) be obtained prior to cancellation and replacement Certificate(s) of Insurance shall be provided to <<RSA/PEEHIP>>.

9. CONFIDENTIALITY AND OWNERSHIP. Contractor acknowledges that, in the course of performing its responsibilities under this Agreement, Contractor may be exposed to or acquire information that is proprietary or confidential to <<RSA/PEEHIP>> or the companies in which it invests. Contractor agrees to hold such information in confidence and not to copy, reproduce, sell, assign, license, market, transfer or otherwise disclose such information to third parties or to use such information for any purpose whatsoever, without the express written permission of <<RSA/PEEHIP>>, other than for the performance of obligations hereunder or as required by applicable state or federal law. For purposes of this Agreement, all records, financial information, specifications and data disclosed to Contractor during the term of this Agreement, whether submitted orally, in writing, or by any other media, shall be deemed to be confidential in nature unless otherwise specifically stated in writing by <<RSA/PEEHIP>>.

Contractor acknowledges that all data relating to <<RSA//PEEHIP>> is owned by <<RSA/PEEHIP>> and constitutes valuable property of <<RSA/PEEHIP>>. <<RSA/PEEHIP>> shall retain ownership of, and all other rights and interests with respect to, its data (including, without limitation, the content thereof, and any and all copies, modifications, alterations, and enhancements thereto, and any derivative works resulting therefrom), and nothing herein shall be construed as granting Contractor any ownership, license or any other rights of any nature with respect thereto. Contractor may not use <<RSA/PEEHIP>>'s data (including de-identified data) for any purpose other than providing the Services contemplated hereunder. Upon termination of the Agreement, Contractor agrees to return or destroy all copies of <<RSA/PEEHIP>> data in its possession or control except to the extent such data must be retained pursuant to applicable law.

10. STATE IMMIGRATION LAW COMPLIANCE. By signing this Agreement, the contracting parties affirm, for the duration of the Agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the Agreement and shall be responsible for all damages resulting therefrom.

11. BOYCOTT PROHIBITION. In compliance with Act 2016-312, Contractor hereby certifies that it is not currently engaged in, and will not engage in, the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

12. DISPUTE RESOLUTION. For any and all disputes arising under the terms of this contract, the parties hereto agree, in compliance with the recommendations of the Governor and Attorney General, when considering settlement of such disputes, to utilize appropriate forms of non-binding alternate dispute resolution including, but not limited to, mediation by and through the Attorney General's Office of Administrative hearings or where appropriate, private mediators.

13. OPEN RECORDS LAW COMPLIANCE. Contractor acknowledges that <<RSA/PEEHIP>> may be subject to Alabama open records laws or similar state and/or federal laws relating to disclosure of public records and may be required, upon request, to disclose certain records and information covered by and not exempted from such laws. Contractor acknowledges and agrees that <<RSA/PEEHIP>> may comply with those laws without violating any provision of Contractor's proposal or this final Agreement. Contractor agrees to intervene in and defend any lawsuit brought against <<RSA/PEEHIP>> or any of its employees,

agents or directors, for their refusal to provide Contractor's alleged confidential and/or proprietary information to a requesting party. <<RSA/PEEHIP>> shall provide Contractor written notice of any such lawsuit within ten (10) days of receipt of service. Contractor shall intervene within thirty (30) days of notice or will be deemed to have waived any and all claim that the information is confidential and/or proprietary and any and all claims against <<RSA/PEEHIP>> for disclosure of Contractor's alleged confidential and/or proprietary information.

14. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with Alabama law, without giving any effect to the conflict of laws provision thereof.

15. TERMINATION.

TERMINATION FOR CONVENIENCE: This Agreement may be terminated for any reason by either party with the submission of a thirty (30) day written notice thereof.

TERMINATION FOR DEFAULT: <<RSA/PEEHIP>> may terminate immediately all or any part of this Agreement, by giving notice of default by Contractor, if the Contractor (1) refuses or fails to deliver the goods or services within the time specified, (2) fails to comply with any of the provisions of the Agreement or so fails to make progress as to endanger or hinder performance, (3) becomes insolvent or subject to proceedings under any law relating to bankruptcy, insolvency, or relief of debtors. In the event of termination for default, <<RSA/PEEHIP>>'s liability will be limited to the payment for goods and/or services delivered and accepted as of the date of termination.

16. ENTIRE AGREEMENT. It is understood by the parties that this instrument, including its exhibit(s), contains the entire agreement of the parties with respect to matters contained herein; provided that the parties may choose to enter into letters of engagement periodically during the term of this agreement to more specifically delineate the parameters of the services. In such event, the order of precedence will be this contract first and then the letters.

<<17. ADDITIONAL CLAUSES AND SAMPLE CONTRACT CLAUSE DISCLAIMER. This form Agreement contains certain non-negotiable mandatory state law clauses as well as offers a starting point for negotiation of additional clauses and is included for the purpose of allowing proposers to an RFP to be aware of the foregoing clauses prior to submitting a proposal. RSA/PEEHIP reserves the right to change any of the clauses contained herein or insert additional clauses before sending a draft copy of the Agreement to Contractor.>>

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date first provided above.

Contractor's Federal Tax ID Number

XYZ Consulting, LLC

By: _____

<<RSA/PEEHIP>>
By: David G. Bronner

Its: _____

Its: <<Secretary-Treasurer/Chief Executive Officer>>

Legally Reviewed and Approved by:

Legal Counsel for <<RSA/PEEHIP>>

Approved:

Governor Kay Ivey
State of Alabama

EXHIBIT A
CONSIDERATION

<<RSA/PEEHIP>> shall pay to Contractor the following fees in accordance with the terms more specifically set forth in the Agreement:

State of _____
County of _____

**CERTIFICATE OF COMPLIANCE WITH THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT
(ACT 2011-535, as amended by ACT 2012-491)**

DATE: _____

RE: Contract/Grant/Incentive (describe by number or subject): _____ **by and between**

(Contractor/Grantee) and

(State Agency, Department of Public Entity)

The undersigned hereby certifies to the State of Alabama as follows:

1. The undersigned holds the position of _____ with the Contractor/Grantee named above, and is authorized to provide representations set out in this Certificate as the official and binding act of that entity, and has knowledge of the provisions of **THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT** (ACT 2011-535 of the Alabama Legislature, as amended by Act 2012-491) which is described herein as "the Act".
2. Using the following definitions from Section 3 of the Act, select and initial either (a) or (b), below, to describe the Contractor/Grantee's business structure.

BUSINESS ENTITY: Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit. "Business entity" shall include, but not be limited to the following:

- a. Self-employed individuals, business entities filing articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, foreign limited liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.
- b. Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license and any business entity that is operating unlawfully without a business license.

EMPLOYER: Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

___(a) the Contractor/grantee is a business entity or employer as those terms are defined in Section 3 of the Act. The Contractor/Grantee must submit its complete *E-Verify Memorandum of Understanding* issued and electronically signed by the U.S. Department of Homeland Security when the business entity or employer enrolls in the E-Verify program.

___(b) The Contractor/Grantee is not a business entity or employer as those terms are defined in Section 3 of the Act.

3. As of the date of this Certificate, Contractor/Grantee does not knowingly employ an unauthorized alien within the State of Alabama and hereafter it will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama;
4. Contractor/Grantee is enrolled in E-verify unless it is not eligible to enroll because of the rules of that program or other factor beyond its control.

Certified this _____ day of _____ 20 ____.

Name of Contractor/Grantee/Recipient

By:

Its:

The above Certification was signed in my presence by the person whose name appears above, on

This _____ day of _____ 20 ____.

WITNESS _____

Printed Name of Witness

BIDDER PROFILE FORM

Bidder's Legal Name:	Address:	
Phone Number:	Fax Number:	E-mail:
Home Office Location:	Date Established:	Ownership: If corporation, State in which you are Incorporated :
Firm Leadership:	Number of Employees:	Number of Employees Directly Involved in Tasks Related to the Work:
Is your firm licensed to operate in the State of Alabama?		
Additional Background Information:		

BIDDER REFERENCES
FORM

Three professional references who have received services from the Bidder in the past three years:

Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	
Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	
Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	

HIPAA Compliance Questions

1. Is everyone in the organization provided HIPAA training? If so, how often?
2. What is the size of the staff within the organization? Is there a defined security and privacy officer? If so, do they have appropriate backgrounds to act within their roles?
3. Please explain how HIPAA assessments are performed within the organization. How often are assessments done, and by whom? May PEEHIP obtain a copy of the latest assessment?
4. If the organization has ever had a HIPAA breach, when did it occur?
5. May PEEHIP obtain a copy of your Information Security Policy and Procedures?
6. At any point in time, may PEEHIP come on site and perform a self- assessment based on HIPAA requirements?
7. Has everyone in the organization been trained on how to report a security incident or potential breach?

BUSINESS ASSOCIATE AGREEMENT

This Agreement is made and entered into this ____ day of _____, 2014, by and between _____ (“Business Associate”) and the Public Education Employees’ Health Insurance Board (“Plan Sponsor”), acting on behalf of the Public Education Employees’ Health Insurance Plan (“Covered Entity”). This Agreement is incorporated within the Services Agreement entered into by and between Business Associate and the Retirement Systems of Alabama as of the ____ day of _____, 2014.

WHEREAS, Business Associate and Covered Entity desire and are committed to complying with all relevant federal and state laws with respect to the confidentiality and security of Protected Health Information (PHI), including, but not limited to, the federal Health Insurance Portability and Accountability Act of 1996, and accompanying regulations, as amended from time to time (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), and any regulations promulgated thereunder.

NOW, THEREFORE, for valuable consideration the receipt of which is hereby acknowledged and intending to establish a business associate relationship under 45 CFR §164, the parties hereby agree as follows:

I. Definitions

- A. “Business Associate” shall have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean _____.
- B. “Breach” shall be defined as set out in 45 CFR §164.402.
- C. “CFR” means the Code of Federal Regulations. A reference to a CFR section means that section as amended from time to time; provided that if future amendments change the designation of a section referred to herein, or transfer a substantive regulatory provision referred to herein to a different section, the section references herein shall be deemed to be amended accordingly.
- D. “Compliance Date(s)” shall mean the date(s) established by the Secretary or the United States Congress as the effective date(s) of applicability and enforceability of the Privacy Rule, Security Rule and HITECH Standards.
- E. “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 CFR §164.501 and shall include a group of records that is: (i) the enrollment, payment, claims adjudication and case or medical management record systems maintained by or for Covered Entity by Business Associate or (2) used, in whole or in part, by or for Covered Entity to make decisions about Individuals.
- F. “Electronic Protected Health Information” (EPHI) shall have the same meaning as the term “electronic protected health information” in 45 CFR §160.103, limited to the information received from or created on behalf of Covered Entity by Business Associate.
- G. “HITECH Standards” shall mean the privacy, security and security breach notification provisions applicable to a Business Associate under Subtitle D of the Health Information Technology for Economic and Clinical Health Act, which is Title XIII of the American Recovery and Reinvestment Act of 2009, as such law may be amended from time to time, and any regulations promulgated thereunder.

- H. "Individual" shall have the same meaning as the term "individual" in 45 CFR §160.103, and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).
- I. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR parts 160 and 164, subparts A and E.
- J. "Protected Health Information" (PHI) shall have the same meaning as the term "protected health information" in 45 CFR §160.103, limited to the information received from or created on behalf of Covered Entity by Business Associate.
- K. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR §164.501.
- L. "Security Incident" shall have the same meanings as the term "security incident" in 45 CFR §164.304.
- M. "Security Rule" shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR parts 160 and 164, subparts A and C.
- N. "Unsecured PHI" shall have the same meaning as "unsecured protected health information" in 45 CFR §164.402.

Terms used, but not otherwise defined, shall have the same meaning as those terms in the Privacy Rule, Security Rule and HITECH Standards.

II. Obligations of Business Associate

- A. Business Associate agrees not to use or disclose PHI other than as permitted or required by this Agreement or as Required by Law. Business Associate will take reasonable efforts to limit requests for, use and disclosure of PHI to the minimum necessary to accomplish the intended request, use or disclosure and comply with 45 CFR §§ 164.502(b) and 514(d) .
- B. To the extent the Business Associate conducts a "Standard Transaction" as outlined in 45 CFR Part 162, Business Associate agrees to comply and to require any agent or subcontractor to comply with all applicable requirements set forth in 45 CFR Part 162.
- C. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. Business Associate shall implement administrative, physical, and technical safeguards (including written policies and procedures) that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that it creates, receives, maintains, or transmits on behalf of the Covered Entity as required by the Security Rule.
- D. Business Associate agrees to report to Covered Entity any use or disclosure of PHI other than as provided for by this Agreement promptly after Business Associate has actual knowledge of such use or disclosure, and to report promptly to the Covered Entity all Security Incidents of which it becomes aware. Following the discovery of a Breach of Unsecured PHI, Business Associate shall notify Covered Entity of such Breach without unreasonable delay, and in no event later than 30 calendar days after such discovery. The notification will include the identification of each individual whose Unsecured PHI has been, or is reasonably believed to have been, accessed, acquired or disclosed during the Breach. A Breach shall be treated as discovered as of the first day on which such Breach is known or reasonably should have been known to Business Associate. The

parties acknowledge and agree that this section constitutes notice by Business Associate to Covered Entity of the ongoing existence and occurrence of attempted but Unsuccessful Security Incidents (as defined below) for which no additional notice to Covered Entity is required by applicable laws or regulations. "Unsuccessful Security Incidents" shall include, but not be limited to, pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI, and so long as additional notice to Covered Entity is not required by applicable laws or regulations.

- E. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this Agreement or applicable regulations. Business Associate has a duty to assist the Covered Entity in any mitigation, notice, reporting, or other remedial actions required, all of which would be at the Covered Entity's request and in the Covered Entity's sole discretion.
- F. Business Associate agrees to include in its agreement with any agent or subcontractor to whom it provides PHI on behalf of the Covered Entity conditions with respect to such information that are at least as restrictive as those that apply through this Agreement to Business Associate. Business Associate agrees to ensure that any agents, including sub-agents, to whom it provides EPHI received from, or created or received by Business Associate on behalf of the Covered Entity, agree in writing to implement the same reasonable and appropriate safeguards that apply to Business Associate to protect the Covered Entity's EPHI.
- G. If Business Associate maintains PHI in a Designated Record Set, Business Associate agrees to make available to Covered Entity, within a reasonable time, such information as Covered Entity may require to fulfill Covered Entity's obligations to respond to a request for access to PHI as provided under 45 CFR §164.524 or to respond to a request to amend PHI as required under 45 CFR §164.526. Business Associate shall refer to Covered Entity all such requests that Business Associate may receive from Individuals. If Covered Entity requests Business Associate to amend PHI in Business Associate's possession in order to comply with 45 CFR §164.526, Business Associate shall effectuate such amendments no later than the date they are required to be made by 45 CFR §164.526; provided that if Business Associate receives such a request from Covered Entity less than ten (10) business days prior to such date, Business Associate will effectuate such amendments as soon as is reasonably practicable.
- G. If applicable, Business Associate agrees to provide to Covered Entity within a reasonable time such information necessary to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures as provided under 45 CFR §164.528. Business Associate shall refer to Covered Entity all such requests which Business Associate may receive from Individuals.
- H. Upon reasonable notice, Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI available to the U.S. Secretary of Health and Human Services, or an officer or employee of that Department to whom relevant authority has been delegated, at Covered Entity's expense in a reasonable time and manner, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- I. Notwithstanding any other provision in this Agreement, Business Associate hereby acknowledges and agrees that to the extent it is functioning as a Business Associate of Covered Entity, Business Associate will comply with the HITECH Business Associate provisions and with the obligations of a Business Associate as prescribed by HIPAA and the HITECH Act commencing on the Compliance Date of each such provision. Business Associate and the Covered Entity further agree

that the provisions of HIPAA and the HITECH Act that apply to Business Associates and that are required to be incorporated by reference in a Business Associate Agreement are incorporated into this Agreement between Business Associate and Covered Entity as if set forth in this Agreement in their entirety and are effective as of the Compliance Date.

III. Permitted Uses and Disclosures by Business Associate

Except as otherwise limited in this Agreement, Business Associate may:

- A. Use or disclose Protected Health Information on behalf of the Covered Entity, if such use or disclosure of Protected Health Information would not violate the Privacy Rule, including the minimum necessary standard, if done by the Covered Entity.
- B. Use or disclose PHI to perform the services outlined in the <applicable services agreement>.
- C. Use Protected Health Information for the proper management and administration of Business Associate or to fulfill any present or future legal responsibilities of Business Associate.
- D. Disclose Protected Health Information for the proper management and administration of Business Associate or to fulfill any present or future legal responsibilities of Business Associate, provided that such disclosure is either Required by Law or Business Associate obtains reasonable assurances from any person to whom Protected Health Information is disclosed that such person will: (i) keep such information confidential, (ii) use or further disclose such information only for the purpose for which it was disclosed to such person or as Required by Law, and (iii) notify Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- E. Use Protected Health Information to provide data aggregation services relating to the health care operations of the Covered Entity, as provided in 45 CFR §164.501.
- F. To create de-identified data, provided that the Business Associate de-identifies the information in accordance with the Privacy Rule. De-identified information does not constitute PHI and is not subject to the terms and conditions of this Agreement.
- G. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(1).
- H. Business Associate agrees to ensure that access to EPHI related to the Covered Entity is limited to those workforce members who require such access because of their role or function. Business Associate agrees to implement safeguards to prevent its workforce members who are not authorized to have access to such EPHI from obtaining access and to otherwise ensure compliance by its workforce with the Security Rule.

IV. Obligations of Covered Entity

- A. Covered Entity shall notify Business Associate of any facts or circumstances that affect Business Associate's use or disclosure of PHI. Such facts and circumstances include, but are not limited to: (i) any limitation or change in Covered Entity's notice of privacy practices, (ii) any changes in, or withdrawal of, an authorization provided to Covered Entity by an Individual pursuant to 45 CFR §164.508; and (iii) any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR §164.522.

- B. Covered Entity warrants that it will not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or is not otherwise authorized or permitted under this Agreement.
- C. Covered Entity acknowledges and agrees that the Privacy Rules allow the Covered Entity to permit Business Associate to disclose or provide access to PHI, other than Summary Health Information, to the Plan Sponsor only after the Plan Sponsor has amended its plan documents to provide for the permitted and required uses and disclosures of PHI and to require the Plan Sponsor to provide a certification to the Plan that certain required provisions have been incorporated into the Plan documents before the Plan may disclose, either directly or through a Business Associate, any PHI to the Plan Sponsor. Covered Entity hereby warrants and represents that Plan documents have been so amended and that the Plan has received such certification from the Plan Sponsor.
- D. Covered Entity agrees that it will have entered into Business Associate Agreements with any third parties to whom Covered Entity directs and authorizes Business Associate to disclose PHI.

V. Effective Date; Termination

- A. The effective date of this Agreement shall be the date this Agreement is signed by both parties (or the Compliance Date, if later).
- B. This Agreement shall terminate on the date Business Associates ceases to be obligated to perform the functions, activities, and services described in Article III.
- C. Upon Covered Entity's knowledge of a material breach or violation of this Agreement by Business Associate, Covered Entity shall notify Business Associate of such breach or violation and Business Associate shall have thirty (30) days to cure the breach or end the violation. In the event Business Associate does not cure the breach or end the violation, Covered Entity shall have the right to immediately terminate this Agreement and any underlying services agreement if feasible.
- D. INTENTIONALLY OMITTED.
- E. Upon termination of this Agreement, Business Associate will return to Covered Entity, or if return is not feasible, destroy, any and all PHI that it created or received on behalf of Covered Entity and retain no copies thereof. If the return or destruction of the PHI is determined by Business Associate not to be feasible, Business Associate shall limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible. If return or destruction of the PHI is feasible but Business Associate is required by law to retain such information or copies thereof, Business Associate will maintain the PHI for the period of time required under applicable law after which time Business Associate shall return or destroy the PHI.
- F. Business Associate's obligations under Sections II and III of this Agreement shall survive the termination of this Agreement with respect to any PHI so long as it remains in the possession of Business Associate.

VI. Other Provisions

- A. The parties acknowledge that the foregoing provisions are designed to comply with the mandates of the Privacy and Security Rules and the HITECH Standards and agree to make any necessary changes to this agreement that may be required by any amendment to the final regulations promulgated by the Secretary. If the parties are unable to reach agreement regarding an amendment

within thirty (30 days) of the date that Business Associate receives any written objection from Covered Entity, either party may terminate this Agreement upon ninety (90) days written notice to the other party. Any other amendment to the Agreement unrelated to compliance with applicable law and regulations shall be effective only upon execution of a written agreement between the parties.

- B. Except as it relates to the use, security and disclosure of PHI and electronic transactions, this Agreement is not intended to change the terms and conditions of, or the rights and obligations of the parties under any other services agreement between them.
- C. Business Associate agrees to defend, indemnify and hold harmless Covered Entity, its affiliates and each of their respective directors, officers, employees, agents or assigns from and against any and all actions, causes of action, claims, suits and demands whatsoever, and from all damages, liabilities, costs, charges, debts, fines, government investigations, proceedings, and expenses whatsoever (including reasonable attorneys' fees and expenses related to any litigation or other defense of any claims), which may be asserted or for which they may now or hereafter become subject arising in connection with (i) any misrepresentation, breach of warranty or non-fulfillment of any undertaking on the part of Business Associate under this Agreement; and (ii) any claims, demands, awards, judgments, actions, and proceedings made by any person or organization arising out of or in any way connected with Business Associate's performance under this Agreement.
- D. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate, and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- E. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the Covered Entity to comply with the Privacy and Security Rules and the HITECH Standards.
- F. If any provision of this Agreement is held illegal, invalid, prohibited or unenforceable by a court of competent jurisdiction, that provision shall be limited or eliminated in that jurisdiction to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.
- G. This Agreement replaces and supersedes in its (their) entirety any prior Business Associate Agreement(s) between the parties.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, this Agreement has been signed and delivered as of the date first set forth above.

**Public Education Employees' Health Insurance Board,
the Plan Sponsor, acting on behalf of Covered Entity**

<Business Associate>

Signature

Signature

Printed Name

Printed Name

Title

Title

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.	See Specific Instructions on page 3.	<p>1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p> <hr/> <p>2 Business name/disregarded entity name, if different from above</p> <hr/> <p>3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p><input type="checkbox"/> Other (see instructions) ▶ _____</p>	<p>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p style="font-size: small;">(Applies to accounts maintained outside the U.S.)</p>
		<p>5 Address (number, street, and apt. or suite no.) See instructions.</p> <hr/> <p>6 City, state, and ZIP code</p> <hr/> <p>7 List account number(s) here (optional)</p>	<p>Requester's name and address (optional)</p>

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number											
				-			-				
or											
Employer identification number											
				-							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a) J—

A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.



Retirement Systems of Alabama Confidentiality and Non-Disclosure Agreement



This Agreement is entered into this ___ day of _____, 201__ by and between _____ with offices at _____ (hereinafter "Recipient") and the Retirement Systems of Alabama, headquartered in Montgomery, Alabama (hereinafter "RSA").

WHEREAS RSA possesses information that is confidential and proprietary to RSA (hereinafter "Confidential Information"); and

WHEREAS the Recipient is willing to receive disclosure of the Confidential Information pursuant to the terms of this Agreement for the purpose of _____;

NOW THEREFORE, in consideration for the mutual undertakings of the RSA and the Recipient under this Agreement, the parties agree as follows:

1. Disclosure. RSA agrees to disclose, and Recipient agrees to receive the Confidential Information.

2. Confidentiality.

2.1 No Use. Recipient agrees not to use the Confidential Information in any way except for the purpose set forth above.

2.2 No Disclosure. Recipient agrees to use its best efforts to prevent and protect the Confidential Information, or any part thereof, from disclosure to any person other than Recipient's employees having a need for disclosure in connection with Recipient's authorized use of the Confidential Information.

2.3 Protection of Secrecy. Recipient agrees to take all steps reasonably necessary to protect the secrecy of the Confidential Information, and to prevent the Confidential Information from falling into the public domain or into the possession of unauthorized persons.

3. Limits on Confidential Information. Confidential Information shall not be deemed proprietary and the Recipient shall have no obligation with respect to such information where the information:

(a) was known to Recipient prior to receiving any of the Confidential Information from RSA;

(b) has become publicly known through no wrongful act of Recipient;

(c) was received by Recipient without breach of this Agreement from a third party without restriction as to the use and disclosure of the information;

(d) was independently developed by Recipient without use of the Confidential Information; or

(e) was ordered to be publicly released by the requirement of a government agency.

4. Ownership of Confidential Information. Recipient agrees that all Confidential Information shall remain the property of RSA, and that RSA may use such Confidential Information for any purpose without obligation to Recipient. Nothing contained herein shall be construed as



Retirement Systems of Alabama

Confidentiality and Non-Disclosure Agreement



granting or implying any transfer of rights to Recipient in the Confidential Information, or any patents or other intellectual property protecting or relating to the Confidential Information.

5. Recipient agrees to not store or house confidential information, such as but not limited to social security numbers or PHI on company or employee owned servers, networks, external storage media, or any other form of peripheral device capable of storing data, without the explicit written permission of RSA.

6. Term and Termination. The obligations of this Agreement shall be continuing until the Confidential Information disclosed to Recipient is no longer confidential. This agreement shall continue in the event the above stated purpose service agreement is ended for any reason.

7. Survival of Rights and Obligations. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by (a) RSA, its successors, and assigns; and (b) Recipient, its successors and assigns.

8. Recipient agrees to notify RSA immediately and no later than 24 hours if Confidential Information has to been disclosed to a party other than the named Recipient.

IN WITNESS WHEREOF, the parties have executed this agreement effective as of the date first written above.

Retirement Systems Of Alabama

RECIPIENT

(_____)

Signed:

Signed:

Print Name:

Print Name:

Title:

Title:

Date:

Date:
