



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **5**

to

Contract Number **071B6600128**

CONTRACTOR	TSA CONSULTING GROUP, INC.	STATE	Program Manager	Scott de Varona	TREA
	15 Yacht Club Dr. NE			517-373-1261	
	Fort Walton Beach, FL 32548		Contract Administrator	MiABLE@Michigan.gov	
	Stephen R. Banks			Joy Nakfoor	DTMB
	850-244-7306 x. 1104			(517) 249-0481	
	sbanks@tsacg.com			nakfoorj@michigan.gov	
	CV0060743				

CONTRACT SUMMARY				
MIABLE SAVINGS PROGRAM				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS		EXPIRATION DATE BEFORE
September 1, 2016	August 31, 2021	5 - 1 Year		August 31, 2021
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET45		N/A		
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input checked="" type="checkbox"/>	4.5 months	December 17, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,309,119.16	\$0.00	\$3,309,119.16		
DESCRIPTION				
Effective August 26, 2021, this contract is extended 4.5 months per Section 25 (Transition Responsibilities). The revised contract expiration date is December 17, 2021.				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.				



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CONTRACT CHANGE NOTICE

Change Notice Number **4**

to

Contract Number **071B6600128**

CONTRACTOR	TSA CONSULTING GROUP, INC.
	15 Yacht Club Dr. NE
	Fort Walton Beach, FL 32548
	Stephen R. Banks
	850-244-7306 x. 1104
	sbanks@tsacg.com
	CV0060743

STATE	Program Manager	Scott de Varona	TREA
		517-373-1261	
		MiABLE@Michigan.gov	
	Contract Administrator	Joy Nakfoor	DTMB
		(517) 249-0481	
		nakfoorj@michigan.gov	

CONTRACT SUMMARY				
MIABLE SAVINGS PROGRAM				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
September 1, 2016	August 31, 2021	5 - 1 Year	August 31, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		August 31, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,309,119.16	\$0.00	\$3,309,119.16		
DESCRIPTION				
Effective November 16, 2020, Please note the Contract Administrator has been changed to:				
Joy Nakfoor nakfoorj@michigan.gov 517-249-0481				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.				



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ENTERPRISE PROCUREMENT
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CONTRACT CHANGE NOTICE

Change Notice Number **3**

to

Contract Number **071B6600128**

CONTRACTOR	TSA Consulting Group, Inc.
	15 Yacht Club Dr. NE
	Fort Walton Beach, FL 32548
	Stephen R. Banks
	(850) 244-7306 #1104
	sbanks@tsacg.com
	*****1677

STATE	Program Manager	Scott de Varona	TREA
		(517) 373-1261	
		MiABLE@Michigan.gov	
	Contract Administrator	Joshua Wilson	DTMB
		(517) 284-7027	
		wilsonj31@michigan.gov	

CONTRACT SUMMARY				
MICHIGAN ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) SAVINGS PROGRAM (MIABLE) - DEPARTMENT OF TREASURY				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 1, 2016	August 31, 2021	5 - 1 Year	August 31, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,309,119.16	\$0.00	\$3,309,119.16		
DESCRIPTION				
Effective December 20, 2017, this Contract is hereby amended incorporating the attached MiABLE Account Appointment of Financial Professional Form.				
All other terms, conditions, specifications and pricing remain the same per Contractor and Agency agreement, and per DTMB Procurement approval.				



P.O. Box 4037
Fort Walton Beach, FL 32549-4037
1.844.656.7225 (toll-free)
877.399.4351 (fax)
Email: miable@tsacg.com
Website: www.miable.org

MiABLE Account Appointment of Financial Professional Form

Instructions : Fax your completed form to: 1-877-561-3714

Participant Authorization

By granting a Financial Professional Account Access or Account Access and Limited Trading Authority, Participant acknowledges and agrees that Financial Professional acts as agent of the Participant with regard to the Account and that the Financial Professional will be bound by all terms that govern the Account.

Participant designates the Financial Professional listed below as the Participant's Financial Professional to exercise all rights and powers set forth herein with respect to the Account(s). Participant may revoke this authorization by notifying us in writing, but such notification will not affect the participant's responsibility for any actions of the Financial Professional prior to recipient and processing of the Notification. Participant authorizes compensation payments to the Financial Professional from assets held in the account registered in the Participant's name and any fees/commissions ("compensation") due to the Financial Professional. Compensation shall be determined based on the type of investment products and value of the assets held in the account registered in the Participant's name at the end of each quarter (if applicable). This authorization will remain in full force and effect until written notice of its revocation is signed by the Participant.

Powers Participant Grants Financial Advisor (select one)

☐ Account Access: Participant grants the Financial Professional access to the records of the Accounts. Participant acknowledges and agrees that Participant remains solely and exclusively responsible for directing the investment of the Account and that this grant of Account Access does not authorize the Financial Professional to direct investment of the Account or exercise any discretionary authority over the Account. Further, this grant of Account Access does not authorize the Financial Professional to transfer, withdraw or disburse money or assets from the Account except in connection with the assessment of applicable fees.

☐ Account Access and Limited Trading Authority: Professional for the Account. Participant grants the Financial Professional access to the records of the Account. Further, Participant authorizes the Financial Professional to direct investment of the Account without further approval or direction from Participant. This grant of Account Access and Limited Trading Authority does not authorize the Financial Professional to transfer, withdraw or disburse money or assets from the account except in connection with the assessment of applicable fees.

Note: Limited Trading Authority is subject to approval from the Financial Professional's Investment Firm and/or Insurance Agency.

Financial Professional Information (to be completed with assistance from the Financial Professional)

I am/we are acting as: (select one)

- ☐ Registered Representative(s) and/or Licensed Agent(s)
Compensated by commissions and applicable sales charges paid by the investment product(s)
- ☐ Registered Investment Advisor(s) (RIA)
Compensated by advisory fee of _____ % (annually)

Participant Signature

I, the Account Owner have read this form in its entirety, agree to be bound by this document as it exists and as it may be modified, and designate the Financial Professional listed to act as my Financial Professional to exercise all rights and powers set forth herein with respect to the Account(s).

This authorization will terminate if notified in writing of my incapacity, disability or death. I may revoke this authorization by notifying in writing, but such notification will not affect my responsibility for any actions of my Financial Professional prior to receipt and processing of the notification.

Note: If my Financial Professional is a Registered Investment Advisor, I authorize to pay the Financial Professional from my assets held in the account registered in my name, an annual investment advisory fee to be billed quarterly in arrears and shall be determined based upon the value of my assets held in the account registered in my name at the end of each quarter. This Authorization will remain in full force and effect until written notice of its revocation signed by me. The authorization shall extend to the benefit of successors and assigns.

Name (printed) _____ Social Security Number _____

Signature _____

Date (mm/dd/yyyy) _____

Financial Professional Contact Information

First Name _____ Last Name _____

Title _____ Investment Firm/Agency Name _____

Select One:

- ☐ Investment firm/agency has completed the Investment Firm Set-Up Form & Agreement
- ☐ Investment firm/agency has not completed set up

Street Address (P.O. boxes not accepted) _____

City _____ State _____ Zip _____

Phone _____ Fax _____ Email _____

Website _____

Broker Dealer Name _____

Broker Dealer Number (NSCC Code) _____ Branch Number ID _____ Rep ID _____

RIA Firm Name _____

RIA Firm Number _____ Branch Number ID _____ IAR Rep ID _____

Payment Information

This section must be completed by the Financial Professional in order to receive compensation. Simply complete the payment instructions pertaining to your selected compensation method.

Registered Representative(s) and/or Licensed Agent(s)

Compensated by commissions and applicable sales charges as paid by the investment companies in which the Participant is invested. Please verify with your Broker/Dealer and/or Insurance Agency that all necessary selling agreements and appointments are executed and in good order. If selling agreements and appointments are not in place or not executed properly, Registered Representatives will NOT receive compensation on accounts. NOTE: Payments are contingent on investment companies' commission and payment schedule.

Registered Investment Advisor(s) (RIA)

Compensated by an asset-based advisory fee, calculated using the average daily account value and remitted quarterly.

Receipt of Payment (select one)

☐ Check

Payee _____

Address _____

City, State, ZIP _____

Special Check Instruction _____

☐ ACH

Bank Name _____

Account Number _____

Account Type (i.e. Savings, DDA) _____

Name on Account _____

ABA Routing Number _____

Financial Professional Signature

By signing below, Financial Professional represents and warrants that he/she is authorized by his/her Investment Firm (Broker Dealer | Registered Investment Advisor) and/or Insurance Agency to enter into this agreement, act as an appointed Financial Professional and receive compensation. Further, Financial Professional represents and warrants that he/she will comply with all solicitation directives of the Participant, that he/she holds all appropriate federal and/or state insurance and/or securities licenses and any applicable state permits/registrations required for providing the applicable services. Any breach of these representations or warranties, or if instructed from the Financial Professional's Investment Firm and/or Insurance Agency to do so, Financial Professional's access to the Account and the payment of any compensation from or related to the Account may be terminated. In the event of such termination, Financial Professional shall be responsible for notifying the Participant of such termination and for taking any necessary steps to cure the breach and/or resolve any matters with the Participant or their Investment Firm and/or Insurance Agency.

Name (printed) _____

Signature _____

Date (mm/dd/yyyy) _____

FOR OFFICE USE ONLY

Sales Director _____

Alliance Code _____

Case Number _____

Form Distributed to ☐ MiABLE ☐ FPS



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CONTRACT CHANGE NOTICE

Change Notice Number **2**

to

Contract Number **071B6600128**

CONTRACTOR	TSA Consulting Group, Inc.
	15 Yacht Club Dr. NE
	Fort Walton Beach, FL 32548
	Stephen R. Banks
	(850) 244-7306 #1104
	sbanks@tsacg.com
	*****1677

STATE	Program Manager	R Scott de Varona	TREA
		(517) 373-1261	
		MiABLE@Michigan.gov	
	Contract Administrator	Joshua Wilson	DTMB
		(517) 284-7027	
		wilsonj31@michigan.gov	

CONTRACT SUMMARY				
MICHIGAN ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) SAVINGS PROGRAM (MIABLE) - DEPARTMENT OF TREASURY				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 1, 2016	August 31, 2021	5 - 1 Year	August 31, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,309,119.16	\$0.00	\$3,309,119.16		
DESCRIPTION				
Effective May 22, 2017, the attached Benefits Card Cardholder Agreement is hereby incorporated into this Contract.				
Please also note that Section 3.5.2. Subcontractors is hereby updated incorporating UMB Bank per the attached Change Notice No. 2 Statement of Work.				
All other terms, conditions, speciications and pricing remain the same per Contractor and Agency agreement, and per DTMB Procurement approval.				

BENEFITS CARD CARDHOLDER AGREEMENT

Your Benefits Card ("Card") allows you to access funds that you have in your MiABLE account with the Custodial Bank. Your Card is issued by UMB Bank, n.a. ("UMB", "we", "us", or "our"), but UMB is not the Custodial Bank of your MiABLE. This Agreement contains the terms and conditions governing your Card. Please keep the Agreement and refer to it if you have questions about your Card. Capitalized terms in this Agreement are defined in the Glossary at the end of this Agreement.

- Agreement to Terms.** By signing your Card or using or permitting another person, like your spouse, to use your Card or Card number, you agree to be bound by this Agreement. If you permit another person to use your Card, you will be responsible for any Transactions authorized by that person.
 - Use of Your Card.** You may only use your Card to pay for Qualified Disability Expenses. Each time you use your Card, the amount of the Transaction will be treated as a distribution from your MiABLE. If any Purchases are determined to be for non-Qualified Disability Expenses as defined under the Code, those amounts may be included in your gross income for federal tax purposes, and you may have to pay tax penalties. Because IRS regulations require that certain Transactions be documented, you must keep your receipts so you can provide them to the IRS to verify that the payment was for a Qualified Disability Expense. (If you have any questions about what types of expenses are Qualified Disability Expenses under your MiABLE, or the federal income taxes and penalties that may apply if you use your Card to pay for non-Qualified Disability Expenses, you may consult your personal tax advisor.) This Card is restricted to work only at certain Merchants. You must make every reasonable effort to safeguard your Card to prevent it from being used for unauthorized Transactions.
 - Amounts Available Under a MiABLE.** You may only access the amount that has been contributed to your MiABLE or the current value (whichever is less). Your MiABLE is governed by the MiABLE Agreements that you received from the Custodian when you opened your MiABLE. We are not the Custodian of your MiABLE; so our responsibility to you is determined only by this Agreement and not by the MiABLE Agreements.
 - Documentation Requirements.** The IRS may review your Transaction receipts to ensure that payments are made for Qualified Disability Expenses. Neither we nor the Custodian are required to review MiABLE Transactions to ensure they are for Qualified Disability Expenses.
 - Authorizations.** An authorization is required for most Transactions. A requested Transaction may be denied if: (a) the type of Merchant that is requesting the authorization is not a Merchant type that is allowed to accept the Card; (b) the amount of the proposed Transaction exceeds your Available Balance, less the amount of your Outstanding Transactions; (c) the amount of the proposed Transaction, together with your Outstanding Transactions, would cause any of the Authorization Limits to be exceeded (even if some or all of the Outstanding Transactions never ultimately settle); or (d) your Card has been suspended or terminated for any reason. You release us and the Custodian from any claims of damages or losses that you may have or that may be incurred by your beneficiaries as a result of any authorization being withheld, even if the actual balance at such time was sufficient to support the authorization.
 - Debits.** Each Transaction constitutes your request that your MiABLE be debited in an amount equal to the amount of the Transaction, that such sum be transferred to pay for your Transaction, and that the Transaction is for a Qualified Disability Expense. The Card does not involve any extensions of credit.
 - Foreign Currency Transactions.** If a Transaction is made in a currency other than in U.S. dollars, Visa will convert the Transaction into U.S. dollars at an exchange rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government mandated rate in effect for the applicable central processing date. We do not apply an adjustment to the exchange rate as determined by Visa under this Card program.
 - Suspension; Termination.** We may suspend or terminate use of your Card and related privileges at any time for any reason, including without limitation, (a) if your Card has been used by an unauthorized person; (b) if you are no longer eligible for the MiABLE account accessed by the Card; or (c) if we receive a request from the Custodian to terminate your Card privileges, or a notice that your MiABLE account has been closed. In addition, we may place a hold on your Available Balance in order to ensure that Transactions under this Agreement will be paid for. You may terminate this Agreement by notifying us in writing at the address in paragraph 12 below that you want to cancel your Card. You shall continue to be liable for all Transactions occurring prior to any suspension or termination. You agree that upon any suspension or termination of your Card, you will not use your Card to perform, or permit or authorize anyone else to perform, any further Transactions. You also agree to destroy your Card upon termination or request. If, notwithstanding your agreement, any Transactions are performed after suspension or termination, you shall be liable and responsible under this Agreement for any Transaction made by you or anyone authorized by you after suspension or termination, and we are authorized to continue effecting debits to your MiABLE to cause such liability to be satisfied.
 - Issuer Rights and Liabilities.** The Card(s) remain our property. We and the Custodian are not responsible for the quality of goods or services purchased in a Transaction, except to the extent specifically imposed by law. We and the Custodian shall not have any liability if any Merchant does not honor your Card, if a Merchant is unable to obtain an authorization with respect to any Transaction you attempt to make, or if you use your Card to pay for a non-Qualified Disability Expense. You agree that any liability that we or the Custodian may have to you as a result of completing or a failure to complete a Transaction shall be limited to the fullest extent permissible under applicable law, and we shall not be liable to you for any indirect or consequential damages.
 - Limitations on Transactions.** Transactions are limited to the Available Balance in your MiABLE as described in paragraph 5. The Card Carrier to which your Card is attached when it is mailed to you lists certain limits that apply to Transactions. The following types of limits are set forth on the Card Carrier:
 - Maximum amount of any single purchase of goods or services
 - Maximum daily amount of all outstanding purchases (previously authorized but not yet settled) of goods or services (combined)
- We reserve the right to change those limits. If you are unable to obtain an authorization and believe that a MiABLE Transaction may have been improperly denied, you should contact us at the address in paragraph 12 below.
- Your Responsibilities.** You agree not to initiate any Transaction for any amount that exceeds the Available Balance in your MiABLE. If you do exceed such amount, you must reimburse the Custodian for the amount of any overdraft in your MiABLE. You also agree to pay all fees and charges set forth in paragraph 17 below and, to the extent permitted by law, the reasonable costs and expenses of collection of any amounts due from you under this Agreement. A copy of any Transaction slip or other document evidencing a Transaction or the use of your Card by you or anyone authorized by you will be evidence of your authorization of, and liability for, the respective Transaction.
- You must review information concerning Card Transactions at least monthly by accessing your information on the Web site, in your periodic statements, if applicable, or by telephone.**
- Liability for Unauthorized Use.** Tell us AT ONCE if you believe your Card has been lost or stolen, or if you believe that it has been used without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your MiABLE. If you tell us within 2 Business Days after you learn of the loss or theft of your Card, you can lose no more than \$50 if someone used your Card without your permission. If you do NOT tell us within 2 Business Days after you learn of the loss or theft of your Card, and we can prove we could have stopped someone from using your Card without your permission if you had told us, you could lose as much as \$500. Also, if the Web site or your periodic statement, if applicable, shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the earlier to occur of information concerning the Transaction (a) becoming available to you on the Web site, or (b) appearing on your periodic statement, if applicable, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you believe your Card has been lost or stolen, call: **1.844.656.7225, or write: MiABLE, 15 Yacht Club Drive NE Fort Walton Beach, FL 32548.**
- The paragraph above reflects the limits of your liability under Federal or other applicable law and regulations. In general, however, you will have no liability for unauthorized transactions unless we invoke one of the exceptions set forth in the following sentence. You must have reported the loss or theft of your Card to the Issuer in a reasonably prompt manner, and you must not have been grossly negligent or acted fraudulently in handling your Card or Card account. If we reasonably determine, based on substantial evidence, that you were grossly negligent in the handling of your Card or Card account, such as by filing an excessively late claim, or acting fraudulently in the handling of your Card or Card account, you may be liable for those transactions that occurred prior to your notification as provided under Federal or other applicable law and regulations and as outlined in the paragraph above. If any network Rules are changed as they affect your liability, those changes will become applicable to your Transactions under this Agreement upon notice to you as provided by law.
- Disclosures to Third Parties.** We may disclose information to third parties about your Card, your MiABLE or a Transaction under the following circumstances: (1) where it is necessary for completing a Transaction or administering your MiABLE; (2) in order to verify the existence and condition of your MiABLE account for a third party, such as a credit bureau or Merchant; (3) in order to comply with a government agency or court order or subpoena; (4) for security purposes, fraud deterrence, and when necessary to prevent identity theft; (5) if you give us written permission; or (6) pursuant to a request from a company that provides or services investments within your MiABLE account. We may also disclose information under other circumstances authorized under federal or applicable state law.

- Issuer Liability.** If we do not complete a Transaction from your MiABLE account on time or in the correct amount according to this Agreement, we may be liable for your direct losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, the Available Balance in the MiABLE account is insufficient to complete the Transaction;
 - If a terminal or system was not working properly and you knew about the breakdown when you started the Transaction;
 - If circumstances beyond our or the Custodian's control (such as fire or flood) prevented the Transaction despite reasonable precautions that were taken; or
 - If your Card has been terminated or suspended as provided in the Agreement.
- We have no liability for our failure to provide an authorization when the failure is a result of an act of God, failure of a public utility, computer or equipment failure, accident, outdated or erroneous data regarding your Available Balance, strike, war, disaster, act of terrorism, failure of communication links or facilities, or other circumstance beyond our control. Any liability that we may have for any failure to complete a Transaction that was not intentional and that resulted from a bona fide error, notwithstanding procedures to avoid such error, shall not exceed actual direct damages proven and shall specifically exclude any indirect or consequential damages.
- Error Resolution for Card Transactions.** Call or write us at the address in paragraph 12 as soon as you can, if you think your Transaction information on the Web site or on your periodic statement, if applicable, or receipt is wrong or if you need more information about a Transaction listed on the Web site, on your periodic statement, if applicable, or receipt. We must hear from you no later than sixty (60) days after the information about the Transaction is first available to you, such as on the Web site, on your periodic statement, if applicable, or by telephone.
 - Tell us your name and Card number or your MiABLE account number.
 - Describe the error or the Transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
 - Tell us the dollar amount of the suspected error.

If you communicate orally, you may be required to send your complaint or question in writing within ten (10) Business Days. A determination will be made whether an error occurred within ten (10) Business Days after hearing from you and will be corrected promptly. If more time is needed, however, we may take up to forty-five (45) days to investigate your complaint or question. If this is the case, your Card will be credited within ten (10) Business Days for the amount you think is in error, so that you will have the use of the money during the time it takes to complete an investigation. If you have been requested to put your complaint or question in writing and we do not receive it within ten (10) Business Days, your Card may not be credited. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, it may take up to twenty (20) Business Days to credit your Card for the amount you think is in error. We will tell you the results within three (3) Business Days after completing our investigation. If a decision is made that there was no error, you will be provided a written explanation. You may ask for copies of the documents used in any investigation. If there was no error, any temporary credit that may have been made to your Card will be reversed.

- Questions Concerning your MiABLE.** You may contact the Custodian regarding questions you have about your MiABLE account balances at the address and telephone number shown on the Web site or your periodic statement, if applicable.
- Fees and Charges.** Fees and charges imposed by your Custodian are set forth in the MiABLE Agreements. The use of your Card generates interchange payable by participants in the Visa system; we and others may receive a portion of the interchange fees.
- Waiver.** We may waive any of the terms or conditions of this Agreement but any such waiver shall be effective only on that occasion and shall not be viewed as a continuing waiver on any other occasion. We and your Custodian can delay enforcing our rights under this Agreement without losing them.
- Miscellaneous.** Any notice or other communication we give to you will be effective when notice is mailed postage prepaid to you at your last address appearing on our records. Your Card will be in the same name you provided to your MiABLE. Additional Cards may be issued upon your request. We may from time to time amend this Agreement by giving you twenty-one (21) days notice prior to the effective date of the amendment. This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri, to the extent not governed by the Rules or applicable federal laws. The invalidity of any provision of this Agreement will not affect the validity of the remaining provisions. We have the right to assign this Agreement, the Card(s) and any rights and obligations under this Agreement to any person without consent. You may not assign any of your rights or privileges hereunder, or attempt to transfer any Card, to any other person without our prior written consent.

Glossary

When capitalized terms are used in the Cardholder Agreement above, they have the meaning set forth in this section.

"Agreement" means this Cardholder Agreement.

"Authorization Limits" means limits described in paragraph 10.

"Available Balance" means, at any given time, the balance immediately available to you for a Purchase from your MiABLE, as reported to us by the Custodian or applicable third party record keeper.

"Business Days" are Monday through Friday, except holidays.

"Card" refers to each of the Visa debit cards that accompany this Agreement or that is issued in your name or pursuant to your request.

"Code" means the U.S. Internal Revenue Code, as amended.

"Custodial Bank" means the financial institution where your MiABLE funds are held on your behalf by the Custodian of your MiABLE.

"Custodian" means the custodian or trustee of your MiABLE.

"MiABLE" means the ABLE account established under the Michigan ABLE Act pursuant to the MiABLE Agreements with funds held at the Custodial Bank.

"MiABLE Agreements" means the agreement(s) between you, the Custodian, and such other third parties named in the agreements governing the terms and conditions of your MiABLE, other than this Benefits Card Cardholder Agreement, including without limitation the Program Disclosure Statement and Michigan ABLE Savings Program Agreement and the Participation Agreement.

"Issuer" means UMB Bank, n.a., which provides the Card pursuant to a license from Visa, or its successors.

"Merchant" means an authorized Visa merchant that accepts debit Cards and that provides, among other things, goods and services that constitute Qualified Disability Expenses with respect to your MiABLE.

"Outstanding Transaction" means a preauthorized Transaction for which a presentation has not yet been received by us.

"Purchase" means a purchase of goods or services at a Merchant through the use of your Card.

"Qualified Disability Expenses" means disability expenses that relate to the designated beneficiary's blindness or disability and are for the benefit of that beneficiary in maintaining or improving his or her health, independence or quality of life as more specifically defined in Section 529(e)(5) of the Code.

"Rules" means the operating rules and regulations of Visa and any other network or association whose facilities are utilized in settling Transactions, as such rules may be modified or amended from time to time.

"Transaction" means a Purchase made with your Card or with respect to a MiABLE, or any fee or charge that applies for Card use under the Agreement.

"Visa" means Visa U.S.A., Inc.

"We," "our" or "us" refers to UMB, which provides the Card pursuant to a license from Visa, or its successors.

"Web site" means the Internet web site set forth on your Card at which you may view information concerning your Transactions.

"You" "your" or "yours" refers to each individual who requests a Card or who is authorized to use a Card.

STATE OF MICHIGAN

Contract No. 071B6600128
Michigan ABLE Savings Program (MiABLE)

EXHIBIT A CHANGE NOTICE NO. 2 - STATEMENT OF WORK CONTRACT ACTIVITIES

3.5. Disclosure of Subcontractors

1. If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

- The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
- The relationship of the subcontractor to the Contractor.
- Whether the Contract has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
- A complete description of the Contract Activities that will be performed or provided by the subcontractor.
- Of the total bid, the price of the subcontractor's work.

2. Subcontractors:

FPS Trust Company, LLC, 9200 E. Mineral Avenue, Suite 355 Centennial, CO 80112	FPS Services, LLC 9200 E. Mineral Avenue, Suite 355 Centennial, CO 80112	Prudent Investor Advisors, LLC 791 Eighth Street, Suite S Arcata, CA 95521	UMB Bank 1010 Grand Blvd Kansas City, MO 64106
(303) 625-9646	(303) 625-9646	(760) 390-7874	(816) 860-7274
FPS is a trust custodian that provides for account level trust and record keeping services, facilitating trades and providing statements and processing of individual investor funds.	FPS Services, LLC provides technology solutions to FPS Trust Co. and Contractor.	Registered investment advisory services; investment policy and investment analysis.	UMB Bank is a National Bank engaged with VISA for debit card issuance and management for MiABLE participants.
www.fpsgroupllc.com	www.fpsgroupllc.com	www.prudentllc.com	www.UMB.com



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **1**
to
Contract Number **071B6600128**

CONTRACTOR	TSA Consulting Group, Inc.
	15 Yacht Club Dr. NE
	Fort Walton Beach, FL 32548
	Stephen R. Banks
	(850) 244-7306 ext. 1104
	sbanks@tsacg.com
	1677

STATE	Program Manager	R Scott de Varona	Treasury
		(517) 373-1261	
		MiABLE@michigan.gov	
	Contract Administrator	Joshua Wilson	DTMB
		517-284-7027	
		WilsonJ31@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Michigan Achieving A Better Life Experience (ABLE) Savings Program (MiABLE) – Department of Treasury				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 1, 2016	August 31, 2021	5 – 1 Year		
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input checked="" type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$3,309,119.16		\$0.00	\$3,309,119.16	
DESCRIPTION: Effective October 28, 2016, the attached Custodial Account Agreement is incorporated into this Contract. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.				

FPS Trust – Stable Michigan ABL Custodial Account Agreement

TERMS AND CONDITIONS

The State of Michigan on behalf of Michigan State Treasurer ("Treasurer") and FPS Trust Company, LLC, ("Custodian"), a trust company recognized under the laws of the State of Colorado, hereby establish a Custodial Account (the "Account") on behalf of the Treasurer in connection with the operation of the Michigan Achieving a Better Life Experience ("MiABLE") program, established under Michigan Public Acts 160 and 161 of 2015 and intending to be a "qualified ABL program" under Section 529A of the Internal Revenue Code. Custodian is a subcontractor to TSA Consulting Group, Inc., the contractor with the State of Michigan for MiABLE, and herein referred to as the "Program Manager". The Program Manager is responsible to provide program management/administration and investment services to the Treasurer or Treasurer's designee as program administrator of the MiABLE program. The Treasurer or the Treasurer's designee are herein referred to as the "Program Administrator." The Program Manager and Custodian agree to furnish system and account services to the Treasurer and MiABLE program Beneficiaries on the terms and conditions set forth below and in the contract between the State of Michigan and Program Manager Contract 071B6600128 ("Contract"). In the event of a conflict between the Contract and the terms of this Agreement relative to the obligations of the Program Manager to the Treasurer, the terms of the Contract will control. The Program Administrator and Custodian have no investment discretion and provide no investment advice to any Beneficiary or with respect to any of the assets of the Custodial Account.

ARTICLE 1 – DEFINITIONS

As used in this Custodial Agreement, each of the following terms shall have the meaning for that term set forth in this Section unless a different meaning is provided or clearly required by the context in which the term is used.

- A. **Beneficiary** means an eligible individual (as defined in Code Section 529A) who is the designated beneficiary that established and is the owner of a MiABLE Account held under this Custodial Agreement and that signed a Participation Agreement with the Program Manager. If the Beneficiary is a minor or lacks capacity to enter into an agreement, a designated representative of the Beneficiary may open the MiABLE Account on behalf of the minor or incapacitated person. References herein to the Beneficiary shall therefore mean and include such a designated representative, as applicable.
- B. **Code** means the Internal Revenue Code of 1986, as amended from time to time.
- C. **Contributions** means the sum of all Contributions made to each Beneficiary's Account by or for the benefit of such Beneficiary.
- D. **Custodial Account** or **Account** means the ABL custodial account established by the Custodian hereunder to hold individual MiABLE Accounts for the Treasurer's, as Trustee for the funds deposited into a MiABLE program account, for the exclusive benefit of the Beneficiary of each such MiABLE Account.
- E. **Custodial Agreement** means this document, as amended from time to time.
- F. **Custodian** means FPS Trust Company, LLC and any permitted successors or assigns.
- G. **Funds** means all of the assets of the individual Beneficiary accounts that may be transferred, assigned and delivered to the Custodian from time to time to be held in custody hereunder, together with the individual investments made with them, the proceeds received from them, and the gains and accumulations on them, and the portion thereof from time to time remaining, to be held and disposed of by the Custodian

(without distinction between principal and interest) in accordance with the terms and provisions of this Agreement and proper Instructions received by the Custodian.

H. **Instruction** means any, written or electronic direction given to the Custodian in a form and manner required or accepted by the Custodian. The Custodian may require that any Instruction be in writing or in an electronic format, and may recognize standing requests, directions, or requisitions as Instructions.

I. **Investment Direction** means the Instruction of a Beneficiary or other MiABLE Account owner regarding the manner in which Contributions or transfers to the Beneficiary's MiABLE Account are to be invested. These Instructions may be changed from time to time effective for Contributions received by the Custodian after receipt of the new direction, provided, however, that a Beneficiary or other MiABLE Account owner may not make or change an Investment Direction more than two times in any calendar year unless otherwise permitted under Code Section 529A and the MiABLE program.

J. **MiABLE Account** means the individual account established and maintained by the Program Manager or its subcontractor to reflect and track the portion of the Funds that is held under this Agreement for the exclusive benefit of a Beneficiary under the MiABLE program.

K. **Mutual Fund or Mutual Fund Shares(s)** means one or more shares issued by a "regulated investment company."

L. **Participation Agreement** means the form pursuant to which a MiABLE Account is established by or on behalf of a Beneficiary.

M. **Program Manager** means and refers to TSA Consulting Group Inc., a Florida Corporation, and any successor thereto, including by merger or acquisition, that makes accounts available to qualifying Beneficiaries. The Program Manager (or its authorized subcontractor) is authorized by the Custodian to establish and maintain a MiABLE Account under this Custodial Account Agreement in a Beneficiary's name, and to accept Contributions from or on behalf of a Beneficiary, and to make or direct the making of payments or distributions to or for the benefit of a Beneficiary, and to prepare and mail to each Beneficiary periodic statements of his or her MiABLE Account.

N. **Treasurer** means the Michigan State Treasurer, which is the Administrator of the MiABLE program established under Public Act 160 of 2015 and is Trustee of the MiABLE Funds, and any successors thereto.

ARTICLE 2 - ESTABLISHMENT OF CUSTODIAL ACCOUNT

The Treasurer instructs the Program Manager to hereby request that the Custodian establish the Custodial Account for and in the name of the Treasurer as Trustee of the MiABLE program funds, to hold the assets of Beneficiaries under the MiABLE program that establish MiABLE Accounts thereunder. The Program Administrator also hereby requests that the Program Manager establish a separate recordkeeping account to reflect each Beneficiary's MiABLE Account. A Beneficiary may establish a MiABLE Account by completing the Participation Agreement and delivering it to the Program Manager.

All Contributions to the Custodial Account shall be made by or on behalf of each Beneficiary and not by the Treasurer, who shall have no obligation to provide any Funds hereunder. All Contributions shall be made in a form that is acceptable to the Custodian and shall be invested according to the Investment Direction of the Beneficiary, in accordance with the Instructions of such Beneficiary. The Custodian shall not be obligated to provide a detailed accounting for any Beneficiary's MiABLE Account or for any individual investment option, or to provide an accounting of Contributions, distributions, investment gains and losses or expenses allocable to a Beneficiary's MiABLE Account. The Program Administrator and each Beneficiary agree to look solely to

the Program Manager or other record keeper that Program Manager has retained for all such detailed account information.

ARTICLE 3 - APPOINTMENT, ACCEPTANCE AND ROLE OF CUSTODIAN

3.1 Appointment; Acceptance. The Custodian, in consideration of the deposit of Funds into the Custodial Account by or on behalf of Beneficiaries of MiABLE Accounts, hereby agrees to act as custodian of the Account on the terms and conditions of this Agreement. The Treasurer and the Program Manager, in consideration of the agreement by the Custodian to perform the duties of a custodian under this Agreement, hereby designate the Custodian as the custodian of the MiABLE Accounts.

3.2 Role. The Custodian, as agent of the Treasurer, but not as fiduciary, shall take, hold, invest, and distribute all of the assets of the Funds in accordance with the terms of this Agreement. The Custodian will serve as a non-discretionary, directed custodian of the Custodial Account. The Custodian is responsible for maintaining custody of the assets held in the Custodial Account, and for investing those assets as directed by the Program Manager or Beneficiary.

The Custodian (in its capacity as such) will not be an administrative or investment fiduciary of the Account, and nothing in this Agreement is to be interpreted as causing the Custodian to be responsible for the administration or investment of the Fund other than as directed by the Beneficiary or Program Manager hereunder, or to be performing other than ministerial duties. The Custodian may refuse to exercise any power that it believes, in its sole judgment, could cause it to become a fiduciary or to be exercising trust powers in contravention of any state or federal law to which it may be subject.

3.3 Direction to the Custodian. Except as provided herein, the Beneficiary or Program Manager shall provide direction to the Custodian. However, each direction is contingent upon the determination by the Custodian that the Instruction can be administered by the Custodian. The Custodian may conclusively rely upon and be protected in acting in good faith upon any Instruction from the Program Manager, Beneficiary or any other notice, request, consent, certificate, or other instrument or paper believed by the Custodian to be genuine and properly executed, or any instrument or paper if the Custodian believes the signature thereon to be genuine.

3.4 Designation and Authority of Program Manager. In accordance with its Contract with Program Manager the Treasurer hereby designates and authorizes the Program Manager to provide Instructions to the Custodian on behalf of the Beneficiary, including placing orders for the purchase and sale of securities, and authorizes the Custodian to disburse funds on behalf of the Beneficiary upon Instruction from the Program Manager or the Beneficiary. The Beneficiary also authorizes and directs the Custodian to pay for securities and receive payment from the sale of securities or other investment transactions arising out of Instructions of the Manager or the Beneficiary. Designation of the Program Manager is subject to the following provisions:

3.4.1 The Program Administrator agrees that the Custodian may rely on Instructions from authorized individuals on behalf of the Program Administrator and the Program Manager and that the Custodian shall be under no duty to make an investigation with respect to any Instructions received from persons designated by the Program Manager or Program Administrator as authorized to give Instructions on their behalf;

3.4.2 Each Beneficiary is solely responsible for managing the investment of his or her MiABLE Account and for the Investment Directions provided to the Program Manager or Custodian with respect to investment selections. All Instructions, Investment Directions, and/or confirmations received by the Custodian from the Program Manager shall be deemed to have been authorized by the Beneficiary;

3.4.3 The Program Administrator agrees that the Custodian is a subcontractor of Program Manager under the State Contract.

Program Manager shall be responsible for the day to day administration of the MiABLE Accounts and shall have the power and authority in the administration of the Custodial Accounts to do all acts, exercise any legal power, execute and deliver all instruments for the benefit of the Beneficiary in accordance with the terms of this Agreement, and the Program Manager's Contract with the State of Michigan and Participation Agreement. Program Manager shall identify the Mutual Funds eligible for purchase under the individual Custodial Accounts. The Program Manager shall not be responsible for any services required to be performed by the Custodian, such as purchasing Mutual Fund Shares, following Beneficiary Investment Directions and liquidating Mutual Fund Shares. Program Manager may execute any of its powers under this Agreement and perform the duties required of the Program Manager by and through agents, appointed representatives, affiliates or subsidiaries selected by the Program Manager in its sole discretion but only with the consent of, and in accordance with the terms of the Program Managers Contract with the State of Michigan.

3.5 Compliance. The Treasurer agrees that the Custodian may execute, in its capacity as custodian, any declarations or certificates pertaining to a MiABLE Account that may be required of it as custodian under any tax law(s) or governmental regulation(s) now or hereafter in effect without prior approval of the Program Administrator only to the extent such declarations or certificates do not purport to be made by or on behalf of the Treasurer. The Custodian may execute or file any declarations or certificates on behalf of the Treasurer only with its prior consent, which shall not be unreasonably withheld. The Custodian may also withhold from any distribution to or for the benefit of a Beneficiary, made at the direction of the Beneficiary or the Program Manager, all income taxes required by law to be withheld, if any, and pay such withheld amounts to the appropriate taxing authorities. The Beneficiary or the Program Manager shall provide the Custodian all information necessary for the Custodian to file all required returns, reports, or other documents to the applicable taxing authorities with respect to distributions by the Custodian to the Beneficiary and amounts withheld thereon.

ARTICLE 4 - CONTRIBUTIONS AND TRANSFERS

4.1 General. The initial Contribution or transfer with respect to each Beneficiary shall be accompanied or preceded by a properly executed Participation Agreement and Investment Direction. Each Contribution shall be in a form acceptable to the Custodian, including but not limited to cash equivalent, check, payroll deduction, web-based and automatic clearinghouse (ACH). If a MiABLE Account to which a Contribution is to be credited has not yet been established, or if in the opinion of the Program Manager or the Custodian the documents received by either of them are not clear with respect to any Contribution, the Custodian may hold such Contribution as directed by the Program Manager, without liability, pending establishment of the MiABLE Account or completion or clarification of the information necessary for proper credit to the MiABLE Account, as the case may be, and if the MiABLE Account has not been established within a timeframe acceptable to the Custodian in its sole discretion, the Custodian may return such Contribution to the party who made it as

provided in the Program Disclosure Statement and Participation Agreement between the Program Manager and Beneficiary.

4.2 Contributions. Contributions may be made for each Beneficiary's MiABLE Account held under the Custodial Account in amounts subject to applicable limitations under Code Section 529A and Michigan Public Act 160. The sum of all annual Contributions for any one Beneficiary may not exceed the applicable limitations and adjustments under Code Section 529A, and the total accumulated MiABLE Account balance for any one Beneficiary, in combination with any Code Section 529 accounts held for the same Beneficiary, shall not exceed the applicable limitations under Michigan Public Acts 160 and 161 of 2015. The Custodian has no obligation to verify the correctness of the computation regarding the maximum Contribution that may be made on behalf of a particular Beneficiary, nor shall the Custodian be obligated to determine that any limit applicable to Contributions has been exceeded. The Custodian has no duty or authority to require any Contributions to be made to the Custodian or to determine whether amounts received by the Custodian comply with the Code, Michigan Public Acts 160 and 161 of 2015, or any other applicable law. The Custodian shall be protected in all respects with respect to any limitations applicable to contributions to MiABLE Accounts by the Program Manager, who shall be solely responsible for such compliance. The Custodian will also not be responsible for any transferred asset until it receives such asset.

4.3 Excess Amounts. Any excess Contribution under Code Section 529A or Michigan Public Acts 160 and 161 of 2015 that are made to or remain in a Beneficiary's MiABLE Account shall be distributed to the Beneficiary of such account upon the Instruction of the Program Manager. Custodian shall have no liability for accepting or holding such excess Contributions. In addition, Custodian has no responsibility to ensure that each Beneficiary has no more than one MiABLE Account and may rely on the Program Manager to ensure that an account owner does not open multiple MiABLE Accounts for the same Beneficiary. The Beneficiary or other owner of a MiABLE Account may also be changed in accordance with Michigan Public Acts 160 and 161 of 2015 or the Instruction of the Program Manager. The Beneficiary will be solely responsible for any tax consequences that result from exceeding any contribution limits under the Code or other applicable law.

4.4 Location of Evidence of Ownership. Except as permitted by applicable law, the Custodian will not maintain the indicia of ownership of any assets of the Custodial Account outside the jurisdiction of the district courts of the United States.

4.5 Unidentified Assets. If the Program Manager receives any money, securities or other property from a source other than the Beneficiary and has not received appropriate notification that such assets are to be accepted for the Custodial Account, the Program Manager is responsible for ascertaining the source and the intended deposit and to proceed accordingly, which may include returning such assets to the person from whom they were received.

4.6 Return of Amounts to the Beneficiary or Program Administrator. The Custodian will return Contributions to the Beneficiary or Treasurer if the Program Manager or Treasurer's provides an Instruction to the Custodian to do so. The Treasurer and the Program Manager are solely responsible for ensuring that any Instruction to return any amount to the Beneficiary or Treasurer meet all applicable legal requirements. The Custodian has no duty or responsibility to question, and may conclusively rely upon, any such Instruction.

ARTICLE 5 – INVESTMENTS

5.1 Investment Control.

5.1.1 General. Each Contribution to the Custodial Account shall be directed by the Program Manager to the purchase of Mutual Fund shares or other available investment alternatives under the MiABLE program in accordance with the applicable Investment Direction by the Beneficiary for whom or by whom the Contribution is made. If a Beneficiary fails to provide acceptable Investment Direction or if no Investment Direction is provided to Custodian, Custodian may return funds to the Beneficiary. Investments in any Mutual Fund(s) shall be made in accordance with the current prospectus of the applicable Mutual Fund and subject to any limitations or restrictions contained therein. All dividends, including capital gain dividends, paid by any Mutual Fund shall be reinvested in full and fractional shares of the Mutual Fund paying the dividend in the manner specified in the prospectus of that Mutual Fund, and such dividends shall be credited to the Account and allocated to the applicable MiABLE Accounts by the Program Manager. The Beneficiary may direct the Program Manager to redeem any or all of the Mutual Fund Shares allocated to his MiABLE Account and to invest the proceeds in any other Mutual Fund offered under the Custodial Account to be held in that Account, subject, however, to the applicable terms and conditions of the prospectus for each Mutual Fund involved and the restrictions and limitations under the MiABLE program.

5.1.2 Investment Directions. All Investment Directions and other Instructions must be delivered to the Custodian in such manner as the Custodian may reasonably require. If, for any reason, Mutual Fund Shares or any other available investment options are not available for investment hereunder, the Custodian or Program Manager shall so advise the Beneficiary. Until the Beneficiary submits new written Investment Directions, any Contributions will be temporarily allocated to a money market investment option until a new Investment Direction is received. A Beneficiary's Contribution will be transferred out of the money market investment option upon receipt by the Custodian of a proper Investment Direction that may be implemented hereunder.

5.2 Role of Custodian.

5.2.1 Processing Transactions. No investment transaction for the Custodial Account that is to be processed by the Custodian will be processed until the Custodian receives an Instruction in proper form. Investment transactions will be processed either as soon as administratively practicable thereafter or, if later, on the scheduled date for processing. The Custodian may rely conclusively on all Instructions given which the Custodian believes to be genuine. The Custodian's records of a transaction will be conclusive as to the content of any Instructions. Unless otherwise agreed, Instructions shall generally be taken from the Program Manager. The Custodian may conclusively rely upon, and be indemnified by the Program Manager when acting in good faith upon any Instruction from the Program Manager, Program Administrator or Beneficiary, or any other notice, request, consent, certificate, or other instrument or paper believed by the Custodian to be genuine and properly executed, or any instrument or paper if the Custodian believes the signature thereon to be genuine. Notwithstanding the above this section is not to be construed to impair the contractor and subcontractor indemnification requirements in the Contract or to be interpreted that the State of Michigan, Treasurer or anyone acting on their behalf agrees any indemnity obligation under this Agreement.

If the Custodian receives any Instruction that appears to the Custodian in its sole judgment to be incomplete or unclear, the Custodian will not be required to act on such directions and may either,

hold uninvested any asset or deposit the proceeds of the transaction into a money market investment option under the Account without liability until proper directions are received. If Investment Directions are incomplete or unclear, the Custodian must notify the Program Manager within a reasonable period of time.

5.2.2 Legitimate Delay. The Custodian may delay the processing of any investment transaction due to a force majeure (cause or event outside the reasonable control of the parties or that could not be avoided by the exercise of due care, such as an act of God or any mechanical, electronic or communications failure), government or National Securities Clearing Corporation (NSCC) restrictions or changes, exchange, market or NSCC rulings, strikes, interruptions of communications or data processing services, or disruptions in orderly trading on any exchange or market.

5.2.3 Other Limitations. Except as may otherwise be required by applicable law, the Custodian will manage the Custodial Account as directed, and the Custodian will have no discretionary control over, nor any other discretion regarding, the investment or reinvestment of any asset of the Custodial Account. The Custodian has no duty or authority to provide investment advice with respect to the assets of the Custodial Accounts, monitor investment performance or the diversification of assets, question any Investment Direction the Custodian receives in proper form, or inquire into the authority or right of the provider of the Instruction to make any Investment Direction which the Custodian receives in proper form. The Custodian will not be liable for any loss of any kind which may result from any action taken by it in accordance with an Instruction it receives in proper form or from any action omitted because no such Instruction is received.

5.3 Nondiscretionary Investment Authority. Subject to applicable law and Section 5.4:

5.3.1 Program Administrator hereby authorizes and directs the Custodian, in accordance with the provisions of this Agreement and at the sole direction of the Beneficiary or the Program Manager, to pay for securities and receive payment from securities or other investment transactions arising out of Instructions received by Custodian from the Beneficiary or Program Manager. The Program Administrator understands and agrees that it is solely the responsibility of the Beneficiary to provide Instructions to execute trades or other investments for each Beneficiary's interest in the Custodial Account, and all Instructions, directions, and/or confirmations received on behalf of a Beneficiary shall be deemed to have been authorized by such Beneficiary. The Program Administrator agrees that the Program Manager and not the Custodian shall supervise the investment of, or advise or make recommendations to the Beneficiaries with respect to, the purchase, sale or other disposition of, any assets of the Funds.

5.3.2 The Custodian shall invest such Funds as directed by the Beneficiary or Program Manager. In the event that investment instructions are incomplete or otherwise unable to be executed, Custodian shall deposit affected Funds in a money market investment option until a new Investment Direction is received. Once sufficient information is provided to complete the investment instruction, Custodian shall follow the Instructions so provided. The Custodian or its affiliate will retain any earnings credited on any funds in the Account pending Investment Direction and pending distribution, as part of its compensation for services provided.

5.3.3 The Program Manager and Program Administrator understand and agree that the Custodian is not providing any investment advice to Beneficiaries or any other account owner and that Custodian is not an investment adviser registered under the Investment Advisers Act of 1940.

5.3.4 The Custodian is authorized to collect all investment earnings of any nature on the Funds, including interest, dividends, proceeds of the sale and other monies due and collectable that arise from the investment of the assets of the Funds(collectively, "Fund Income") and to credit such Fund Income to the Beneficiary Accounts.

5.3.5 The Custodian will act as agent for the Treasurer solely for purposes of the Custodial Account, subject to the Instructions of the Program Manager. The Custodian shall have no obligation to place orders for the purchase of securities if there are insufficient funds in the Account. The Treasurer, Program Manager and each Beneficiary authorize the Custodian to charge the Account for the cost of all securities purchased or received against a payment and to credit the Account with the proceeds received from the securities sold or delivered against payment. In the event of any trades not settled immediately upon placement, the Custodian will have the right, without notice, to sell securities in a reasonably prudent fashion from the Fund sufficient to recover any funds advanced.

5.3.6 The Treasurer's and the Program Manager authorize and instruct the Custodian to register all assets of the Custodial Account in the name of the Custodian or of a nominee. Unless otherwise agreed to in writing by the parties, registered securities shall be held in the name of:

**FPS Trust Company, LLC, MiABLE Custodian
FBO: { Individual Beneficiary Accounts}**

5.4 Investment Restrictions. The Program Manager shall direct the Custodian to purchase or sell only securities that comply with the Custodian's and/or its affiliate's policies and procedures relating to acceptable securities, and that comply with all applicable rules, regulations, customs and uses of any exchange, market, clearinghouse or self-regulatory organization and applicable state and federal laws and regulations. The Custodian will hold only those categories of assets mutually agreed to among the Treasurer's, the Program Manager and the Custodian. Nothing in this Article shall be construed to impose investment discretion on the Custodian or any of its affiliates.

ARTICLE 6 – ADMINISTRATIVE MATTERS

6.1 MiABLE Account Records. The Program Manager shall maintain such accurate and detailed records of the MiABLE Accounts, including all Contributions, the type of such Contributions, other receipts, investments, distributions, other disbursements and all other transactions in the Custodial Account on behalf of each Beneficiary. The Program Manager shall provide a written confirmation to each Beneficiary of each transaction in the MiABLE Account as required by applicable law. The Program Manager shall regularly furnish to the Custodian, on an agreed upon schedule and format, detailed statements of the MiABLE Accounts, showing Contributions, investment earnings, redemption or distributions made from each MiABLE Account for any reason, and any fees, benefits or withdrawals paid therefrom.

The Program Manager shall deliver to each Beneficiary, at least once during each quarter in the calendar year, a report of all transactions with respect to such Beneficiary's MiABLE Account during the period since that covered by the previous report to the Beneficiary with respect to his MiABLE Account, if any, and, if required by applicable law or requested by the Beneficiary, a statement showing the assets held in his MiABLE Account as of the end of the calendar year. Upon the expiration of sixty days after such report or statement is rendered, the Program Manager and the Custodian shall be forever released and discharged from all liability and accountability to anyone with respect to transactions shown in or reflected by such report or statement except with respect to any such acts or transaction as to which the Beneficiary shall have filed a written objection with the Program Manager within such sixty-day period.

6.2 Custodial Account Records. The Custodian will keep accurate and detailed records and accounts of all receipts, investments, disbursements and other transactions as required by law with respect to the Custodial Account. All records, books and accounts relating to the Custodial Account will be open to inspection by the Program Manager and Program Administrator, provided the Custodian is given reasonable advance written notice of such inspection. The Custodian may provide annual or interim accountings, valuations, or other reports concerning the assets of the Custodial Account subject to payment by Program Manager of all required additional fees for such reports. An accounting will be deemed to have been approved by each Beneficiary and the Program Manager unless any of them objects to the contents of an accounting within sixty (60) days of its mailing or electronic transmission by the Custodian. Any objections must set forth the specific grounds on which they are based. Upon approval or deemed approval of the accounting, the Custodian shall be forever released from any and all liability with respect to the Custodial Accounts except for those subject to objections by a Beneficiary.

6.3 Valuation of Assets. The assets of the Custodial Accounts will be valued at the most recent fair market value.

ARTICLE 7 – COMPENSATION AND EXPENSES

The Custodian shall be compensated for its services in accordance with the Custodian's applicable fee arrangement with the Program Manager, which arrangement may be revised from time to time. Custodian will charge and withdraw from the Custodial Account the amount of its fees, as well as investment program related charges and expenses, withdrawal expenses, allocable Custodial Account expenses and extraordinary expenses of the Custodian, including legal, auditing, and accounting expenses incurred in the administration of the Custodial Account. Custodian shall not, however, make any charge, in addition to its agreed fees, for any services by any of its officers or employees in the performance of its duties as Custodian hereunder. Expenses or charges of Custodian attributable to a particular Beneficiary, including withdrawal or distribution expenses and taxes assessed against a Custodial Account interest, shall be assessed against and satisfied from the Custodial Account and may be allocated by the Program Manager to the MiABLE Account of the Beneficiary for whom such expenses were incurred. Notwithstanding any other provision herein, the fees payable to the Custodian and the Program Manager shall not exceed any then applicable limit under Michigan law for administrative expenses of the MiABLE Program.

ARTICLE 8 – DISTRIBUTIONS

8.1 In General. Distributions of funds from the Custodial Account may be made upon the direction of the Beneficiary. The Beneficiary may request a distribution through the Program Manager, by completing a reimbursement form or through an on-line request. Distribution requests other than using a completed and

signed form or initiating a reimbursement through the website will not be honored (e.g., by phone or email). If a debit card is made available in connection with the MiABLE Accounts, the additional provisions below apply.

8.2 Limitations. Distributions from this Custodial Account that are used exclusively to pay or reimburse Qualified Disability Expenses of the Beneficiary as defined in Code Section 529A are generally tax-free. However, distributions that are not used for Qualified Disability Expenses are included in the Beneficiary's gross income and are subject to an additional 10 percent tax on that amount. The additional 10 percent tax may not apply if the distribution is made after the Beneficiary's death.

8.3 Custodian's Role. The Custodian is not required to determine whether any distribution is for the payment or reimbursement of Qualified Disability Expenses. Only the Beneficiary is responsible for substantiating that the distribution is for Qualified Disability Expenses and must maintain records sufficient to show, if required, that the distribution is tax-free.

8.4 Optional Debit Card. The Program Manager and Treasurer hereby authorize and direct the Custodian to make an optional debit card available to Beneficiaries with respect to their MiABLE Accounts. The Program Manager and Program Administrator also agree to promptly review and approve all marketing, disclosure and application materials for such debit card in advance of such card being made available to Beneficiaries under the MiABLE Program.

ARTICLE 9 – AMENDMENT AND ASSIGNMENT

This Agreement may be amended by the Custodian or Program Manager with the prior written consent of State of Michigan and Program Administrator, which consent may not be unreasonably withheld, provided notice of such amendment is sent to the State of Michigan and Program Administrator at least sixty calendar (60) days prior to the effective date of any such amendment.

No amendment of this Custodial Agreement shall be effective if it would cause or permit (i) any of the assets held in the Custodial Account to be diverted to any purpose other than for the exclusive benefit of the Beneficiary or to revert to or become the property of the Program Administrator (ii) a distribution from or reduction in the amount of any MiABLE Account under this Custodial Agreement, unless the amendment is necessary to conform to, or satisfy the conditions of, any law, governmental regulation or ruling, or to permit the Custodial Account to meet the requirements of the Code or other applicable law, or (iii) the rights, duties, responsibilities, obligations or liabilities of the Custodian or the Program Manager to be affected without the written consent of the Custodian or the Program Manager, as applicable.

Notwithstanding the foregoing, service providers, including the Custodian, or the record keeper, if any, may revise their fees under Article 7, which revision shall not be considered an amendment of this Custodial Agreement. Neither shall a change by a Beneficiary of an Investment Direction or a revocation or change of a Beneficiary designation be considered an amendment to this Custodial Agreement.

ARTICLE 10 – RESIGNATION OR REMOVAL OF THE CUSTODIAN OR THE PROGRAM MANAGER

10.1 Custodian's Right to Resign. The Custodian may resign with respect to this Custodial Account by giving ninety (90) calendar days advance written notice to the Program Manager. The Program Manager shall designate a qualified successor custodian with the consent of the State of Michigan and Treasurer. If no new custodian is appointed by the end of the ninety calendar (90) day notification period, the Custodian

may appoint a new custodian within the next thirty calendar (30) days. The party entitled to the notice may waive the notice period.

10.2 Program Manager's Right of Removal and Appointment of Successor Custodian. The Program Manager has the right to remove the Custodian upon ninety (90) days prior written notice to the Custodian, Treasurer and the State of Michigan as provided in the notices section of the Contract. The Program Manager may appoint a successor custodian of the Custodial Account at any time by giving at least ninety (90) days advance written notice to and securing the approval of the State of Michigan and Treasurer. The party entitled to the notice may waive the notice period.

10.3 Successor Custodian. Upon the resignation or removal of the Custodian, the State of Michigan and Treasurer shall either accept the Custodian's or Program Manager's appointment of a successor or appoint a successor custodian. If, within sixty calendar (60) days after the Custodian's resignation or receipt by it of notice of the Custodian's removal, no person or organization has accepted appointment as successor custodian of the Custodial Accounts involved, the Custodian may appoint such successor custodian itself or apply to a court of competent jurisdiction for the appointment of a successor custodian.

The appointment of the successor custodian will become effective at the time the Custodian ceases to act. The Custodian shall promptly transfer all records pertaining to the Account, provided that any successor custodian shall agree not to dispose of any such records without the Custodian's consent. The Custodian shall not be liable for the acts or omissions of such successor whether or not it makes such appointment. The successor will have all rights, powers, privileges, liabilities and duties of the Custodian.

The Custodian will assign, transfer and deliver all assets and liabilities held in the Custodial Account, in kind, directly to the successor custodian on the effective date of the resignation or as soon thereafter as practicable. The Custodian is authorized, however, to reserve such Funds as it deems advisable to provide for the payment of expenses, fees, taxes and other liabilities under this Custodial Agreement, and for the payment of all liabilities constituting a charge on or against the assets of any Custodial Account or on or against the Custodian, and where necessary may liquidate such reserved assets. Any balance of such reserve remaining after the payment of all such items shall be paid over to the successor. The successor custodian shall hold the assets paid over to it under the terms of this Custodial Agreement and Contract unless otherwise amended or replaced.

ARTICLE 11 - TERMINATION

11.1 Discontinuance of Contributions. The complete discontinuance of Contributions to a MiABLE Account shall not cause that MiABLE Account to terminate. Termination of a MiABLE Account shall be effected by a distribution of all assets in the MiABLE Account to or for the benefit of the Beneficiary while living or after the Beneficiary death, as the case may be, or as determined by the Program Manager, subject, however to the Custodian's right to reserve Funds in the same manner as provided for in Article 10. Notwithstanding the foregoing, a MiABLE Account shall be deemed inactive if no Contributions or distributions are made for a period of one year or more. However, pursuant to the Contract, Program Manager must contact participants with inactive accounts to determine continued participation.

ARTICLE 12 - INDEMNIFICATION

The Program Manager hereby agrees to indemnify, defend and hold the Custodian and its affiliates, and their respective directors, managers, officers, employees, agents and other representatives harmless from any

losses, costs, expenses, fees, liabilities, damages, claims, suits or actions and appeals thereof resulting from their reliance upon any certificate, notice, confirmation, or Instruction purporting to have been delivered by the Program Manager or the Beneficiary or which arise, directly or indirectly, from any action that the Custodian takes in good faith in accordance with any such certificate, notice, confirmation or Instruction. The Program Manager waives any and all claims of any nature it now has or may have against the Custodian and its affiliates, and their respective directors, managers, officers, employees, agents and other representatives, which arise, directly or indirectly, from any action that the Custodian takes in good faith in accordance with any certificate, notice, confirmation, or Instruction from the Program Manager. The Program Manager also hereby agrees to indemnify, defend and hold the Custodian and any parent, subsidiary, related corporation, or affiliates of the Custodian, including their respective directors, managers, officers, employees and agents, harmless from and against any and all loss, costs, damages, liability, expenses or claims of any nature whatsoever, including but not limited to legal expenses, court costs, legal fees, and costs of investigation, including appeals thereof, arising, directly or indirectly, out of any loss or diminution of the Fund resulting from changes in the market value of the Fund assets; reliance, or action taken in reliance, on Instructions from the any Beneficiary or the Program Manager; any exercise or failure to exercise Investment Direction authority by any Beneficiary or by the Program Manager; the Custodian's refusal on advice of counsel to act in accordance with any Investment Direction by a Beneficiary or the Program Manager; any other act or failure to act by a Beneficiary or the Program Manager; any disqualification of the MiABLE Program or any MiABLE Account under Code Section 529A due to any actions taken or not taken by the Custodian in reliance on Instructions from a Beneficiary or the Program Manager; or any other act the Custodian takes in good faith hereunder that arises under this Agreement or the administration of the Fund.

Except as provided in the State Contract, as a subcontractor of Program Manager, the Custodian shall not be liable to for any act, omission, or determination made in connection with this Agreement except for its gross negligence or willful misconduct. Without limiting the generality of the foregoing, the Custodian shall not be liable for any losses arising from its compliance with Instructions from the Program Administrator, any Beneficiary or the Program Manager; or executing, failing to execute, failing to timely execute or for any mistake in the execution of any Instructions, unless such action or inaction is by reason of the gross negligence or willful misconduct of the Custodian.

The Custodian shall not be under any obligation to defend any legal action or engage in any legal proceedings with respect to the Custodial Account or with respect to any property held in the Fund. Whenever the Custodian deems it reasonably necessary, the Custodian is authorized to consult with its counsel in reference to the Custodial Account and to retain counsel and appear in any action, suit, or proceedings affecting the Custodial Account or any of the assets of the Fund. All legal fees, costs, and expenses so incurred shall be paid for by the Program Manager. The Custodian may retain legal counsel whenever in the Custodian's judgment it is necessary or advisable to do so in connection with the discharge of the Custodian's duties, and the fees and expenses of such counsel will be paid by the Program Manager.

The provisions of this Article shall survive the termination, amendment or expiration of this Agreement.

ARTICLE 13 - MISCELLANEOUS PROVISIONS

13.1 No Diversion of Assets and Nonforfeitability. At no time shall it be possible for any part of the assets of the Custodial Account to be used for or diverted to any purpose other than for the exclusive benefit of the MiABLE Account Beneficiaries, or for the payment of expenses as specifically provided in this Custodial

Agreement and Participation Agreement. The interest of each Beneficiary in his MiABLE Account shall be nonforfeitable at all times except as may otherwise be provided under applicable law.

13.2 Notices. Any notice from the Program Manager or the Custodian to the State of Michigan and Treasurer shall be made in accordance with the notice requirements in the Contract.

13.3 Further Agreements. The parties to, and all persons claiming any interest whatsoever under this Agreement agree to perform any and all acts and to execute any and all documents and papers that may be necessary to carry out this Agreement or any of its provisions.

13.4 Binding on Successors. This Agreement shall be binding on the permitted successors and assigns of all parties to the Agreement.

13.5 Nonassignability of Benefits and Assets. The assets of the Custodial Account shall not be subject, whether voluntarily or involuntarily, to alienation, assignment, legal process, garnishment, attachment, execution or levy of any kind (other than with regard to the payment of the Custodian and the Program Manager's fees and expenses as authorized by the Participation Agreement), and any attempt to cause such assets to be so subjected shall not be recognized except to the extent as may be required by law or as provided herein.

13.6 Qualification and Compliance. This Custodial Account is established with the intent that it shall qualify under Code Section 529A. All terms and provisions hereof shall be interpreted, whenever possible, so as to comply with that Code Section.

13.7 Governing Law. This Custodial Agreement shall be construed, interpreted, administered and enforced according to the laws of the State of Michigan to the extent not pre-empted by Federal law pursuant to the requirements of the Contract. .

13.8 Limitation on Claims. No claim may be made by any Beneficiary, the Treasurer's or the Program Manager against the Custodian for any lost profits or any special, indirect or consequential damages in respect of any breach or wrongful conduct in any way related to this Agreement.

13.9 USA Patriot Act Notification. The Treasurer acknowledges that the Custodian and Program Manager shall provide the following notification to Beneficiaries pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

"IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money-laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an Account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for you: When you open an Account, the Custodian or the Program Manager may ask for information that will allow them to verify your identity. If you are an individual, this may include your name, social security number, residential address, and date of birth. The Custodian or the Program Manager may also ask to see a copy of your driver's license or other identifying documents. If you are not an individual, The Custodian or the Program Manager will ask for your name, taxpayer identification number, business address, and other information that will allow the Custodian or the Program Manager to confirm your identity. The Custodian or the Program Manager may also ask to see your legal organizational documents or other identifying documents."



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget

525 W. Allegan, Lansing MI 48913
P.O. Box 30026, Lansing, MI 48909

NOTICE OF CONTRACT

CONTRACT NO. 071B6600128

between

THE STATE OF MICHIGAN

and

CONTRACTOR	TSA Consulting Group, Inc.
	15 Yacht Club Dr. NE
	Fort Walton Beach, FL 32548
	Stephen R. Banks
	(850) 244-7306 ext. 1104
	sbanks@tsacg.com
	1677

STATE	Program Manager	R Scott de Varona	Treasury
		(517) 373-1261	
		MiABLE@michigan.gov	
	Contract Administrator	Joshua Wilson	DTMB
		(517) 284-7027	
		WilsonJ31@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Department of Treasury – Michigan Achieving A Better Life Experience (ABLE) Savings Program (MiABLE)			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 1, 2016	August 31, 2021	5 – 1 Year	
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
THIS IS NOT AN ORDER. This Contract Agreement is awarded on the basis of our inquiring RFP No. 007116B0008457. Orders for delivery will be issued directly by Departments through the issuance of a Purchase Order Form.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$3,309,119.16

FOR THE CONTRACTOR:

TSA CONSULTING GROUP, INC.

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Tom Falik, Services Division Director

Name & Title

DTMB Procurement

Agency

Date



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT ("**Contract**") is agreed to between the State of Michigan (the "**State**") and TSA Consulting Group, Inc. ("**Contractor**"), a Florida corporation. This Contract is effective on September 1, 2016 ("**Effective Date**"), and unless terminated, expires on August 31, 2021. The period of September 1, 2016 through October 31, 2016, will be for implementation and transition for the Contractor during this period. The Contractor must begin providing all services, without interruption, on November 1, 2016.

The Contract may be renewed in writing by mutual agreement of the parties. The Contract may be renewed for up to five (5) additional one (1) year periods.

The parties agree as follows:

1. **Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Exhibit A – Statement of Work** (the "**Contract Activities**"). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Exhibit A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State's operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State's quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

2. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
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Joshua Wilson Constitution Hall, 1 st Floor, NE 525 West Allegan St. Lansing, MI 48909 WilsonJ31@michigan.gov (517) 284-7027	Janet Williamson, Senior VP - CFO 15 Yacht Club Dr. NE Fort Walton Beach, FL 32548 jwilliamson@tsacg.com (850) 244-7306 ext. 1122
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3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a "**Contract Administrator**"):

If to State:	If to Contractor:
Joshua Wilson Constitution Hall, 1 st Floor, NE 525 West Allegan St. Lansing, MI 48909 WilsonJ31@michigan.gov (517) 284-7027	Janet Williamson, Senior VP - CFO 15 Yacht Club Dr. NE Fort Walton Beach, FL 32548 jwilliamson@tsacg.com (850) 244-7306 ext. 1122

4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a "**Program Manager**"):

State:	Contractor:
R Scott de Varona 430 W Allegan 2 nd Floor Pillar W-19 Lansing, MI 48909 MiABLE@michigan.gov (517) 373-1261	Stephen R. Banks, Executive Vice President 15 Yacht Club Dr. NE Fort Walton Beach, FL 32548 sbanks@tsacg.com (850) 244-7306 ext. 1104

5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Exhibit A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
Umbrella or Excess Liability Insurance	

<u>Minimal Limits:</u> \$5,000,000 General Aggregate	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Privacy and Security Liability (Cyber Liability) Insurance	
<u>Minimal Limits:</u> \$5,000,000 Each Occurrence \$5,000,000 Annual Aggregate	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
Crime (Fidelity) Insurance	
<u>Minimal Limits:</u> \$5,000,000 Employee Theft Per Loss	Contractor must have their policy: (1) cover forgery and alteration, theft of money and securities, robbery and safe burglary, computer fraud, funds transfer fraud, money order and counterfeit currency, and (2) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as Loss Payees.
Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u> \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate <u>Deductible Maximum:</u> \$50,000 Per Loss	

If any of the required policies provide **claims-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the

Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **Extended Purchasing Program Administrative Fee and Reporting.** Contractor must pay an administrative fee of 1% on all Extended Purchasing Program payments made to Contractor under the Contract including transactions with MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made by check payable to the State of Michigan and mailed to:

Department of Technology, Management and Budget
Financial Services – Cashier Unit
Lewis Cass Building
320 South Walnut St.
P.O. Box 30681
Lansing, MI 48909

Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be mailed to DTMB-Procurement.

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.

8. **Extended Purchasing Program.** This contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to impose an administrative fee and negotiate additional discounts based on any increased volume generated by such extensions.

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor. Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in the Contract Activities and all associated intellectual property rights, if any. Such Contract Activities are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Contract Activities and related intellectual property do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately on its

creation, assign, transfer and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Contract Activities, including all intellectual property rights therein.

10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.
14. **Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. **Reserved**

16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Exhibit A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause. Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response

standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

17. **Delivery.** Contractor must deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless otherwise specified in Exhibit A. All containers and packaging becomes the State's exclusive property upon acceptance.
18. **Risk of Loss and Title.** Until final acceptance, title and risk of loss or damage to Contract Activities remains with Contractor. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.
19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Exhibit A. If the Contract Activities do not function as warranted during the warranty period the State may return such non-conforming Contract Activities to the Contractor for a full refund.
20. **Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Exhibit A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

21. **Reserved**
22. **Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.

- 23. Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

- 24. Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.

- 25. Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 180 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

- 26. General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

27. **Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
28. **Limitation of Liability.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
29. **Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
30. **Reserved.**
31. **State Data.**
 - a. **Ownership.** The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.
 - b. **Contractor Use of State Data.** Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in strict confidence, using

such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Contract Activities, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.

- c. Extraction of State Data. Contractor must, within five (5) business days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
 - d. Backup and Recovery of State Data. Unless otherwise specified in Exhibit A, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Unless otherwise described in Exhibit A, Contractor must maintain a contemporaneous backup of State Data that can be recovered within two (2) hours at any point in time.
 - e. Loss of Data. In the event of any act, error or omission, negligence, misconduct, or breach that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within 5 calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (g) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and, (h) provide to the State a detailed plan within 10 calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. This Section survives the termination of this Contract.
32. **Non-Disclosure of Confidential Information.** The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term “**Confidential Information**” means all information and documentation of a party that: (a) has been marked “confidential” or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked “confidential” or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked “confidential” or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term “Confidential Information” does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party’s proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor’s responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State’s Confidential Information in confidence. At the State’s request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party’s possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party.

33. Data Privacy and Information Security.

- a. Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available to Contractor upon request.
- b. Audit by Contractor. No less than annually, Contractor must conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.
- c. Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Contract Activities and from time to time during the term of this Contract. During the providing of the Contract Activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within 45 calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.
- d. Audit Findings. Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.
- e. State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

34. **Reserved.**

35. **Reserved.**

36. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

37. **Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights

necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; and (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.

38. **Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
39. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
40. **Reserved.**
41. **Reserved.**
42. **Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
43. **Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
44. **Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
45. **Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
46. **Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.

47. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.

48. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
49. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
50. **Order of Precedence.** In the event of a conflict between the terms and conditions of the Contract, the exhibits, a purchase order, or an amendment, the order of precedence is: (a) the purchase order; (b) the amendment; (c) Exhibit A; (d) any other exhibits; and (e) the Contract.
51. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
52. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
53. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
54. **Entire Contract and Modification.** This Contract is the entire agreement and replaces all previous agreements between the parties for the Contract Activities. This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**").

STATE OF MICHIGAN

Contract No. 071B6600128
Michigan ABLE Savings Program (MiABLE)

EXHIBIT A STATEMENT OF WORK CONTRACT ACTIVITIES

PROJECT REQUEST

This Contract is for program management/administration and investment services for the MiABLE Savings Account program pursuant to Public Acts 160 and 161 of 2015.

BACKGROUND

The Michigan 529 (A) ABLE Savings Account (MiABLE) was created under House Bill 4542 of the State of Michigan (State) Public Act (PA) 160 of 2015 and linked to PAs 161 and 162 of 2015. MiABLE offers investment and tax incentives to encourage families and others to save for individuals with disabilities to pay for qualified disability expenses of a designated beneficiary. This program is established under Section 529 (A) of the Internal Revenue Code (IRC Sec. 529 (A)). The State Treasurer is responsible for administering the program and is the trustee for ABLE funds.

Funds deposited into ABLE accounts for a given beneficiary will be made available when the beneficiary has a qualified disability expense. These funds may be used to pay the "qualified disability expense" of the account beneficiary, which can include any expenses related to the eligible individual's blindness or disability that are made for the benefit of an eligible individual who is the designated beneficiary, including the following expenses: education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, and funeral and burial expenses.

A 10% federal excise tax will be assessed on withdrawals not used to pay for qualified disability expenses. Funds may be withdrawn in whole or in part from an account balance upon 60 days' notice or a shorter period as authorized in the ABLE participation agreement. Savings account earnings are tax deferred and tax exempt to the designated beneficiary or account owner and a state tax exemption will be provided for the earnings in the tax year of a qualified withdrawal.

The maximum amount a beneficiary may have deposited on his/her behalf is \$500,000. Beneficiaries may have only one (1) account established on their behalf. Account owners may establish an account for any beneficiary, but only one (1) account for each beneficiary. An account may be opened with a minimum cash deposit of \$25 or payroll deduction of \$15. Amounts in excess of \$500,000 must be withdrawn immediately or transferred to another beneficiary's account. Contributions may be made by cash, check, money order, electronic transfer, automatic contribution plan or any similar method, but shall not be property. A state tax deduction will be allowed for contributions made each year up to \$5,000 for an individual and \$10,000 per married couple. Quarterly and periodic statements will be made available to account owners as well as other reports required under IRC Sec. 529 (A).

SCOPE

The main objective of this project is for the Contractor to provide Program Management/Administration and Investment services for the Michigan Achieving a Better Life Experience (MiABLE) Accounts.

Contractor must provide services necessary for the development, implementation and management of the MiABLE program and accounts including but not limited to: record keeping, investment of assets, assist Treasury with marketing and promotion, customer service, managerial, professional, legal, clerical, reporting, and technical infrastructure and administrative services. All program components and materials developed by the Contractor must be approved by the Program Manager. The Contractor will need to

develop, implement and maintain a savings program that complies with PAs 160 and 161 of 2015 and IRC Sec. 529 (A); provide legal, financial and other resources as necessary.

Total program administrative fees cannot exceed 2.0% of the average daily net assets of the accounts. The Contract will be effective approximately from September 1, 2016 through October 31, 2021. The period of September 1, 2016 through October 31, 2016 will be for implementation and transition for the Contractor; no payment will be made to the Contractor during this period unless implementation occurs sooner. The Contractor must begin providing all services, without interruption, on November 1, 2016.

REQUIREMENTS

Contractor shall provide deliverables/services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

1. General Requirements

A. Program Management/Administration

1. Contractor's overall work plan for attaining the objectives of this project must be based on the following information:
 - a. Essential to the development of this program is its qualification in accordance with PA 160 and 161 of 2015 and IRC Sec. 529 (A). This program must be administered in accordance with Section 529 (A) and all applicable IRS rules, guidance (including IRS 2015-81), regulations and policies. The State must be assured that the requirements of Section 529 (A) and the IRS rules, guidance, regulations and policies are fully understood and in compliance.
 - b. The State must be assured that both Federal and State securities law registration, exemptions, etc. are fully understood and if necessary, validation of exemptions are received prior to September 1, 2016. The Contractor must also ensure to the State that designated personnel will be qualified under State and Federal securities laws.
 - c. The State is not responsible for and will not provide funding of any type in connection with administration of MiABLE.
2. Contractor will utilize subcontractor Prudent Investor Advisors (PIA) to recommend investment policy based on the needs of participants and expectations of the State.
3. Contractor will utilize subcontractor PIA to recommend modifications and monitor the investment policy and strategy.
4. Contractor will utilize subcontractor PIA to initially offer the following investment options:

PIA Dimensions 20/80 PortfolioSM (Conservative)

PIA Dimensions 40/60 PortfolioSM (Moderate Conservative)

PIA Dimensions 60/40 PortfolioSM (Moderate)

PIA Dimensions 80/20 PortfolioSM (Moderate Aggressive)

PIA Dimensions 20/80 PortfolioSM (Aggressive)

Fund Company	Symbol	Investment Lineup	Expense Ratio
Dimensional	DFCEX	Emerging Markets Core Portfolio (I)	0.62
Dimensional	DFGBX	Five-Year Global Fixed-Income	0.27
Dimensional	DFGEX	Global Real Estate Securities (I)	0.24
Dimensional	DFGFX	Two-Year Global Fixed-Income (I)	0.17
Dimensional	DFIGX	Intermediate Govt. Fixed Income Portfolio (I)	0.12
Dimensional	DFQTX	US Core Equity 2 (I)	0.22
Dimensional	DFVQX	US Small Cap Value Portfolio (I)	0.54
Dimensional	DIPSX	Inflation-Protected Securities Portfolio	0.12
Prudential		Prudential Guaranteed Income Fund (GIF)	
Vanguard	VBIRX	Short-Term Bond Fund Index Admiral	0.10

Vanguard	VBTLX	Total Bond Fund Index Admiral	0.07
Vanguard	VTMGX	Developed Markets Index Fund Admiral	0.09

5. Reserved.
6. Contractor must track, process, and approve MiABLE transactions (Enrollment, Deposits, Withdrawals, Posting Earnings, etc.).
 - a. Contractor will utilize FPS Trust Company (FPS) as the custodian for all assets. Contractor will provide FPS with enrollment and deposit information for each participant. Participants will have online access to request a withdrawal of funds. FPS will process distribution requests to participants via the requested payment method (ACH, Check, Wire, Debit Card, etc.).
 - b. Earnings will be posted to the participants' promptly. If earnings are from mutual fund holdings, FPS will receive an electronic file from the National Security Clearing Corporation (NSCC) and post the earnings information to participants' accounts.
7. Contractor must provide educational programs/marketing materials to participants.
8. Contractor must provide a guarantee of principal and current return with the stable value contract, initially Prudential Guaranteed Income Fund (GIF).
9. Contractor must perform record keeping, account enrollment and maintenance to ensure the following:
 - a. Separate accounting for each account owner and beneficiary.
 - b. Contributions do not exceed the maximum allowed under PA 160 and 161 of 2015 and IRC Sec. 529 (A).
 - c. Safe and convenient methods to open an account and make deposits, initially including electronic transfer debits, payroll deduction, and checks. Cash deposits to be added upon mutual agreement and coordination between Contractor and Program Manager within one (1) years' time.
 - d. Method of providing Department of Treasury online access to account information [preferably terminal emulation (TN3270) or web-browser based].
 - e. Compliance with annual certified public accountant audit and periodic audit requirements including computer systems.
 - f. Method of ensuring that qualified withdrawals are made timely either by check/EFT/debit card directly to an account owner, or designated recipient upon receipt of appropriate documentation of expenses.
 - g. Method of allowing transfer of accounts to immediate family member(s) of the beneficiary as defined in IRC Sec. 529 (A).
 - h. Method for providing on-line inquiry to allow Treasury the ability to validate a claimed income tax deduction.
 - i. Provide examples of clear and concise customer account statements which include any account fee disclosures.
 - j. Every qualified applicant must be guaranteed an account.
 - k. Reserved.

10. Contractor's payment options (such as monthly contributions by coupon, automatic clearinghouse (ACH), payroll deduction, Web-based, etc.) must be available for program participants to make initial and subsequent contributions.
 - a. Investment Provider Exchange (IPX) will allow participants to establish electronic transfer deposits on a scheduled time line (once a month, bi-weekly, lump sum, etc.) along with the ability to request distribution payments online. Deposits and distributions can be made systematically or on an as needed basis.
11. Contractor must prevent excess contributions to beneficiary accounts allowed by MiABLE in compliance with PA 160 and 161 of 2015 and IRC Sec. 529 (A). In the event participants make excess contributions, Contractor must notify the participant and refund monies to the participant.
12. ABLE accounts will be considered inactive if the account has no deposit or withdrawal activity for the period of one (1) year. Contractor must contact participants with inactive accounts to determine continued participation.
13. Contractor must prevent an account owner from opening multiple accounts for the same designated beneficiary.
14. Contractor must maintain account data to ensure that the current accumulated contributions and accumulated earnings for each participant are available on a daily basis.
15. Systems Capabilities
 - a. The Contractor must work with the State and other contractors to assist in problem resolutions including but not limited to; establishing new communications channels, downtime, testing, etc.
 - b. If any interfaces are required in the future, Contractor must provide data interfacing.
 - c. Contractor must have disaster recovery and business continuity plans that include the following:
 1. Recovery Time Objective will be 24 hours (time to recover functionality); and
 2. Recovery Point Objective will be less than or equal to 6 hours (amount of data that can be lost).
 - d. Reserved.
 - e. Reserved.
 - f. Data and System Security
 - 1) As a result of the Systems Engineering Methodology (SEM) that was governed by the State Unified Information Technology Environment (SUITE), a DTMB-0170, *Information Technology Project Security Plan & Assessment* is required. It is a collaborated effort between the Department of Technology, Management & Budget (DTMB), Treasury's Security Division (Treasury Security), and the Contractor to complete the DTMB-0170. The DTMB-0170 provides an overview of the security requirements for the system and a description of the security controls in place or planned for meeting those requirements. Completion of the DTMB-0170, remedies of any identified issues, and approval, are required prior to implementation. This is a living document and must be reviewed when any system/organizational changes occur and new security control requirements are implemented (e.g., laws, policies, etc.); otherwise, it should be reviewed annually. The DTMB-0170 may need to be revised to address system/organizational changes or problems identified during implementation or security control assessments.

- 2) The Contractor must perform annual testing of all security control requirements to determine they are working as intended. Annual certification must be provided in writing to the Program Manager or designee in the form of a SSAE16 Type 2 or similar audit report within 30 days of completion of the audit report.

16. Customer Service

- a. Contractor must provide effective customer service and track and measure effectiveness for the life of the Contract.
- b. Contractor must provide a toll free phone number and have customer service representatives available to participants during normal business and off peak hours.
- c. Contractor must communicate customer concerns and comments to the Program Manager.
- d. Contractor must offer participants a Michigan based site/address for the receipt of contributions, written communication and provision of on-site/in-person customer service at a Michigan address/PO Box versus a Florida address.
- e. Contractor's enrollment process must include web-based options.

17. Marketing

- a. The Contractor must assist the State in marketing initiatives. Marketing materials must be broad enough to encompass any disability advocacy group. Contractor must work with the Program Manager to establish an approach for outreach and marketing including, but not limited to:
 1. Printed materials targeted to advocacy group facilities including outreach and seminars;
 2. Web-based outreach with webinars and e-mail campaigns to all disabled individual and/or guardians registered with the State;
 3. Outreach with local advisor groups with offices/representatives in local communities.
 4. The Contractor reserves the right to review materials containing the Contractors name and/or logo.
- b. The Program Manager must approve the marketing plan/materials before the plan is implemented.
- c. Web site development, maintenance and administration should include, but not be limited to:
 1. Specific MiABLE information (i.e. enrollment information, investment/fund performance, etc.);
 2. New account processing or ability to request program agreement and materials;
 3. Customer service information to include business hours (time zone), toll free phone number, regional office and representative;
 4. Historical and current company profile, i.e., years in business, assets under management and if appropriate biography of MiABLE fund manager;
 5. Secured access by client and Program Manager or designee to specific file or reporting data per Section 1.A.15.f. Access rights will be defined by the Program Manager;
 6. Ability to capture number of hits to MiABLE portion of web site;
 7. Direct link to MiABLE and Treasury related web sites to be determined by the Program Manager

8. Compliance with the Americans with Disabilities Act (ADA) and e-Michigan standards for web site requirements at www.michigan.gov/somlookandfeelstandards.
18. MiABLE program agreement for potential participants which must include but not be limited to:
 - a) Name, address and social security number or employer identification number of the account owner;
 - b) A designated beneficiary;
 - c) Name, address and social security number of the designated beneficiary; and
 - d) Any other information that the Program Manager or Contractor considers necessary.

2. Transition

End of Contract Conversion Responsibility: At Contract expiration or termination, the Contractor must work with State personnel and other contractors, if applicable, to convert or transition all Contract Activities, services and data into an acceptable format for uploading into or importing (also see Standard Contract Terms, Sections 25 and 32.e). The Contractor must work with the State and/or contractor during implementation of the transition plan to effect an orderly transition to the new contractor if applicable. The Contractor must allow as many personnel as practicable to attend meetings and receive hardcopy and/or electronic files (excel, PDF, etc.) to help maintain the continuity and consistency of the services required by the Contract.

3. Staffing

3.1. Contractor Representative

The Contractor must appoint individuals, specifically assigned to State accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative"). The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

Contractor Representative:

Stephen R. Banks, Executive Vice President
15 Yacht Club Dr. NE
Fort Walton Beach, FL 32548
(850) 244-7306 ext. 1104
sbanks@tsacg.com

3.2. Work Hours

The Contractor must provide Contract Activities during the State's normal working hours Monday – Friday, 8:00 a.m. to 6:00 p.m. EST, and possible night and weekend hours depending on the requirements of the project.

Hours of operation for customer service will be Monday – Thursday, 8:00 a.m. to 8:00 p.m. EST and Friday 8:00 a.m. to 6:00 p.m. EST.

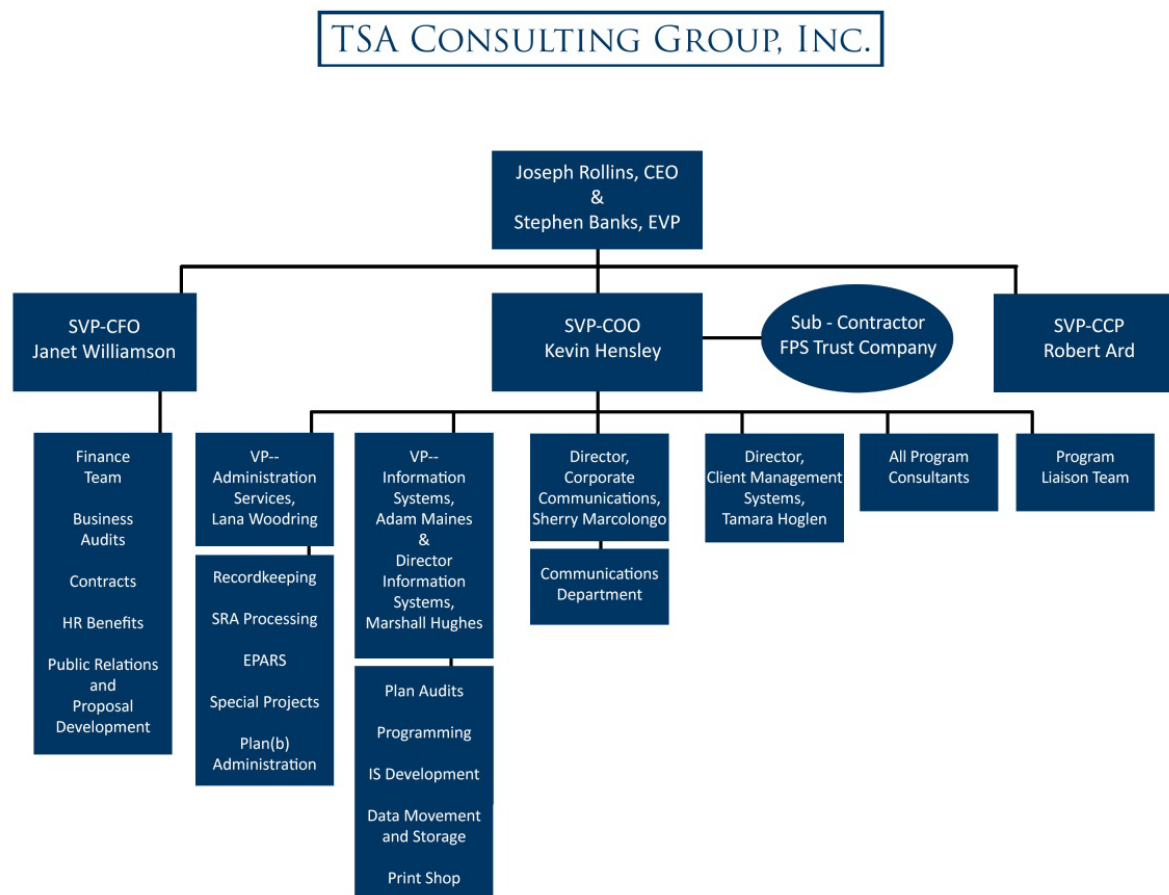
3.3. Key Personnel

The Contractor must appoint individuals who will be directly responsible for the day-to-day operations of the Contract ("Key Personnel"). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within 24 hours. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Program Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State.

Contractor's Key Personnel will consist of, but not limited to:

- a. Systems Specialist – James Olson (Managing Director of FPS Group) and Adam Maines (Vice President of Information Systems) will ensure the daily function of MiABLE enrollment and administration, and the State's ability to review MiABLE systems;
- b. Investment Manager – FPS Trust Company, LLC will monitor MiABLE trades, transfers, deposits and withdrawals; PIA will monitor all investment options.
- c. Customer Relations Specialist/Supervisor – Stephen R. Banks (Executive Vice President), Tamara Hoglen (Director of Client Management Systems), Sherry Marcolongo (Director of Corporate Communications) and Lana Woodring (Vice President of Operations) will address customer service related issues, training and public relations.

3.4. Organizational Chart



3.5. Disclosure of Subcontractors

1. If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

- The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
- The relationship of the subcontractor to the Contractor.

- Whether the Contract has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
- A complete description of the Contract Activities that will be performed or provided by the subcontractor.
- Of the total bid, the price of the subcontractor's work.

2. Subcontractors:

FPS Trust Company, LLC, 9200 E. Mineral Avenue, Suite 355 Centennial, CO 80112	FPS Services, LLC 9200 E. Mineral Avenue, Suite 355 Centennial, CO 80112	Prudent Investor Advisors, LLC 791 Eighth Street, Suite S Arcata, CA 95521
(303) 625-9646	(303) 625-9646	(760) 390-7874
FPS is a trust custodian that provides for account level trust and record keeping services, facilitating trades and providing statements and processing of individual investor funds.	FPS Services, LLC provides technology solutions to FPS Trust Co. and Contractor.	Registered investment advisory services; investment policy and investment analysis.
www.fpsgrouppllc.com	www.fpsgrouppllc.com	www.prudentilc.com

4. Project Management

4.1. Project Plan

1. Contractor must carry out this project under the direction and control of the Program Manager. All transition and implementation plans for use during the Implementation Period are subject to the approval of the Program Manager.
2. See Exhibit B for sample project plan.
3. The Contractor must submit a final implementation plan to Program Manager within five State-business days from Contract Effective Date, including Contractor's project plan management approach and detailed explanation of any identifying methods, tools, and processes, intended for oversight and completion of the implementation for November 1, 2016. The Program Manager will provide final approval of implementation plan within 14 Days after submission.

4.2. Meetings

1. There must be continuous liaising between the Program Manager and Contractor during the Implementation Period. Program Manager will meet with the Contractor's Representative for initial review and updated status of the Contractor's project plan periodically during the Implementation Period. The meetings will provide for reviewing progress and providing necessary guidance to the Contractor regarding the timing of activities and solving issues or problems.
2. Although there will be continuous liaison with the Contractor team, Program Manager will meet quarterly as a minimum, or as requested by the Program Manager in person or via teleconference as agreed by both parties, with the Contractor's Project Manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems which arise.

4.3. Reporting

The Contractor will be required to provide at a minimum the following reports at no additional charge:

- a. Reporting requirements of PA 160 and 161 of 2015 and IRC Sec. 529 (A) must include:
 - 1) Quarterly and annual statements to account owners.
 - 2) Quarterly and annual statements 1099-Q information to the Internal Revenue Service and account owners.
 - 3) Monthly report, in the proper format, of ABLE information sent to the State for reporting to the Social Security Administration. The format will be determined at a later date.
- b. Quarterly reports to the State Treasurer and/or his/her MiABLE designee of the investment performance. The reports should include but not be limited to:
 - 1) Names and identification numbers of all account owners, designated beneficiaries and distributees of accounts;
 - 2) The total amount contributed to all accounts during the year;
 - 3) All distributions from all accounts and whether or not each distribution was a qualified withdrawal;
 - 4) Account management fee adjustment;
 - 5) Presentation of performance results calculated according to criteria set by Association for Investment Management and Research "AIMR" with comparison to appropriate benchmarks, and rankings by rating agencies (such as MorningStar or Value Line); and
 - 6) Any other information that the State Treasurer may require regarding the taxation of amounts contributed to or withdrawn from accounts.
- c. Reserved.
- d. The Contractor will be required to provide audited financial statements on an annual basis in accordance with the requirements of the Michigan Department of Auditor General for inclusion in the State of Michigan Comprehensive Annual Financial Report (SOMCAFR).
- e. Reports as required by the Program Manager.
- f. Quarterly detailed report of marketing expenditures.
- g. Monthly call center reports to include the number of calls, the average length of time customers are on hold, number of complaints, timely resolution, and number of dropped calls.

STATE OF MICHIGAN

Contract No. 071B6600128
Michigan ABLE Savings Program (MiABLE)

EXHIBIT B SAMPLE PROJECT PLAN

Week	Implementation Activity	Responsible Party
Preplanning July - August	TSACG will respond to all inquiries by the State into the details of its services and platform and provide consultants and technical staff to be available to discuss specified deliverables and to map all strategies. If chosen, the time prior to the implementation start date will be used to finalize configurations and strategies required to accomplish the goals. The website specific needs will be discussed for development of the customized site.	
Week 1 (September 1-7, 2016)	<u>Initial Planning & Contracts</u> <ul style="list-style-type: none"> ✚ Meetings to discuss process ✚ Review plan & web design ✚ Review Communication and Education materials ✚ Begin Marketing Plan <u>Account Set up & Review</u> <ul style="list-style-type: none"> ✚ Meet with State to review account set up and remittance process & locations 	TSACG / State
Week 2 (September 8-14, 2016)	<u>Planning</u> <ul style="list-style-type: none"> ✚ Present & Review Investment Policy Statement ✚ Modify marketing plan ✚ Coordinate outreach ✚ Notify eligible institutions <u>Account Set up & Review</u> <ul style="list-style-type: none"> ✚ Begin account set up testing & parameters / rules 	TSACG / State
Week 3 (September 15-21, 2016)	<u>Planning</u> <ul style="list-style-type: none"> ✚ Marketing plan presented for approval <u>Account Set up & Review</u> <ul style="list-style-type: none"> ✚ Investment Policy Statement presented for discussion ✚ Reporting requirements will be discussed and detailed for development 	TSACG / State
Week 4 (September 22-28, 2016)	<u>Planning</u> <ul style="list-style-type: none"> ✚ Modifications to the marketing plan as agreed to by both parties will be made and a final draft of the plan will be submitted. During the time 	TSACG / State

	<p>leading up to this date, TSACG and the state will coordinate outreach to the various organizations that work with covered individuals. This would include K-14 school districts and colleges, Universities, advocacy organizations, and information obtained from State registries.</p> <p><u>Account Set up & Review</u></p> <ul style="list-style-type: none"> The Investment Policy Statement will be finalized and approved. The most expedient implementation is to utilize select mutual fund offerings with a guaranteed account already on the platform. Subsequent investment products can be chosen at a later date as they become available. <p><u>Materials & Web Development</u></p> <ul style="list-style-type: none"> By this date, the customized MiABLE website will be available for a first look by the State. Content will be discussed and the base website design and functionality will be agreed upon for the initial rollout. Future modifications and enhancements will be scheduled. If immediate changes are to be made, a subsequent review will be made by October 10th. Marketing materials, both electronic and printed, will be presented for review and approval. Modification will be made upon final determination between the State and TSACG with final proofs available before October 10th. 	
Week 5 (September 29-October 5, 2016)	Planning, set-up, and development continuation.	
Week 6 (October 6-12, 2016)	<p><u>Materials & Web Development</u></p> <ul style="list-style-type: none"> All marketing materials and website design to be approved by State. Final marketing distribution targets will be agreed upon by both parties and the final timeline for distribution will be approved. 	TSACG / State
Week 7 (October 13-19, 2016)	Planning, set-up, and development continuation.	
Week 8 (October 20-26, 2016)	<p><u>Materials & Web Development</u></p> <ul style="list-style-type: none"> Printed materials to be shipped to offices for advocates for the disabled and electronic media will be provided to all groups. These materials will detail the Go Live Date and where to get enrollment instructions. 	TSACG / State

	<u>Account Set up & Review</u> <ul style="list-style-type: none"> The Plan Sponsor, or Plan Manager Site will be available for review with report functions tested. Report designs will be ongoing as needs arise but the based reports will be finished. 	
Go Live Date (November 1, 2016)	<u>All Systems Live</u> <ul style="list-style-type: none"> Account set up completed Contributions will be accepted by TSACG/IPX Website live <u>Online Enrollment</u> <ul style="list-style-type: none"> Online enrollment is available 	TSACG
Post Effective Date	<u>Transition to Ongoing Service</u> <ul style="list-style-type: none"> Schedule periodic meetings to answer questions and review marketing plan and Investment Policy Statement Review & Monitor web and account set up activity 	TSACG/State

STATE OF MICHIGAN

Contract No. 071B6600128
Michigan ABLE Savings Program (MiABLE)

EXHIBIT C PRICING

1. Pricing must include all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).
2. In accordance with State Law, Contractor's annual administrative fee shall not exceed 2.0% of the average daily net assets of the account; and
3. Pricing Table

Total Fees Based on Size of Portfolio (Assets in the Program)		\$45 per account plus 0.50%			
	Year 1	Year 2	Year 3	Year 4	Year 5
Portion of Assets to Contractor	\$ 46,759.15	\$ 104,896.35	\$ 172,469.56	\$ 253,459.39	\$ 331,738.38
Annual Fee	\$ 210,416.16	\$ 371,033.83	\$ 499,037.00	\$ 629,495.02	\$ 689,814.32
Total Amount to Contractor	\$ 257,175.31	\$ 475,930.19	\$ 671,506.55	\$ 882,954.41	\$ 1,021,552.70
Estimated Contract Value:					\$ 3,309,119.16