

REQUEST FOR PROPOSAL

(Consolidated Public Retirement Board- CRFP CPR1900000004)

Attachment A: Cost Sheet Prudential Retirement

Vendors must complete this Cost Proposal Form and submit it in a separate, sealed envelope, marked "Cost Proposal" with its Proposal. State all fees, charges and costs to provide the TPA Services.

1. The fees will be paid quarterly, by Contract Year and quarter, complete the following;

Contract Year	Per-Participant Price Schedule with TDC Plan receiving all Commission, 12b-1 fees and Shareholder
Contract Year 1: 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter	\$7.25 \$7.25 \$7.25 \$7.25
Contract Year 2: 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter	\$7.25 \$7.25 \$7.25 \$7.25
Contract Year 3: 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter	\$7.25 \$7.25 \$7.25 \$7.25
Contract Year 4: 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter	\$6.75 \$6.75 \$6.75 \$6.75
Contract Year 5: 1 st Quarter 2nd Quarter 3 rd Quarter 4th Quarter	\$6.75 \$6.75 \$6.75 \$6.75
Optional Renewal Year 1: 1 st Quarter 2nd Quarter 3rd Quarter 4th Quarter	\$6.25 \$6.25 \$6.25 \$6.25
Optional Renewal Year 2: 1 st Quarter 2nd Quarter 3 rd Quarter 4th Quarter	\$6.25 \$6.25 \$6.25 \$6.25
* Participants should include both active and inactive participants, as we all as participants on a periodic payment schedule but not participants who have annuitized.	

Bidders are required to submit Costs under a per-participant fee schedule with two options for the allocation of commissions, 12b-1 fees and shareholder service fees. The above assumes that the TDC Plan will receive all commissions, 12b-1 fees and shareholder service fees.

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Attachment A: Cost Sheet (Continued) Prudential Retirement

Start Up Costs

Identify extraordinary one-time start-up Costs expected to be incurred. Please detail these expenses and describe how you propose to amortize and be reimbursed for these costs under the fee proposal you have outlined. If the contract is terminated for a reason other than cause, prior to the end of initial five-year period, indicate any amounts, at the end of each year, that will remain unreimbursed and the contract termination terms you would require. The amount of these start-up costs may be expressed in a flat dollar amount.

Item	Amount of One-Time Start Up Costs and
Total Amount of One-Time Start Up Costs	\$0
Amount Remaining at End of Contract Year 1	\$0
Amount Remaining at End of Contract Year 2	\$0
Amount Remaining at End of Contract Year 3	\$0
Amount Remaining at End of Contract Year 4	\$0
Amount Remaining at End of Contract Year 5	\$0

Attachment A: Cost Sheet (Continued) Prudential Retirement

Additional Fund Performance Review

The Agency may request additional Fund Performance Reviews in excess of the reports required in the RFP. Vendor will provide the additional reviews for the following additional fees:

Descriptio	Cost Per Review
Basic Fund Performance Report	\$0
Expanded Fund Performance Report	\$0

Additional Services

List any other fees or costs you would charge to provide the TPA Services.

Please refer to the enclosed Fee Quote.

Pricing Assumptions

No representations or warranties of any type or kind are made as part of this RFP as to the specific type or kind of investment options which may in the future be approved by the Agency nor are any representations or warranties made as to the number of members in the TDC Plan or the amount of assets that will constitute the Plan.

You must list the assumptions your firm used in making its proposal in the table below:

At Contract Year Ending	Number of Active Participants	Total Number of Participants*	Number of Payment (Lump Sum and Installments)	Amount of Assets** (millions)
Year 1	3,515	4,394	Unknown	516,826,266
Year2	3,670	4,587	Unknown	550,509,194
Year3	3,831	4,789	Unknown	586,458,969
Year4	4,000	4,999	Unknown	624,738,222
Year 5	4,175	5,219	Unknown	665,420,427
Optional Yr. 1	4,358	5,448	Unknown	708,751,808
Optional Yr. 2	4,550	5,687	Unknown	754,904,877

* Includes active, inactivity and those on payout status.

** Mutual fund assets are valued at market value and amounts include the impact of contributions and distributions on the Plan.

Assumptions

Participant Growth 4%

Asset Growth 6.5% overall growth



Prudential's Proposal for
**Defined Contribution
Retirement Plan Services**

Prepared for

West Virginia Public Retirement Board

June 17, 2019

Prudential is pleased to provide you with pricing for recordkeeping services. These scenarios are based on the investment options selected.



Prudential
Bring Your Challenges

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** Registered Representative, Prudential Investment Management Services LLC. Securities products and services are offered by Prudential Investment Management Services LLC (PIMS), A Prudential Financial company. Products, services, and answers presented in this response are offered through The Prudential Insurance Company of America's Prudential Retirement business unit and various operating subsidiaries and alliance partners including Prudential Retirement Insurance and Annuity Company.*

Plan Assumptions

Total plan assets:	\$510,454,026
Active Members	24,000
Number of plans	1
Payrolls	26

Prudential Mapping Strategy

Required revenue: 0.025% or \$29 per Member

DC Fee Summary

DC Plan Details

Eligible plan assets:	\$510,454,026
Members with Balance (Active + Deferred)	4,300
Annual Contributions	\$32,669,058

Included Services

Education Meeting Days	One Full-time Dedicated Representative Included
Transition Website For Members	Included
Member Communication and Education Materials Materials featuring company name, logo and market specific images delivered electronically to the Plan Sponsor. Including:	Included
<ul style="list-style-type: none">• Transition Announcement Letter• Sarbanes Oxley notification• Enrollment materials (English/Spanish)• Mapping document with fund fact sheets• Annual Member notices (i.e. QDIA, EACA, QACA, Safe Harbor), pre-populated with plan information electronically to Members (excludes new hire notices)	
Summary Plan Documents	Included
<ul style="list-style-type: none">• Prototype Plan Document and Summary Plan Description (SPD) Services• Mapping of existing plan document to Prudential's prototype or specimen document• Electronic SPD delivery to Plan Sponsor	
Plan Reporting	Included
<ul style="list-style-type: none">• Quarterly Plan Summary• Semi-Annual Plan Summary - Enhanced Report containing plan and Member statistics	

Included Services (continued)

ACH / Wire Contribution and Data Transfer	Included
<ul style="list-style-type: none">• Contribution processing and pricing via Prudential's standard automated applications• Automated Clearing House (ACH)/Wire contribution funding distribution• Data transfer, eligibility calculations, and deferral rate change processing via Electronic Delivery Transmission (EDT)	
Multi-lingual Phone Services	Included
Rollover-in Support and Qualification	Included
Investment Services & Quarterly DDA Program	Included
<ul style="list-style-type: none">• Standard Investment Policy Statement support• Quarterly Investment Monitor• Investment performance information (standard fund fact sheets, fund prices, fund performance and benchmarking data)• Quarterly Due Diligence Advisor Program (for Prudential's institutional sub-advised funds)	
Complete Compliance Testing Package	Included
<ul style="list-style-type: none">• Annual IRC Section 415(c) Test• Annual IRC Section 402(g) Excess Deferrals Test• Annual IRC Section 402(a)17 Compensation Limits	
Plan Compliance and Tax Reporting	Included
Plan Audit Support	Included
Directed Trustee Services	Included
<ul style="list-style-type: none">• Hold title to those plan assets that Prudential Bank & Trust, FSB deems administratively feasible• Signature-ready trust agreement• Monthly trust reporting package• Seamless integration with recordkeeping system	

DC Fee Summary

Optional Member Services

Distributions / Withdrawals	\$0 per check
Direct Service Option	\$0 Annual Charge
• Distribution Charge	\$0 distribution charge
Qualified Domestic Relations Order Processing	\$ 750 Assessed once per order, at order initiation
Self-Directed Brokerage Account Maintenance	\$100 Annual Fee
Morningstar Retirement Manager	
• Investment Advice	Included
• Managed Accounts	Based on Member assets under management: 0.35%

Optional Plan Services

Additional Complex Audit Support	\$300 per hour, charges are quoted upon request and a statement of work will be provided
Industry Report with Plan-Specific Data (outside of what is provided in the Executive Summary)	\$250 per report
Manual processing for contributions, including match calculation, profit sharing calculation and true-up calculations	Quoted upon request
Integration of External Accounts	Quoted upon request

Disclosures

Based on an initial review of your needs, the specific products, services and capabilities included in your pricing structure are outlined in this Fee Quote. This quote is based on information that has been made available to us at this time and is subject to revision, pending a more detailed review of your plan document, current records and the services and investments you select.

Fees are guaranteed for two years (to the extent that there are no significant changes, such as those pertaining to plan structure, level of assets, and fund changes). Such changes may impact the stated fees. The terms of this proposal will expire if it is not accepted within 60 days of the date shown on the cover page.

Investors should consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus, and if available the summary prospectus, contain complete information about the investment options available through your plan. Please call 1-877-PRU-2100 for a free prospectus and if available, a summary prospectus that contain this and other information about our mutual funds. You should read the prospectus and the summary prospectus, if available carefully before investing. It is possible to lose money when investing in securities.

Eligible Assets do not include Employer Stock, Self-Directed Brokerage, Outside Guaranteed Investment Contracts, or any non-proprietary investment without a standard payout rate.

¹Plan Reimbursement Agreement is amounts Prudential makes available to the plan to pay the plan's qualified expenses (including the cost of any consultants hired by the plan) that may or may not be provided by Prudential. The Plan Reimbursement Agreement represents an annual budget available for qualified plan expenses.

Communication Budget is an amount Prudential makes available to the plan to pay for the plans' qualified communication expenses. Unused amounts do not carryover from one calendar year to the next.

²Estimated Investment Revenue Available to Offset Recordkeeping & Administration Expenses represents Prudential's estimate from the listed sources of the annualized ongoing revenue available to cover the expense of recordkeeping, administration and other services Prudential provides to the plan and Members.

³Expense Ratio / Contract Charge is the sum of the 12b-1 Fee, Sub-Accounting Fees, and Finders Fee plus three other amounts. One is the fund's management fee. Another is any "Other Expenses," which are amounts charged against the fund's assets by the fund's sponsor for certain of the fund's operating expenses. Examples of "Other Expenses" include legal fees, auditing expenses, compliance with governmental regulations, and mailing or postage. The third is any asset charge set forth in the group annuity contract's Expense Schedule (or, for the Prudential Protection Account, in the Expense Schedule under the administrative services agreement) that is deducted from a fund's investment return or gross credited interest rate. Although the Expense Schedule states the asset charge will not be used for Prudential's expenses in managing assets, we have included it as an "Investment Expense" or "Investment Revenue" in this document solely for ease of presentation.

12b-1 Fee is a charge to shareholders of a mutual fund to cover its shareholder servicing, distribution and marketing costs. The charges may be paid to broker/dealers or other intermediaries (such as Prudential) who provide services to the mutual fund.

Sub Accounting Fee is a fee paid to providers (like Prudential) who perform the dual functions of (1) recordkeeping and administrative services to the plan and Member accounts and (2) consolidating trades and holdings of these accounts into one or more omnibus accounts to the mutual fund company. These fees are sometimes referred to as Sub-Transfer Agent Fees. The fees may be asset based or structured as flat, annual fees per account. The amount of Prudential's fee is set in an agreement between Prudential and the mutual fund company. The following formula is used to convert fees from per Member to percent of assets for purposes of this document: $[\text{Per Member Revenue} \times \text{Fund Members} / \text{Fund Assets}]$. For new business prospects the number of Fund Members is estimated assuming 5 funds per Member using the formula: $[\text{Total Plan Members} \times 5 \times \text{Fund Assets} / \text{Total Plan Assets}]$.

Finder's Fee is the amount paid to Prudential based on initial deposits and ongoing contributions to a mutual fund. Finder's Fees generally do not apply to assets transferred to Prudential "in-kind". The amount of the fee is set in an agreement between Prudential and the Fund Company. For Gross Revenues Calculation we assume a 7.5% contribution rate.

⁴Intermediary Compensation (if applicable) represents an estimate of the amount to be paid by Prudential to the insurance agent or broker/dealer representing Prudential as compensation for placing the plan with Prudential. The estimate is based on the funds illustrated and other assumption set forth in this document, and may differ than actual compensation paid over the past 12 months. The "Estimated Investment Revenue Available to Offset Recordkeeping and Administration Expenses" is expected to increase over time as the plan's assets grow. For the benefit of the plan, Prudential factors in this expected growth when making estimates such as this and setting forth a plan's actual fees. Reflecting this anticipated growth at the point of sale allows Prudential to offer pricing that is lower than would otherwise be required. For questions regarding this document, please contact your Prudential Retirement Relationship Manager or Sales Representative.

For any institutional sub-advised funds and collective trusts established by Prudential Retirement, Prudential does not receive any revenue from the funds' or trusts' investment managers. Prudential uses all of the amounts represented by the Expense Ratio to pay all costs of the funds and trusts, including fees paid to the funds' and trusts' investment managers. Prudential may terminate any of these managers at any time. Prudential Retirement's Manager of Managers funds are offered through separate accounts available under group annuity contracts issued by Prudential Retirement Insurance and Annuity Company (PRIAC), Hartford, CT, a Prudential Financial

Investors should consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus, and if available the summary prospectus, contain complete information about the investment options available through your plan. Please call 1-877-778-2100 for a free prospectus and if available, a summary prospectus that contain this and other information about our mutual funds. You should read the prospectus and the summary prospectus, if available carefully before investing. It is possible to lose money when investing in securities.

The Stable Value Fund is a combination of a group annuity contract issued by The Prudential Insurance Company of America (PICA), Newark, NJ 07102 and a portfolio of assets held in trust for the exclusive benefit of plan Members. Amounts contributed to the Stable Value Fund are deposited to the plan's designated trust account. Payment obligations and the fulfillment of any guarantees specified in the group annuity contract are insurance claims supported by the assets in the plan trust account and, if such assets are not sufficient, by the full faith and credit of PICA. The obligations of PICA are not insured by the FDIC or any other federal governmental agency. The interest rate credited on contract balances is reset pursuant to a formula contained in the group annuity contract. Past interest rates are not indicative of future rates. This product is not a mutual fund or bank product.

Prudential Retirement is compensated in connection with this product by collecting a fee which provides payment for risk, recordkeeping, and distribution services from the plan trust account. We may also collect fees on behalf of the investment manager of the plan trust account. Prudential Retirement may use a portion of its aggregate compensation to satisfy the plan's request for allowances and for payments to defray plan expenses or to compensate unaffiliated third-party plan service providers. If Prudential Retirement's aggregate compensation from this product and from other plan investment products exceeds the costs of servicing your plan, Prudential Retirement earns a profit; otherwise we incur a loss.

Frequent exchanging between plan investment options may harm long-term investors. Your plan or the plan's investment funds may have provisions to deter exchanges that may be abusive. These policies may require us to modify, restrict, or suspend purchase or exchange privileges and/or impose redemption fees.

Retail Mutual Funds and Self-directed brokerage are offered through Prudential Investment Management Services LLC (PIMS). PIMS is a Prudential Financial company. Member FINRA/SIPC. Self-directed brokerage accounts are carried and maintained by National Financial Services LLC pursuant to a clearing agreement with PIMS.

In providing this information Prudential Retirement is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity. Prudential Retirement may benefit from advisory and other fees paid to it or its affiliates for managing, selling, or settling of the Prudential mutual funds and other investment products or securities offered by Prudential Retirement or its affiliates. Investment vehicles sponsored or managed by a Prudential Retirement affiliate generate more revenue for the Prudential enterprise than non-proprietary investment vehicles. Prudential Retirement's sales personnel generally receive greater compensation if plan assets are invested in proprietary investment vehicles. Prudential Retirement may benefit directly from the difference between investment earnings of Prudential Retirement's stable value funds and the amount credited to deposits in those funds. Prudential Retirement may also benefit from broker-dealer or other entities' co-sponsorship of Prudential conferences.

Prudential Retirement's group annuity contracts are issued by Prudential Retirement Insurance and Annuity Company (PRIAC), Hartford, CT, a Prudential Financial company.

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