

December 8, 2012

Krista Ferrell
Department of Administration, Purchasing Division
2013 Washington Street East
P.O. Box 50130
Charleston, WV 25305-0130

To Whom It May Concern:

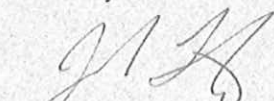
I am writing to inform you that in spite of our sincere enthusiasm for delivering your Pension System, PensionSmart will not be bidding on RFP CPRI2026 for the West Virginia Consolidated Public Retirement Board. In 2011, PensionSmart was part of the CedarCrestone proposal for your previous RFP. Since the cancellation of that RFP, we have refined our teaming strategy to better meet the needs of our customers and deliver the best possible products and services in the pension administration software space.

PensionSmart is now focusing our teaming with partners that share the critical tenets of our delivery model. It is important to us to subcontract with service firms that can deliver cost-effective, supportable and maintainable software implementations to the customer on time and within budget. The efficiencies of the configurable software paradigm are lost if the implementation team cannot deliver. For these reasons, we are now working exclusively with partners that have a proven track record with delivery, and that can integrate well with our organizational goals and culture. This is exactly why we feel the CherryRoad/PensionSmart team presents the absolute best plan, products and services to deliver a cutting-edge, full-featured pension administration solution to WVCPRB.

Unfortunately, we will not be able to deliver our proposal because of what we understand to be legal issues between CedarCrestone and CherryRoad. It is devastating to us to again lose traction with WVCPRB as a potential customer. We feel that your requirements as well as your organization are an ideal match for the Oracle Pension product and for PensionSmart's service model. Because the Oracle Pension Solution is so dependent on implementation services, the delivery team that you select will drive dramatically different results, costs and quality of your product. As part of the right team, PensionSmart was looking forward to delivering a solution that exceeds your expectations.

We wish you the best in your vendor selection and we are hopeful that your project will be successful by all standards.

Sincerely,



Joseph A. Lojko
President

cc: Larry Hymson, EVP, CherryRoad