

**STATE OF IOWA  
OFFICE OF THE TREASURER OF STATE**

**REQUEST FOR PROPOSALS FOR SECURITIES  
CUSTODIAL SERVICES**

March 19, 2024



# 1. Purpose & Background

## 1.1 Purpose

Iowa State Treasurer (“Treasurer”) as Administrator of the Iowa Unclaimed Property Program solicits proposals from qualified professional firms interested in providing custodial accounting, brokerage and trading services (“Firm”) to the Iowa Unclaimed Property Program.

The Treasurer is seeking a Firm to provide services that are detailed in this RFP. This RFP is not an offer to contract but seeks the submission of proposals from interested firms that may form the basis for negotiation of a Professional Services Agreement. *The Treasurer reserves the right to reject any or all proposals and to solicit additional proposals if that is determined to be in the best interest of the State of Iowa.*

## 1.2 Background

The Treasurer administers the Unclaimed Property program pursuant to Iowa Code 556 and Iowa Administrative Code 781-9 (the “Code”). Businesses and financial institutions that are holding stocks, securities, shareholding or other intangible ownership in a business association and are unable to locate the rightful owner of that property within statutorily defined periods, are required to report and deliver such property to the Treasurer. The Treasurer’s Office holds unclaimed security properties in trust until the owner(s) come forward and prove ownership through the submission of a claim. The Treasurer is authorized to sell unclaimed securities if they remain unclaimed one year after it’s delivery.

## 2. Scope of Services

The Firm shall provide all goods or services and deliverables as required, described and detailed in the appropriate section(s) below and shall meet all service and delivery timelines as specified by this RFP.

The Firm must furnish all labor, materials and resources necessary to provide the Unclaimed Property Division with custodial accounting, brokerage and trading services, including but not limited to the following:

1. Maintain properly segregated account(s) for the State Treasurer's Office, Unclaimed Property Division for the custody and safekeeping of securities remitted to the Treasurer/Unclaimed Property Division pursuant to the Code, subject to the Treasurer's discretion, either within a master account or within, where appropriate, existing accounts. Assets shall not be held in omnibus or commingled accounts, unless agreed to by the Treasurer.
2. Collect all dividends, income, principal, sale proceeds and other payments with respect to securities to which the account is entitled and credit receipts to the account no later than actual settlement date.
3. Hold all cash in an interest-bearing account as selected by the Unclaimed Property Division, and remit to the Treasurer monthly. Include a description of the interest-bearing account, the basis for the interest rate, and the location of the funds while invested.
4. Coordinate the receipt of securities based on instructions provided by the Unclaimed Property Division via email or through a secured website provided by Firm within two business days after receiving notification from the reporting organizations or their agents. The Treasurer will designate the Firm as the custodian to which securities should be delivered in the instructions for filing the annual report and remittance of unclaimed property. Firm will receive and deposit into the appropriate account(s) all securities transferred or delivered to the Firm. Hold securities collected on behalf of the Treasurer in book-entry with a domestic or foreign depository or in a vault, as appropriate.;
5. Collect and allocate all coupons, dividends and any other payments of income or capital relating to any and all securities deposited with the Firm;
6. Liquidate securities and mutual funds upon receipt of proper instructions from the Treasurer. Trades shall be initiated same day or within 24 hours if instructions are received after the cut off time. Any securities not eligible for sale will be communicated to the Treasurer within five business days. Upon liquidation of any security or mutual fund, the sales proceeds will be credited in the Treasurer's account upon settlement.
7. Submit any and all called or matured securities for payment as they are called in for redemption;
8. Process all mandatory corporate actions made by issuers of securities held in Firm custody, including but not limited to offerings, exchanges, tenders and consolidations ;
9. Notify the Unclaimed Property Division of all voluntary corporate actions, such as exchanges, tender offers, etc. and process as directed by the Treasurer, with any such direction provided via email or Firm secure website.
10. Re-register securities into claimant's name upon receipt of proper instructions from the Treasurer. Trades will be processed within 24 hours of receipt of instructions and verification of

the request. Should any security not be eligible, the Firm shall notify the Treasurer that the security cannot be transferred/re-registered within 10 business days. The Firm will communicate with the owners as needed to ensure securities are returned by the Firm in a form approved by the Treasurer.

11. Provide the Unclaimed Property Division 24/7 access to an online inquiry system that allows tracking of all transactions, inventory, portfolio value, and transaction history for the Treasurer's account(s). The Firm shall also provide a file as a download from a secured website (or FTP site) detailing all activity in the account and shall deliver it to the Treasurer via email within 24 hours after any transaction. Firm shall provide the Treasurer with the ability to connect to an integrated website, which will allow the Treasurer access to a variety of reports and transactions. The Treasurer shall have the ability to view all activity affecting the issues in the Treasurer's portfolio, including, but not limited to, transactions involving dividends, purchases, splits and tenders. The records describing each transaction should include, at minimum the following: transaction type (i.e. dividend, split, etc.), shares affected, cash affected, CUSIP, transaction date, effective date, record date and issue name. For transactions that affect more than one issue, such as mergers or spin-offs, the Treasurer shall require the record to contain both CUSIPs affected or two records to represent the action. Files should be created in a comma delimited (CSV) format as well as PDF format. Firm is required to provide the Treasurer training on how to utilize this website, as requested by the Treasurer.
12. Provide monthly electronic statements in PDF and CSV format for all the Unclaimed Property Division's accounts in a manner and form acceptable to the Treasurer, identifying all transactions and activities settling in the period covered by the statement, such as purchases, sales, coupons, dividends, funds received and issued, portfolio positions, trades executed but not yet settled and any corporate actions. The reports shall be delivered to the Treasurer no later than the 2nd business day in a method prescribed by the Treasurer. The Firm shall develop specific customized reports, if requested by the Treasurer;
13. The registered broker/dealer must be a member of the National Association of Securities Dealers (NASD) or other self-regulatory organization and conduct a lawful securities business;
14. Provide minimum Securities Investor Protection Corporation (SIPC) protection and an excess securities policy in writing to and subject to the approval of the Unclaimed Property Division as well as in an amount agreed to by the Unclaimed Property Division;
15. Provide electronic delivery and receipt of securities via DTC, DRS and DWAC;
16. Provide electronic delivery to the Unclaimed Property Division of all information regarding securities including, but not limited to, cash dividends, share/stock dividends, sale transactions, transfers and monthly statements;
17. Provide daily security valuation report in CSV format that reflect the holdings security values within the last 24 hours;
18. Provide research for worthless securities as well as the determination and ability to liquidate that includes stocks listed as well as those not listed on exchanges;
19. Provide the capability to block low price securities (LPS) entering the account, subject to the Unclaimed Property Division's instruction;
20. Provide a monthly review of account holdings to remove, subject to the Unclaimed Property Division's approval, worthless securities;

21. Provide Direct Registration Share (DRS) processing by converting shares from the accounts held directly with transfer agents or share registry to DTC;
22. Provide security research as requested by the Treasurer;
23. Acknowledge all Treasurer inquiries with one business day. The Firm must work closely with the Treasurer and all other involved parties for resolution. If resolution is not possible within 10 business days, the issue will be escalated to management for further review;
24. Firm will not engage in securities lending with securities in the account;
25. Upon request provide transaction history and information related to reconciliations of securities between Custodial Account and State's Unclaimed Property System;
26. Process wire requests as directed by the Treasurer;
27. Provide mutual fund account application processing for transfer back to the owners, as well as full support and coordination between the owners and mutual fund companies for a successful transfer, and
28. Upon termination of the Agreement, transfer all securities to the successor vendor of the Treasurer's choosing. The Firm must provide the Successful Vendor with all the information, reports and data related to the Services, electronically in a format approved by the Treasurer.

### 3. RFP Questions

The Treasurer is interested in providing flexibility to Firms in their responses. After reviewing the Attachments and this RFP, please provide additional comments or relevant information pertaining to management and custody of unclaimed securities. Use appendices as necessary.

#### 3.1 Questions

Please include the questions as well as your answer in your response.

##### Part I: Organization

1. Provide a brief overview of your organization. Describe your organization's corporate structure, including holding companies, parents, subsidiaries and affiliates, year established, number of clients and size.
2. Provide your organization's primary location(s) as well as the location(s) of any facility or office located outside of the primary location(s) that will be used to provide the Services.
3. Will any services be performed outside of the United States? If work must be performed outside of the United States, provide a detailed explanation of why this is required. If not, provide a statement certifying that services will not be performed outside of the United States.
4. Provide details of your insurance coverage and risk mitigation efforts, errors and omissions coverage, cybersecurity and any other fiduciary insurance relevant to the scope of this RFP.
5. Provide information on all "related" or "affiliated" firms or subcontractors that will provide services described in this RFP.
6. Provide any restrictions, regulatory action, consent orders, past or pending litigation relating to your firm, principals, or individual personnel within the past three years.
7. Provide details of any legal action taken against your firm or any of its owners, principals, or personnel, during the preceding three calendar years.
8. Provide details of any claims, disputes, litigation or other legal proceedings where your firm is or has been involved with the State of Iowa or any of its agencies within the past three calendar years.
9. Describe factors or reasons we should consider your firm more favorably than your competitors.

##### Part II: Program Management

10. Provide the following information on at least 3 clients (including contact persons) for whom similar services as described in this RFP are provided:
  - a. Company
  - b. Address
  - c. Contact
  - d. Telephone Number
  - e. Length of Relationship in Years
  - f. Services provided
11. Provide a profile of the team that would be assigned to custodial service for Iowa Unclaimed Property. Include professional highlights, qualifications, tenure with your firm and experience relevant to this type of program.
12. If you perform similar services for other states, are all states charged the same fee? If not, explain what contributes to the differences.

### Part III: Operating & Management Procedures & Processes

In no more than seven pages, describe concrete outcomes of the proposed work as it pertains to your level of experience and expertise with the required project tasks in the Scope of Services.

13. Describe your organization's experience in transitioning and managing public sector custodial and safekeeping relationships.
14. Describe your plan, and present a timeline, for transitioning Treasury's accounts to your institution.
15. Describe your technical expertise in managing custodial accounts of similar size and holdings to those of Treasury. Describe your experience in providing accounting and compliance reporting services to public sector clients.

### 3.2 Financial Proposal

The evaluation process is designed to award this procurement not necessarily to the Firm of least cost, but rather to the Firm whose proposal best meets the requirement of this RFP. However, Firms are encouraged to submit proposals which are consistent with state government efforts to conserve state resources.

Offerors shall complete and submit Attachment E (Proposed Pricing).

1. Include any one-time set-up charges and all other fees to be charged.
2. Provide an explanation of each service line being added. We will be evaluating and comparing all fees. Make sure your explanation is clear and concise.
3. For tiered pricing, please note if all levels are charged or just the level representing the volume for the month.
4. Provide the custodian's most comprehensive and best pricing proposal.
5. Acknowledge that the fee schedule proposed by the successful custodian shall remain fixed over the initial term of the contract.

**The Iowa Treasurer's Office will not consider the submission of brochures, references to websites and/or other marketing material as a substitute for written responses to our requirements and questions.**

## 4. Administrative Information

### 4.1 Purpose

The purpose of this Request for Proposal (“RFP”) is to solicit proposals from Firms to provide security custodial, brokerage, and trading services to Iowa’s Unclaimed Property Program.

### 4.2 Procurement Timetable

Issue RFP	March 19, 2024
Requests for clarification and questions due	April 1, 2024; 3:00 p.m. Central
Response to questions, issues and any RFP modifications	April 8, 2024
Proposals due to Treasurer’s Office	April 12, 2024; 3:00 p.m. Central
Interviews scheduled, if any (could be virtual or in person)	Week of April 22, 2024
Notice of award(s), if any	Week of April 29, 2024

The Treasurer reserves the right to adjust the schedule of events as needed.

### 4.3 Requests for Clarification

Firms may submit written questions regarding the procurement process and interpretation of the RFP. Firms must submit their questions by the deadline posted above with the subject line “RFP Question” to the following RFP Coordinator:

Dustin McNulty, Unclaimed Property Manager  
RFP Coordinator  
Email: [dustin.mcnulty@tos.iowa.gov](mailto:dustin.mcnulty@tos.iowa.gov)

If a Firm wants to be notified when the questions and answers are posted on the website, they must email the RFP Coordinator with such request.

Oral questions will not be permitted. If the questions or requests for clarification pertain to a specific section of the RFP, the page and section number(s) must be referenced. From the issue date of the RFP until the deadline for submitting proposals, Firms may contact only the RFP Coordinator with regard to the RFP. The RFP Coordinator will respond only to questions regarding the procurement process and interpretation of the RFP. Firms may be disqualified if they contact any employee of the treasurer’s office, other than the RFP Coordinator, regarding this RFP.

The Treasurer assumes no responsibility for verbal representations concerning conditions made by its officers or employees at any time, unless such representations are specifically incorporated into this RFP or written addenda to the RFP. Verbal discussions pertaining to modifications or clarifications of this RFP shall not be considered part of the RFP unless confirmed in writing by the RFP Coordinator. Any information provided by the Firm verbally shall not be considered part of the Firm’s proposal. Only written communications from the Firm and received by the RFP Coordinator will be accepted.

This section shall not be construed as restricting communications related to the administration of any contract currently in effect between a Firm and the State.



#### 4.4 Iowa Statutes and Administrative Rules

The term and conditions of this RFP, any resulting contract, and any activities based upon this RFP shall be governed by and construed in accordance with the laws of Iowa.

#### 4.5 Amendment to the Request for Proposal

In the event it becomes necessary to amend, add to or delete any part of the RFP, such amendment will be posted to the website. The Firm's response must include acknowledgment of all addenda. If a Firm wants to be notified when any amendments are posted on the website, they must email the RFP Coordinator with such request.

#### 4.6 Submission of Proposals

No more than one proposal per Firm should be submitted. The Firm should designate one person as the principal contact with respect to this RFP. No proposals will be accepted after the date and time specified in this section.

Responses should be emailed to:

Dustin McNulty, Unclaimed Property Manager  
RFP Coordinator  
Email: [dustin.mculty@tos.iowa.gov](mailto:dustin.mculty@tos.iowa.gov)

Responses must be received in the Treasurer's office not later than 3:00 p.m. on the date indicated in section 4.2.

Prior to the deadline, contact concerning this RFP should be limited and in the format described above. However, after the deadline, please be advised there is to be no contact with any staff member of the Treasurer's office with respect to this proposal until a decision has been announced.

#### 4.7 Cost of Proposal

The costs of the preparation and delivery of the proposal are solely the responsibility of the Firm.

#### 4.8 Waiver of Deficiencies

The Treasurer reserves the right to waive minor deficiencies in a proposal. The decision as to whether a deficiency will be waived or will require the rejection of a proposal will be solely within the discretion of the Treasurer. Each Firm is specifically notified that the failure to comply with or respond to any part of this RFP requiring a response may result in rejection of its proposal.

#### 4.9 Clarification of Proposals

The Treasurer reserves the right to contact a Firm after the submission of proposals for the purpose of clarifying a proposal. This contact may include written questions, interviews, site visits, a review of past performance if the Firm has provided services to the State or any other political subdivision wherever located, or requests for corrective pages in the Firm's proposal. The Treasurer will not consider information received from or through Firm if the information materially alters the content of the proposal or the type of services the Firm is offering to the Treasurer. An individual authorized to legally bind the Firm shall sign responses to any request for clarification. Responses shall be submitted to the

Treasurer within the time specified in the Treasurer's request. Failure to comply with requests for additional information may result in rejection of the proposal.

#### 4.10 Rejection of Proposals

The Treasurer reserves the right to reject any and all proposals, in whole or in part, received in response to this RFP at any time during the solicitation process. Issuance of this RFP in no way constitutes a commitment by the Treasurer to award a contract. This RFP process is for the benefit of Iowa's Unclaimed Property Program and is intended to provide the Treasurer with competitive information to assist in the determination if and how a Firm could benefit the program.

#### 4.11 Proposal Disclosure Prohibition

Until a contract resulting from this RFP is executed, no employee, agent or representative of any Firm shall make available or discuss its proposal with the press, any elected or appointed official or officer of the State of Iowa, or any staff member of the Treasurer's office, unless specifically authorized to do so by the Treasurer or Chief of Staff.

#### 4.12 News Release Prohibition

Firms shall not issue any news releases or make any statement to the news media pertaining to this RFP or any proposal or contract or work resulting from this RFP without the prior written approval of the Treasurer.

#### 4.13 Copyrights

By submitting a proposal, the Firm agrees that the Treasurer may copy the proposal for purposes of facilitating the evaluation or to respond to requests for public records. The Firm consents to such copying by submitting a proposal and warrants that such copying will not violate the rights of any third party. The Treasurer will have the right to use ideas or adaptations of ideas that are presented in the proposals.

#### 4.14 Proposals Property of Treasurer

All proposals, whether accepted or rejected, become the property of the Treasurer and shall not be returned to the Firm. Once the Treasurer executes a contract, the contents of all Proposals will be public records available for inspection by interested parties, except for information for which Firm properly requests confidential treatment according to exceptions provided in Iowa Code Chapter 22 or other applicable law.

#### 4.15 Public Records and Requests for Confidentiality

The release of information by the Treasurer to the public is subject to Iowa Code chapter 22 and 781 Iowa Administrative Code Chapter Two. Firms are encouraged to familiarize themselves with these provisions prior to submitting a proposal. All information submitted by a Firm may be treated as public information by the Treasurer unless the Firm properly requests that information be treated as confidential at the time of submitting the proposal.

Any requests for confidential treatment of information must be included in a cover letter with your proposal and must enumerate the specific grounds in Iowa Code chapter 22 which support treatment of the material as confidential and must indicate why disclosure is not in the best interests of the public.

The request must also include the name, address, and telephone number of the person authorized by the Firm to respond to any inquiries by the Treasurer concerning the confidential status of the materials. Any documents submitted that contain confidential information must be marked on the outside as containing confidential information, and each page upon which confidential information appears must be marked as containing confidential information. The confidential information must be clearly identifiable to the reader wherever it appears. All copies of the proposal submitted, as well as the original proposal, must be marked in this matter.

In addition to marking the material as confidential material where it appears, the Firm must submit one copy of the proposal in which the confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the document as possible. This copy must be submitted with the cover letter and will be made available for public inspection.

The Firm's failure to request confidential treatment of material pursuant to this section and the relevant laws and administrative rules will be deemed by the Treasurer as a waiver of any right to confidentiality which the Firm may have had.

#### 4.16 Restrictions on Gifts and Activities

Iowa Code chapter 68B contains laws which restrict gifts which may be given to or received by State employees and requires certain individuals to disclose information concerning their activities with state government. Firms are responsible for determining the applicability of this chapter to their activities and for complying with these requirements. In addition, Iowa Code chapter 722.1 provides that it is a felony to bribe a public official.

#### 4.17 Agreement Not Exclusive

Any agreement resulting from this RFP shall not be an exclusive agreement between the parties, and the State or Treasurer and is entitled to enter into similar agreements with any other party.

#### 4.18 Construction of RFP with Laws and Rules

This RFP is to be construed in light of pertinent legal requirements. Changes in applicable laws and rules may affect the award process or the resulting contract. Firms are responsible for ascertaining pertinent legal requirements and restrictions.

#### 4.19 Fees

Fees quoted by the Firm must be valid for a period of 180 days from the due date of responses to this RFP.

#### 4.20 Oral Agreements

Any and all oral agreements are not binding on the state of Iowa or the Treasurer. Written agreements represent the contractual obligations of the State and the Treasurer.

#### 4.21 Firm Presentation of Supporting Evidence

A Firm, if requested, must be prepared to present evidence of experience, ability, service facilities and financial standing necessary to satisfactorily meet the requirements set forth or implied in the proposal.

#### 4.22 Changes to Proposal

No additions or changes to the original proposal will be allowed after submittal. While changes are not permitted, clarification at the request of the Treasurer may be necessary.

#### 4.23 Collusion

By responding, the Firm implicitly states that the proposal is not made in connection with any competing Firm submitting a separate response to the RFP, and is in all respects fair and without collusion or fraud.

#### 4.24 Attachments and Appendices are Part of RFP

Any attachment, appendix, schedule, table or exhibit that is referred to herein or attached hereto shall be deemed incorporated herein by reference and shall constitute a part of this RFP.

Proposals should be as thorough and detailed as possible so that your capabilities to provide the required services can be properly evaluated.

## 5. Format and Content of Proposals & Evaluation of Proposals

### 5.1 Instructions

The proposal shall include all of the documents and information and meet all of the requirements described in Section 5.2. Failure to adhere to these requirements will cause rejection of the Firm's proposal. Firms are cautioned that the forms provided as attachments herein are to be used directly. Proposals should follow the order of questions as they are asked in Section 3 of this RFP. In response to each question asked in Section 3, restate the **main** question (denoted by a number or a letter) in bold font followed by your answers stated in regular font. Responses should be thorough and answer the specific question asked, (including any issues addressed following a question). The proposal shall be formatted to 8.5" x 11" paper and be sequentially numbered, beginning with the cover page and include appendices, addendums, and other attachments. Margins shall be no less than 1" on all sides. An electronic copy shall be emailed to [dustin.mcnulty@tos.iowa.gov](mailto:dustin.mcnulty@tos.iowa.gov).

If the Firm designates any information in its proposal as confidential pursuant to Section 4.17 of this RFP, the Firm must comply with all requirements set forth in Section 4.17. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the proposal as possible.

Proposals shall not contain promotional or display materials.

Attachments shall be referenced in the proposal.

If a Firm proposes more than one method of meeting these requirements, each shall be labeled and submitted separately. Each will be evaluated separately.

### 5.2 Proposal

The following documents and responses shall be included in the proposal in the order given below:

**Cover Page:** The Firm will provide a Cover Page that includes the Firm's name and contact information, including full address, phone number and email.

**Transmittal Letter:** The letter shall include the following:

1. Name, title, mailing address, electronic mail address, and telephone number of the contact person who may be contacted by the Treasurer regarding the contents of the Firm's proposal;
2. Acknowledgement that the Firm is able and willing to deliver services as described in Section 2 "Scope of Services" or an explanation of how its service would differ from these expectations;
3. Any request for confidential treatment of information, in addition to the specific statutory basis supporting the request and an explanation of why disclosure of the information is not in the best interest of the public. (See section 4.17 of this RFP for more information about confidentiality.)
4. The Firm shall guarantee in writing the availability of the services offered and that all proposal

terms, including price, will remain firm for a minimum of 180 days following the deadline for submitting proposals.

5. The transmittal letter shall include acceptance of terms and conditions. The Firm shall specifically state that Firm agrees with and accepts all terms and conditions stated in the RFP, including the terms and conditions contained in Appendix A, without change except as otherwise expressly stated in its proposal. If the Firm objects to any term or condition, the Firm must specifically refer to the RFP or attachment page and section. Objections or responses that materially alter the RFP may, in the Treasurer's sole determination, be deemed non-responsive and the Treasurer may disqualify the Firm. See Section 4.1 for additional information and requirements regarding contract terms and conditions.

**Answers to Questions:** The Firm shall address each question in Section 3 of the RFP. Emphasis should be on clarity, brevity and completeness of information.

**Proposal Certification – Attachment A:** The Firm shall sign and submit with the proposal the document included as Attachment A, in which the Firm shall certify that the contents of the proposal are true and accurate.

**Certification of Independence and No Conflict of Interest – Attachment B:** The Firm shall sign and submit with the proposal the document included as Attachment B, in which the Firm shall certify that it developed the proposal independently. The Firm shall also certify that no relationship exists or will exist during the contract period between the Firm and the State or any counties or local election officials that interferes with fair competition or is a conflict of interest. The Treasurer reserves the right to reject a proposal or cancel the award if, in its sole discretion, the Treasurer determines any relationship exists that could interfere with fair competition or conflict with the interests of the State or the counties.

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Attachment C:** The Firm shall sign and submit with the proposal the document included as Attachment C, in which the Firm shall certify that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency. Federal regulations prevent Departments from letting contracts funded by federal grants or funds to Firms who have been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in contracts with federal agencies.

**Authorization to Release Information – Attachment D:** The Firm shall sign and submit with the proposal the document included as Attachment D, in which the Firm authorizes the release of information to the State.

**Cost Proposal- Attachment E:** The Firm shall submit with the proposal the document included as Attachment E, in which the Firm details their proposed pricing as outlined in section 3.2

### 5.3 Evaluation

The Treasurer will not necessarily award any contract resulting from this RFP to the Firm offering the lowest cost to the State. Instead, the Treasurer intends to select the compliant Firm whose proposal provides the State with the best value and serves the best interests of Iowa's Unclaimed Property Program.

The Treasurer will use an evaluation committee to review and evaluate the proposals. The committee will consider all information provided in the proposal when making its recommendation to the Treasurer and may consider relevant information from other sources.

### Evaluation Process

The evaluation process shall consist of the following steps:

1. **Proposal Format Review:** Members of the Treasurer’s staff will review proposals to assess and verify compliance with the requirements of this RFP. The Treasurer reserves the right to waive minor variances at the sole discretion of the Treasurer.
2. **Evaluation:** The evaluation committee will evaluate and score all compliant proposals that have advanced through Step 1.

The evaluation committee may use the following chart or similar criteria while it is scoring applicants on the criteria mentioned above.

Organization	20%
Program Management	20%
Operating & Management Procedures	30%
Cost Proposal	30%

3. **Finalist Interviews:** After the initial scoring evaluation, the evaluation committee may then select Firms whose evaluation scores received the highest initial scores for finalist interviews. Based on these presentations, the evaluation committee may then adjust the initial scores based on the evaluation categories identified above and in accordance with the relative weights accorded to each evaluation category.
4. **Recommendation:** The evaluation committee will make a recommendation to the Treasurer.
5. **Decision:** The Treasurer is not bound by the recommendation and may select a Firm(s) that was not recommended by the evaluation committee, or he may reject all Firms. The Treasurer has full discretion to hire a Firm(s).

## 6. General Terms and Condition of the Contract

### 6.1 Contract Terms and Conditions

Any contract resulting from this RFP that the Treasurer expects to award as a result of this RFP will be based upon the proposal submitted by the successful Firm and this solicitation. The contract between the Treasurer and the Firm shall be a combination of the specifications, terms and conditions of the RFP and any policies governing the Unclaimed Property Program, the contract terms contained below, the offer of the Firm contained in the Firm's proposal (excluding any exceptions taken by Firm in accordance with this Section 4.1 that are not accepted by the Treasurer specifically in writing and contained in the executed agreement), written clarifications or changes made in accordance with the provisions herein, and any other terms deemed necessary by the Treasurer.

The contract terms and conditions contained in this Section are not intended to be a complete listing of all contract terms and conditions that may be deemed necessary by the Treasurer but are provided only to enable Firms to better evaluate the costs associated with the RFP and the potential resulting contract(s). All costs associated with complying with these requirements should be included in any pricing quoted by the Firm.

**By submitting a proposal, each Firm acknowledges its acceptance of the terms, conditions, and requirements contained in this RFP, including those contained in Section 6, without change except as otherwise expressly stated in its proposal. If a Firm takes exception to any term, condition, requirement or other provision of this RFP, it must state the reason for the exception and set forth in its proposal the specific contract language it proposes to substitute in place of the excepted provision. If a Firm takes exception to any term or condition contained in Section 6, the Firm must produce a redlined draft of such language, and such redlined draft(s) must clearly reflect all of Firm's exceptions thereto and all alternative language or other changes that Firm specifically proposes to make. Exceptions and/or proposed changes that materially change the terms, conditions, specifications, or requirements of the RFP may be deemed non-responsive by the Treasurer, as determined in its sole discretion, resulting in possible disqualification of the Firm's proposal. A Firm's failure to state an exception to any term, condition, specification, requirement or other provision of this RFP and propose alternative language in accordance with this Section 4.1 may be deemed by the Treasurer to constitute Firm's acceptance thereof. Any term, condition, provision, or requirement, to which a Firm fails to take exception and propose changes in accordance with this Section 6.1 will not be subject to negotiation. A Firm may not take exception to all of the provisions or terms contained in Section 6. A Firm may not state that it takes exception to any terms, conditions, requirements, or other provisions of the RFP to the extent any of the foregoing conflict with any terms or conditions contained in the Firm's standard form contracts. A Firm may not submit its standard form contract(s) for consideration in lieu of the terms in Section 6. By submitting a proposal to this RFP, Firms acknowledge and agree that the Treasurer and any successful Firm will be negotiating from a contract provided by the Treasurer, and will not be negotiating from or utilizing a Firm's standard form contracts. The Treasurer reserves the right to refuse to enter into a contract with the successful Firm for any reason, even after delivery of notice of selection or intent to negotiate a contract. The Treasurer further reserves the right to negotiate contract terms with the successful Firm(s), and to suspend or terminate negotiations at any time.**



### **Term of Contract**

The Treasurer currently anticipates that the duration of the Agreement will be for an initial period of three (3) years from the effective date of execution, which will then automatically renew under the existing terms, unless the Treasurer provides the Firm with written notice of the Treasurer's intent not to renew or otherwise extend the Agreement. The additional renewals may be terminated at the Treasurer's discretion, with or without cause, after ninety (90) days written notice to the Firm.

### **General Terms**

This Agreement cannot be assigned, transferred or conveyed in whole or in part by The Firm without the consent of the Treasurer. For purposes of construing this clause, a transfer of a controlling interest in The Firm shall be considered an assignment. The Firm will inform the Treasurer of changes in its corporate structure within a reasonable time of such changes occurring.

Any delegation of services hereunder by The Firm shall be subject to the prior written consent of the Treasurer, and any contract to be entered into by The Firm providing for a delegation of services shall be subject to the prior written approval of the Treasurer.

### **Invoices**

The Firm shall submit, on the frequency established in the Agreement, an invoice for services rendered in accordance with this Agreement. The invoice shall comply with all applicable rules concerning payment of such claims. The Treasurer shall verify the Firm's performance of the Deliverables outlined in the invoice before making payment. The Treasurer shall pay all approved invoices in arrears and in conformance with Iowa Code § 8A.514. The Treasurer may pay in less than sixty (60) days, but an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code § 8A.514.

Unless otherwise agreed in writing by the parties, the Firm shall not be entitled to receive any other payment or compensation from the State for any Deliverables provided by or on behalf of the Firm under this Contract. The Firm shall be solely responsible for paying all costs, expenses and charges it incurs in connection with its performance under this Contract.

In addition to pursuing any other remedy provided herein or by law, the Client may withhold compensation or payments to Firm, in whole or in part, without penalty to the Client or work stoppage by Firm, in the event the Client determines that: Firm has failed to perform any of its duties or obligations as set forth in this Contract. No interest shall accrue or be paid to Firm on any compensation or other amounts withheld or retained by the Client under this Contract.

In the event that the Firm owes the State any sum under the terms of this Contract, any other contract or agreement, pursuant to a judgment, or pursuant to any law, the State may, in its sole discretion, set off any such sum against: (1) any sum invoiced by, or owed to, Firm under this Contract, or (2) any sum or amount owed by the State to Firm, unless otherwise required by law. The Firm agrees that this provision constitutes proper and timely notice under any applicable laws governing setoff.

### **Indemnification**

1. The Firm and its successors and permitted assigns shall indemnify and hold harmless the Treasurer and the State of Iowa and their employees, officers, board members, agents, representatives, and officials ("Indemnitees") from and against any and all claims, actions, suits, liabilities, damages, losses, settlements, demands, deficiencies, judgments, costs and expenses (including, without limitation, the reasonable value of time of the Attorney General's Office and the costs, expenses

and attorney fees of other counsel retained by any Indemnitee) directly or indirectly related to, resulting from or arising out of this Agreement, including but not limited to any claims related to, resulting from, or arising out of:

- a. Any violation or breach of any term or condition of this Agreement by or on behalf of the Firm, including, without limitation, the furnishing or making by the Firm of any statement, representation, warranty or certification in connection with this Agreement that is false, deceptive, or materially incorrect or incomplete; or
  - b. Any act or omissions of the Firm, including, without limitation, any negligent acts or omissions, intentional or willful misconduct, or unlawful acts of the Firm, its officers, employees, agents, board members, contractors or subcontractors or any other person in connection with the services provided hereunder; or
  - c. The Firm's performance or attempted performance of this Agreement; or
  - d. Failure by the Firm or its employees, agents, officers, directors, contractors or subcontractors to comply with all applicable local, state, federal and international laws, rules, ordinances and regulations; or
  - e. Any failure by the Firm or its employees, agents, officers, directors, contractors or subcontractors to make all reports, payments and withholdings required by Federal and state law with respect to social security, worker's compensation, employee income and other taxes, fees or costs required by the Firm to conduct business in the State of Iowa; or
  - f. Any alleged or actual infringement, misappropriation or violation of any intellectual property rights, proprietary rights or personal rights of any third party, including, without limitation, any patents, trademarks, trade dress, trade secrets, or copyrights of a third party.
2. The Firm's indemnification obligations under this Agreement are not limited to third-party claims but shall also apply to any claims that either party may assert against the other.
  3. The Firm's duties as set forth in this Section shall survive the termination of this Agreement and shall apply to all acts or omissions taken or made in connection with the performance of this Agreement regardless of the date any potential claim is made or discovered by the Treasurer or any other Indemnitee.
  4. The State of Iowa will not indemnify the Firm for any reason

### **Confidentiality**

During the term of this Agreement and thereafter, the Firm shall not disclose, duplicate, copy, or use for any purpose other than for the performance of their duties under this Agreement and shall treat as confidential and as proprietary to the State all information that relates to the State and that has been obtained from the Treasurer under this Agreement. The Firm's employees shall be allowed access to the State records as needed for their duties relating to this Agreement and in accordance with all applicable laws and rules. The obligation to treat as proprietary and confidential shall not apply to information that is publicly available, is in the Firm's possession on the date of this Agreement if it was not obtained from the State, or was obtained by the Firm rightfully from third parties, and further shall not apply to information that is required to be produced by law, regulation, or the order of a court or other governmental agency. The provisions of this Section shall survive the termination of this Agreement.

### **Third-Party Distribution**

Except to the extent that the nature of the work indicates otherwise, the Firm's work is prepared solely for the internal business use of the State and it may not be provided to third parties without the Firm's prior written consent, such consent not to be unreasonably withheld.

#### **Right of Audit**

The Firm agrees that the Auditor of the State or any authorized representative of the State shall have access to, and the right to examine, audit, excerpt, and transcribe any directly pertinent books, documents, papers, and records of the Firm relating to the drafts, credits, orders, invoices, or payments related to this Agreement. The Firm agrees to maintain all records relating to this Agreement for three (3) years following the date of final payment or completion of any required audit, whichever is earlier. Compliance with this clause does not relieve the Firm of any obligation to retain records in accordance with other laws or regulations of Federal, State, or local governmental units.

#### **State and Local Taxes**

The State is exempt from federal excise taxes, and no payment will be made for any taxes levied on the Firm's employees' wages. The State is exempt from state and local sales and use taxes on the services supplied pursuant to this Agreement.

#### **Default; Termination**

In the event that the Firm fails to observe and perform any covenant, condition, or obligation under this Agreement, the Treasurer shall provide written notice to the Firm requesting that such breach or noncompliance be immediately remedied. In the event that such breach or noncompliance continues for thirty (30) days beyond the date of said written notice, the Treasurer may either: (1) immediately terminate this Agreement without additional written notice, or (2) enforce the terms and conditions of this Agreement and seek any legal or equitable remedy. In either event, the Treasurer may seek damages as a result of said breach or failure to comply with the terms of this Agreement.

With the mutual agreement of both Parties upon receipt and acceptance of written notice, this Agreement may be terminated on an agreed upon date prior to the end of the term without penalty to either Party. The agreed termination date shall not be less than sixty (60) days from the first of the month following the date of notification, unless the Parties mutually agree to shorten the time period.

The Treasurer and the Firm may terminate this Agreement without notice and without the payment of any penalty at any time if the funds necessary for the State to fulfill the State's obligations hereunder are insufficient for any reason.

The Treasurer may immediately terminate this Agreement for malfeasance, misfeasance, fraud, or a change in the financial position that could impair the stability of the Firm. The sole determination of such cause and whether it has been substantially remedied shall be made by the Treasurer and shall be binding upon all Parties.

If this Agreement is terminated, the Firm must deliver to the Treasurer, in an orderly and timely manner, all records and data created for the State in a format acceptable to the Treasurer.

#### **Nondiscrimination**

The Firm agrees not to engage in any discriminatory practices based on age, race, color, creed, religion, national origin, sex, sexual orientation, gender identity, or disability, and will comply with all provisions of

federal, State, and local regulations against discrimination. The Firm shall ensure that any authorized subcontractors comply with the provisions of this section.

### **Applicable Law**

This Agreement will be deemed to have been entered into in the State of Iowa, and all duties, obligations and rights hereunder will be governed by the laws of the State of Iowa, without regard to conflicts of laws principles.

### **Disputes**

In any proceeding litigated in court arising out of or relating to this Agreement, the Parties agree to waive a jury trial. It is the express intention of the Parties that all legal actions and proceedings related to this Agreement or to any rights or any relationship between the Parties arising therefrom shall, to the extent jurisdiction can be established, be initiated and maintained in Des Moines, Iowa, in Polk County District Court for the State of Iowa. If, however jurisdiction is not proper in the Polk County District Court, the action shall only be brought in the United States District Court for the Southern District of Iowa, Central Division, provided that jurisdiction is proper in that court. If federal jurisdiction cannot be established with respect to any such action or proceeding, such action or proceeding may be initiated and maintained in

State courts. The Firm and the Treasurer each irrevocably consents to the jurisdiction of such courts in any such action or proceeding and waives any jurisdictional objections they may have to any such action or proceeding.

### **Cooperation**

The Parties shall cooperate with each other in a commercially reasonable manner in order that the duties and obligations of the Parties hereunder may be effectively discharged. Each Party shall take such further action as the other Party hereto may from time to time reasonably request in order to carry out the intent and purpose of this Agreement, including consideration of amendments to this Agreement which may be necessary in light of changes affecting the State.

### **Severability**

The invalidity of or inability to enforce any provision of this Agreement will not affect the other provisions, and this Agreement will be construed in all respects to the extent possible to fulfill the purposes of this Agreement as if such invalid or unenforceable provision were omitted. To the extent any provision of this Agreement is held to be invalid or unenforceable, the Parties agree to negotiate in good faith in an effort to adopt revised provisions designed to reflect the original intention of the Parties and the purposes of the Agreement.

### **Successors**

This Agreement shall be binding upon and inure to the benefit of, the Firm, the Treasurer and the State and their respective successors and permitted assigns. All references herein to the Treasurer shall be deemed to include any successor to the functions thereof under the Act with respect to the State. All references herein to the Firm shall be deemed, respectively, to include any corporate successor thereto.

### **Third Party Beneficiaries**

The provisions of this Agreement are solely for the benefit of the Firm, the Treasurer and the State and nothing in this Agreement shall be construed to give to any other person any legal or equitable right, remedy or claim under or in respect to this Agreement or any provision contained herein.

**Force Majeure**

Neither of the Parties shall be responsible for delays or failures in performance resulting from acts beyond the reasonable control of such Party. Such acts shall include, but not be limited to, acts of God, riots, acts of war, terrorism, epidemics, governmental regulations superimposed after the fact, changes in the laws, rules and regulations applicable to the State that cause a substantial hardship to any Party, fire, earthquakes, or other disasters ("Uncontrollable Event"). Additionally, each Party acknowledges and agrees that the ability of the Parties to perform their respective obligations described hereunder depends on the timely and adequate performance by third-party vendors supplying necessary services and materials. No Party shall be responsible for delays or failures in performance hereunder if caused by delays or failures by third party vendors beyond the control of the Party; such failure by a vendor shall, together with an Uncontrollable Event, be known as a "Force Majeure" unless the failure was also accompanied by the Party's failure to exercise reasonable care in selecting or retaining such third party vendor. In the event that any Party is unable to perform any of its obligations under this Agreement or to enjoy any of its benefits because of a Force Majeure, the Party who has been so affected shall immediately give notice to the other Parties and shall do everything commercially reasonable to resume performance. Upon receipt of such notice, all obligations affected by the Force Majeure under this Agreement shall be immediately suspended. If the period of nonperformance exceeds forty-five (45) days from the receipt of notice of a Force Majeure, any Party that has the ability to perform and has not been so affected may, by giving written notice, immediately terminate this Agreement provided that the obligations affected by the Force Majeure are material.

**No Waiver**

No act, delay or omission done, suffered or permitted by one Party or its subsidiaries, affiliates, delegates or assignees shall be deemed to waive, exhaust or impair any right, remedy or power of such Party hereunder, or to relieve any other Party from the full performance of this Agreement. No waiver by any Party of any right or remedy under this Agreement shall be deemed to be a waiver of any other or subsequent right or remedy under this Agreement, and no waiver of any term, covenant or condition of this Agreement shall be valid unless in writing and signed by the obligee Party.

## Attachment A: Proposal Certification

Date

Dustin McNulty, RFP Coordinator  
Iowa Treasurer of State  
Lucas State Office Building  
321 E 12<sup>th</sup> St, 1<sup>st</sup> Floor  
Des Moines, Iowa 50319

Re: Request for Proposal  
Securities Custodial Services RFP  
PROPOSAL CERTIFICATION

Dear Mr. McNulty:

I certify that the contents of the proposal submitted on behalf of **(Name of Firm)** in response to the RFP for **Security Custodial Services** are true and accurate. I also certify that **(Name of Firm)** has not made any knowingly false statements in its proposal.

Sincerely,

---

Name and Title

## Attachment B: Certification of Independence and No Conflict of Interest

Date

Dustin McNulty, RFP Coordinator  
Iowa Treasurer of State  
Lucas State Office Building  
321 E 12<sup>th</sup> St, 1<sup>st</sup> Floor  
Des Moines, Iowa 50319

Re: Request for Proposal  
Securities Custodial Services  
CERTIFICATION OF INDEPENDENCE AND NO CONFLICT OF INTEREST

Dear Mr. McNulty:

By submitting a proposal in response to the RFP for the **Securities Custodial Services**, the undersigned certifies the following:

1. The proposal has been developed independently, without consultation, communication or agreement with any employee or consultant to the State who has worked on the development of this RFP, or with any person serving as a member of the evaluation committee.
2. The proposal has been developed independently, without consultation, communication or agreement with any other Firm or parties for the purpose of restricting competition.
3. Unless otherwise required by law, the information found in the proposal has not been knowingly disclosed and will not be knowingly disclosed prior to the award of the contract, directly or indirectly, to any other Firm.
4. No attempt has been made or will be made by (Name of Firm) to induce any other Firm to submit or not to submit a proposal for the purpose of restricting competition.
5. No relationship exists or will exist during the contract period between (Name of Firm) and the State that interferes with fair competition or as a conflict of interest.

Sincerely,

---

Name and Title

## Attachment C: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

Date

Dustin McNulty, RFP Coordinator  
Iowa Treasurer of State  
Lucas State Office Building  
321 E 12<sup>th</sup> St, 1<sup>st</sup> Floor  
Des Moines, Iowa 50319

Re: Request for Proposal  
Securities Custodial Services RFP  
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY  
EXCLUSION

Dear Mr. McNulty:

By submitting a proposal in response to the RFP for the **Securities Custodial Services**, the undersigned certifies the following:

1. I certify that, to the best of my knowledge, (Name of Firm) and all of its principals: (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a Federal Agency or agency; (b) have not within a three year period preceding this proposal been convicted of, or had a civil judgment rendered against them for commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of antitrust statutes or commission of embezzlement, theft, forgery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are not presently indicted for or criminally or civilly charged by a government entity (federal, state, or local) with the commission of any of the offenses enumerated in (b) of this certification; and (d) have not within a three year period preceding this proposal had one or more public transactions (federal, state, or local) terminated for cause.

2. This certification is a material representation of fact upon which the Treasurer has relied upon when this transaction was entered into. If it is later determined that the undersigned knowingly rendered an erroneous certification, in addition to other remedies available, the Treasurer may pursue available remedies including suspension, debarment, or termination of the contract.

Sincerely,

---

Name and Title



## Attachment D: Authorization to Release Information

Date

Dustin McNulty, RFP Coordinator  
Iowa Treasurer of State  
Lucas State Office Building  
321 E 12<sup>th</sup> St, 1<sup>st</sup> Floor  
Des Moines, Iowa 50319

Re: Request for Proposal  
Securities Custodial Services RFP  
AUTHORIZATION TO RELEASE INFORMATION

Dear Mr. McNulty:

**[Name of Firm]** hereby authorizes the **Treasurer** to obtain information regarding its performance on other contracts, agreements or other business arrangements, its business reputation, and any other matter pertinent to evaluation and the selection of a successful Firm in response to the **Securities Custodial Services**.

The Firm acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. The Firm acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the State or may otherwise hurt its reputation or operations. The Firm is willing to take that risk.

The Firm hereby releases, acquits and forever discharges the State of Iowa, the Treasurer of the State of Iowa, and, their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references obtained by the State in the evaluation and selection of a successful Firm in response to the **Request for Proposal for the Securities Custodial Services**.

The Firm authorizes representatives of the Treasurer to contact any and all of the persons, entities, and references which are, directly or indirectly, listed, submitted, or referenced in the undersigned's proposal submitted in response to the **Request for Proposal for the Securities Custodial Services**.

The Firm further authorizes any and all persons, entities to provide information, data, and opinions with regard to the undersigned's performance under any contract, agreement, or other business arrangement, the undersigned's ability to perform, the undersigned's business reputation, and any other matter pertinent to the evaluation of the undersigned.

The undersigned hereby releases, acquits and forever discharges any such person or entity and their officers, directors, employees and agents from any and all liability whatsoever, including all claims,

demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references supplied to the Treasurer in the evaluation and selection of a successful Firm in response to the **Request for Proposal for the Securities Custodial Services**.

A photocopy or facsimile of this signed Authorization is as valid as an original.

Sincerely,

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Printed Name of Firm Organization

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Name and Title of Authorized

## Attachment E: Cost Proposal

Complete the Cost Proposal provided in Excel as Attachment E.

Additionally, provide a one-year cost for securities given the following transactions (this is intended to provide a clear ability to compare prices). If there are any variables that are not clear, please request clarification in the question and answer period.

Transaction Type	Number of Issues	Number of Shares
Number of Securities current held by Iowa	1557	26,254,615.95
Number of DRS/DTC Securities received in year	872	5,663,703.38
Number of DRS/DTC Securities transfer to claimants made in year	77	46,762.00
Number of DRS/DTC liquidations processed in year	1071	13,707,180.63
Number of Mutual Fund Securities received in year	158	172,589.761
Number of Mutual Fund transfer to claimants made in year	6	27,055.974
Number of Mutual Fund liquidations processed in year	307	262,839.986
Number of Physical Items received in year	2	5
Number of Physical Items transferred in year	1	20
Number of Physical Items liquidated in year	3	2