

ADDENDUM OF 8/12/2010
To
REQUEST FOR PROPOSAL
for
STABLE VALUE INVESTMENT
MANAGEMENT SERVICES

The following should be considered part of the RFP and are to be incorporated into your response.

Please also see question #6 of the Question and Answer document for further clarification.

Addendum items:

1.2 MINIMUM BIDDER QUALIFICATIONS

This paragraph currently reads as follows:

Wrap providers:

The wrap provider must be an insurance company, bank or financial institution with five or more years experience providing wrap contracts or similar products to stable value funds.

All providers must be rated by at least two nationally recognized rating agencies with a rating of AA-/AA3 or better.

The State will evaluate regulatory filings and rating agency reports to assess risk-based capital adequacy.

If the bidder is an insurance company, bidder must have all of the following ratings:

- At least two Insurer Financial Strength or Claims-Paying Ability type ratings from the major rating services;
- No Insurer Financial Strength or Claims-Paying Ability type rating less than “A+/A1” and a rating of no less than “A-” from A. M. Best Company.
- NAIC risk-based capital (RBC) ratio of no less than 200%

The RFP is changed to read as follows:

Wrap providers:

The wrap provider must be an insurance company, bank or financial institution with five or more years experience providing wrap contracts or similar products to stable value funds.

All providers must be rated by at least two nationally recognized rating agencies with a **long term credit** rating of **A or A2** or better.

The State will evaluate regulatory filings and rating agency reports to assess risk-based capital adequacy.

If the bidder is an insurance company, bidder must have all of the following ratings:

- At least two Insurer Financial Strength or Claims-Paying Ability type ratings from the major rating services;
- No Insurer Financial Strength or Claims-Paying Ability type rating less than “A+/A1” **for Moody’s, S & P or Fitch** and a rating of no less than “A-” from A. M. Best Company.
- NAIC risk-based capital (RBC) ratio of no less than 200%