

AGENDA

COMMITTEE ON HUMAN RESOURCES/INSURANCE

December 1, 2009
Aldermen Gatsas, Shea, Lopez,
Garrity, Pinard

6:30 PM
Aldermanic Chambers
City Hall (3rd Floor)

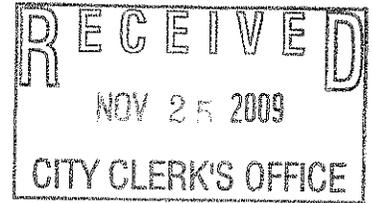
1. Chairman Gatsas calls the meeting to order.
2. The Clerk calls the roll.
3. Communication from Jane Gile, Human Resources Director, recommending that the Fire Department be authorized to enter into a Memorandum of Understanding with the Fire Dispatchers to pilot for one year the change in dispatcher work schedules, provided that the Fire Department has the flexibility to rescind the program should it have unintended adverse financial impacts on the department's expenditures.
Gentlemen, what is your pleasure?

TABLED ITEMS

A motion is in order to remove this item from the table.

4. Communication from Jane Gile, Human Resources Director, recommending the City enter into a fiduciary partnership program and advisory services agreement with Mesirow Financial Investment Management, Inc. This agreement will in effect provide the necessary indemnification required by Mesirow.
(Note: A representative from Hartford Life is requested to present the costs associated with the recommendation.)
5. If there is no further business a motion is in order to adjourn.

Jane Gile
Human Resources Director



CITY OF MANCHESTER Human Resources Department

November 25, 2009

Alderman Ted Gatsas, Chair
Human Resources and Insurance Committee
One City Hall Plaza
Manchester, NH 03101

RE: Fire Department Dispatch Rescheduling Plan

Dear Alderman Gatsas:

The Fire Chief has submitted a proposal requesting a scheduling change for Fire Dispatchers. The requested change is anticipated to reduce dispatcher overtime costs by scheduling eight (8) of the nine (9) authorized dispatchers on a "four days on (12 hour days) and four days off" schedule. The remaining dispatcher will be considered a "floater", covering not only planned vacation weeks (30-35 weeks) for the current dispatch personnel but also covering shifts of employees calling out sick or who are on long term authorized sick leave, such as FMLA. The floater will maintain a regular schedule during the times he/she is not required to cover vacation or sick leave for other personnel.

The new schedule has the impact of increasing each dispatcher annual hours by 104 hours/year, therefore authorization from the HRIC is needed to proceed with this one year pilot.

Although the plan incurs overtime of 8 hours for each employee every other week (one work week is 36 hours; the next work week is 48 hours), the floater can alleviate the full vacation/sick week overtime costs by covering the shift(s) in straight time with overtime for any hours worked over 40. According to the Chiefs, this type of schedule is used in other municipalities with success.

According to Chief Burkush and Deputy Chief Goonan, the Local 856 which represents the fire dispatchers are aware of this proposal. The dispatchers have voted to accept it as well.

Recommendation: That the Manchester Fire Department be authorized to enter into a Memorandum of Understanding (MOU) with the Fire Dispatchers to pilot for one year the change in dispatcher work schedules, provided that the Fire Department has the flexibility to rescind the program should it have unintended adverse financial impacts on the department's expenditures. Additional language in the MOU will confirm the sick leave and vacation leave deductions for this new schedule.

1 City Hall Plaza • Human Resources Department • Manchester, New Hampshire 03101 • (603) 624-6543 •

FAX: (603) 628-6065

E-mail: HumanResources@ManchesterNH.gov • Website: www.manchesternh.gov

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Jane E. Gile".

Jane E. Gile, SPHR
Human Resources Director

James A. Burkush
Chief of Department



City of Manchester *Fire Department*

November 23, 2009

Hon. Chairman Theodore Gatsas
Committee on Human Resources
1 City Hall Plaza
Board of Mayor and Aldermen
Manchester, NH 03101

Re: Propose Dispatch Schedule Change

Dear Alderman Gatsas,

I am writing to request a change in the fire dispatch schedule to address some of the problems we feel an internal review of our current practices have identified concerning that division.

During the past year our administration has been discussing and evaluating some of the issues we are facing in our dispatch division and developing ideas to update and use our personnel effectively as possible. Some of the concerns we have discussed include:

- Long term sick leave
- Overtime
- Use of Manpower

Currently our 9 dispatchers work on a rotating combination of 8hr and 12hr shifts on a 4 day on and 2 days off work week. There are two dispatchers working on every shift. Day 8am-4pm, Mid Day 4pm-12am and Midnight 12am-8am shift. This arrangement results in overtime every time a dispatcher goes on vacation, calls out sick, or is on long term sick leave. This is a continuing problem and has a significant impact on our budget.

The solution we have developed and would like to propose is a 4 shift per week, 12hrs per shift schedule, 2 day shifts 7am-7pm, 2 night shifts 7pm-7am with 4 days off. This would benefit the both the City of Manchester and the members of our Dispatch Division.

Benefits to the Administration:

- More flexibility
- Reduction in overtime costs
- More Effective use of manpower
- Lower overall personnel cost

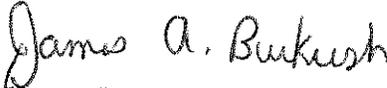
Benefits to the Dispatchers

- Improved work schedule
- Dispatches paid for hours worked
- More quality time off

We have met with Local 856 and presented the conclusions of our internal study. The Union in turn met with their negotiating committee, presented the information, and polled the members of the Dispatch Division. The Dispatchers voted to accept the new schedule. We collectively have agreed that this schedule change should be put into place on a 1 year trial basis with ongoing evaluation of the effectiveness of these changes performed monthly.

We feel implementing this schedule change could successfully cover all overtime resulting from vacations and have the flexibility to cover long term sick leave if that should occur. We estimate a cost reduction in the first year of implementation of at least \$10,000.00 with additional savings as the dispatchers earn more vacation time.

Sincerely,


James Burkush
Fire Chief

Jane Gile
Human Resources Director



CITY OF MANCHESTER Human Resources Department

September 25, 2009

Alderman Ted Gatsas, Chair
Human Resources and Insurance Committee
City of Manchester
One City Hall Plaza
Manchester, NH 03101

RE: Mesirow Financial Investment Management, Inc.

Dear Alderman Gatsas:

The City of Manchester offers an optional 457 retirement plan to its employees. It is a voluntary program whereby employees, through payroll deductions, contribute to a deferred compensation plan offered through The Hartford. The City does not contribute to the plan.

However, the City, as the plan sponsor, has a fiduciary responsibility for the investment options offered by The Hartford. With such diverse investment options from which to select, it has been determined that it makes good sense for the City to partner with Mesirow Financial Investment Management, Inc. The partnership with Mesirow, without additional cost to the City, provides independent professional guidance with asset allocation and fund selection by providing both qualitative and quantitative analysis. The expert resources available through Mesirow will assist the City greatly in making well-informed decisions relative to fund selection options/opportunities. Mesirow will also act as co-fiduciary on their investment recommendations.

Attached is a document that explains the fiduciary partnership program as well as the Advisory Services Agreement. The later has been reviewed by the City Solicitor. The agreement calls for the plan sponsor to indemnify Mesirow. Only the BMA has the authority to grant indemnification. Therefore, authorization to enter into this agreement with Mesirow is required.

Sincerely,

Jane E. Gile, SPHR
Human Resources Director

FIDUCIARY PARTNERSHIP PROGRAM

As a plan sponsor your goal is to implement a sound retirement program that offers your employees security, diversification and potential for growth. But with so many investment options to choose from, this task can be overwhelming. Your plan provider offers a strong foundation of diverse investment selections, yet without the tools and resources to adequately evaluate funds, you may be ill prepared to select the investments most appropriate for your participants.

Mesirow Financial Investment Strategies partners with you to develop an investment line up that enables plan participants to build prudent investment portfolios. With extensive market knowledge and cutting-edge analysis we provide professional guidance in creating your 401(k) program, including:

- Assistance with investment selection
- Fiduciary partnership relating to the investments selected for your program
- Quarterly investment monitoring and reporting
- Security in knowing that an independent, unbiased, third party is overseeing the fund selection for your retirement program

Fiduciary Partnership

Your role as a plan sponsor comes with a heavy burden of accountability for the investment options you offer to participants. As experts in fund selection and asset allocation we are confident in our recommendations and agree to share fiduciary responsibility with you with respect to the investment selections on the Mesirow Financial Elite List.

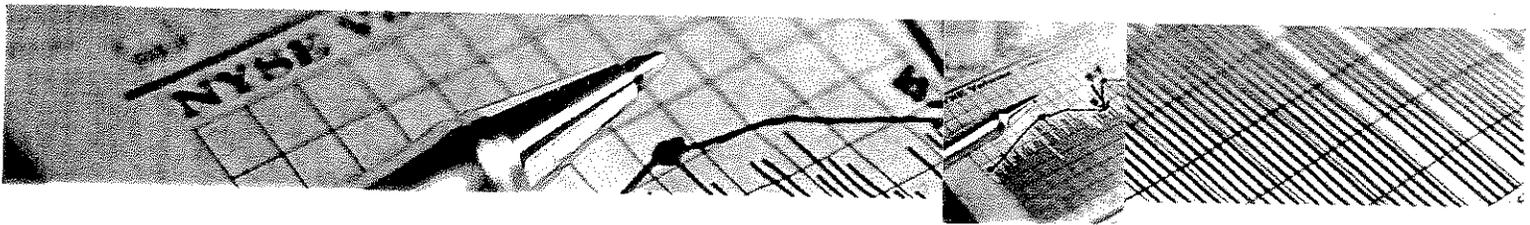
Innovative Asset Allocation and Fund Selection Methodology

We narrow the playing field by providing you with a manageable subset of investment options to choose from. Our methodology centers on selecting funds that can enhance performance while staying true to the investment strategy and asset allocation policy. We consider both style-pure and multi-style managers in our analysis, thereby expanding the spectrum of funds available to participants. Using a unique blend of quantitative and qualitative analysis, it is our goal to measure manager performance and determine their forecasted potential for excess returns.

Step-by Step Process

- Analyze the funds that comprise the universe of available investment options from your plan provider
- Apply quantitative analysis to classify funds into peer groups to identify those that have consistent style and can add excess return while controlling excess risk
- Determine preliminary list of selected funds categorized by asset class
- Perform qualitative review of fund managers using detailed questionnaires, manager interviews and holdings analysis
- Develop Mesirow Financial's Elite List, consisting of pre-selected investment options for your plan

*With extensive
market
knowledge and
cutting-edge
analysis
we provide
professional
guidance in
creating your
401(k)
program...*



Quarterly Reporting and Monitoring

Mesirow Financial provides the monitoring and reporting services necessary to keep you apprised about the investment options offered to your plan participants.

Through our partnership, you will receive extensive resources to assist in maintaining and monitoring your retirement program. Our detailed Quarterly Report includes:

- An updated Elite List with the recommended funds and a report outlining any changes to the recommended fund from previous quarters
- Market commentary on the previous quarter
- Performance summaries of all Elite Funds
- Individual fund statistics and select holdings information
- Outstanding issues on both a qualitative and quantitative basis on any funds on the Elite List

Recognized Industry Leaders

With 85 years of collective experience in the investment industry, our team has earned a reputation for integrity, service and performance among those in the asset allocation arena. In addition, we are supported by the comprehensive institutional investment management expertise of Mesirow Financial. From equities and fixed income to private equity, hedge funds and currency management, the firm is continually at the forefront in creating innovative and effective investment solutions for institutions all over the world.

About Mesirow Financial

Mesirow Financial is a diversified financial services firm headquartered in Chicago. Founded in 1937, we are an independent employee-owned firm with offices across the country. With expertise in Investment Management, Investment Services, Insurance Services, Investment Banking, Consulting and Real Estate, Mesirow Financial has consistently met the financial needs of institutions, public sector entities, corporations and individuals. This year marks Mesirow Financial's 70th anniversary. For more information about Mesirow Financial, visit our Web site at www.mesirowfinancial.com.

Investment Strategies Division

Mesirow Financial Investment Strategies is a division of Mesirow Financial Investment Management, Inc., an SEC registered investment advisor. The group provides proprietary asset allocation research, sub-advisory services, fund selection, investment strategy and consulting capabilities for institutional investors such as insurance companies, mutual fund complexes, broker/dealers, and 401(k) plan sponsors. Our team has more than 85 years of combined industry experience and maintains a proven history of delivering cutting-edge quantitative analysis and portfolio modeling services to a breadth of clients.

For Further Information

about our capabilities,
please contact:

Mark Kowalczyk
MANAGING DIRECTOR

Telephone: 312-595-7280
mkowalczyk@mesirowfinancial.com

Brian Nash
VICE PRESIDENT

Telephone: 312-595-7283
bnash@mesirowfinancial.com

Jonathon Dues
REGIONAL MANAGER

Telephone: 312-595-7284
jdues@mesirowfinancial.com

Securities offered through Mesirow Financial, Inc. Member NYSE, SIPC
Insurance services offered through Mesirow Insurance Services, Inc.

* Interim Management services provided by Mesirow Financial Interim Management, LLC

350 North Clark Street • Chicago, IL 60610 • 312-595-6000 • www.mesirowfinancial.com

0807 The Mesirow Financial name and logo are registered service marks of Mesirow Financial Holdings, Inc.
© 2007 Mesirow Financial Holdings, Inc. All rights reserved. Printed in the U.S.A.



Mesirow Financial Investment Management, Inc
Advisory Services Agreement
-City of Manchester-

This Advisory Services Agreement (“**Agreement**”), which is made and entered into as of the date identified on Exhibit A (“**Effective Date**”), by and between Mesirow Financial Investment Management, Inc., an Illinois corporation (“**MFIM**”), and the Plan Sponsor identified on Exhibit A (“**Plan Sponsor**”).

BACKGROUND

The Plan Sponsor is the named fiduciary (as defined in Section 402(a)(2) of the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) or, if the Plan is not subject to ERISA, as otherwise defined or designated under the terms of the Plan’s governing documents) with respect to the employee benefit plan identified on Exhibit A (“**Plan**”) with the fiduciary authority and responsibility under the Plan for selecting and monitoring the investment funds to be offered under the Plan to Plan participants and beneficiaries (“**Participants**”). By separate agreement (“**Service Agreement**”), the Plan Sponsor has engaged Hartford Life Insurance Company (“**Service Provider**”) to provide recordkeeping and other administrative services with respect to the Plan.

The Plan Sponsor has determined that it is in the best interest of the Plan and its Participants to retain MFIM to provide advisory services to assist the Plan Sponsor in monitoring and/or selecting the investment options offered under the Plan. MFIM is willing to perform the advisory services provided under the terms of this Agreement.

Based on the foregoing, the Plan Sponsor and MFIM agree as follows:

SECTION 1. SERVICES PROVIDED BY MFIM

On the terms and conditions set forth in this Agreement, the Plan Sponsor hereby engages MFIM to assist the Plan Sponsor in the discharge of the Plan Sponsor’s duties with respect to the monitoring and/or selection of investment options under the Plan by providing the services described in this Agreement (the “**Services**”). MFIM shall provide the Plan Sponsor with the following Services:

A. Investment Option Qualification

Pursuant to an agreement between the Service Provider and MFIM, MFIM will review the investment options currently offered by the Plan Sponsor as listed in Exhibit B and outline the options that meet MFIM’s minimum investment criteria (the “**Qualified Investment List**”). Investment options currently offered by the Plan Sponsor that do not meet MFIM’s minimum investment criteria are not included in the Qualified Investment List. The Plan Sponsor understands and acknowledges that; (i) the initial review of the

options offered in the plan is limited to the asset classes and investment options currently offered in the plan as supplied to MFIM by the Service Provider, and (ii) the choice of appropriate asset classes and investment options for the Plan and its Participants are determined by the Plan Sponsor. Any changes, additions or deletions, to the investment options offered by the Plan Sponsor may be considered for inclusion on the Qualified Investment List provided that they meet MFIM's minimum investment criteria and are agreed to in writing by the parties.

Investment Option Qualification Guidelines

The Plan Sponsor agrees that it will offer investment options from and maintain investment options in each of the five Core Asset Classes outlined in Exhibit B; if the Plan Sponsor fails to do so, then this Agreement will terminate immediately, notwithstanding any provision of this Agreement to the contrary. If the Plan Sponsor does not offer at least one investment option in each of the five Core Asset Classes in the current line up, recommendations for the missing asset class(es) will be made by Mesirow Financial from the investment options available to the Plan through the Service Provider's standard plan recordkeeping platform.

B. Investment Option Monitoring and Summaries

MFIM will review the performance of the investment funds on the Qualified Investment List on a quarterly basis. Following the end of each calendar quarter, MFIM shall provide the Service Provider for distribution to the Plan Sponsor its quarterly review. The quarterly review will contain MFIM's market commentary on the previous quarter and a review of the funds on the Qualified Investment List that are in the P.O.L.I.C.E. Report (Performance, Organization, Legal, Investment Policy, Consistent Style, Expense). The Service Provider has agreed to provide each MFIM quarterly review to the Plan Sponsor within 90 days after the end of the quarter.

C. Termination of Investment Options

If for any reason MFIM should find it necessary to suggest removing an investment option from the Qualified Investment List, MFIM will issue a written report outlining its reasons for suggested removal of the investment option and the actions being taken for replacement including reasons for selecting the replacement if a suitable replacement fund is available. MFIM shall provide such written report to the Service Provider to send to the Plan Sponsor. MFIM will continue to monitor any fund removed from the Qualified Investment List for a 90-day period following the removal of the fund; after that 90-day period, the Plan Sponsor agrees that MFIM will have no obligation to continue monitoring the removed fund. If the Plan Sponsor determines that it will remove an investment option from the Plan, or add an investment option to the Plan, the Plan Sponsor understands that it must provide written direction and instructions to the Service Provider to

implement such change in the Plan's investment options and for consideration for inclusion in the Qualified Investment List.

D. Investment Policy Statement

MFIM will provide Plan Sponsor with an investment policy statement ("Investment Policy Statement") for the Plan. Plan Sponsor will provide MFIM with the necessary information to complete the Investment Policy Statement.

MFIM's authority and responsibility with respect to the Plan are as follows:

- E. MFIM's Fiduciary Status.** In performing the Services, MFIM is acting as a fiduciary as defined in Section 3(21)(A)(ii) of ERISA or, if the Plan is not subject to Title I of ERISA, MFIM is acting as a fiduciary to the Plan according to the same standards as would be applicable if the Plan were subject to Title I of ERISA. MFIM shall discharge its duties and obligations hereunder in accordance with the standard of care applicable under ERISA regardless of whether the Plan is subject to Title I of ERISA. In addition, if the Plan is not subject to Title I of ERISA, the parties agree that, for all purposes under this Agreement, the applicable ERISA standard of care (including relevant governmental regulations and judicial precedent) shall be the sole governing standard of care applicable to MFIM and the Services regardless of any state law that may apply to the Plan or the Plan Sponsor. MFIM will assume only the specific and limited fiduciary responsibility and liability attendant to the Services as set forth in this Agreement and will not be considered a fiduciary of the Plan for any other purpose.
- F. Qualifying for the Qualified Investment List.** The Plan Sponsor understands and agrees that MFIM's responsibility and authority for the Qualified Investment List are limited to the asset classes and investment options available to the Plan through the Service Provider's standard plan recordkeeping platform, and MFIM is under no obligation, and has no authority under this Agreement or otherwise, to select other asset classes or investment options for inclusion in the Qualified Investment List. In determining qualification for inclusion in the Qualified Investment List, MFIM will not consider any investment in stock or other property of the Plan Sponsor or its affiliates, other individual securities, self-directed brokerage accounts or investments other than mutual funds or other collective fund vehicles offered through the Service Provider's standard plan recordkeeping platform.
- G. Scope of Authority.** MFIM has no authority or responsibility with respect to: (a) the selection, monitoring, retention, or termination of asset classes or investment options available through the Service Provider's plan administration platform; (b) the management (except for the Services),

administration, valuation, or custody of Plan assets; (c) the administration of the Plan and the trust funding such Plan; (d) any investment decision of any nature whatsoever of the Plan Sponsor, another investment manager, Participant or other person with respect to the Plan or any account there under; (e) the performance of any other investment manager; (f) the failure of any other investment manager or fund manager to adhere to any of its policies and procedures governing investments; (g) any change in value in any or all of the Plan's assets; (h) any suitability determination, except any such determination related to the qualification of investment options for inclusion in the Qualified Investment List; (i) any matters related to the fees charged to the Plan or the Participants for the use of the Qualified Investment List; and (j) except for the qualification of investment options for inclusion in the Qualified Investment List, the diversification of the Plan's assets. The foregoing matters are solely the responsibility of the Plan Sponsor or its agents (other than MFIM).

- H. **Control of Qualified Investment List.** MFIM will retain exclusive control and discretion with regard to the development and maintenance of the Qualified Investment List. MFIM will retain sole control and discretion over the development of any investment methodologies needed to develop and maintain the Qualified Investment List. All decisions regarding the composition of the Qualified Investment List will be solely the responsibility of MFIM based on the investment funds available to the Client Plans through the Service Provider's recordkeeping system. MFIM will determine the Qualified Investment List through proprietary methodologies based on generally accepted investment principles. The investment methodologies used by MFIM in developing and maintaining the Qualified Investment List will be developed by MFIM independently and without regard to any potential benefit to the Service Provider, any other issuer of investment options available to the Plan or their affiliates. MFIM will update and maintain any systems within a reasonable timeframe to ensure that they continue to meet generally accepted investment principles. The Service Provider will assist in communications between MFIM and Plan Fiduciaries but will not in any way influence or otherwise be responsible for the development of the Qualified Investment List by MFIM and will not modify any advice or information provided by MFIM.
- I. **Results Not Guaranteed.** MFIM and its affiliates do not and cannot warrant the results that may be attained from the use of the Qualified Investment List by the Plan Sponsor. Nothing in this Agreement will be construed as making MFIM an insurer or guarantor of any benefit or result, financial or otherwise, as a result of the provision of the Qualified Investment List.

SECTION 2. FEES AND PAYMENT OF FEES

Fees. The fees for the Services of MFIM under this Agreement are incorporated in the bundled fee payable to the Service Provider, and neither the Plan nor the Plan Sponsor will have any liability for additional fees payable to MFIM in respect of this Agreement.

In general, the fees payable to MFIM by the Service Provider or its affiliates are calculated as a basis point percentage of the Plan's asset value and may range from 0.5 basis points up to 2.50 basis points depending on the total assets from plans executing a contract for the MFIM Plan Fiduciary Service. The Plan Sponsor may request additional information about the fees paid to MFIM by the Service Provider or its affiliates relating to the Plan in writing or by use of the Service Provider's toll-free number.

SECTION 3. TERM AND TERMINATION

Term. Unless otherwise terminated as described in this Section 3, this Agreement shall be for a term of one (1) year (the "Initial Term"), effective as of the first date assets are invested in funds offered by the Service Provider following the date set forth on the signature page of the Agreement, and shall be automatically renewed for additional one (1) year periods, unless either party shall deliver to the other party a written notice of non-renewal at least thirty (30) business days prior to the date such renewal would take effect.

Termination. Upon completion of the initial term, either party may terminate this Agreement, without reason, by providing the other party with thirty (30) business days' prior written notice.

The termination of this Agreement shall have no effect on any Service Agreement between the Plan Sponsor and the Service Provider. However, if such Service Agreement between the Plan Sponsor and the Service Provider terminates, then this Agreement shall also terminate.

SECTION 4. LIMITATION OF LIABILITY AND INDEMNIFICATION

Limitation of Liability. MFIM MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL MFIM HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHERMORE, MFIM'S LIABILITY FOR ANY DAMAGES HEREUNDER SHALL NOT EXCEED AN AMOUNT EQUAL TO TWO (2) TIMES THE TOTAL ANNUAL FEE PAID TO MFIM PURSUANT TO THIS AGREEMENT FOR THE CALENDAR YEAR IMMEDIATELY PRECEDING THE RELEVANT CLAIM (OR, IF THE RELEVANT CLAIM ARISES IN THE FIRST YEAR OF THE AGREEMENT, FOR THE FIRST YEAR). THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

Acts of Others. Except as provided by ERISA and this Agreement, MFIM will not be liable for the acts or omissions of any other person in respect of the Plan and its Participants, including, but not limited to, any acts or omissions of the Plan Sponsor or the Service Provider.

Force Majeure. Neither party shall be in default or otherwise liable for any delay in or failure of its performance under this Agreement where such delay or failure arises by reason of any act of God, or any government or any governmental body, acts of the common enemy, the elements, strikes or labor disputes, or other similar or dissimilar cause beyond the control of such party.

Indemnity by the Plan Sponsor. The Plan Sponsor will indemnify, defend and hold MFIM and its affiliates, members, directors, officers, shareholders, employees, representatives, agents, attorneys, successors and assigns (collectively, the “**Mesirow Indemnified Parties**”) harmless from and against any and all claims, liabilities, obligations, judgments, causes of action, costs and expenses (including reasonable attorneys’ fees) arising from, out of or related to the Services or the Mesirow Indemnified Parties’ performance hereunder; provided, however, that the Plan Sponsor will not be liable to indemnify, defend and hold any Mesirow Indemnified Party harmless to the extent such liabilities, obligations, judgments, causes of action, costs and expenses were caused by a material breach of such Mesirow Indemnified Parties’ duties hereunder or the willful misfeasance, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of such Mesirow Indemnified Parties.

Indemnity by MFIM. MFIM will indemnify, defend and hold the Plan Sponsor and its affiliates, members, directors, officers, shareholders, employees, representatives, agents, attorneys, successors and assigns (collectively, the “**Plan Sponsor Indemnified Parties**”) harmless from and against any and all claims, liabilities, obligations, judgments, causes of action, costs and expenses (including reasonable attorneys’ fees) arising from, out of or related to a breach by MFIM of its duties in connection with the performance of Services hereunder; provided, however, that MFIM will not be liable to indemnify, defend and hold any Plan Sponsor Indemnified Party harmless to the extent such liabilities, obligations, judgments, causes of action, costs and expenses were caused by a material breach of such Plan Sponsor Indemnified Parties’ duties or the willful misfeasance, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of such Plan Sponsor Indemnified Parties.

SECTION 5. GENERAL PROVISIONS

- A. **Form ADV.** MFIM is registered as an investment adviser under applicable federal law. Part II of MFIM’s Form ADV contains additional information regarding MFIM and its services. A copy of MFIM’s Form ADV Part II has been distributed to the Service Provider and the Service Provider has agreed to deliver this document to the Plan Sponsor prior to signature of this Agreement. The Plan Sponsor’s signature hereunder acknowledges receipt of MFIM’s Form ADV Part II.
- B. **Dispute Resolution.** Except in the event that injunctive relief is being sought, any dispute arising out of or related to the Agreement that is not settled promptly in the ordinary course of business or through senior management

negotiations, shall be resolved through mandatory binding arbitration consistent with the terms of Paragraph C in this Section 5.

- C. **Binding Arbitration.** Except in the event that injunctive relief is being sought, any controversy or claim arising out of or relating to the Agreement for the breach hereof which cannot be settled by the parties pursuant to Paragraph B in this Section 5, shall be settled by binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association (“AAA”) as set forth herein. The parties shall endeavor to appoint a single arbitrator, and failing that, each party may select an arbitrator with knowledge of the types of Services provided for under this Agreement. Selection shall be completed within twenty (20) days of the receipt of a demand for arbitration. If either party fails to select an arbitrator within such twenty (20) day period, the one selected shall act as sole arbitrator. If two arbitrators have been selected, the two arbitrators selected shall select a third within fifteen (15) days after their selection. If they fail to do so, the third arbitrator shall be selected by the AAA. The arbitrators shall set a date of hearing no later than sixty (60) days from the date all arbitrators have been selected and shall enter a decision within thirty (30) day of the end of the proceeding. The arbitration proceeding shall take place in Chicago, Illinois. The award of any arbitration shall be final, conclusive, and binding on the parties hereto. The arbitrators may award any legal or equitable remedy. The arbitration award shall include an award of reasonable attorneys’ fees to the prevailing party. Judgment upon any arbitration award may be entered and enforced in any court of competent jurisdiction.
- D. **Captions Not Determinative.** Titles and section headings herein are for convenient reference only and are not part of this Agreement.
- E. **Independent Contractors.** MFIM and the Plan Sponsor are independent contractors to one another. Nothing in this Agreement shall be construed to create a partnership, joint venture or agency relationship between both parties.
- F. **Notice.** All notices, including notices of address changes, required to be sent hereunder shall be in writing and shall be deemed to have been given when mailed by registered or certified mail, postage prepaid to the appropriate address below:

With respect to any service or process or legal notice:

Mesirow Financial Investment Management, Inc.
350 N. Clark Street
Chicago, IL 60610
Attn: Investment Strategies Group

Including a copy to MFIM General Counsel at:

Mesirow Financial
321 N. Clark Street

Chicago, IL 60610
ATTN: General Counsel

With respect to address changes, customer service, and notice of termination:
Regular Mail

Hartford Life
Retirement Plans Group
P.O. Box 1583
Hartford, CT 06101-8913

With respect to notice to the Plan Sponsor:

The address and individual identified in the Exhibit A.

- G. **Severability.** In the event that any provision of this Agreement is held invalid by a court with jurisdiction over the parties, such provision shall be deemed to be restated to be enforceable, in a manner which reflects, as nearly as possible, the intent, and economic effect of the invalid provision in accordance with applicable law. The remainder of this Agreement shall remain in full force and effect.
- H. **Waiver.** The waiver by either party of any default or breach of this Agreement shall not constitute a waiver of any other or subsequent default or breach.
- I. **Modification.** No representation or promise hereafter made, nor any modification or amendment of this Agreement shall be binding unless in writing and executed by duly authorized agents of both parties.
- J. **Counterparts.** This Agreement must be executed with the signature of the Plan Sponsor and MFIM and shall be deemed binding for all purposes hereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all counterparts, together, constitute only one Agreement.
- K. **Assignment.** Neither party may assign this Agreement nor any of the rights or obligations granted hereunder without the other party's prior written consent.
- L. **Governing Law.** This Agreement shall be governed by and construed in accordance with ERISA and to the extent not preempted by ERISA, in accordance with the laws of the State of Illinois, without reference to its conflicts of law principles. ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, INCLUDING ARBITRATION PROCEEDINGS, SHALL BE SO GOVERNED AND SHALL BE INSTITUTED IN COOK COUNTY, ILLINOIS, U.S.A. THE PARTIES HEREBY AGREE TO SUBMIT TO THE JURISDICTION OF, AND AGREE THAT VENUE IS PROPER IN COOK COUNTY, ILLINOIS FOR ANY ACTION OR PROCEEDING.

- M. **Survival.** The terms of Section 2, Fees and Payment of Fees; Section 3, Term and Termination; Section 4, Limitation of Liability and Indemnification; and Section 5, General Provisions shall survive the expiration or termination of this Agreement.
- N. **Authority.** The person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement.
- O. **Entire Agreement.** Any Exhibit to this Agreement is hereby incorporated into and forms a part of this Agreement. This Agreement, and any Exhibit hereto, constitutes the complete agreement between the parties and supersedes all previous or contemporaneous agreements, proposals, marketing materials, understandings, and representations, written or oral, with respect to the subject matter addressed herein. The "Background" included at the beginning of this Agreement are hereby incorporated into this Agreement by this reference thereto.
- P. **Limitation.** Nothing in this Agreement shall limit any rights the Plan Sponsor may have under applicable securities laws.

SECTION 6. ACKNOWLEDGEMENT, ACCEPTANCE AND AGREEMENTS

Notwithstanding the Services provided under this Agreement, the Plan Sponsor acknowledges, understands, and agrees that:

- A. MFIM has not provided assistance or exercised any discretion or authority, and will not provide assistance or exercise any discretion or authority, with respect to the Plan Sponsor's selection of Hartford Life Insurance Company as the Service Provider or the investment options made available by the Service Provider.
- B. MFIM is responsible only for providing the Plan Sponsor with the Services specifically set forth in this Agreement and not any other services.
- C. MFIM has no authority or responsibility with respect to: (i) the implementation of the Qualified Investment List by the Plan Sponsor; (ii) the Service Provider's selection, monitoring, retention, or termination of asset classes or investment options available through the Service Provider's plan recordkeeping system; (iii) the management, administration, valuation, monitoring (except for MFIM's monitoring of investment options offered by the Service Provider on its plan recordkeeping service for purposes of determining the funds on the Qualified Investment List), or custody of assets of the Plan; (iv) the execution of any transactions involving Plan assets; (v) the allocation of Plan assets among investment options; (vi) any investment decision of any nature whatsoever of the Plan Sponsor, investment manager, or other person with respect to the Plan; (vii) the performance of any investment manager; (viii) the failure of any investment manager to adhere to any of its policies and procedures governing investments; (ix) any change in value in any or all of the Plan's assets; or (x) any suitability determinations.

- D. Neither MFIM nor the Service Provider shall have any discretionary authority for the selection of the funds offered under the Plan, and the Plan Sponsor shall retain all discretionary authority for determining the Plan's investment options.
- E. The Plan Sponsor shall maintain, at a minimum, an investment option from and in each of the five Core Asset Classes outlined in Exhibit B or this Agreement shall terminate immediately in accordance with Section 1.
- F. It is solely the responsibility of the Plan Sponsor to select and retain the Service Provider and to determine the appropriate mix and number of asset classes and investment funds to be made available under the Plan.
- G. MFIM is not a corporate affiliate of the Service Provider. MFIM provides consulting and other services to the Service Provider, for delivery to the Plan Sponsor, with respect to various matters, including the qualification of investment options for inclusion in the Qualified Investment List and certain other services provided by the Service Provider. MFIM receives compensation from the Service Provider for such services, in addition to any compensation that may be paid under this Agreement and similar agreements with other plans. MFIM or its affiliates also place property or casualty insurance, annuities or life insurance issued by the Service Provider or its affiliates. In some cases MFIM or its affiliate may be compensated for such placement by the Service Provider or its affiliates; in other cases, MFIM or its affiliates may be compensated by the purchaser. If during the term of this Agreement, the aggregate gross annual income of MFIM and its affiliates derived under its consulting or other agreements with or insurance placement fees paid by the Service Provider or its affiliates (together with any other income derived by MFIM and its affiliates from or in respect of any other business relationship with the Service Provider) will not exceed five percent (5%) of the aggregate gross annual income of MFIM and its affiliates, this Agreement will terminate. Neither MFIM, nor an affiliate of MFIM, shall manage any assets of a Service Provider mutual fund, collective trust fund, or other pooled investment vehicle if such management would cause the Services, the Qualified Investment List or such management to result in, or give rise to, a nonexempt prohibited transaction under Section 406 of ERISA as mutually and reasonably determined by MFIM and the Service Provider.
- H. The Service Provider is not responsible for the performance of the Services by MFIM under this Agreement and is not acting as an investment adviser to the Plan or the Plan Sponsor in respect of the Services. The Service Provider has agreed to provide certain administrative and other services to facilitate the Services provided by MFIM hereunder and has no authority, responsibility or discretion with respect to the determination of the investment options under the Plan. The Service Provider is not authorized to provide any investment advice to a Plan Sponsor in connection with the Qualified Investment List or in any manner amend, alter, modify or supplement the Services provided by MFIM hereunder. MFIM's performance under this Agreement is conditioned upon its receipt of those services by the Service Provider. Except for the

administrative and other services which the Service Provider provides in order to facilitate MFIM's Services under this Agreement, the rights, duties and responsibilities of the Service Provider are determined solely under the Service Agreement.

- I. In performing the Services, MFIM is not required to take into account, and will not have taken into account, any company stock fund, self-directed brokerage option, or any other investment options outside of the standard investment options offered by the Service Provider through its recordkeeping system. MFIM will not have any responsibility with respect to such company stock, self-directed brokerage option, or other non-standard investment options, and all decisions or actions with regard to such options shall be the sole responsibility of the Plan Sponsor.
- J. Services provided under this Agreement do not guarantee investment results which are better than those which could be obtained without the Services and do not otherwise guarantee future results.
- K. Services performed hereunder by MFIM will be based upon the information provided to MFIM by the Service Provider and the Plan Sponsor, including, but not limited to, financial and other information relating to the investment options available under the Plan, and any Service Provider-imposed ratio requirements for any particular type of investment options to be included under the Plan.
- L. The Plan Sponsor agrees to review, at least annually, the demographic of the Plan or other information necessary to determine the appropriateness of the Qualified Investment List chosen and make changes as necessary.
- M. For purposes of this Agreement, the Service Provider may (but is not required to) give the same effect to a telephonic instruction, voice recording, or any instruction received through electronic commerce from the Plan Sponsor as it gives to a written instruction, and the Service Provider's action in doing so shall be protected to the same extent as if such telephonic or electronic instruction were, in fact, a written instruction. Any instruction, notice, document, instrument or communication of any kind may be proved by original copy or reproduced copy thereof including, without limitation, a photocopy, a facsimile transmission, an electronic image or any other electronic reproduction, recorded tape, or other means acceptable to the Service Provider, as the case may be. If the Service Provider receives instructions or other information that are, in its opinion, incomplete or not clear, the Service Provider may request instructions or other information from the Plan Sponsor. Pending receipt of any such instructions or other information, the Service Provider shall not be liable to anyone for any loss resulting from any delay, action or inaction on its part.
- N. The Plan Sponsor consents to the Service Provider's electronic delivery of the reports listed in Section 1.C. (MFIM's market commentary on the previous quarter and a review of the funds on the Qualified Investment List which is in the P.O.L.I.C.E. Report (Performance, Organization, Legal, Investment

Policy, Consistent Style, Expense)) by means of a PDF file made available on the Internet not later than sixty (60) days after the end of each calendar quarter. The quarterly reports will be posted on the Plan Sponsor's Internet access to the Service Provider's recordkeeping system. The Plan Sponsor agrees to review these reports on a quarterly basis in order to determine the continued appropriateness of the Plan's investments.

- O. This Agreement may be retained, to the extent permitted by applicable law, in such form or forms as the Service Provider may elect including, without limitation, electronically, without the necessity of retaining an original or written copy. This Agreement and its signatures may be proved by original copy or reproduced copy, including, without limitation, a photocopy, a facsimile transmission, an electronic image or any other electronic reproduction.

Mesirow Financial Investment Management, Inc. Agreement

EXHIBIT A

Effective Date: _____

Plan Sponsor: _____

Plan: _____

The Plan Sponsor acknowledges having received, reviewed and selected the Plan's investments from the [investment option selection menu or investment selection grid].

IN WITNESS WHEREOF, the parties have entered into this Agreement, and will be legally bound by it, as of the Effective Date; provided, however, that this Agreement shall not become so binding on MFIM unless and until a copy hereof executed by the Plan Sponsor is submitted to MFIM.

Plan Sponsor Name: _____

By: _____

Name: _____

Title: _____

Date: _____

Mesirow Financial Investment Management, Inc.

By: _____

Name: Michael Annin

Title: Managing Director

Date: _____

Mesirow Financial Investment Management, Inc. Agreement

EXHIBIT B

Core Asset Classes: Large Cap Equity, Small Cap Equity, International Equity, Fixed Income, and Cash Equivalents

Investment Options Currently Offered By The Plan Sponsor

Fund Name	Asset Class
AC Balanced	Moderate Allocation
Ac Inc and Growth	Large Value
AC Strategic alloc: cons	Conservative Allocation
AC Strategic alloc: mod	Moderate Allocation
AC Value	Large Value
AIM Financial	Financial
AIM Leisure	Miscellaneous Sector
AIM Real Estate	Real Estate
Aim Small cap Growth	Small Growth
Aim Technology	Technology
Alliance Bernstein Int'l Value	Foreign Large Value
American Cent. Ultra	Large Growth
American Century Eq Inc	Large Value
American Century Intl Growth	Foreign Large Growth
American Century Small Cap	Small Value
American Century Stat Alloc	Large Blend
Artisan Mid Cap	Mid-Cap Growth
Baron Small Cap	Small Growth
Calvert Social	Large Growth
Calvert Social Balanced	Moderate Allocation
Davis NY Venture	Large Blend
Dreyfus Intermediate Term Inc	Intermediate-Term Bond
Dreyfus Third Cent	Large Growth
DWS Growth and Inc	Large Blend
FA Balanced	Moderate Allocation
FA Growth & Inc	Large Blend
FA Growth Opp	Large Growth
Franklin Small-Mid	Mid-Cap Growth
Harford Index	Large Blend
Hartford Advisers	Moderate Allocation
Hartford Cap APP	Large Blend
Hartford Div & Growth	Large Value
Hartford Global Eq	World Stock
Hartford Global Health	Health
Hartford Int'l Growth	Foreign Large Growth
Hartford Int'l Opps	Foreign Large Blend
Hartford Largecap growth	Large Growth
Hartford Midcap	Mid-Cap Growth
Hartford MM	Money Market
Hartford Small Company	Small Growth
Hartford Stock	Large Blend
Hartford Total Return	Intermediate-Term Bond
Hartford US Gov't sec	Intermediate Government
Hotchkis and Wiley Mid Value	Mid-Cap Value
Janus Adviser Int'l Growth	Foreign Large Growth

Janus Balanced Janus Enterprise Janus Twenty Janus Worldwide Loomis Sayles Bond Managers AMG Skyline MFS Core EQ MFS High Income MFS Int'l New Discovery MFS Mass Investors MFS Utilities Oakmark Eq & Inc Oppenheimer Cap App Oppenheimer Global Putnam Global Equity Putnam High Yield Putnam Int'l new Opp Putnam Vista T. Rowe Price Growth Van Kampen Comstock Western Asset Core Bond General Account SSgA Russell 2000 SSgA Midcap Index SSgA S&P 500 SSgA Target date series	Moderate Allocation Mid-Cap Growth Large Growth World Stock Multisector Bond Small Value Large Blend High Yield Bond Foreign Small/Mid Growth Large Growth Utilities Moderate Allocation Large Growth World Stock World Stock High Yield Bond Foreign Large Growth Mid-Cap Growth Large Growth Large Value Intermediate-Term Bond Stable Value Small Blend Mid-Cap Blend Large Blend Target Maturity
---	---

*Alternative investment options available on the Service Provider platform will also be considered as alternatives to those funds currently offered by the Plan Sponsor.