

Retirement Plan Compliance and Administration Services Agreement

PREAMBLE: The following constitutes a binding "Agreement", effective as of November 1, 2010 between TSA Consulting Group, Inc. a Florida Corporation, (hereinafter referred to as "TSA") whose principal place of business is 15 Yacht Club Drive NE, Ft. Walton Beach, Florida 32548 and the School Board of Okaloosa County, 120 Lowery Place, SE Building C, Fort Walton Beach, FL 32548, hereinafter referred to as "Plan Sponsor."

PURPOSE: Plan Sponsor wishes to retain the services of TSA to provide compliance administration services to the Plan Sponsor for the Plan Sponsor's voluntary retirement programs under Sections 403(b) and/or 457(b) of the Internal Revenue Code ("403(b)/457(b)") and TSA is willing to provide such services.


1. TSA agrees that for a period of fifty-six (56) months, commencing with the effective date of this Agreement, it will, consistent with its other obligations, render to Plan Sponsor such consulting and administration services set forth in Exhibits A-1 "Compliance Edge Services,"; Exhibit A-2, "Plan Administration Agreement"; Exhibit A-2.1 "Plan Administration Fee Schedule," all of which are attached and incorporated herein. This Agreement may be renewable at the end of each contract year by mutual agreement of both parties for five additional one-year periods.
2. Plan Sponsor agrees that, for the term of this Agreement, it will render to TSA all reasonable assistance and information necessary to accomplish services set forth in Exhibits A-1, A-2, and A-2.1. The Plan Sponsor shall provide all information including, yet not limited to, items set forth in Exhibit B, attached and incorporated herein. Transmission of all information from the Plan Sponsor to TSA shall be performed on a timely basis relative to services provided and service dates set forth in this Agreement.
3. Plan Sponsor agrees to remunerate TSA for such consulting and administration services, also known as Compliance Edge®, at the stated rate and methods shown in Exhibit C, attached and herein incorporated by reference.
4. TSA shall act as an independent consultant and/or administrator and not as an agent or employee of the Plan Sponsor and TSA shall make no representation as an agent or employee of the Plan Sponsor. TSA shall furnish evidence of business liability and errors and omissions insurance in such limits of liability and written by an insurance company licensed in the state of Florida and acceptable to the Plan Sponsor. TSA shall be responsible for all taxes as an independent consultant and/or administrator. TSA shall have no authority to bind the Plan Sponsor or incur other obligations on behalf of the Plan Sponsor.
5. TSA agrees to hold in confidence all employee information received from the Plan Sponsor in connection with this Agreement and necessary to complete the scope of services outlined in Exhibits A-1, A-2, and A-2.1. TSA shall protect all information received from the Plan Sponsor from misuse, espionage, loss or theft. This information will not be transmitted or used for the purpose of solicitation in any form, and upon request all information held by TSA will be returned to the Plan Sponsor.
6. TSA warrants that it is under no obligation to any other entity that in any way conflicts with this Agreement and that it is free to enter into this Agreement.
7. This Agreement and all extensions and modifications hereof and all questions relating to its validity and interpretation, performance and enforcement shall be governed by and construed in conformance with the laws of the State of Florida, unless preempted by federal law.


8. All parties agree that proper venue for any lawsuit arising out of this Agreement shall be in Okaloosa County, Florida.
9. TSA agrees that it will indemnify and hold harmless the Plan Sponsor, individual members of the Plan Sponsor, its representatives and employees, from any claim, demand or suit which may arise from, be connected with, or be made due to the negligence or failure to satisfy the requirements of this Agreement. This indemnification shall include all related costs, including but not limited to, attorney's fees, consultant fees, fees for other professional service providers, as well as court costs, fines, penalties or other similar charges against the Plan Sponsor, provided that the Plan Sponsor notifies TSA, in writing, no later than 30 calendar days after receipt of such claim or demand. Notwithstanding the preceding, this indemnification shall not cover any claim or demand based on erroneous information provided by the Plan Sponsor, its employees or other representatives.
10. This Agreement may be modified, amended or terminated by either party upon 60 days written notice to the other party, provided that no such modification, amendment or termination shall affect the liability of either party incurred prior to such event.
11. This Agreement may be executed in any number of counterparts, each of which, including any reliable copies or facsimiles thereof, will be deemed to be an original and all of which together shall be deemed to be one and the same instrument.
12. If any provision of this agreement shall be held or declared to be illegal, invalid or unenforceable, such illegal, invalid or unenforceable provisions shall not affect any other provision of this Agreement, and the remainder of this Agreement shall continue in full force and effect as though such provisions had not been contained in this Agreement. If the scope of any provision in this agreement is found to be too broad to permit enforcement of such provision to its fullest extent, the parties consent to judicial modification of such provision and enforcement to the maximum extent permitted by law.

We, the undersigned as duly authorized representatives, agree to all the terms and conditions stated above, and by our signatures, place this Agreement into full force and effect as of the date first above-written.

SCHOOL BOARD OF OKALOOSA COUNTY

TSA CONSULTING GROUP, INC.

By: 

By: 

Name: Rodney L. Walker

Name: Joseph Rollins

Title: Board Chairman

Title: President/CEO

Federal Tax Identification Number:

Federal Tax Identification Number:

59-6000764

59-3451677

EXHIBIT A-1 Compliance Edge® Services

In accordance with the Agreement between the Plan Sponsor and TSA, the following services will be provided by TSA;

1. **Maximum Allowable Contribution (MAC) calculations will be maintained for all employees eligible to participate in the employer's authorized 403(b) and/or 457(b) plans. These calculations shall include limits applicable to 403(b) and/or 457(b) plans under applicable Sections of the Internal Revenue Code. Such calculations shall be performed in accordance with accepted standards and subject to the prevailing Internal Revenue Codes and Regulations at that time. MAC's will be based on information obtained from the Plan Sponsor and/or the employee and any statement or guarantee of accuracy by TSA will be contingent on the accuracy of the information delivered by the Plan Sponsor and/or the employee.**
2. **TSA shall provide an annual review and audit of the previous year's contributions for all employees. TSA shall notify the Plan Sponsor of all non-compliant contributions and provide the necessary data to facilitate notification to employees affected and completion of correction procedures as required by current Revenue Procedures.**
3. **A master file of MAC calculations will be maintained by TSA during the term of this Agreement.**
4. **TSA will administer the plan with respect to processing participant requests for loans, distributions, transfers, qualified domestic relations orders, and rollovers, including interactions with other investment providers necessary to administer the plan subject to the terms and conditions included in Exhibit A-2.**
5. **Electronic remittance services will be available to the Plan Sponsor through the Electronic Process for Automated Remittance Services of EPARS program maintained by TSA. These services are subject to the terms and conditions included in the EPARS Subscription and Adoption Agreement.**
6. **Employee communications components will be delivered to the Plan Sponsor once annually in sufficient quantities for all eligible employees. The employee awareness and educational materials shall be generic in content regarding 403(b) and/or 457(b) requirements, and will also address the specific policies and procedures of the Plan Sponsor relative to all retirement programs maintained by the Plan Sponsor. Handbooks will be revised annually to facilitate changes in IRS rules or changes in the Plan Sponsors policies and procedures.**
7. **Video presentations will be produced, distributed and available via online stream by TSA once annually. Video presentations shall be generic and topical in nature concerning the 403(b) an/or 457(b) programs.**
8. **Web pages specific to the Plan Sponsor will be made available and will be maintained by TSA for information on their retirement plans.**
9. **TSA shall provide ongoing administrative support to the Plan Sponsor, including, but not limited to, the development of appropriate policies and/or procedures regarding all employee retirement programs. Such administrative support includes research and development of any new programs and/or vendors that may be regarded as beneficial to the Plan Sponsor and the employees of the School Board of Okaloosa County.**
10. **TSA expressly agrees to cooperate with and offer assistance to the Plan Sponsor in the event of any audit of the 403(b) and/or 457(b) plans by the IRS.**

EXHIBIT A-2

Plan Administration Agreement

This Administrative Agreement (hereinafter "Agreement") is executed this 1st day of November, 2010 by TSA Consulting Group, Inc. ("TSA") and the School Board of Okaloosa County, Florida ("Plan Sponsor").

WHEREAS, Plan Sponsor has established a 403(b) Plan and/or a 457(b) Plan and is authorized to appoint service providers; and

WHEREAS, Plan Sponsor desires to appoint TSA as the administrator of the Plan(s) established and indicated herein; and

WHEREAS, TSA is authorized to accept the appointment as administrator and desires to provide such services subject to the terms and conditions set forth herein;

NOW THEREFORE, the parties agree as follows:

1.0 Designation of TSA as Administrator.

Plan Sponsor hereby appoints TSA as Administrator of the plan(s) established and indicated herein.

2.0 Responsibilities of TSA. TSA will provide the recordkeeping and related plan administrative services, which services shall include the following:

2.1 **Plan Documents:** TSA will provide appropriate Plan Documents to the Plan Sponsor, for review and approval. These documents shall govern the plan(s).

2.2 **Meaningful Notice:** TSA will assist the Plan Sponsor in developing and distributing employee communications material including specific information on eligibility and enrollment procedures. These communications shall be developed and distributed at least once each calendar year.

2.3 **Forms and Procedures:** TSA will develop standardized administrative forms for use by the Plan Sponsor and participants for the purposes of enrollment and asset transactions under the Plan(s).

2.4 **Participant Records:** TSA will establish and maintain a record for each participant reflecting the date, amount and type of each transaction in the participant's account based on information provided to TSA from the Plan Sponsor, employees and product providers. Records maintained by TSA shall include all information necessary to comply with applicable regulations, rulings and procedures established by the Internal Revenue Service for the plan types indicated herein. The Plan Sponsor will determine eligibility requirements for employees and TSA shall be entitled to rely on the Plan Sponsor's eligibility determinations.

2.5 **Participant Inquiries:** TSA will provide adequate access to participants regarding their records and transactions recorded by TSA. Access shall include, at a minimum, customer service representatives during normal business hours to assist participants with information and transactions under the Plan(s).

2.6 **Aggregation of Data:** TSA will assist the Plan Sponsor with the development and execution of agreements between the Plan Sponsor and each investment product provider under the Plan(s) regarding the sharing and aggregation of participant data necessary to facilitate recordkeeping and administration duties for the Plan(s). TSA will exercise its best efforts to cooperate with each provider that maintains participant accounts under the Plan(s) that are subject to the recordkeeping requirements of applicable Internal Revenue Service regulations, rulings and procedures.

2.7 **Plan Sponsor Reports:** TSA will prepare Plan reports as necessary for the Plan Sponsor including, yet not limited to, contribution auditing and excess contribution corrections.

2.8 **Technical Assistance:** TSA will provide technical and consulting assistance to the Plan Sponsor upon request and under terms mutually agreeable between TSA and the Plan Sponsor.

2.9 **Other Assistance:** TSA will provide other assistance to the Plan Sponsor upon mutual agreement between both parties.

- 3.0 Responsibilities of the Plan Sponsor.** Plan Sponsor acknowledges that it is responsible for the following:
- 3.1 Plan and Participant Data:** Plan Sponsor will provide all necessary plan and participant data required by TSA to accomplish proper plan administration duties including, yet not limited to, plan documents, policies and procedures, contribution history and all other data as may be reasonably requested by TSA.
 - 3.2 Fee Billing and Payment:** Plan Sponsor agrees that TSA will charge fees for its services in accordance with the Plan Administration Fee Schedule below. The fee schedule shall remain in effect for a term identical to the term of the Administrative Services Agreement in effect between TSA and the Plan Sponsor, under which TSA is providing recordkeeping services. Any changes to the fee schedule will subject to mutual agreement between TSA and the Plan Sponsor and require notice of at least sixty (60) days prior to the change effective date.

4.0 Miscellaneous.

- 4.1 Termination:** Plan Sponsor or TSA may terminate this agreement at any time upon sixty (60) days prior written notice to the other party. TSA agrees to deliver to the Plan Sponsor or its designee, all records reasonably necessary for the continuing recordkeeping of the Plan.
- 4.2 Notices:** Notices or other communications given pursuant to this agreement shall be hand delivered, mailed by first class mail service, addressed as follows, or as changed by notice:
 - a) To TSA: TSA Consulting Group, Inc.
15 Yacht Club Drive NE
Fort Walton Beach, FL 32548
 - b) To Plan Sponsor: School Board of Okaloosa County
120 Lowery Place, SE Building C
Fort Walton Beach, FL 32548
- 4.3 Entire Agreement: Supplements and Amendments.** This agreement generally constitutes the entire agreement between the parties, merging all prior presentations, discussions and negotiations. It may be modified by additional letter or other written agreements executed by each party contemporaneously with this agreement, which may modify its provisions or meanings. It may be further supplemented, but not modified, by TSA from time to time with written procedures that provide a description of the ordinary processes for the parties to fulfill their obligations hereunder, which shall not exclude extraordinary processing in appropriate situations that produces comparable results. Finally, this agreement may be amended at any time, but only by written agreement signed by all parties hereto.
- 4.4 Assignment:** Some of the rights and duties of TSA hereunder may be assigned to an affiliate, or to any successor through merger, reorganization, or sale of assets. Some duties of TSA may be performed by others under subcontract, without the release of TSA for responsibility for such services. Otherwise, no party may assign this agreement nor any rights or duties hereunder without the prior written consent of the other party.
- 4.5 Governing Law:** Except to the extent governed by federal law, this agreement shall be governed by and constructed according to the laws of the state where Plan Sponsor's principal office resides..

EXHIBIT A-2.1

PLAN ADMINISTRATION FEE SCHEDULE

Plan Sponsor hereby agrees that TSA, in remuneration for administrative and recordkeeping services for the Plan(s) indicated in the Retirement Plan Compliance and Administration Services Agreement dated November 1, 2010, shall be entitled to collect the following fees from the Plan Sponsor and/or each authorized investment product provider under the plan:

PLAN SPONSOR FEES:

Plan Sponsor fees are designated in the above referenced Retirement Plan Compliance and Administration Services Agreement between Plan Sponsor and TSA. Fees assessed to Investment Product Providers, if any, shown below are not billable to the Plan Sponsor.

INVESTMENT PRODUCT PROVIDER FEES:

Recordkeeping – (Per Participant * Account) \$12.00 per year billed monthly

*"Participant" is defined as any individual that maintains one or more accounts with assets under the Plan

Required Provider Fees: Plan Sponsor further agrees and stipulates that each authorized investment product provider is required to pay the fees described herein directly to TSA unless otherwise modified by the Plan Sponsor upon notice to the investment product provider. Each authorized provider must agree to the fee schedule set forth herein as a condition of participation under the Plan(s).

Method of Payment: Investment Product Providers shall remit the fees described herein in a timely manner and according to a reasonable method of remittance as determined by TSA.

Basis for Invoicing – Provider Fees: TSA shall bill each Investment Product Provider monthly according to the number of participants that maintain one or more accounts under the Plan. The actual number of participant accounts will be determined according to the participant data files generated by the Provider as required under the Investment Provider Service Agreement between the Plan Sponsor and the Provider.

Provider Discretion – Investment Product Pricing: The Plan Sponsor intends to maintain a high quality array of investment products and providers under the Plan for the benefit of participants. Plan Sponsor recognizes and agrees that Providers have sole discretion regarding the pricing of their investment products and the generation of revenue models sufficient to offset expenses related to participation in the Plan Sponsor Plan.

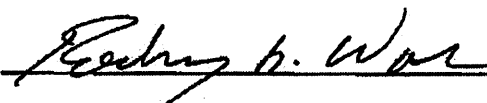
Plan Sponsor Reports: TSA shall be responsible for submitting reports to the Plan Sponsor regarding fees assessed to and collected from Investment Product Providers. TSA shall not attempt to collect any fees from Investment Product Providers other than those expressed in this fee schedule.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their authorized representatives.

Effective Date: November 1, 2010.

PLAN SPONSOR:
SCHOOL BOARD OF OKALOOSA COUNTY

ADMINISTRATOR:
TSA CONSULTING GROUP, INC.

By: 

By: 

Name: Rodney L. Walker

Name: Joseph Rollins

Title: Board Chairman

Title: President/CEO

EXHIBIT B

In accordance with the Agreement between TSA and the School Board of Okaloosa County, the following information and services will be provided by the Plan Sponsor to TSA;

1. All available data necessary to complete the services provided by TSA as outlined in Exhibits A-1, A-2, and A-2.1. Such data shall include, yet not be limited to, Plan Sponsor policies and procedures regarding all qualified plans offered by the Plan Sponsor, participating vendor information, employee data pertinent to MAC calculations to the extent possible for current and prior years' service, and all additional information deemed necessary to complete the scope of work as defined by the Agreement. Data required for MAC calculations shall be supplied electronically by the Plan Sponsor in a format mutually agreed upon by both parties to the Agreement.
2. Distribution of all employee and worksite materials on a timely basis
3. All other appropriate, commonly accepted, efforts necessary to develop and maintain compliance with existing or amended Internal Revenue Codes regarding the retirement plans offered by the Plan Sponsor.
4. The Plan Sponsor shall require all providers of investment products and services to the retirement plans to cooperate with TSA by providing any information needed to complete the terms of this Agreement.
5. The Plan Sponsor shall instruct staff to cooperate fully with TSA regarding the compliance review and in obtaining all necessary information for TSA to complete the duties described in this Agreement. The Plan Sponsor realizes that any delay in providing data and information to TSA may impede completion of services as described in this Agreement.

EXHIBIT C

BASIS OF REMUNERATION: Annual compensation for services provided by TSACG subject to the Agreement shall be invoiced at stated rate including an initial setup fee in the first year.

Standard Fees for all services listed in the Compliance Edge® Program:

**Comprehensive Program - The Compliance Edge®
Total Cost of basic services**

- All services described in Exhibit A of this contract-

\$5.40 per year per regularly scheduled employee billed monthly with a 3% increase yearly. Rates will be adjusted as reflected in schedule below each July 1. The number of employees will be adjusted to reflect the number of regularly scheduled employees reported by the employer via the most recent calendar year end demographic file. i.e. The adjustment on July 1, 2011 will reflect the Year 2 rate below and the number of regularly scheduled employees reflected in data representing the 2010 calendar year end. (Rates include EPARS services)

Rate based upon estimated number of employees – 3,217

Pricing is based upon the size category (number of employees) and pricing matrix maintained by TSA Consulting Group, Inc. The School Board of Okaloosa County qualifies in pricing category I (less than 5,000 employees).

Year 1 – \$5.40 per year per employee billed monthly through June 30, 2011

Year 2 – \$5.56 per year per employee billed monthly through June 30, 2012

Year 3 – \$5.73 per year per employee billed monthly through June 30, 2013

Year 4 – \$5.90 per year per employee billed monthly through June 30, 2014

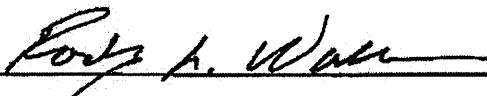
Year 5 – \$6.08 per year per employee billed monthly through June 30, 2015

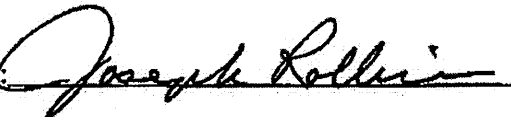
Rates for years 6 through 10 shall be based upon the mutual agreement of School Board of Okaloosa County and TSA Consulting Group, Inc.

All services shall be billed monthly beginning December 1, 2010 at the equivalent rates shown above. Fees described above are based on total number of employees for this employer. Rates for larger or smaller groups may vary according to current published rate schedules established by TSACG.

SCHOOL BOARD OF OKALOOSA COUNTY

TSA CONSULTING GROUP, INC.

By: 

By: 

Name: Rodney L. Walker

Name: Joseph Rollins

Title: Board Chairman

Title: President/CEO

Date: October 11, 2010

Date: October 7, 2010