

**Questions for Erie County
Request for Proposal RFP # 1332VF
November 2013**

| Question Number | RFP Page and Section | RFP Question | Question for the County |
|-----------------|---|---|--|
| 1. | Page 9 A. Qualifications and Experience | 6.Include copies of the two (2) most recent audited annual financial statements and all quarterly reports issued to date for 2013 with the proposal. | <p>Due to the size of our financial statements, can we provide a link to our reports? If not, can we provide these documents on a CD-ROM?</p> <p>A link to the financial statements is acceptable .</p> |
| 2. | Page 8 Service Group 5 | It mentions a “fixed-income portfolio with assets of \$230 million.” There is reference to these securities in the scope of services section. However, in the answers to the first round of questions provided by the County, the County mentions that, currently, no repurchase agreements are owned by the County with regard to questions related to the portfolio make up and securities. | <p>Can you please share what the \$230 million “fixed-income” portfolio consists of then, or please confirm that it is just cash? We would like to gain a better understanding of the portfolio.</p> <p>Currently, the investment vehicle for Erie County’s excess cash is in a money market account. No repurchase agreements are owned due to market conditions.</p> |
| 3. | Page 8 Service Group 5 | | <p>Also, for the portfolio totaling \$230mm, can you please provide the following information?</p> <p>See answer to number 2 above.</p> <ul style="list-style-type: none"> • Number of total securities |

| Question Number | RFP Page and Section | RFP Question | Question for the County |
|-----------------|----------------------|--------------|--|
| | | | <p>N/A</p> <ul style="list-style-type: none"> • What percentage of the portfolio is book entry eligible, either DTCC or FED? <p>N/A</p> <ul style="list-style-type: none"> • What percentage of the portfolio consist of physical securities? <p>N/A</p> <ul style="list-style-type: none"> • If there are physical securities, how are they registered? <p>N/A</p> <ul style="list-style-type: none"> • Can you provide a list of securities/cusips/IDs? <p>N/A</p> <ul style="list-style-type: none"> • For any non-U.S. securities, are the securities Euroclear eligible? If not, please clarify the depository/depositories (and exchanges traded on) <p>N/A</p> <ul style="list-style-type: none"> • Number of security buys on an annual basis <p>N/A</p> <ul style="list-style-type: none"> • Number of security sells on an annual basis <p>N/A</p> <ul style="list-style-type: none"> • Number of wires into the account on an |

| Question Number | RFP Page and Section | RFP Question | Question for the County |
|-----------------|----------------------|--------------|---|
| | | | <p>annual basis</p> <p>N/A</p> <ul style="list-style-type: none"> • Number of wires out of the account on an annual basis <p>N/A</p> <ul style="list-style-type: none"> • Number of checks out of the account on an annual basis <p>N/A</p> <ul style="list-style-type: none"> • Average balance of cash that is swept overnight <p>N/A</p> <p>Can you provide a sample statement available for our review?</p> <p>N/A</p> |

| Question Number | RFP Page and Section | RFP Question | Question for the County |
|-----------------|------------------------|---|---|
| 4. | Page 8 Service Group 5 | Mentions that there are 3 additional third-party collateral accounts for securities pledged as collateral on County deposits by other financial institutions. | <p>Can you tell us more about these accounts? In particular, can you please provide the following information for each of these 3 accounts? (this appears to be separate from the \$230mm, please confirm:</p> <p>The information provided relates to any funds invested or held at any bank that exceed FDIC insurance coverage, including the money market investment. The \$230mm the monies in a money market account. The securities purchased are chosen by the bank where the funds are deposited, as long as they comply with Erie County's investment policy and NYS municipal law. This also includes</p> <ul style="list-style-type: none"> • An eligible surety bond • An eligible letter of credit • An irrevocable letter of credit issued by certain federal home loan banks. <ul style="list-style-type: none"> • Market Value/Size of each account • Number of total securities for each account • What percentage of the portfolio is book entry eligible, either DTCC or FED for each account? • What percentage of the portfolio consist of physical securities for each account? • If there are physical securities, how are |

| Question Number | RFP Page and Section | RFP Question | Question for the County |
|-----------------|----------------------|--------------|---|
| | | | <p>they registered for each account?</p> <ul style="list-style-type: none"> • Can you provide a list of securities/cusips/IDs for each account? • For any non-U.S. securities, are the securities Euroclear eligible? If not, please clarify the depository/depositories (and exchanges traded on) • Number of security buys on an annual basis for each account • Number of security sells on an annual basis for each account • Number of wires into the account on an annual basis for each account • Number of wires out of the account on an annual basis for each account • Number of checks out of the account on an annual basis for each account • Average balance of cash that is swept overnight for each account for each account <p>Can you provide a sample statement for each account available for our review?</p> <p>This information will not be provided.</p> |
| 5. | General | | <p>Who is your current custodian?</p> <p>Current custodian, if Erie county purchased any</p> |

| Question Number | RFP Page and Section | RFP Question | Question for the County |
|-----------------|---------------------------|--------------|--|
| | | | repurchase agreements is M&T Bank. |
| 6. | General | | What are your current annual custodial fees? This information will not be will not be provided, due to the information not being available to be released via a FOIL request. |
| 7. | General | | Are any of the portfolios related to employee benefit plans or ERISA related? No |
| 8. | General | | Is the portfolio self-managed? If not, how many investment managers or separate brokers are utilized? Self managed. |
| 9. | Merchant Services General | | Please clarify the County's position on convenience fees for card not present transactions? Erie County will NOT absorb any convenience fees. The payer will make payment of any convenience fees. |
| 10. | General | | There does not appear to be a COST proposal page for comparing bidder cost responses? Will you be including a price proposal for bidders to follow? Given that the scope of services provided by the bidder will vary, it is the responsibility of the bidder to provide price proposals for services |

| Question Number | RFP Page and Section | RFP Question | Question for the County |
|-----------------|----------------------|--------------|---|
| | | | offered in RFP response. |
| 11. | General | | <p>Can Erie County provide copies of each bank analysis statements for complete volume and product information?</p> <p>This information was emailed and posted on Erie County website on November 19, 2013</p> <p>As understood from the bidders conference we are not seeking pricing of other bidders and for volume assumptions only.</p> |
| 12. | General | | <p>How are you investing your funds today? Are you using an overnight sweep or utilizing a Money Market.</p> <p>Utilizing Money Market</p> |
| 13. | | | |
| 14. | | | |
| 15. | | | |
| 16. | | | |
| 17. | | | |