

NOTICE TO FINANCIAL INSTITUTIONS
SOLICITATION OF FINANCIAL AGENT FOR
DEPARTMENT OF THE TREASURY RETIREMENT SAVINGS BOND PROGRAM
FEBRUARY 27, 2014

The United States Department of the Treasury, Bureau of the Fiscal Service (Fiscal Service), is requesting applications from Financial Institutions (FIs) interested in becoming a Financial Agent of the United States to support the issuance of a new type of retirement savings bond. Fiscal Service plans to designate one Financial Agent to support all aspects of the bond program. The bonds will be made available to the public through Treasury-branded Roth IRAs (*myRAssm*) maintained by the Financial Agent. The Financial Agent will also provide custodial, administrative, recordkeeping, accounting, and back office services in connection with the issuance of the bonds. Fiscal Service's objective is to encourage savings by establishing a simple, safe, and affordable way for Americans to save by investing in the newly developed bond. The bond program will reduce barriers to savings and help individuals establish a better level of savings in an environment where, according to independent estimates, about half of all workers and 75 percent of part-time workers lack access to employer-sponsored retirement plans.

Fiscal Service plans to hold an information session in March for eligible FIs interested in providing these services and requests that FIs who would like to be invited to the information session notify Fiscal Service no later than 5:00 pm Eastern Time on Friday, March 7 of their interest in attending. Applications are due by 5:00 pm Eastern Time on March 31, 2014. Eligible FIs are limited to financial institutions that meet the requirements set forth in 31 C.F.R. Part 202.

I. Retirement Savings Program Description

Program Overview: The retirement savings program will give working individuals (particularly individuals without access to an employer-sponsored retirement plan) the opportunity to voluntarily save for retirement by investing in a newly developed Treasury retirement savings bond. The bond will be available to eligible individuals by opening a *myRA* with the Financial Agent. The retirement savings bond will be the only investment that individuals can make through the *myRA*. The only means of investing in the retirement savings bond will be within the *myRA* held by the Financial Agent; it will not be available as an investment that can be held in other types of accounts, including other Roth or traditional IRAs. There will be no fees charged to the individual for either the *myRA* or for investments in the retirement savings bond. Enrollment and participation in the program will be primarily electronic and individuals will be encouraged to receive program-related payments electronically.

Initially, the Financial Agent and Fiscal Service will work with specific employers or industries to enroll employees in *myRAs*. These employees will be able to fund their *myRAs* and thereby invest in the retirement savings bond through payroll deduction by participating employers. The initial method of funding *myRAs* will be by payroll deduction only; individuals may not fund or contribute to their *myRAs* directly by check, ACH or other means. However, Treasury may decide to expand the program in the future to permit individuals with earned income to open *myRAs* by funding their accounts through means other than payroll deduction.

Role of Financial Agent: Treasury is seeking a Financial Agent to support customer investments in the retirement savings bonds by opening, maintaining, and closing *myRAs* for eligible individuals. The Financial Agent will be the custodian of the *myRAs* and will have all the

legal obligations of an IRA custodian under applicable tax laws. Fiscal Service will market the program, specify the features of the program and issue the retirement savings bonds held in the *myRAs*. Individuals who establish a *myRA* with the Financial Agent will be customers of the Financial Agent and the Financial Agent will have the contractual account relationship with customers with respect to the *myRAs*. As part of offering the *myRAs*, the Financial Agent will provide all administrative, recordkeeping, accounting and back office services in connection with the purchases and redemptions of the retirement savings bonds. The Financial Agent will not be responsible for overseeing employers or resolving any disputes between employees and employers that participate in the program.

Retirement Savings Bond Features: The retirement savings bond, the specifications of which are in the process of being finalized, will never go down in value (except for withdrawals), and will be backed by the full faith and credit of the United States. The bond will have the same interest rate prescribed under 5 U.S.C. § 8438(e)(2) for the Government Securities Investment Fund (G Fund) of the Thrift Retirement Plan of the Federal Employees Retirement System. The bond will be an add-on security with an initial minimum purchase amount of \$25 and subsequent add-on contributions in a low minimum amount of \$5 per contribution. The subsequent contributions will add to the value of the single bond rather than result in separate little bonds. The bond will stop earning interest when a customer’s account balance reaches \$15,000 in value or after 30 years, whichever comes first.

myRA Features: The *myRA* will be subject to all of the rules, requirements and limitations that apply to Roth IRAs under applicable tax statutes and regulations. Contributions to the *myRA* will be invested only in the retirement savings bond and any cash balances awaiting investment or distribution will be FDIC insured. The retirement savings bond held in the account will stop earning interest when the customer’s *myRA* account balance reaches \$15,000 in value or 30 years after the *myRA* account is opened, whichever comes first. At that point the retirement savings bond will be redeemed, and the *myRA* account will be closed, as described below. Before the bond stops earning interest, the Financial Agent will start sending information to the customer about the customer’s options. The customer may instruct the Financial Agent to transfer the balance to another Roth IRA or the customer may request a distribution of the account balance. If the customer does not provide an instruction, the Financial Agent must transfer the *myRA* balance on the customer’s behalf to a Roth IRA held by a Treasury designated financial services provider. Individuals may close their *myRAs* before the retirement savings bond stops earning interest and transfer or roll over the funds to another Roth IRA if they wish.

This chart illustrates potential characteristics of the retirement savings program.

Offering	Nonmarketable Treasury Savings Bonds
Dollar Thresholds	\$25 minimum initial investment, \$5 minimum contributions thereafter / Roth IRA Rules / Maximum balance \$15,000
Purchase Funding Sources	Payroll deduction
Holding Medium	Book-entry
Account Management	Online / Phone
Customer Withdrawals	Delivered to the customer or direct transfer to a commercial Roth IRA
Ownership	Custodian owns security; individual owns Roth IRA
Term	Add-on security that stops earning interest after 30 years or when investment reaches \$15,000

Rate/Yield	Variable rate / Monthly reset / Never below zero / Indexed to the G Fund rate of the federal employee Thrift Savings Plan
Contribution Limits	Governed by Roth IRA tax laws but limited to \$15,000 maximum balance
Tax treatment	Governed by Roth IRA tax laws
Treatment when bond stops earning interest	<i>myRA</i> will be closed and customer may authorize a direct transfer to another Roth IRA at a commercial financial entity or withdraw account balance; if customer doesn't give instructions, balance to be transferred to a Roth IRA at a financial services provider designated by Treasury
Fees	No fees for customer or employer

Fiscal Service will develop a phased implementation for marketing the program. Each phase will incorporate additional employers and their employees. The program will ultimately be marketed on a nationwide basis. Therefore, the services, customer support and infrastructure for the product must be scalable.

II. Financial Agent Selection Process

A. Legal Authority

Pursuant to its authority under 12 U.S.C. §§ 90, 265; 31 U.S.C. § 3122; 31 C.F.R. Part 202, and other federal laws, Fiscal Service is authorized to designate a Financial Agent for the purpose of providing services. The services that Fiscal Service is seeking are for a financial institution to administer customers' investments in the retirement savings bonds, including the opening, maintaining, and closing of *myRAs*. Potential applicants are limited to financial institutions that meet the requirements set forth in 31 C.F.R. Part 202 as well as the requirements under the tax laws to be an IRA custodian. Fiscal Service, in its sole discretion, will select and designate an FI as its financial agent to perform the services described in this request for applications. Fiscal Service and the designated Financial Agent will enter into a Financial Agent Agreement (FAA) with an initial five-year term, with the right by Fiscal Service to extend the FAA for five additional one-year terms.

NOTE: Applicants are selected and designated in accordance with Fiscal Service's Financial Agent Selection Process (FASP). The Federal Acquisition Regulations do not apply to the FASP.

Fiscal Service will accept applications from FIs with the demonstrated ability to perform the services described herein. Interested FIs must submit applications in accordance with the process described below. Fiscal Service will hold an information session for applicants before the due date for applications. In addition, finalists will be invited to participate in a second information session hosted by Fiscal Service and to continue in Fiscal Service's selection process, which may include oral presentations and informal discussions. Fiscal Service will provide finalists with the proposed FAA that the designated Financial Agent will be required to sign. Finalists must express their willingness to enter into the FAA prior to proceeding further with the selection process. Fiscal Service will require the designated Financial Agent to execute a final FAA no later than two (2) weeks after the selection is announced.

B. Evaluation of Applications

The evaluation of applications will be based on multiple factors and not solely on cost of providing the services. Fiscal Service will consider, in a balanced way, the following factors:

- i. Ability to serve as a Financial Agent for Treasury
- ii. Applicant has extensive Roth IRA experience, as demonstrated by how many Roth IRAs the applicant currently maintains, the total dollar value represented by those Roth IRAs, and how long the applicant has offered Roth IRAs
- iii. Applicant can demonstrate it has the capacity or can scale its infrastructure and customer service staff to open, maintain, and close Roth IRA accounts for a nationwide program. If the current infrastructure and customer service capacity does not exist to support the tiers outlined in Section III(E)(3), explain how the capacity can be scaled to the appropriate level.
- iv. Applicant provides secure online capability for customers to open and close Roth IRAs. Evidence that the applicant has a proven track record of providing outstanding customer service and responsiveness (such as customer service surveys, retention of customers, reviews).
- v. Ability to comply with the requirements of Section III, Application Submission Process
- vi. Total program costs to the government over the life of the agreement (see Section III(E)(3))
- vii. Applicant demonstrates ongoing innovative vision - offer new technological tools or access points (mobile application)

III. Application Submission Process

FIs submitting applications must comply with the following requirements. Fiscal Service may, at its discretion, waive any of the requirements based on its assessment of what is in the best interest of the United States.

A. *Deadline.* Applications are due from FIs by 5 PM Eastern Time, March 31, 2014. Fiscal Service will send a confirmation of receipt by e-mail. Fiscal Service may, in its discretion, accept applications and related materials received after the deadline.

B. *Application Format.* An interested FI may submit an application in whatever format it deems appropriate, subject to the following parameters:

1. The application (excluding the transmittal letter) may not exceed twenty-five (25) single-spaced, one-sided pages on 8 1/2 x 11 inch paper with one inch margins using 12 point Times New Roman font. Completed transmittal letters and applications must be transmitted to Fiscal Service by overnight or courier mail or by electronic mail. Only .pdf attachments will be accepted via electronic mail so that the documents cannot inadvertently be corrupted or modified in the transmission and downloading process. Applications must be submitted to:

By hardcopy:

The application must be submitted to **Kimberly S. Reese**, The Bureau of the Fiscal Service, 200 Third Street, Room 401, Parkersburg, WV 26106. FIs must submit 10 (ten) hard copies of

the application and one CD containing (a) the application in Microsoft Word format and (b) a signed copy of the application transmittal letter in Adobe PDF format;

Electronically:

Email to: myRA@bpd.treas.gov

2. In addition to the 25 allotted pages, the application may also contain a table of contents, section dividers (tabs), and pricing application charts. No additional appendices or materials may be included in excess of the 25 page limit;

3. Except for pricing information, the application should not contain any information the FI deems proprietary or confidential. Pricing information the FI considers proprietary or confidential should be marked as "confidential commercial information" on each page. No other information should be marked "proprietary" "confidential" or with similar legends; and

4. The FI may not submit any sales brochures, videos or other marketing information.

C. Application Transmittal Letter. The application must be accompanied by a transmittal letter as described below:

1. The application must be accompanied by a transmittal letter written on the FI's letterhead and signed by an official of the FI with legal authority to represent and bind the institution to the statements made in the application (faxed or scanned signatures are acceptable if the letter expressly states that Fiscal Service may rely on such signature as if it was an original);

2. The transmittal letter must include the name, title, mailing address, e-mail address, telephone number(s), and fax number of the FI's contact person to whom Fiscal will address all communications related to the Financial Agent selection process; and

3. In its transmittal letter, the FI must affirmatively state that it (1) qualifies as a financial agent under 31 C.F.R. Part 202; (2) agrees to the selection approach described in this Notice; (3) understands that the selection process is subject to Fiscal Service's Financial Agent Selection Process and is not subject to the Federal Acquisition Regulations; (4) understands that Fiscal Service makes no guarantees that the FI will be invited to participate further in the selection process; and (5) understands that Fiscal Service makes no guarantees as to the number of accounts or transaction volume under the program.

D. Part I of the Application. Part I of the application must address the following:

1. The applicant's qualification to act as a Financial Agent for the purposes described in this notice pursuant to 12 U.S.C. §§ 90, 265, 266 and 31 U.S.C. § 3122 and in accordance with the requirements set forth in 31 CFR Part 202;

2. The identity of any partners or affiliate organizations with which the FI proposes to provide the requested services;

3. The capacity of the FI to open *my*IRAs nationwide, the maximum number of *my*IRAs it could service initially and over the course of the term of the FAA, and the time period required to scale up the number of accounts;

4. The FI's capability and existing infrastructure to support an online, web-based application for the first phase of the program, in which Fiscal Service's marketing of the program will be limited as described in Section I above, scalable to a phase in which Fiscal Service will market the program nationwide.

5. The experience of the FI and its proposed partners in opening and servicing Roth IRAs, including a clear and concise description of projects or servicing operations that illustrate the capabilities of the FI and its proposed partners, as well as information about the scope and length of each project or servicing operation described. In addition, the description should address experience the FI has in having to be flexible in making program (system, operational, managerial) changes to support a dynamic program.

E. Part II of the Application. Part II of the application must address or include the following, in the order set forth below:

1. Project Management: The FI must submit a staffing chart describing how it will manage the project, with a breakout of project functions. Project management resources should include:

- Provide appropriate project documentation
- Establish regular status meeting schedules
- Provide contingency support of project management role
- **Key Personnel:** Names, titles, business addresses, and experience of proposed key project personnel, including key personnel of any partners or contractors

2. Data and Security Requirements: The Financial Agent must appropriately secure all customer personal and account-related information maintained in connection with this program. In addition to its own security requirements, the Financial Agent shall comply with the following:

- Financial Agent may not operate any part of the program from an offshore location
- All employees and personnel who provide services in support of the program, including but not limited to call center(s) employees, must be located in the U.S. and must be U.S. citizens or lawful resident aliens.
- All computing equipment, data, records, storage and data processing must be located in the U.S. Data may not be accessed by the Financial Agent or its contractors from outside of the U.S. or U.S. territories.
- If Financial Agent's employees are given accounts to access Treasury systems, such as, but not limited to, systems used to deliver reports, those individual employees shall be required to sign a Rules of Behavior statement and may also be required to take annual online security training not exceeding 2 hours in duration.
- Data transmitted to Treasury shall be encrypted using FIPS 140-2 validated encryption products.
- Financial Agent shall have an independent assessor review the security of the program on an annual basis and provide Treasury with a copy of the assessment report within 30 days of the assessor delivering report to the Financial Agent. If

assessor identifies any security risks in the program, Financial Agent shall inform Treasury no later than fifteen (15) days after assessor delivers report to Financial Agent of what risk management decisions were made by the Financial Agent regarding how to address each risk (i.e. corrective actions, risk transfer, mitigating controls, or risk acceptance).

3. Proposed Pricing Structure: FIs should structure their proposed pricing as follows:

- Start-up costs for the program: FIs should provide the overall initial cost of starting up the program, and should break down and explain the components of that cost.
- Tiered pricing for ongoing operation of the program: It is unknown how many individuals will open *myRAs*. Therefore, applicants should submit tiered pricing for the ongoing costs of operating the program based on the following assumptions: up to 125,000 account holders; 125,000-500,000 account holders; 500,000-1.5 million account holders; more than 1.5 million account holders. For each tier, applicants should state how much compensation from Treasury is required and explain how that amount is calculated. Applicants should present, for each tier, the reimbursement required per account holder per year and should explain the methodology for calculating the required reimbursement. Applicants should provide a transparent, clear explanation of the rationale for proposed pricing that explains the assumptions used to arrive at the proposed pricing, including (but not limited to): estimated account balances; customer service costs such as the number and duration of calls to VRU and live customer service representatives; predicted transaction activity on the accounts (e.g., frequency of withdrawals), etc.

Please consider all the information and requirements set forth in this document when calculating costs.

4. Technical Requirements: Meet the following technical requirements:

- Provide an infrastructure designed to initially support an estimated 50,000 to 125,000 customers for the purpose of the first phase with the capability/capacity to support an increasing number of accounts as Treasury expands marketing.
 - *******Important: Fiscal Service cannot and does not guarantee any minimum number of customers who will open *myRAs* in the first phase or any subsequent phase of the program or the dollar amount or frequency of customers' contributions or withdrawals. Similarly, Fiscal Service cannot guarantee that the number of individuals who will open *myRAs* will not significantly exceed the estimates above, including in the initial phase.*******
- Utilize FI's existing online web-based infrastructure for customer access
- Provide functionality for customers to:
 - View balances at the summary and detail levels
 - Request partial and full redemptions and initiate direct transfers to private investment firm or bank
 - Fund accounts through payroll deduction

- If in the future Treasury decides to expand the program to permit individuals with earned income to open *myRAs* by funding their accounts through means other than payroll deduction, Treasury will negotiate the terms and pricing of such an expansion of the program with the financial agent at that time. Treasury also reserves the right to select a different FI for this potential expansion.
- Maintain a minimum of 99% up time for the system
- Obtain and utilize a special-purpose Routing and Transit Number (RTN) for receipt of ACH credits from employers and customers, from which funds will be swept daily to Treasury. The FI will utilize the same RTN to make all payments related to the *myRAs* to customers and others. The Financial Agent must agree to transfer the RTN to any subsequent Financial Agent that might be designated to operate the program in the future.
- To facilitate the transfer of funds between Treasury and the Financial Agent in connection with bond purchases and redemptions, participate in the Treasury Cash Management System (TCMS), which utilizes the Federal Reserve System's National Settlement Service (NSS).
 - Enter into a multilateral settler arrangement with TCMS
 - Complete a TCMS Profile Setup Form
 - Complete a TCMS Settlement Statement via FedMail® Request Form
- Provide customer service via a toll free number (9:00 am-8:00 pm Eastern time Monday-Friday) and sufficient staff to support inquiries both in English and Spanish. Provide 24/7 online capability for account holders to view account information and enter transaction instructions.
- Establish and utilize procedures to track and monitor inactive accounts
- Establish and utilize a procedure to prevent establishment of a *myRA* by an individual who already has a *myRA* or previously had a *myRA* that was closed after 30 years or reaching a balance of \$15,000.
- Implement program changes according to Treasury specified changes to security offerings
- Provide a distinctive link on the FI's website to Ready.Save.Grow microsite and to TreasuryDirect.gov
- Establish the capability for customers to open *myRAs* on the FI's website
 - Provide 2-4 second response time on each page, screen, or automation process
 - Provide 24/7 technical support for the site and browser issues
 - Track and report statistics such as the number of hits to the *myRA* enrollment web page

5. Customer Service: Provide customer service to:

- Respond to inquiries in both English and Spanish
- Provide customer instruction on how to make contributions, redemptions and direct transfers
- Provide technical support for transactional questions
- Meet or exceed commercial standards for interactive voice response (IVR) response times
 - FIs should specify the percentage of calls that will be answered on the first ring

- Meet or exceed commercial standards for Customer Service Representative (CSR) response times
 - FIs should include the percentage of calls that will be answered in 30 seconds, 90 second and 180 seconds
- Meet and report on required service level objectives:

*******Important: It is possible that the population that chooses to open *myRAs* may require more customer service support than the Financial Agent's existing customers. Because the program is intended to target working individuals who may not have experience with retirement savings options, individuals who choose to open *myRAs* may not have the same degree of knowledge or experience with IRAs as existing customers and may have more questions and need more assistance as a result. FIs should evaluate this possibility and take it into account in their applications.*******

6. Accounting for Retirement Savings Bonds: Provide accounting reports:

- Provide to Fiscal Service daily accounting for bonds
 - Issuance of principal: total dollar amount of principal at time of issue and/or additional contributions
 - Interest accruals: total dollar amount of interest as accrued
 - Principal redemptions: total dollar amount of principal at time of redemption(s)
 - Interest payments: total dollar amount of interest paid at redemption(s)
 - Cash servicing transactions (for undeliverable payments, transfers to suspense, overpayments, etc.) Total dollar amount for miscellaneous transactions as they occur.
- Develop a procedure to receive interest rate calculations from Treasury electronically
- Report total dollar amount of principal outstanding on a monthly basis
- Assign and maintain individual serial numbers on a book entry basis for each bond held within a *myRA*
- Furnish to *myRA* account holders such account reports as may be required under tax laws and regulations

7. Tax Reporting for *myRAs*: Provide tax reporting to:

- IRS
- Customers

8. Statistical Reporting/Documentation:

- Provide information for Fiscal Service to respond to Freedom of Information Act requests
- Provide daily summary level financial reporting, including but not limited to
 - Amount sold
 - Amount of interest accrued
 - Amount redeemed and interest paid
 - New account statistics - number of and dollar amounts

- Provide statistical reporting both daily and on demand including, but not limited to:
 - Number of website hits
 - Number of participants
 - Dollar amounts held
 - Customer service transactions
- Report to Fiscal Service on operational metrics for the program

9. myRAs: Establish and maintain *myRAs* for eligible individuals

- Develop and utilize enrollment materials approved by Treasury
- Comply with all Roth IRA requirements

10. Employer Participation:

- Identify participating employers, i.e., employers who are originating payments on behalf of employees who have opened *myRAs*
- Provide support to employers to enable:
 - Payroll deduction for funding purchases
 - Product information to explain the process
 - Opportunities to provide feedback on the program and process

11. Marketing and Promotional Activities:

- Financial Agent may not share or sell any data within or associated with this program.
- Financial Agent may not cross-market any products or services to customers.
 - Financial Agent may, however, provide information and materials in response to unsolicited requests from *myRA* customers for information about Financial Agent's other products and services
 - Financial Agent may cross-market products or services to individuals who were already its customers before opening a *myRA*
- Fiscal Service will be responsible for all marketing and promotion of the program, including preparation of materials and outreach to employers and the public
- Financial Agent will provide assistance to Fiscal Service by:
 - acting as a strategic partner in conferring and collaborating with Fiscal Service on outreach to employers and consumers
 - distributing informational or promotional materials to participating employers and *myRA* owners, through physical (mail) and electronic formats if required

12. Audit Requirements: Describe existing or proposed audit, oversight and reporting procedures through which Fiscal Service will be assured that the Financial Agent is handling the *myRAs* and retirement savings bond investments in compliance with law and sound fiduciary principles.

- At least once during each 12 month period, the Financial Agent will cause detailed audits of its relevant books and records to be made by a qualified public accountant. The audits shall be conducted in accordance with generally accepted accounting standards and shall involve whatever tests of the books and

records of the Financial Agent are considered necessary by the qualified public accountant.

- To the extent the applicant believes such audits would be duplicative or unnecessary, the applicant should explain its reasoning and provide the cost savings if such audits are not required.

13. Fiscal Service Oversight: Fiscal Service may require the following:

- Managerial reports
- Responses to inquiries
- Coordination of any interaction with the Department of the Treasury. In this regard, communications regarding any aspect of the program will be directed to appropriate Fiscal Service employees as specified in the FAA.
- Approval of any expansion suggestions such as those regarding:
 - Number of customers
 - Infrastructure changes or enhancements

14. Contingency Planning:

- Contingency Plans: Provide a general description of the applicant's contingency plans in the event of systems failure or other similar event, including call center locations.
- Disaster Recovery/Risk Mitigation: Provide a general description of the applicant's emergency and disaster recovery plans.

15. Procedure to support Fiscal Service complaint resolution: Because the retirement savings program is a Treasury program, Fiscal Service wishes to develop a process to enable Fiscal Service to investigate and assist in the resolution of problems or complaints made to Treasury by a customer or in connection with a Congressional, audit or law enforcement inquiry made to Treasury regarding a customer's *myRA*. Applicants should discuss their ability to implement a procedure along the following lines, and should discuss the costs and any concerns or issues raised in connection with the procedure:

The Financial Agent will work with Fiscal Service to implement and utilize a process to enable Fiscal Service to communicate with the Financial Agent about a customer's account, and to obtain customer records and information from the Financial Agent that Fiscal Service needs in order to investigate and respond to complaints, inquiries and problems relating to a customer's *myRA*. This process is not intended to replace the Financial Agent's normal procedures for handling customer inquiries or complaints, but is meant to enable Fiscal Service to respond to on an occasional basis for inquiries made directly to Fiscal Service. When Fiscal Service receives such an inquiry, it will obtain from the customer a signed, dated statement authorizing disclosure of the customer's records that meets the requirements of 12 U.S.C. § 3404(a). The statement will:

- Authorize the disclosure for a period not in excess of three months;
- State that the customer may revoke the authorization at any time before the records are disclosed;
- Identify the financial records which are authorized to be disclosed;
- Specify the purposes for which the records may be disclosed; and
- State the customer's rights under the Right to Financial Privacy Act.

The statement may be provided and signed electronically. Fiscal Service will use commercially reasonable procedures to verify the identity of any customer who makes a complaint or inquiry before obtaining a statement from the customer. Fiscal Service will provide the Financial Agent with a copy of the statement when making a request for customer records. Upon receipt of the statement, the Financial Agent will provide Fiscal Service with the requested information and work with Fiscal Service to see that the problem is addressed. Fiscal Service will not further disclose or share the records except as may be permitted under the Right to Financial Privacy Act.

16. Termination Procedure for *my*RAs: As the retirement savings bond held in a customer's *my*RA approaches 30 years or a balance of \$15,000, the Financial Agent will be required to notify the customer that the *my*RA account will be closed, and request and act on instructions from the customer to distribute the balance or transfer the balance to another Roth IRA. Fiscal Service wishes to establish a procedure whereby, if the Financial Agent does not receive instructions from a customer, the Financial Agent will be required to act on behalf of the customer to roll over the customer's *my*RA to another Roth IRA at a financial services provider selected by Treasury. Fiscal Service envisions that the Financial Agent would obtain advance consent from customers to this process by including language in the *my*RA custodial agreement in substantially the following form:

“Your *my*RA account will be closed once it has been open for 30 years or when the balance reaches \$15,000.00, whichever happens first. Prior to closing your *my*RA account, we will contact you so that you can provide us with written instructions to transfer all the assets of your *my*RA to the trustee or custodian of another Roth IRA. You agree that if after our reasonable efforts to contact you we have been unable to reach you or you do not provide us with instructions, we will act as your attorney-in-fact to establish a Roth IRA for you at a financial services provider selected through a process established by the US Department of the Treasury. You agree that we may transfer to that financial services provider the balance held in your *my*RA and all of your financial records relating to the *my*RA, including personal and identifying information sufficient for the financial services provider to comply with customer identification requirements to open a Roth IRA for you. In order for a financial services provider to open a Roth IRA for a customer, IRS rules require that you enter into a trust or custodial agreement with the financial services provider. You agree that we may sign the required trust or custodial agreement on your behalf as your attorney-in-fact and you agree to be bound by all of the terms and conditions of the custodial agreement. If the financial services provider is unable or unwilling to open a Roth IRA for you for any reason, you agree that we will send you the balance in your *my*RA. We will send the funds electronically if we have account information for the delivery of payments to you, or by check if we do not have account information for the electronic delivery of funds to you.”

Applicants should address their ability to implement this procedure, identify any impediments or considerations in doing so, and recommend alternatives, keeping in mind Treasury's policy goal to transition customers to Roth IRAs rather than making distributions.

IV. Authority

The Secretary of the Treasury has authority to designate depositories and financial agents of the United States to perform such reasonable duties as may be required by the Secretary. See,

e.g., 12 U.S.C. §§ 90, 265; 31 U.S.C. § 3122; and 31 CFR Part 202. The FI designated to provide retirement program services pursuant to the notice shall be a Financial Agent to the United States and not a contractor. Neither this notice, nor the services sought by Fiscal Service, is a procurement subject to the Federal Acquisition Regulations.

V. Further Contact Information

All questions should be directed to myRA@bpd.treas.gov. Fiscal Service will answer all questions in writing via e-mail as soon as possible and will share questions and answers with other interested participants. Unless an FI is notified in writing that the deadline for submission has been extended, the FI must submit its application by the deadline regardless of any outstanding questions it may have.

VI. Conclusion

FIs must understand that, if designated, they will have a principal-agent relationship with Fiscal Service and not an arm's length contractor relationship. As such, the designated Financial Agent will have a fiduciary responsibility to Fiscal Service, including a duty of loyalty and fair dealing. The Financial Agent will have a responsibility to act in the best interest of the United States and Fiscal Service will expect full transparency in all communications and pricing.

This request for applications may be amended from time to time, or cancelled in its entirety, in the sole discretion of Fiscal Service.