



Pension Reserves Investment Management Board

October 31, 2022

Dear Potential Provider:

The Massachusetts Pension Reserves Investment Management Board ("PRIM") is requesting responses from firms interested in providing **Public Markets Advisory Services**.

The Procurement Officer for this Request for Proposals (RFP) is Andre Abouhala. For responses to be considered by PRIM, each prospective provider must respond to the RFP by submitting an electronic copy of its response, including attachments, via e-mail to rfpresponses@mapension.com. The response must be received by 3:00 p.m., ET, Friday, December 2, 2022.

Further instructions for response submission are included in the RFP. Questions concerning the RFP must be submitted to rfpresponses@mapension.com by 3:00 p.m. ET, Monday, November 14, 2022.

We appreciate the time and effort required to respond to this RFP. Each respondent submitting a response to PRIM can be assured that commensurate time and effort will be expended in evaluating each response. We look forward to your response.

Sincerely,

Michael G. Trotsky, CFA
Executive Director and Chief Investment Officer

Deborah B. Goldberg, Treasurer and Receiver General, Chair
Michael G. Trotsky, CFA, Executive Director and Chief Investment Officer

[THIS PAGE INTENTIONALLY LEFT BLANK]

REQUEST FOR PROPOSALS (RFP)

Public Markets Advisory Services

October 31, 2022

Table of Contents

	<u>Description</u>	<u>Page</u>
I.	Introduction/Purpose	5
II.	Background Information	5
III.	Scope of Services	7
IV.	Response Specifications	8
V.	Selection Process and Selection Criteria	10
VI.	Minimum Qualifications	11
VII.	Tentative Timeline	11
VIII.	Questionnaire	13
IX.	Representations and Warranties	22
X.	Fee Proposal	22
XI.	Exhibits	22

Exhibits

	<u>Description</u>	<u>Page</u>
A.	PRIM Service Providers	23
B.	PRIM Disclosure Statement	24
C.	PRIM Investment Policy	29
D.	PRIM Investment Advisory Agreement	30

I. INTRODUCTION/PURPOSE

The Massachusetts Pension Reserves Investment Management Board ("PRIM") is soliciting responses from firms interested in providing Public Market Advisory Services. More detailed descriptions of these services are set forth in Section III of this RFP under the heading "SCOPE OF SERVICES."

II. BACKGROUND INFORMATION

A. Legal Structure of PRIM

PRIM was created in 1983 by the Commonwealth of Massachusetts through legislation (Chapter 661 of the Acts of 1983, as amended by Chapter 315 of the Acts of 1996) to provide general supervision of the investments and management of the Pension Reserves Investment Trust (PRIT) Fund. The PRIT Fund was created by the same legislation and is the investment portfolio for the assets of the State Employees' and State Teachers' Retirement Systems, as well as local retirement systems that choose to invest in the PRIT Fund.

PRIM is governed by a nine-member board of trustees (the "Board"). The trustees include: (1) the Governor, *ex officio*, or his designee; (2) the State Treasurer, *ex officio*, or her designee, who shall serve as Chair of the PRIM Board; (3) a private citizen, experienced in the field of financial management, appointed by the State Treasurer; (4) an employee or retiree, who is a member of the State Teachers' Retirement System, elected by the members of such system, for a term of three years; (5) an employee or retiree, who is a member of the State Employees' Retirement System, elected by the members of such system for a term of three years; (6) the elected member of the State Retirement Board; (7) one of the elected members of the Teachers' Retirement Board chosen by the members of the Teachers' Retirement Board; (8) a person who is not an employee or official of the Commonwealth appointed by the Governor; and (9) a representative of a public safety union appointed by the Governor. Appointed members serve for a term of four years.

The mission of the PRIT Fund is to ensure that current and future pension benefit obligations are adequately funded in a cost-effective manner. PRIM therefore seeks to maximize the total return on investments within acceptable levels of risk for a public pension fund. Under current law (as amended by Section 45 of Chapter 68 of the Acts of 2011), by the year 2040, the PRIT Fund will have grown, through annual payments in accordance with a legislatively approved funding schedule and through total investment return of the PRIT Fund, to an amount sufficient to meet the then existing pension obligations of the Commonwealth. The Commonwealth has adopted a schedule of state pension appropriations that assumes a long-term actuarial rate of return for the PRIT Fund of 7.00%.

The nine-member board of trustees, as trustees for each retirement system that invests in the PRIT Fund, has the authority: to employ an Executive Director, outside investment managers, custodians, legal counsel, consultants and others as it deems necessary; to formulate policies and procedures; and to take such other actions as necessary and appropriate to manage the assets of the PRIT Fund.

PRIM is the legal custodian of the PRIT Fund and has fiduciary responsibility for the assets transferred to the PRIT Fund by state and local retirement systems. PRIM selects the PRIT Fund's investment managers and advisors, reviews and evaluates total PRIT Fund and individual investment manager performance, and performs various other activities in the daily management of the PRIT Fund. As of June 30, 2022, the PRIT Fund had net assets totaling approximately \$92 billion.

PRIM is governed by Massachusetts General Laws, Chapter 32 and oversees the PRIT Fund under the terms of its Operating Trust dated July 15, 1988, and amended on September 22, 1998 (a copy of which is available at www.mapension.com). The members of the Board, in conjunction with the Executive Director, who serves at the pleasure of the Board, determine policies and make decisions concerning the administrative and investment operations of the PRIT Fund.

PRIM has established advisory committees (Investment, Administration & Audit, Real Estate & Timber, ESG, and Compensation) to provide a broad range of input to the Board. These committees are generally composed of several Board members and several non-Board members having investment and/or business and/or other relevant expertise. Significant policies and investments are ultimately approved by the Board.

B. Massachusetts General Laws (MGL Chapter 32)

PRIM is governed by Massachusetts General Laws (“MGL”), Chapter 32, Sections 22 and 23 (web link: <https://malegislature.gov/laws/generallaws/parti/titleiv/chapter32>) and oversees the PRIT Fund under the terms of PRIM’s Operating Trust dated July 15, 1988 and amended on September 22, 1998. The members of the Board, in conjunction with the Executive Director, determine significant policies and decisions concerning the administrative and investment operations of PRIM and the PRIT Fund.

C. Massachusetts Conflict of Interest Law (MGL Chapter 268A)

The Massachusetts Conflict of Interest Law (web link: <https://malegislature.gov/Laws/GeneralLaws/PartIV/TitleI/Chapter268A>) applies to PRIM and can have application to persons performing services to PRIM by contract.

D. Massachusetts Open Meeting Law (Chapter 30A, Sections 18-25)

The Massachusetts Open Meeting Law (MGL Chapter 30A, Sections 18-25, web link: <https://www.mass.gov/the-open-meeting-law>) is designed to ensure transparency in public policy deliberations. The Open Meeting Law requires, with some exceptions, that meetings of public bodies such as PRIM be open to the public.

E. PRIM’s Advisors

Outside advisors and managers (some of whom are identified in **Exhibit A**) are engaged for their expertise and retained to assist PRIM in the areas of general portfolio strategy and investments and related services. BNY Mellon is the PRIT Fund's custodian and is responsible for providing record-keeping and analytic performance valuations for the PRIT Fund.

III. SCOPE OF SERVICES

The purpose of this Request for Proposals (RFP) is to solicit Proposals from qualified investment advisors to provide Public Markets Advisory Services. Public Markets is defined by the following asset classes: Global Equities, Core Fixed Income, and Value-Added Fixed Income.

The selected respondent(s), upon execution of a contract, shall, as requested by PRIM, and subject to Massachusetts law and policies:

1. Understand and act in accordance with PRIM's investment policies.
2. Conduct thorough research and analysis supporting any recommendations related to the portfolio.
3. **Public Market Planning.** On an annual basis, prepare and present to the staff a report containing (a) an evaluation of the effectiveness of the current portfolio and investment manager structure (including evaluations of the current investment managers); (b) a review of PRIM's needs for particular investment styles, capitalization ranges or strategies within the Public Markets portfolio; and (c) areas of improvements/enhancements/recommendations.
4. **Performance Analysis.** For PRIM's sub-asset class and manager-level portfolios, provide quarterly performance analysis, including performance of individual Public Markets portfolios as well as the aggregate of sub-asset class portfolios. The quarterly performance analysis should include return attribution characteristics, style analysis, risk analysis, peer universe comparison, and holdings analysis relative to the benchmarks. Provide analysis and advice on questions or issues that arise in the course of overseeing the Public Markets portfolios.
5. **Public Market Manager Search and Selection.** For PRIM's Public Markets portfolio(s), provide analysis, and assist in the hiring of outside investment managers, including:
 - a. Provide access to internal notes and reports of investment managers, including their philosophies, organizations, performance and clients. Manager information should be available for a wide range of investment managers across both equity and fixed income markets.
 - b. Assist in conducting RFP and Non-RFP searches for Public Markets managers (approximately one to five searches per year), including but not limited to the (i) development of requests for proposals; (ii) screening of prospective managers; (iii) preparation of background material for the staff, evaluation committee, Investment Committee, or PRIM Board; (iv) participation in manager interviews; and (v) preparation of manager selection recommendations.
 - c. Attend due diligence reviews of new managers, which may include travel.
6. **Attendance of PRIM Board and Investment Committee Meetings:** There are four meetings of each, annually, in Boston, MA or via virtual conference.
7. **Ad Hoc General Research and Analysis:** Provide timely research, analysis, and advice on pertinent and current investment issues. May include investment education workshop for PRIM staff and/or trustees.

IV. RESPONSE SPECIFICATIONS

A. Deadline For Proposals

Proposals, including all attachments, must be delivered electronically via e-mail to Andre Abouhala at rfpresponses@mapension.com, by 3:00p.m. EDT, December 2, 2022 (the "Response Deadline"). The e-mail subject header should be in the following format: "PRIM Public Markets Advisory Services RFP Response – Name of Responding Firm."

The questions and/or requests made in this RFP should be duplicated in their entirety in the respondent's proposal, with each question and/or request repeated before the answer or response. **Any response received after the response deadline will not be considered.**

All electronic (email) documents submitted must be 40MB or smaller in size. If necessary, the Respondent should separate the RFP submission into multiple emails to ensure the 50 MB size requirement is not exceeded. The Respondent is responsible for ensuring that a complete electronic RFP response is received prior to the response deadline.

Copies of this RFP can be obtained electronically on the PRIM website at www.mapension.com.

B. Required Enclosures and Attachments

1. Cover Letter

The response must be accompanied by a cover letter, which will be considered an important part of the response, and which shall be signed by at least one individual authorized to bind the respondent contractually. This cover letter must include: (a) the respondent's name and address; (b) name, phone number, and email address of the person proposed to be the principal contact; (c) the title or position which the signer of the cover letter holds in the firm; and (d) a statement to the effect that the response is a firm and irrevocable offer of the respondent.

2. Responses to Minimum Qualifications (Section VI)

The respondent must describe in sufficient detail how the firm meets the Minimum Qualifications.

3. Responses to Questions (Section VIII)

The respondent must provide complete response to the questions contained within this RFP.

4. Representations and Warranties

The representations and Warranties contained in Section IX hereof, signed by an authorized officer of the Respondent, must be included as an attachment to the cover letter referenced in Section IV.B.1 above.

5. Disclosure Statement

Attached to this RFP as **Exhibit B** is a PRIM Disclosure Statement. Each firm submitting a response must complete the PRIM Disclosure Statement and submit it as an attachment to the cover letter referenced in Section IV.B.1 above. **YOU MUST COMPLETE THE PRIM DISCLOSURE STATEMENT OR YOUR SUBMISSION MAY NOT BE CONSIDERED.**

6. Fee Proposal

The fee proposal of the proposing firm must be submitted on the form contained in Section X hereof (the Fee Proposal).

7. Form ADV

If applicable, the firm must submit to PRIM in electronic form its full Form ADV (Parts I and II).

C. Public Record and Website Posting

In accordance with Chapter 66, Section 10 and Chapter 4, Section 7(26) of the Massachusetts General Laws, upon the expiration of the response deadline, responses to this RFP could be deemed to be public records, and as such could be subject to requests for public disclosure. Additionally, in accordance with Chapter 66, Section 19(b)(v) of the Massachusetts General Laws, the RFP Response that is submitted by the respondent(s) selected to provide services to PRIM will be posted on PRIM's website (www.mapension.com).

D. Withdrawal/Irrevocability of Responses

Respondents may withdraw and resubmit responses prior to the response deadline. No withdrawals or re-submissions will be allowed after the response deadline.

E. Waiver/Cure of Minor Informalities, Errors and Omissions

PRIM reserves the right to waive or permit cure of minor informalities, errors or omissions prior to the selection of finalists, and to conduct discussions with any qualified proposers and to take any other measures with respect to this RFP in any manner necessary to serve the best interest of PRIM and its beneficiaries.

F. Communications with PRIM

Respondents may withdraw and resubmit responses prior to the response deadline. No withdrawals or re-submissions will be allowed after the response deadline.

The Procurement Officer for this RFP is:

Andre Abouhala
Investment Officer – Public Markets
Pension Reserves Investment Management Board
84 State Street
Boston, Massachusetts 02109
rfpresponses@mapension.com
Telephone: (617) 946-8471

As of **October 31, 2022**, persons and entities intending to submit a response should not contact any PRIM staff, members of the Public Market Advisory Services or any other PRIM committees, members of the PRIM Board, or employees of the Massachusetts Treasury, other than the Procurement Officer(s) identified above. An exception to this rule applies to persons and entities currently doing business with PRIM, but any such contact made with persons other than the Procurement Officer must be limited to that business and must not relate to this RFP. In addition, respondents should not discuss this RFP with any employee of PRIM's custodian, PRIM's managers, consultants, legal counsel

or other PRIM advisors.

FAILURE TO OBSERVE THIS RULE IS GROUNDS FOR DISQUALIFICATION

G. Questions Regarding this RFP

All questions concerning this RFP must be received by the Procurement Officer(s) by **3:00 p.m. EDT, November 14, 2022** (the "Question Deadline"), in writing, via e-mail sent to rfpresponses@mapension.com. Questions received before the deadline will be answered and circulated by e-mail to all respondents who have proposed a question. Respondents that have requested prior to the deadline, in writing, a copy of the questions and the responses will also receive them. Questions, or requests for a copy of the questions and the responses, that are received after the Question Deadline will not be considered.

H. Incurring Costs

PRIM will not be liable for any costs incurred prior to entering a contract with the selected respondents or proposers.

I. Rejection of Responses; Cancellation

PRIM reserves the right in its sole discretion to reject any response, as well as the right to reject all responses submitted in response to this RFP, and to cancel and rescind the procurement at any time, for any reason or for no reason.

V. SELECTION PROCESS AND SELECTION CRITERIA

PRIM will evaluate each response to determine if it was submitted in accordance with the requirements set forth in this RFP, including whether the proposing firm meets the Minimum Qualifications of Section VI.

Proposals will be evaluated by an Evaluation Committee which may include members of the PRIM Board, its advisory committees, and staff (the "Evaluation Committee"). If helpful to PRIM's evaluation, the Evaluation Committee may invite one or more respondents to PRIM for an interview.

The Evaluation Committee will assess the respondent's qualifications based on the following criteria:

1. Stability and experience of the firm.
2. Experience and stability of the team proposed to be dedicated to PRIM.
3. Investment advisory philosophy and process.
4. Track record of adding value to client portfolios.
5. Breadth and depth of capabilities, including market coverage (geographies, investment strategies)
6. Client references.
7. Fee proposal.

The Evaluation Committee will then submit its results and make its recommendation to the PRIM Investment Committee, which will make a recommendation to the PRIM Board. The Investment Committee may accept the recommendations of the Evaluation Committee, and/or may recommend other or additional respondent(s) to the PRIM Board. The selections(s) will ultimately be made by the

PRIM Board.

VI. MINIMUM QUALIFICATIONS

A respondent must meet the following minimum qualifications to be given further consideration in PRIM's search for a Public Markets Advisory Services provider(s). Failure of a respondent to meet the minimum qualifications applicable to the services for which it is submitting a Proposal will result in the Proposal's rejection.

Minimum Qualifications.

Please describe how your firm meets the Minimum Qualifications as outlined below:

1. The responding firm must be a registered investment advisor under the Investment Company Act of 1940.
2. The responding firm must have been in business for a minimum of five years providing public market advisory services, as of September 30, 2022.
3. As of September 30, 2022, the responding firm and the proposed primary advisor to be assigned to the PRIM account must have been primarily responsible for providing Public Markets Advisory Services to institutional asset allocators (public pension funds, private pension funds, endowment and/or foundation clients) with aggregate assets of at least \$25 billion.

VII. TENTATIVE TIMELINE

The following is the tentative time schedule for the RFP. All dates are subject to modification by PRIM with notice, and any such modifications will be posted on PRIM's website.

Issuance of RFP:	October 31, 2022
RFP Question Deadline:	November 14, 2022, 3:00 p.m. ET
RFP Response Deadline:	December 2, 2022, 3:00 p.m. ET
Notification of Finalists:	On or before December 31, 2022
Evaluation Committee Interviews*:	Week of January 9, 2022
Investment Committee Meeting:	January 31, 2023
PRIM Board Meeting:	February 16, 2023
Projected Commencement Date:	April 19, 2023

*Any interviews will be held either at PRIM 's offices in Boston, MA or remotely via virtual conference.

Any questions should be directed to the Procurement Officer at: rfpresponses@mapension.com.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

VIII. QUESTIONNAIRE

RESPONSES SHOULD BE AS OF SEPTEMBER 30, 2022

Respondent: _____

Address: _____

Telephone #: _____

Email Address: _____

Contact: _____

Signed: _____

Name (print): _____

Title: _____

Date: _____

1. Scope of Services

Please describe in sufficient detail below how the services set forth in the Scope of Services in Section III will be provided.

2. Organization

A. Indicate your firm's fiduciary classification:

- ☐ Bank
☐ Insurance Company
☐ Registered Investment Advisor (Investment Advisors Act of 1940)
☐ Affiliate of Fiduciary (Name and Classification)
☐ Other (Please explain)

B. Firm structure:

1) What is your firm's structure?

- a. Please describe the business history, location of offices, organizational structure, and ownership of the firm.

- b. If owned by another firm, what percentage of the parent company's revenue does your firm contribute? Indicate how the percentage of revenue has changed over the life of the arrangement or the last 10 years.
 - c. Identify any affiliated companies, joint ventures and other entities that contribute in some way to your firm's investment and operational management.
 - d. List all firm owners, whether they are individuals, employees, or partnerships, and percentage ownership held by each. If employee-owned, discuss how the equity is distributed, and what, if any, plans your firm has to further distribute equity to your key professionals.
 - e. Provide an organizational chart diagramming the relationships between the professional staff as well as the parent-subsidary, affiliate, or joint venture entities.
- 2) Describe any material developments in your organization (changes in ownership, business, etc.) over the past five years in detail.
 - 3) Are there any structural or financial changes contemplated in the next year (e.g., ownership, merger and acquisitions, products, etc.)? If yes, please explain.
 - 4) Please list the total number of employees in each functional area:

Primary Advisors	
Manager Research	
Asset Allocation Research	
Risk	
Administration	
Client Service/Marketing	
Other (Specify)	
Total	

C. Regulatory/Legal:

- 1) During the past five years, has your firm or any of its affiliates, or the owners or employees of any of them, been a subject of any of the following (whether resolved, pending or threatened): (i) any examination (routine or otherwise) by the SEC or any other governmental regulator, agency or self-regulatory body? (ii) Any investigation or proceeding by any governmental regulatory or law enforcement agency, including, but not limited to any SEC or state investigations? (iii) Any litigation or other proceeding alleging fraud, breach of fiduciary duty, bad faith, willful misconduct or breach of any investment advisory, investment management or similar agreement?

- a. If the answer to any of the foregoing is “yes”, please provide a description of each relevant matter, including dates, parties, nature of the matter and current status.
- 2) To the extent not included in your response to the foregoing questions, during the past ten years, has your firm or any of its affiliates, or the owners or employees of any of them, been a subject of any conviction, plea of nolo contendere, judgment, administrative action, consent decree, sanction, license suspension or revocation, damages award, reparations, arbitral award or negotiated settlement in connection with any examination, investigation, litigation or proceeding of a type described in Section VIII C.1: (i)-(iii)?
 - b. If the answer to the foregoing is “yes”, please provide a description of each relevant matter, including dates, parties, nature of the matter and the resulting resolution.
- 3) During the past five years, has your firm or any of its affiliates, or the owners or employees of any of them, been a subject of any of the following (whether resolved, pending or threatened): sexual or general harassment, misconduct, or discrimination?
 - c. If the answer to the foregoing is “yes”, please provide a description of each relevant matter, including dates, parties, nature of the matter and the resulting resolution.
- 4) During the past five years, has the firm been a party to any litigation alleging fraud, breach of fiduciary duty or other willful misconduct?
 - d. If the answer to the foregoing is “yes”, please provide a description of each relevant matter, including dates, parties, nature of the matter and the resulting resolution.
- D. Indicate U.S. Dollar amounts of coverage for SEC-required (17g-1) fidelity bonds, errors and omissions coverage and any other fiduciary coverage, which your firm carries. List the insurance carriers supplying the coverage.
- E. Describe in detail any potential conflicts of interest your firm may have in providing to PRIM the services described in this questionnaire. Include potential conflicts posed by any activities of affiliated or parent organizations, asset management, brokerage activities, investment banking activities, or any past or current relationships with PRIM Board members, PRIM Committee members and/or PRIM investment staff. Include any other pertinent activities, actions or relationships not specifically outlined in this question. Also disclose any business relationship with PRIM’s investment managers, which can be found under PRIT FUND SERVICE PROVIDERS on PRIM’s website (link in Exhibit A).
- F. Does the firm or any affiliate serve as an investment manager for its clients?

- G. Does the firm accept fees or compensation from investment managers for which it provides manager research services or investment recommendations?
- H. Describe the services your firm provides and give the percentage of revenue derived from investment consulting and the other lines of business. Of your affiliate groups (if any), what percentage of total revenues for that group is derived from investment consulting?
- I. Does your firm maintain a code of ethics? If so, how is it enforced.
- J. Provide a detailed summary of your firm's compliance/internal control structure. Identify senior or key personnel in the firm's compliance process.
- K. Is your firm compliant with the CFA Institute Asset Manager Code of Professional Conduct? If not, discuss your firm's reasons for choosing not to comply.

<https://www.cfainstitute.org/en/ethics-standards/codes/asset-manager-code>

3. Diversity, Equity, & Inclusion

A. Please answer the following questions regarding diversity and inclusion:

- 1) Is your organization a Minority Business Enterprise, a Women Business Enterprise, a Veteran Business Enterprise, an LGBT-Owned Business Enterprise, or a Service-Disabled Veteran-Owned Business Enterprise appearing in either:
 - a) The Directory of Certified Businesses maintained by the Massachusetts Supplier Diversity Office (SDO) and its certifying partner organizations (the U. S. Business Leadership Network, the National Gay and Lesbian Chamber of Commerce, and the U. S. Department of Veterans Affairs); or
 - b) The directory of an equivalent certifying agency (if so, please indicate the name of the equivalent certifying agency)?
- 2) The PRIM Board believes that diversity of thought leads to better decision making. With that in mind, please describe your firm's approach to workplace diversity and inclusion and how it relates to your business model. Please describe ways your firm seeks out diverse employees, ensures wage-equality within your organization and the diversity of your top management or, if applicable, your board.
- 3) Does your firm have a formal diversity and inclusion policy, which may include; your firm's commitment and practices regarding equal employment opportunity, including the recruitment, development, retention and promotion of a diverse and inclusive workforce and non-discrimination on gender, race, ethnicity, sexual orientation, age, gender identity, veteran's

status, and other legally protected categories? If so, please provide a copy of your firm's policies.

- 4) Describe your firm's capabilities and experience in advising clients on investing in diverse investment managers.
- 5) Does your firm have specific policies or goals to increase the level of gender, racial, and ethnic diversity of senior leadership and investment teams? If so, please describe.
- 6) Does your firm have an ethics code and/or code of conduct or explicit sexual harassment policy that covers harassment, discrimination and/or workplace violence? If so, please provide a copy. If not, are you considering the development and implementation of such a code?
- 7) Is your firm compliant with the CFA Institute's Diversity, Equity, and Inclusion Code (USA and Canada)? If not, please list and describe any other initiatives your organization uses to promote diversity, equity, and inclusion.

<https://www.cfainstitute.org/en/ethics-standards/codes/diversity-equity-inclusion>

4. Client Information

A. Please answer the following questions for the last five calendar years:

- 1) Total public markets advisory assets.
 - a. By market (\$) value.
 - b. By number of clients.
- 2) Total U.S. public pension public markets advisory assets
 - a. By market (\$) value.
 - b. By number of clients.

B. List your 5 largest U.S. tax-exempt public markets advisory clients, including public and ERISA fund clients. Please include client name, plan AUM size, and relationship inception date.

C. What is the largest, average, and smallest client by plan AUM size for which you currently provide public markets advisory services?

D. List the number of clients (with \$ AUM) gained or lost in your public market advisory service over the past five years.

E. Provide the name, address, phone number, contact name, email, title and account type (e.g., defined benefit, defined contribution, endowment) of three current client references.

5. Personnel

- A. Please list the professionals who would service the PRIM account and describe as detailed in the following table. Please include primary advisor(s) to be assigned to the PRIM account, secondary/back-up advisors, research staff, support services, etc.

Name	Title	Years Experience	Years with Firm	Location	# of Client Relationships	Total Client Assets (Plan Size AUM \$ billion)

- B. Please provide biographical information on all the individuals listed above.
- C. Please describe enhancements to manager selection, asset allocation, research, risk, client service and technology over the last five years. What, if any, additional resources do you plan to add in the future?
- D. Describe the compensation and incentive program for the professionals directly involved in servicing PRIM. How are they evaluated and rewarded? What incentives are provided to attract and retain key professionals?
- E. What has been the firm's attrition rate over the past five years? Discuss the causes and impact of any major departures over the past three years. What was each individual's job responsibilities? Indicate years with the firm and how each was replaced.

6. Public Market Advisory Services

- A. Describe your firm's process for the evaluation, recommendation and termination of investment managers and the consideration given to the manager's investment capabilities, operations, and risk management. Does your firm have an approved list of investment managers? if so, please describe the manager approval/removal process.
- B. Describe how your firm's process for evaluation and recommendation of investment managers adds value.
- C. Describe in detail, your firm's investment manager monitoring process. If your process includes a system for ranking investment managers within a given asset class, please describe the quantitative and qualitative inputs into the rank.
- D. How does your firm communicate routine performance meeting notes and non-routine developments at investment managers to your clients? Provide an example of your firm's ongoing reporting of investment managers.

- E. Please provide, as attachments to your Proposal, an example of the investment performance reports, written reports, manager recommendation, and statistical reports that will be provided to PRIM staff and the PRIM Board. Please also describe the frequency and timing for such reports.
- F. Describe your firm's research department. If no separate department exists, describe how this function is performed. Please provide, as attachments to your Proposal, copies of your firm's most recent research papers.
- G. Describe how external resources and sources of information are used in the research process. How does your firm integrate internal and external research?
- H. Describe the subject matter and frequency of research provided to clients, and the media customarily used to distribute such research to clients.
- I. Describe your ability to provide customized computer-based analytical tools to your clients. Describe specific features.
- J. Describe your firm's process for monitoring industry and market trends affecting investment funds.
- K. Describe your firm's criteria for evaluating and recommending active versus passive investing for equities and fixed income asset classes?
- L. Please provide three examples of recommendations your firm has made in the last three years that you believe have been the most impactful to client's public markets portfolios.
- M. Describe your firm's capabilities and experience in advising and assisting internal investment management.
- N. Does your firm offer training of plan fiduciaries and staff as it relates to their investment responsibilities? If so, describe the type of training available and the qualifications of the individuals assigned to conduct the training.
- O. What is your process for evaluating investment management fees for equity and fixed income asset classes?

7. Investment Manager Database

- A. Does your firm maintain an internal database of investment managers? If not, from what vendor do you purchase the database? Do you utilize both? How many managers/funds are contained in the database(s) that you use?

B. If you do have an internal database, please answer the following questions.

- 1) Do you charge investment managers direct or indirect fees to be included your database? If so, please describe the fees.
- 2) Do you sell database information to third parties? If so, please describe how you are compensated.
- 3) Please describe any advantages that you perceive your database has over those used by your competitors.
- 4) How often are managers reviewed? Under what circumstances are managers added or removed from your database?
- 5) Please describe how your firm gathers, verifies, updates, and maintains the data collected on managers for the database. Do you use surveys or meetings with managers?
- 6) How often do you meet with managers that are included in your database? What is the nature of those visits? How often do you meet with managers that are not included in your database?

8. Environmental, Social, and Governance (ESG)

- A. Does the firm maintain an ESG policy? If so, please provide a copy of your ESG policy. If not, would you consider adopting a responsible investment policy?
- B. Is the firm a signatory of the UN Principles for Responsible Investment? Does the firm commit to any international standards, industry/association, guidelines, reporting frameworks, or initiatives that promote responsible investment practices?
- C. Does the firm have a dedicated ESG team? If so, please describe.
- D. What sources do you use to collect, track, and report information on potential ESG-related risks and opportunities?
- E. Do you produce reports to clients that highlight ESG metrics and characteristics for portfolios?

9. Performance and Risk Analytics

- A. Please describe the performance and risk measurement system(s) your firm currently utilizes, if any.
- B. Please describe how you incorporate performance and risk measurement into the following investment management decisions, as applicable.

- 1) Investment manager searches.
 - 2) Manager monitoring.
 - 3) Rebalancing.
- C. What amount of input and customization is available to a client in terms of modifying the content and format of an investment performance evaluation report? Discuss the portfolio analytics your firm is capable of providing.
- D. How much time is required to prepare reports after the end of each month and quarter?

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IX. Representations and Warranties

All respondents are required to submit an executed copy of the following Representations and Warranties as an attachment to the cover letter described in Section IV.B.1. of this RFP:

- A. Respondent warrants that all the information it provides in the response to this RFP is true and correct and does not omit any material facts or responsive information.
- B. Respondent warrants that it will not delegate its responsibilities without prior approval from PRIM.
- C. Respondent warrants that it has not been in bankruptcy and/or receivership.
- D. Respondent warrants that it has completed, obtained, and performed any and all necessary registrations, filings, approvals, authorizations, consents or examinations required by a government or governmental authority for provision of the proposed services.
- E. Respondent warrants that it will adhere to its fee proposal outlined in the Fee Proposal of Section X.
- F. Respondent warrants that it meets all the Minimum Qualification requirements set forth in Section VI of this RFP.
- G. Respondent either (Please check the appropriate box):

☐ warrants and agrees, without exception, to all the provisions of PRIM's standard form of Investment Advisory Agreement, including Schedule A thereto, attached to this RFP as Exhibit D; or

☐ warrants and agrees to all provisions of PRIM's standard form of Investment Advisory Agreement, including Schedule A thereto, attached to this RFP as Exhibit D, except as specified below:

Signature

Print Name

Title

X. Fee Proposal

Please provide your most competitive fee proposal for all services listed in the Scope of Services section of this RFP.

XI. Exhibits

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT A

PRIM Service Providers

<https://www.mapension.com/investments/#prit-fund-service>

EXHIBIT B
PRIM Disclosure Statement

**COMMONWEALTH OF MASSACHUSETTS
PENSION RESERVES INVESTMENT MANAGEMENT BOARD**

DISCLOSURE STATEMENT

FIRM: _____
ADDRESS: _____

Firms seeking to provide investment management, consulting, custody, recordkeeping, auditing, and other professional services (the “engagement”) to the Commonwealth of Massachusetts Pension Reserves Investment Management (“PRIM”) Board and/or the Pension Reserves Investment Trust (“PRIT”) Fund must complete a disclosure statement providing complete and accurate responses to the questions below. Firms selected to provide such services to the PRIM Board and/or the PRIT Fund have a continuing obligation to update responses to these questions, in writing, immediately upon any change to such responses. The questions in this Disclosure Statement should be read broadly, and any perceived ambiguity should be resolved in favor of disclosure. Any questions concerning the disclosures required should be directed to the PRIM Board.

1. Provide a general description of your firm’s organizational structure, identify any managing partner(s), members of the management committee, officers and/or directors, and, for any affiliate entities, the managing partners, officers, and directors (all such individuals or entities hereinafter collectively referred to as the “Firm”).

[Insert response here.]

2. Identify any relationship of the firm, its joint ventures, consultants, lobbyists, subcontractors or third-party contractors that relate in any way to the engagement.

[Insert response here.]

3. Aside from the engagement, describe any services provided by the firm to the PRIM Board and/or the PRIT Fund.

[Insert response here.]

4. Aside from the services described in response to Question 3, above, describe any services and/or donations provided by the firm to the Office of the State Treasurer and Receiver General or any trust, board, commission or authority of which the State Treasurer and Receiver-General is a member or trustee by virtue of her office. (A list of such entities is attached.)

[Insert response here.]

5. Aside from the services and/or donations described in responses to Questions 3 and 4, above, describe any services provided by the firm to any of the political subdivisions of the Commonwealth.

[Insert response here.]

6. Did or will the firm provide or share, agree to provide or share, or arrange to provide or share any compensation or benefit, direct or indirect, to any individual or entity for assisting the firm in:
- a) Obtaining the engagement; or,
 - b) Performing the services required by the engagement.

If the answer to Question 6 is “yes,” provide for each the individual or entity

- a) The name and address of such individual or entity;
- b) A description of the assistance provided; and
- c) The compensation or benefit.

[Insert response here.]

7. Does the firm have any ongoing relationship, arrangement or agreement with any individual or entity with respect to sharing compensation for services to:
- a) The PRIM Board and/or the PRIT Fund;
 - b) Any trust, board, commission, or authority of which the Treasurer is a member or trustee by virtue of her office; or
 - c) The Commonwealth of Massachusetts or its political subdivisions?

If the answer to Question 7 is “yes,” provide for each such individual or entity

- a) The name and address of such individual or entity;
- b) A description of the relationship, arrangement or agreement; and,
- c) The compensation shared.

[Insert response here.]

Signed under the penalties of perjury this _____ day of _____, 2020.

Name: _____
(Print)



Pension Reserves Investment Management Board

Signature: _____

Title: _____

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

TREASURER'S PRINCIPAL BOARDS, COMMISSIONS AND AUTHORITIES*

1. Advisory Board to the Comptroller – M.G.L. c. 7A, § 2
2. State Retirement Board – M.G.L. c. 10, § 18
3. State Lottery Commission – M.G.L. c. 10, § 23
4. Board of Bank Incorporation – M.G.L. c. 26, § 5
(Division of Banks and Loan Agencies)
5. Water Pollution Abatement Trust (now known as the Clean Water Trust) – M.G.L. c. 29C, § 2
6. Pension Reserves Investment Management Board – M.G.L. c. 32, § 23(2A)
7. Massachusetts Convention Center Authority – Chapter 190 of the Acts of 1982 §§ 31-48
8. Massachusetts School Building Authority – M.G.L. c. 70B, §§ 1A & 3A; *see also* M.G.L. c. 10, § 35BB
9. Teachers' Retirement Board – M.G.L. c. 15, § 16
10. Alcoholic Beverages Control Commission – M.G.L. c. 10, § 70
11. Health Care Security Trust – M.G.L. c. 29D, § 4
12. Commissioners on Fireman's Relief – M.G.L. c. 10, § 21
13. Economic Empowerment Trust Fund – M.G.L. c. 10, §35QQ

* The above-listed Boards, Commissions or Authorities are any which are a Treasury Department, Division or Affiliated Entity or by statute have a position which may be held by the State Treasurer and Receiver General or her designee.

EXHIBIT C

PRIM Investment Policy

<https://www.mapension.com/investments/>

EXHIBIT D

PRIM Investment Advisory Agreement (Sample)

**COMMONWEALTH OF MASSACHUSETTS
PENSION RESERVES INVESTMENT MANAGEMENT BOARD**

**INVESTMENT ADVISORY AGREEMENT
(Non-Discretionary)**

THIS INVESTMENT ADVISORY AGREEMENT, dated as -----, (as amended and supplemented from time to time, the "Agreement"), is made by and between the Pension Reserves Investment Management Board ("PRIM"), as trustee of the Pension Reserves Investment Trust ("PRIT"), and ----- (the "Advisor").

Introduction. Under Massachusetts General Laws, Chapter 32, Section 23, PRIM has general supervision of the investment and reinvestment of the PRIT Fund created by Chapter 32, Section 22 of such laws. PRIT has been established for the purpose of depositing, investing and disbursing amounts set aside to meet further liabilities of various public retirement systems in Massachusetts. PRIM is responsible for the administration of PRIT and enters into this Agreement pursuant to its authority under Massachusetts General Laws, Chapter 32, Section 23, subdivision (2A), paragraph (e), clause (iii).

1. **Appointment of the Advisor.** PRIM hereby appoints and retains the Advisor, and the Advisor agrees to provide non-discretionary advisory services, upon and subject to the terms hereof, beginning at the opening of business on-----, (the "Effective Date") and continuing until this Agreement is terminated in accordance with the terms hereof. The Advisor agrees to provide services in accordance with (a) this Agreement, and (b) the "Scope of Services" set forth in Schedule A hereto (the "Engagement"). In providing its services, the Advisor shall cooperate with PRIT's custodian, PRIM's outside counsel and other advisors or representatives upon PRIM's reasonable request to the extent that PRIM deems appropriate. Notwithstanding anything herein to the contrary, the parties agree that the Advisor shall not be providing legal, tax, or accounting advice as part of the Engagement.
2. **Confidentiality.** The Advisor shall maintain in strictest confidence the investment advice and information it furnishes to or receives from PRIM or from PRIT's custodian bank or investment managers (including without limitation the general partners or investment managers of any investment funds in which PRIT invests) in connection with this Agreement and the Engagement; provided, however, that the Advisor shall be permitted to disclose or communicate to a proper party any information received from PRIM or from PRIT's custodian bank or investment managers or developed by the Advisor under the terms of this Agreement, if such disclosure or communication is necessary to carry out the purposes of this Agreement or is required by law. Before such disclosure or communication, the Advisor, unless such disclosure or communication is prohibited by law, shall notify PRIM of the information to be disclosed or communicated and the party to whom that information shall be disclosed or communicated. The terms of this paragraph shall not be interpreted so as to prevent the Advisor from providing investment advice to other clients who share comparable investment objectives with PRIM, or to prohibit the Advisor from utilizing the Advisor's investment experience with respect to the Engagement on an undisclosed basis for use in composite presentations.

The Advisor hereby approves of periodic reports by PRIM and its staff regarding the results of the Engagement, recognizing that such reports may be public records available to the media and the public. The Advisor shall not use the name of PRIM or PRIT, or otherwise disclose the existence of this Agreement or the relationship contemplated herein, in any documents, marketing materials or other communications, reports or statements without PRIM's prior written consent, unless otherwise required by law. Upon termination of this Agreement, the Advisor shall promptly return to PRIM all confidential material relating to PRIM or the Engagement and any copies thereof, except that the Advisor may retain copies of such material to the extent required by law. The Advisor's obligations with respect to confidentiality of data received from PRIM or the Custodian shall survive the termination of this Agreement.

3. **Personnel.** The Advisor shall allocate such personnel and devote such efforts as are necessary for it to carry out its duties under this Agreement. The Advisor shall at all times maintain not less than two individuals to act as primary advisors to the PRIM account (each, a "Primary Advisor"), and shall not change any Primary Advisor without the prior written consent of PRIM.
4. **Reports.** The Advisor shall promptly notify PRIM in writing (1) of any change in the Advisor's representations in this Agreement during the term of this Agreement; (2) of any change in the senior management or key professionals, or material changes in ownership of the Advisor's organization; (3) of any change in the Primary Advisors assigned to PRIM; (4) of any other material change in the Advisor's business activities or circumstances; (5) of any action taken by the Advisor that is contrary to or inconsistent with this Agreement; and (6) of the commencement by any governmental regulatory or law enforcement agency of any investigation, examination or other proceeding directly involving the Advisor, its owners, or any Primary Advisor, except such investigations, examinations or other proceedings as are routinely conducted in the ordinary course of the Advisor's business.
5. **Fees and Expenses.** The Advisor shall be entitled to receive from PRIM as complete compensation for services rendered hereunder the fees set forth in Schedule B hereto. The Advisor shall not be paid or reimbursed for any expenses except to the extent authorized by PRIM in advance and in writing.
6. **Services Not Exclusive.** The services of the Advisor and its personnel to be provided under this Agreement are not exclusive, and the Advisor may provide services to others and engage in other activities, but the Advisor shall allocate such personnel and devote such efforts as are necessary for it to carry out its duties under this Agreement. The Advisor may give advice and take action in the performance of its duties with respect to any of its clients which may differ from the advice given, or the timing or nature of action taken, in connection with the Engagement, so long as the Advisor adheres to its internal code of ethics and a policy of allocating investment opportunities to PRIM pursuant to the Engagement over a period of time on a fair and equitable basis relative to other clients.
7. **Certain Representations and Covenants of the Advisor.** The Advisor represents, warrants and

covenants to PRIM that:

- (a) the Advisor has completed, obtained or performed all registrations, filings, approvals, authorizations, consents or examinations required by any government or governmental authority (including without limitation the Securities and Exchange Commission ("SEC") and the Commodity Futures Trading Commission, if applicable) for the performance of the acts contemplated by this Agreement, and shall deliver documentation of such compliance annually or as PRIM may reasonably request;
- (b) the Advisor's statements in its response to PRIM's Request for Proposals were complete and correct in all material respects as of the time of such response and remain so as of the date hereof, with the exception of changes arising in the ordinary course of the Advisor's business, and such statements, subject to changes arising in the ordinary course of the Advisor's business, are incorporated herein by reference as representations, warranties and covenants of the Advisor hereunder;
- (c) the Advisor's performance of its obligation under this Agreement shall not constitute a breach or violation of any law, rule or regulation applicable to it, or of its obligations under any other agreement to which it is a party or by which it is bound, and the Advisor is not otherwise in breach or violation of any such law, rule, regulation or agreement;
- (d) without limitation of the foregoing, the Advisor is, and at all times during the term hereof shall remain, in compliance with all applicable state and federal laws, including the Foreign Corrupt Practices Act of 1977, as amended, (15 U.S.C. §§ 78dd-1, et seq.), and the Bank Secrecy Act of 1970, as amended ((31 U.S.C. 5311, et seq.);
- (e) there is no pending litigation, investigation or proceeding of or before any arbitrator or governmental or regulatory authority or, to the knowledge of the Advisor, threatened by or against the Advisor or any of its employees which reasonably may have an effect on the Advisor's ability to perform its obligations under this Agreement;
- (f) the Advisor shall comply with all applicable statutes and regulations in its performance of its duties and obligations under this Agreement; and
- (g) the Advisor has all requisite power to carry on its business as it is being conducted and to carry out its duties and obligations hereunder and holds all licenses, registrations, franchises, approvals, authorizations or permits material to its business including performance of its duties and obligations hereunder.

(h) If the Advisor is required to be registered as an investment adviser under the Advisers Act, the Advisor represents and warrants that it has provided PRIM with a true and complete copy of Parts IA and II of the Advisor's most recent Form ADV, and, to the extent applicable, the Advisor's Disclosure Statement. If the Advisor prepares a report in connection with the annual assessment of its policies and procedures ("Compliance Annual Assessment") in accordance with Rule 206(4)-7 of the Advisers Act, the report, along with any remediation plan, shall be provided to PRIM upon its completion.

8. **Termination.** The term of this Agreement shall be [_____] () year[s] from _____, 20__]; provided, however, that the term may be extended for an additional period of up to one (1) year by written agreement of the parties at least 180 days prior to the expiration of the initial [_____] -year term. Notwithstanding the foregoing, this Agreement may be terminated by PRIM for any reason upon not less than thirty (30) days' written notice to the Advisor, and by the Advisor for any reason upon not less than ninety (90) days' written notice to PRIM. In addition, PRIM may terminate this Agreement immediately upon notice to the Advisor (i) upon any material breach by the Advisor of its obligations hereunder; (ii) if the Advisor files for bankruptcy or state law receivership; (iii) if in the reasonable judgment of PRIM, the Advisor becomes financially unstable so as to jeopardize its ability to perform the services required under this Agreement; (iv) if the Advisor is the subject of criminal investigation, indictment or conviction, when in PRIM's sole judgment such action jeopardizes the Advisor's ability to perform the services required under this Agreement; or (v) in the event of any material change in the control of the Advisor or a change in or departure of any Primary Advisor. Upon termination of this Agreement, the Advisor shall immediately and in all cases within ten (10) business days, deliver to PRIM all property and documents pertaining to PRIM then in the custody of the Advisor, including PRIM's portfolio status on a disk that may be retained by PRIM or transferred to another monitoring agent. Notwithstanding the foregoing, PRIM acknowledges and agrees that copies of information used to support the Advisor's investment advisory business may be maintained by the Advisor as required by SEC rules and regulations relating to books and records for registered advisers. A pro rata determination of fees, if appropriate, shall be made for any quarter in which this Agreement has been terminated.
9. **Fiduciary Status of the Advisor; Chapter 268A.** With respect to the performance of its duties and responsibilities hereunder for the Account, the Advisor acknowledges that it is a "fiduciary" within the meaning of Chapter 32 of the Massachusetts General Laws. Without limitation of the foregoing, the Advisor shall comply with all applicable laws and regulations and shall discharge its duties hereunder (i) solely in the interest of PRIM; (ii) with the skill, prudence and diligence under the circumstances then prevailing that a prudent expert acting in the like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The Advisor is advised of the existence of Massachusetts General Laws, Chapter 268A (the Massachusetts "Conflict of Interest" statute) and is expected to act and perform its duties in accordance with such provisions. The Advisor is solely responsible for compliance with such statute.
10. **Disclosure Statements and Conflicts.** The Advisor shall advise the Executive Director of PRIM of any

arrangements with third party individuals, brokers, or money management firms who may have received or shared in the payment of fees for services provided to the Advisor in connection with securing or continuing this Agreement. The Advisor shall not directly or indirectly receive any benefit from recommendations or advice made to PRIM and shall disclose to PRIM any Advisor investment or economic interest which may be enhanced by the recommendations made to PRIM. In any situation in which the interests of PRIM may be in material conflict with the interests of the Advisor or with those of other clients of the Advisor, the Advisor shall immediately inform PRIM of these conflicts. At the request of PRIM, by January 1st of each year of this contract, the Advisor shall provide a report of its business relationships with PRIM's investment service and custodian banking providers. Without limitation of the foregoing, the Advisor shall promptly advise PRIM if any other client of the Advisor or its affiliates is an investor in any existing or proposed investment of PRIM as to which the Advisor is providing advice pursuant to this Agreement. Where the Advisor is participating in a request for proposal process with PRIM, it shall disclose its business relationships with all of the responding firms at the commencement of the process. Further, at the request of PRIM, the Advisor shall provide a description of its soft dollar business and policies to PRIM by January 1st of each year of the contract.

11. **Liability.** The Advisor shall not be responsible for guaranteeing the financial success of any investment or investment strategy. While the Advisor shall make recommendations to PRIM regarding investments, nothing in this Agreement shall delegate to the Advisor any investment decision, any authority to bind or subject PRIM to any obligations or liabilities, or any of PRIM's duties and responsibilities under applicable law. Nothing herein shall be construed to waive any obligation or liability that the Advisor has under applicable law, including without limitation federal or state securities laws, or ERISA.
12. **Authority.** Each of the parties to this Agreement represents that it is duly authorized and empowered to execute, deliver and perform this Agreement, that such action does not materially conflict with or violate any provision of law, rule or regulation, contract, deed of trust, or other instrument to which it is a party or to which any of its property is subject, and that this Agreement is a valid and binding obligation, enforceable against such party in accordance with its terms.
13. **Independent Contractor.** The Advisor shall for all purposes of this Agreement be deemed to be an independent contractor and, except as otherwise expressly provided herein, shall have no authority to act for or represent PRIM or PRIT, otherwise be deemed an agent of either of them.
14. **Insurance.** At all times during the term of this Agreement the Advisor shall carry with companies which are rated by A.M. Best Company with at least an A minus rating, professional errors and omissions liability with a combined single limit of not less than \$5,000,000 per claim and \$10,000,000 in the aggregate annually.
15. **Communication.** Any approvals, instructions, directions, notices or other communications pursuant

to this Agreement shall be mailed or delivered:

a) to PRIM at:

Pension Reserves Investment Management Board
84 State Street, 2nd Floor
Boston, Massachusetts 02109
Attention: Michael G. Trotsky, CFA, Executive Director

b) to the Advisor at:

[ADVISOR]

[ADDRESS]

Attention: [_____]

Either party may change the address for notices or other communications to it by written notice to the other stating the new address. Notices from either party to the other shall be effective when received by the addressee.

16. **Assignment; Amendment.** The Advisor shall not assign this Agreement (including, without limitation, any “assignment” within the meaning of the Advisers Act) without the prior written consent of PRIM. This Agreement constitutes the entire Agreement of the parties with respect to its subject matter and may only be amended by a written amendment signed by the authorized representatives of both parties.

17. **Headings: Attachments.** Headings are for convenience only, and the text of this Agreement shall govern the rights and obligations of the parties. Each of the Attachments hereto is incorporated herein by reference. Capitalized items used therein have the same meanings as in this Agreement.

18. **Disputed Matters.** With respect to any controversy or dispute arising out of this Agreement, interpretation of any of the provisions hereof, or the actions of the Advisor or PRIM hereunder, each of the parties consents to the non-exclusive jurisdiction of all of the federal and state courts in the Commonwealth of Massachusetts, agrees that venue with respect to any action in such Commonwealth shall lie exclusively in Suffolk County, Massachusetts, and waives any defense of forum non conveniens; provided, however, that at the sole election of PRIM, any such controversy or dispute shall be submitted to arbitration before the American Arbitration Association under the Commercial Arbitration Rules then obtaining of said Association, such arbitration to be held in Boston, Massachusetts, and judgment upon any award thus obtained may be entered in any court having jurisdiction thereof.

In any such arbitration each party to the arbitration shall bear its own expenses, including expenses of attorneys, financial experts and other witnesses; any arbitration fees and expenses of the arbitrators shall be divided equally between the disputing parties. Service of process on either party shall be deemed effective if made in the manner prescribed for the giving of notice in Section 15.

19. **Massachusetts Law.** This Agreement shall be considered to be an instrument made under seal in the Commonwealth of Massachusetts and it shall be construed and the rights and obligations of the parties determined in accordance with the laws of said Commonwealth, without giving effect to conflicts of laws principles.
20. **General.** Only the authorized representatives of the parties hereto may waive the terms of this Agreement and any such waiver shall be in writing. If either party fails to enforce any terms of this Agreement, failure to enforce on that occasion shall not prevent enforcement on any other occasion.

All rights and remedies conferred by this Agreement, by any other instrument, or by law are cumulative and may be exercised either singularly or concurrently. If any provision of this Agreement is held invalid by any law or regulation of any government or by any court, such invalidity shall not affect the enforceability of any other provision hereof. The Advisor's obligations with respect to confidentiality of data received from PRIM or the Custodian shall survive the termination of this Agreement.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement supersedes all prior agreements between the parties hereto relating to the matters contained herein, except with respect to obligations thereunder that accrued prior to the date hereof.

IN WITNESS WHEREOF, the Advisor and PRIM have executed this Agreement as of the date first above written.

PENSION RESERVES INVESTMENT MANAGEMENT BOARD

BY: _____

Date Signed _____

[ADVISOR]

BY: _____

Print Name:

Title:

Date Signed _____

Investment Advisory Agreement (Sample)

Schedule A

Scope of Services

Investment Advisory Agreement (Sample)

Schedule B Fee Schedule