



Request for Proposal (RFP)
ALTERNATIVE ASSET NON-DISCRETIONARY CONSULTING SERVICES

Notice to Prospective Respondents

Date: August 19, 2019

You are invited to review and respond to this Texas Municipal Retirement System (TMRS), Request for Proposal (RFP), entitled *Alternative Asset Non-Discretionary Consulting Services*. The RFP is designed to allow for Qualified Respondents to respond to as many or few services related to Non-Discretionary Advisory Services for *Absolute Return, Real Return, Real Estate, Private Equity and Private Credit* services as Respondents wish. Respondents that qualify to respond to any of the aforementioned advisory services may additionally provide responses to the section pertaining to *Discretionary Co-Invest* services to the extent your firm has a prior track record of providing these services for client. More detail on this subject matter is contained in the RFP's Introduction Section. In submitting your proposal, you must comply with the instructions found herein.

The responses must be received in the office of TMRS no later than 5pm CST, September 13, 2019, Central Standard Time (CST). Proposals received after the specified date and time will not be considered.

Respondents requiring clarification of the intent and content of this RFP may request clarification, which must be in writing only, by submitting written questions to: AlternativesRFP2019@tmrs.com. TMRS reserves the right to send written responses to any requests for clarification originating from individual Respondents to all Respondents.

No verbal representations made or assumed to be made during any discussions held between representatives of potential Respondent and any TMRS personnel are binding.

Any attempt by a Respondent to initiate contact with any member of the TMRS Board and/or TMRS staff, other than the contact listed above regarding this RFP process, may disqualify the Respondent from further consideration.



REQUEST FOR PROPOSAL

**ALTERNATIVE ASSET NON-DISCRETIONARY
CONSULTING SERVICES**

August 19, 2019

Table of Contents

Introduction	...pg. 4
Section I: General Information	...pg. 5
Section II: Terms & Conditions	...pg. 8
Section III: Scope of Services	...pg. 11
Section IV: RFP Questions & Transmittal Instructions	...pg. 12
IV.i – General Questions (For all RFP Respondents)	...pg. 14
IV.ii – Absolute Return Program Background & RFP Questions	...pg. 20
IV.iii – Real Return Program Background & RFP Questions	...pg. 24
IV.iv – Real Estate Program Background & RFP Questions	...pg. 28
IV.v – Private Equity Program Background & RFP Questions	...pg. 32
IV.vi – Private Credit Program Background & RFP Questions	...pg. 36
IV.vii – Co-Invest Program Background & RFP Questions	...pg. 39
Section V: Review Criteria	...pg. 41
Exhibit A: Texas Constitution Art. 16, Sec. 67 and excerpts of sections of TMRS Act related to investment of assets	...pg. 42
Exhibit B Form of Consulting Agreement	...pg. 47

Introduction

TMRS is issuing an RFP for non-discretionary consulting services for each of its Absolute Return, Real Return, Real Estate, Private Equity, and Private Credit asset classes (collectively ‘Alternative Assets’). In each of these asset classes with the exception of Private Credit there are currently incumbent consultants whose contracts are nearing expiry and thus the reason for issuing this RFP at this time.

In addition, this RFP outlines the potentiality for contracting additional discretionary co-invest services to the extent they are not otherwise covered in the above mentioned advisory contracts. Proposals for discretionary co-invest services will only be accepted from firms that have qualified to respond to any or all of the Absolute Return, Real Return, Real Estate, Private Equity, or Private Credit advisory service components of this RFP.

This RFP has been written in a format that allows the RFP Respondent to apply for one or multiple of the services we are seeking out by providing a general questions section to which all respondents must respond (Section IV.i) and separate service specific sections for which your firm may respond to separately, choosing which categories of business your firm wishes to bid on (Sections IV.ii-IV.vi for qualifying responses to Absolute Return, Real Return, Real Estate, Private Equity, and Private Credit; Sections IV.vii for additional services). Bundled services and pricing will be considered—it is requested that if bundled pricing is proposed that pricing for individual services is also provided for. Responses are requested to be delivered no later than 5pm CST, on September 13, 2019.

Section I General Information

A. Issuing Office

This Request for Proposal (“RFP”) is being issued by the Texas Municipal Retirement System (“TMRS”). The only entity having the authority to obligate TMRS in regard to this solicitation is the Board of Trustees of the Texas Municipal Retirement System.

B. Purpose of Document

The purpose of this RFP is for TMRS to gain an awareness of, and seek proposals for services from qualified investment consultants that are currently providing customized advice, on a non-discretionary basis, for any or all of Absolute Return, Real Return, Real Estate, Private Equity, or Private Credit strategies to public pension plans larger than \$1 billion. (See sections IV.i – IV.vi)

Additionally, for any such qualified non-discretionary consulting services Respondent which currently provides Discretionary Co-Investment Services to clients, firms are qualified to submit information in response to the section regarding Discretionary Co-Investment services (see section IV.vii).

C. Commitment of TMRS

TMRS reserves the right to amend or withdraw this RFP at any time and for any reason. In the event it becomes necessary to amend, add to, or delete any part of the RFP, an amendment will be provided to all firms who received the original RFP or who notified the RFP coordinator of the firm’s intent to respond to the proposal.

Receipt of proposal materials by TMRS or submission of a proposal to TMRS confers no rights upon the Respondent nor obligates TMRS in any manner.

One or more contracts based on this RFP may, or may not, be awarded. Any contract resulting in an award from this RFP is invalid until properly approved and executed by TMRS. Any and all agreements between TMRS and a successful Respondent shall be governed by and construed and interpreted according to the laws of the State of Texas, without regard to conflicts of law principles. This RFP and the Respondent’s proposal shall become a part of the contract with such Respondent, if and when issued.

D. Period of Contract

The term of the initial contract will be negotiated and begin after approved by the Board of Trustees of TMRS. Precedent contracts have typically been established on an initial 5 year term, terminable upon 30 days notice.

E. Verification of Information

TMRS may request additional documentation from Respondents for any information provided in their proposals.

F. Principal Firm Responsibility

Any contract that may result from this RFP shall specify the principal individual or individuals responsible for fulfillment of the contract with TMRS. The principal individual or individuals shall be designated in the proposal.

G. Cost of Preparing Proposal

Costs for developing all proposals are solely the responsibility of the Respondents. TMRS shall provide no reimbursement for these costs.

TMRS may ask specific Respondents to conduct oral presentations either in TMRS' offices, Respondent offices, or both, relating to their proposals. If a Respondent is invited to make an oral presentation, any costs associated with any oral presentations shall be the responsibility of the Respondent and shall in no way be billable to TMRS.

H. Rules Regarding Contact

The proposal period begins on August 19, 2019 and will end with the execution of a contract with the selected firm(s).

TMRS reserves the right to request additional information from any or all firms to assist it in its evaluation process. However, during the proposal period, no firm or representative may contact any trustee or staff regarding the RFP, other than as set forth in the Notice to Prospective Respondents.

[Current service providers who are responding to this RFP are expected to limit their contact for business transactions to TMRS employees with whom they ordinarily interact and to avoid direct contact with trustees or other staff during this proposal period, other than that which might occur at regularly scheduled meetings.]

I. Minimum Eligibility Requirements

As of June 30, 2019, respondents must satisfy the minimum eligibility requirements as outlined below in order to be considered for contract award:

1. Respondent must be currently providing customized Absolute Return, Real Return, Real Estate, Private Equity, or Private Credit services on a non-discretionary basis for domestic and international opportunities to public pension plans larger than \$1 billion.

2. Respondent must have at least 5 years of track record with Absolute Return, Real Return, Real Estate, Private Equity, or Private Credit investment advising.
3. Respondent must certify in writing that it will act as a fiduciary when performing these services.
4. Respondent must also be a U.S. Securities and Exchange Commission-Registered Investment Advisor under the Investment Advisor's Act of 1940 (Form ADV, Parts 1 and 2, must be submitted). If your firm is exempt from being a Registered Investment Advisor, you must be able to provide rationale as to why your firm is exempt.
5. Respondent and its personnel must have all authorizations, permits, licenses, and certifications as required under federal, state or local law to perform the services specified.
6. The key professionals and/or organization must not have, nor could they potentially have, a material conflict with the TMRS Board of Trustees, staff, or Custodial Bank.
7. Respondent must have adequate fiduciary and liability insurance coverage.
8. Upon selection as a successful Respondent, the firm should be willing to enter into a management contract. The material terms, conditions, and approach to the contract shall be based on the contract provided as **Exhibit B**.
9. Respondent must certify that it has and will maintain adequate controls and operational support to fully execute the requirements of the management contract referenced above.

Section II Terms and Conditions

A. Governing Law

TMRS is a statewide public pension system created pursuant to Article 16, Sec. 67 of the Texas Constitution (copy attached as **Exhibit A**) and governed by Title 8, Subtitle G, Chapters 851 – 855 of the Texas Government Code (the “TMRS Act”). Excerpts of some pertinent provisions of the TMRS Act relating to the investment of assets are also attached as part of **Exhibit A**. Any contract(s) awarded under this RFP shall be governed by and construed and interpreted in accordance with the laws of the State of Texas without regard to the principles of conflicts of laws.

TMRS’ obligations will be made subject to any and all of TMRS’ obligations and restrictions as a statewide Texas public pension system, including, without limitation (1) any of TMRS’ obligations or restrictions under the Texas Public Information Act (Tex. Gov’t Code Ch. 552); (2) Texas record retention laws and schedules adopted pursuant to such laws; (3) TMRS’ lack of power or authority under Texas law to waive sovereign immunity, which is and shall be reserved; and (4) TMRS’ limitations and restrictions on indemnification. Subject to TMRS’ sovereign immunity, to the extent it is necessary to resolve in a court proceeding any dispute under a contract awarded under this RFP, and if resolution by a court is consistent with applicable Texas law and the terms of the contract, courts of the State of Texas shall have jurisdiction over any and all disputes between the TMRS and the Respondent, whether in law or equity, and venue in any such dispute shall be laid exclusively in Travis County, Texas.

B. Proposals - Acceptance and Disposition

All proposals properly submitted shall be accepted by TMRS for consideration. However, TMRS reserves the right to request amendments, reject all proposals, reject any proposal that does not meet mandatory requirements, or cancel this RFP, according to what is in the best interests of TMRS.

This RFP is the property of TMRS and may not be sold or copied without the express prior written consent of TMRS. **The successful proposal shall be incorporated into the resulting contract by reference.**

C. Advertising Award

The Respondent agrees not to refer to awards in commercial or other advertising in a manner that states or implies that the individual or firm or its services are endorsed or preferred by the TMRS or the State of Texas.

E. Personnel

The Respondent shall warrant that all persons assigned by it to the performance of any contract awarded shall be employees of the Respondent and shall be fully qualified to perform the work required by the contract. TMRS reserves the right to approve any change to key individuals assigned to service the contract with TMRS.

F. Independent Contractor

It is expressly agreed that the Respondent and any agents, officers, and employees of the Respondent shall act in an independent contractor capacity in the performance of any contract awarded, and not as officers or employees of TMRS or the State of Texas.

G. Subcontracts

No contract shall be made by the Respondent with any other party for furnishing any of the work or services required by a contract awarded hereunder unless specifically approved in advance by TMRS in writing.

H. Hold Harmless

Any contract awarded shall require the Respondent to, and the Respondent agrees that it shall, indemnify, defend, and hold harmless the TMRS, the State of Texas, and their officers, agents, and employees from:

1. any claims or losses for services rendered by the Respondent, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the contract;
2. any claims or losses resulting to any person, property or entity injured or damaged by the erroneous or negligent act of the Respondent, its officers, agents, or employees in the performance of the contract;
3. any claims or losses resulting to any person or firm injured or damaged by the Respondent, its officers, agents, or employees by the publication, translation, reproduction, delivery, performance, use, or disposition of any data processed under the contract in a manner not authorized by the contract, or by federal or state statutes or regulations; and
4. any failure of the Respondent, its officers, agents, or employees to observe Texas statutes, including but not limited to, labor laws and minimum wage laws.

I. Employment Practices

The Respondent shall not discriminate against any employee or applicant for employment because of race, religion, sex, national origin, age (except as provided by law), marital status, political affiliations, or disability. The Respondent shall take affirmative action to ensure that employees, as well as applicants for employment, are treated without discrimination because of their race, color, religion, sex, national origin, age, (except as provided by law), marital status, political affiliation, or disability. This action shall include, but is not limited to, the following: layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Respondent agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this clause.

J. Acceptance of Terms and Form of Agreement

A written agreement with the firm(s) selected will be required within a timely manner after the selection of the firm(s) has been made by the Board. The terms contained in the attached Agreement for Investment Consulting Services (“Contract”) are intended to be those which will govern the relationship between TMRS and the selected firm(s). TMRS shall not be bound by any deviations from or to this RFP and any deviations will not become a part of the final Contract unless expressly agreed to by TMRS in writing. In all cases, the RFP and Contract terms shall control. In the event of any conflict between the two, the terms of the Contract shall prevail. Please see **Exhibit B** for the TMRS form of Agreement for Investment Consulting Services.

Section III Scope of Services

Under the direction of the TMRS staff, the consultant will provide the following services specific to the TMRS Absolute Return, Real Return, Real Estate, Private Equity, and/or Private Credit programs:

A. Mandatory Services

Working regularly with TMRS staff and the Board as requested, the firm(s) shall serve as TMRS non-discretionary Absolute Return, Real Return, Real Estate, Private Equity, and/or Private Credit consultant. Consultant services will include, but are not limited to: specialty consulting concerning the named classes, sub-asset allocation recommendations, review of market trends and conditions, industry standards, performance benchmarks, review of partnership activities, assessment of partnership performance and other related areas. Consulting services also include domestic and international investment opportunity identification (including non-discretionary secondary and co-investment opportunity advisory services as appropriate), detailed due diligence, and written investment recommendations to TMRS staff and Board of Trustees. Services are contemplated to included but not be limited to:

- Strategy Input
- Portfolio Analysis
- Quarterly & Annual Reporting
- Tactical Plans
- Attendance at Board Meetings (8 meetings scheduled annually, anticipate attendance at 2-5 meetings per year depending on the asset class)
- General Research and Analysis
- Contractual Input
- Ad-Hoc Projects
- Education
- Provide and/or support TMRS' regulatory reporting requirements.

Section IV
RFP Questions & Transmittal Instructions

A. Introduction

Please answer the following questions as succinctly as possible, without leaving out important information. TMRS reserves the right to seek additional information from any firm responding to this Request for Proposal. TMRS is not obligated to make an award or contract from the Request for Proposal. The responses to the Request for Proposal are the property of TMRS and will not be returned. Before providing any of the information below, please address each minimum requirement (Section I,I) providing factual information documenting how the firm meets each requirement or an affirmative statement relative to the requirement.

Questions are broken down into two categories: i) General Questions for which all respondents are requested to reply (Subsection IV.i); and ii) Asset Class Specific Questions/RFP Sub-Component Specific Questions (Subsections IV.ii-IV.ix) for which only those respondents seeking business within that given asset class are asked to reply. Relevant background information for each response subsection is provided in the subsection.

B. Written Response and Proprietary Information

This RFP specifies the format, required information, and general content for proposals submitted in response to the RFP. Proposals are to address all the questions posed in the order in which they appear in this RFP. To the extent permitted by law, TMRS shall not disclose any portions of the proposals prior to contract award to anyone outside TMRS' contract award process. TMRS shall have the right to duplicate, use or disclose all proposal data submitted by Respondents in response to this RFP if required by the Texas Public Information Act. TMRS recognizes the Respondent's possible interest in preserving selected data which may be part of a proposal. TMRS shall treat any requests to maintain the confidentiality of selected information as required by law and applicable statutes. TMRS shall have the right to use all ideas, or adaptations of those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal shall not affect this right.

B. Proposal Submission Requirements

Each qualified Respondent shall submit only one proposal. Alternate proposals shall not be allowed.

Please provide six (6) hard copies and one electronic copy of the proposal **no later than 5:00 p.m. CST** on the date indicated in the cover letter. Proposals shall be mailed to:

Debbie Farahmandi
Texas Municipal Retirement System
1200 N Interstate 35
Austin TX 78701

Electronic copy to:
AlternativesRFP2019@tmrs.com

D. Transmittal Letter

The transmittal letter shall be on the Respondent's official business letterhead. It shall include the following, in the order given:

1. a signed statement certifying that no personnel currently employed by, under contract with, or in any way associated with the State of Texas or TMRS have participated in any activities relating to the preparation of the Respondent's proposal, except as provided for in this RFP;
2. a statement that acknowledges and agrees to all of the terms and conditions, and all other rights and terms specified in this RFP;
3. the Respondent's guarantee that the proposal as submitted shall remain in full force and effect as specified in this RFP for at least three (3) months after the closing date for responses or until a contract is approved, whichever comes first;
4. a statement explaining any exceptions taken to the requirements of this RFP;
5. a statement that acknowledges if proprietary data is included, and if so, which specific pages and parts are considered confidential;
6. a statement that contains the Respondent's contact person, address, phone, and fax numbers; and
7. a statement that the person signing the proposal is authorized to bind the firm in this RFP and any contract awarded hereunder.

The letter and the proposal shall be signed by a person with the authority to bind the individual or firm, answer questions, and provide clarification concerning its proposal.

Section IV.i – General Questions & Requests (for all respondents)

A. General Requests

As component of this RFP response please provide the following:

1. A presentation, no more than 20 slides, describing generally the services the firm has to offer with respect advisory services, client mix, AUM and investment process. An additional 5 slides may be added for each specific asset class/RFP component for which the firm is responding.
2. Sample quarterly/annual reporting package each asset class which is being responded to.
3. A detailed proposal/schedule of fees for services.
4. Corporate/Partnership/etc. organizational chart including parents, subsidiaries, business units, etc.
5. Personnel Organizational chart for the firm as a whole and as pertaining to the business units proposed to be utilized in the RFP response.
6. Please provide a sample Investment Due Diligence & Recommendation memo for each asset class which is being responded to.
7. If Operational Due Diligence is performed but information related thereto is not included in investment recommendations, please provide an Operational Due Diligence memo for each asset class which is being responded to.
8. Please provide a sample performance report which includes manager level and portfolio level performance deliverables as appropriate.
9. Please provide a list of the five (5) largest public fund clients for each of the asset classes for which the firm is responding to provide consulting services. Please include institution name, individual contact, telephone number, asset values, number of years the client has retained your firm, and the product(s) or services(s) the client uses. TMRS may contact any of these clients for reference purposes.

B. Organization and Background

1. Provide a brief overview of your firm, including the year founded, location of your headquarters and branch offices, current and historical ownership structure (including percentages owned), significant organizational developments taking place in the last five (5) years, anticipated changes in firm structure, the number of years your firm has provided advisory services, and the number of clients your firm provides such services to.

2. Describe your organization's structure. List the number of your firm's professional and support employees involved in:
 - a) Marketing
 - b) Client Consultation
 - c) Research & Analysis (by area)
 - d) Manager Search (by sector)
 - e) Computer Programming
 - f) Support Services
3. Discuss employee recruitment, retention and compensation policies. Discuss how many professionals have joined or left the organization since July 1, 2014, along with the timing and reasons for such joinders and departures. If there has been any change in your firm's Absolute Return, Real Return, Real Estate, Private Equity, and/or Private Credit investment staff or in the firm's senior management, provide a detailed explanation including names, length of employment, and, if departed, reason for departure.
4. Does the firm, its affiliates, or the ultimate parent of the firm manage money or in any way provide discretionary management services for clients? If so, please identify those entities and describe the services they provide.
5. Discuss how possible conflicts of interest between client recommendations and discretionary client decisions are prevented. Please provide a breakdown of revenue by percentage of revenue originating from each of non-discretionary consulting services and discretionary advisory services.
6. Does the firm, its employees or affiliates, or the ultimate parent of the firm receive ANY revenue, compensation or other benefits from investment managers, or an investment manager's principals, officers, agents or employees, for consulting services provided, software sold, attendance at conferences, access to manager databases, or for any other reason? If yes, please detail the firm, employee or affiliate, the nature of the compensation or benefit and which investment manager, principal, officer, agent or employee are involved in the arrangement.
7. If the firm, its employees or affiliates or the ultimate parent of the firm, accepts revenue, compensation or other benefits from investment managers or acts as a securities broker or introducing broker, please provide the following information about the firm's operating policies:
 - a. Is there physical separation between the consulting area and the area(s) with manager revenue/brokerage activities?
 - b. Is there personnel overlap between the consulting area and the area(s) with manager revenue/brokerage activities?
 - c. What parties have oversight authority for both the consulting area and the area(s) with manager revenue/brokerage activities?

- d. What firewalls are in place to prevent the personnel and systems of the consulting area and area(s) with manager revenue/brokerage activities from sharing information?
8. Since July 1, 2009, has your firm, or any officer, employee, or principal within the firm been involved in any financial issues, business litigation, regulatory or other legal proceeding or governmental inquiries, investigations or proceedings involving allegations of fraud, negligence, criminal activity or breach of fiduciary duty? If so, please provide a description, explanation, and indicate the current status of litigation, proceeding, inquiry, and/or investigation.
9. Please describe when the last time the SEC, or any regulatory agency, conducted an exam of your firm and/or any employees, officers, or principals of your firm. What was the nature and scope of the exam(s) and were the results of the exam(s)?
10. Does the firm maintain Conflicts of Interests Policies? Briefly describe herein. Please include an explanation of how these policies, and any other measures taken by the firm, limit the likelihood that a client could receive investment advice that is not solely aligned with their best interests. Additionally, please indicate whether your firm has waived its conflict policies within the last three years. If so, please indicate the number of waivers, the title of the person for whom the waiver was granted, and a brief description of the reason for granting the waiver. (TMRS does not need the Conflict of Interest Policy at this stage of the RFP process. TMRS reserves the right to follow-up and request at a later stage.)
11. Does your firm maintain a Code of Ethics / Ethic Policy? Please indicate whether your firm has waived a provision of the ethics policy within the last three years. If so, please indicate the number of waivers, the title of the person for whom the waiver was granted, and a brief description of the reason for granting the waiver. (TMRS does not need the Code of Ethics at this stage of the RFP process. TMRS reserves the right to follow-up and request at a later stage.)
12. Describe the fiduciary and professional liability insurance the firm carries. List the insurance carriers supplying the coverage.
13. Please describe any inquiries or investigations of your firm or employees of your firm by a state or federal regulatory body or organization within the last ten years.
14. Describe any litigation involving your firm or employees of your firm within the last ten years.
15. Is there any pending or threatened litigation against your firm, its principals, or anyone proposed for the relationship of any type (civil, criminal, regulatory, arbitration, mediation, etc.)? If yes, please explain.

16. Does your firm or any of your personnel invest their money in the investments that are recommended to clients?

C. Investment Due Diligence / Process

1. Does your firm utilize an investment committee or other staged approval process for investments? Does your firm utilize separate processes for ‘client-led’ recommendations vs. ‘firm-led’ recommendations?
2. Please discuss the firm’s philosophy with respect to market coverage. Please describe if it is the consultant’s business model to independently drive its research priorities based on perceptions of risk/return or some other metric, or is client interest generally needed prior to significant research efforts being deployed?
3. What is your history with achieving client aggregation fee discounts with investment managers? What is your firm’s philosophy with respect to being involved in contract negotiations on behalf of your clients?
4. How would your firm review and evaluate the ethical standards and compliance systems of a fund manager/general partner and what conflicts of interest would your firm attempt to identify? Is this part of the investment due diligence or operational due diligence processes?
5. Please describe your firm’s philosophy surrounding the value of monitoring efforts on funds already committed to by clients? Please provide information concerning the process and frequency with which manager reports are read by consultant personnel and how any key findings may then be communicated to clients.

D. Operational Due Diligence / Process

1. Please provide information pertaining to which asset classes your firm can provide operational due diligence services.
2. Please describe your firm’s market advantages and strengths in providing operational due diligence services.
3. Please describe your firm’s philosophy with respect to the importance of operational due diligence in the investment decision making process. Describe key components of operational excellence and/or deficiencies your firm seeks to understand, and a list of ODD deliverables available to clients.
4. Please provide information concerning the firm’s approach for staffing ODD expertise (e.g. number of individuals employed, qualifications and backgrounds of key employees,

etc.). Please indicate whether or not listed individuals have responsibilities other than ODD.

5. Please describe the level of independence the operational due diligence team has from investment due diligence teams.
6. During the investment due diligence process, at what stage is the operational due diligence team called upon to being work?
7. Please provide real examples of situations in which a matter of operational due diligence *ex ante* affected and/or changed an investment due diligence recommendation.
8. Does your firm offer operational due diligence as a separate product line from its traditional consulting services? Are operational due diligence reports issued separately from investment due diligence reports? To the extent the services are not separate, are investment due diligence personnel also responsible for conducting operational due diligence?
9. For a client entering into a traditional consulting services contract, does that client have unfettered access to operational due diligence? If not, what restrictions, contractual or otherwise govern access?
10. As applicable, please describe the reasons behind having separated operational due diligence lines of business from investment due diligence lines of business.
11. Please provide information and statistics on any operational due diligence consulting contracts that firm has that do not include coincident non-discretionary advisory contracts.
12. What are the top five categorizations of topics your firm looks at which respect to operational due diligence?
13. Have your firm ever recommended a vehicle which subsequently had major unforeseen operational issues. Please discuss an example and how risks were mitigated / issues resolved?
14. After an investment has been made, please describe the ongoing monitoring process that is employed? (please provide information from both an investment and operational perspective)

E. Accounting, Performance & Fee Monitoring Services

1. Describe the processes your firm utilizes with respect to accounting for, calculating performance of, and tracking fees and expense related to client investments.

2. Describe the client onboarding process with respect to coordinating historical client accounting and performance being uploaded to your systems, delivery of current client reporting to your firm, and timelines that would be expected to be needed prior to delivery of the first client report (no need to respond if your firm is a TMRS incumbent consultant not bidding on asset classes for which it is currently under contract).
3. Does your firm keep track of management fees, expenses and incentive compensation earned by managers in relation to client accounts? If so, how is this information aggregated (e.g. does your firm request/require investment managers to fill out templates, is the information gleaned from client reporting, etc.)? Does your firm reconcile and/or do reasonability checks on fee, expense and incentive data?
4. Describe the staff resources available for providing Accounting, Performance and Fee Monitoring services.
5. Does your firm currently provide for higher levels of Accounting, Performance & Fee Monitoring services for a fee? If so, please describe differences in service levels, cost structure of different service levels, and data on the scale of this business line for the firm (e.g. # of clients, revenue, etc.)

F. Clients

1. List the number of institutional clients and assets the firm has serviced in a **full-service retainer** capacity over the last five years in each asset class in which the firm does business.
2. Discuss your firm's capacity to service an additional large client such as TMRS.
3. What is your firm's average ratio of clients to consultants? Please describe how individuals may be assigned to servicing the TMRS account.
4. Is your firm actively attempting to attract other clients? If so, how many and what size?
5. Has your firm encountered situations in which there is interest in a fund vehicle amongst multiple clients and there is limited capacity? Has your firm been involved in the allocation process of that capital? If so, please describe your firm's process. Are there formal policies in place to deal with this situation? Are there different allocation policies or procedures in the event firm discretionary capital under management is competing with firm non-discretionary advisory capital?
6. Please describe the firm's experience and capability for providing education to trustees and staff.

**Section IV.ii – Absolute Return
Program Background & Absolute Return Specific Questions**

IV.ii.1 – Absolute Return Program Background Information

TMRS currently has a 10% target allocation to absolute return strategies. As of March 31, 2019, the portfolio is \$2.4B, representing 8% of TMRS’ total portfolio. TMRS currently employs two full time professionals to manage the absolute return portfolio.

Per the TMRS Investment Policy Statement: The Absolute Return portfolio is to identify strategies that provide both favorable stand-alone risk-adjusted returns as well as the benefit of diversification for the overall plan. Absolute Return Strategies, by definition, are not necessarily a separate asset class, but broaden the opportunity set within existing asset classes or exposures such as stocks, bonds, currencies and commodities by going both long and short, employing derivatives and leverage, shortening and extending investment horizons, and moving across public and private markets, amongst others.

Please see <http://www.tmr.com> for additional information concerning the TMRS portfolio including the full investment policy statement and past reporting.

IV.ii.2 – Absolute Return RFP Questions & Requests

Philosophy

1. What do you consider to be your firm’s consulting specialties, strengths and limitations?
2. Identify the team that would be responsible for providing services to TMRS. Provide biographies on each individual(s) and any additional organizational structure charts relevant to answering this question that were not provided in response to Section IV.i. Comment on any turnover within this team that provides services related to absolute return.
3. Provide a list of all absolute return consulting clients terminated or which did not renew their contracts in the last three years and the reasons given for those terminations or non-renewals.
4. Detail the absolute return consulting client relationships that you currently service.

Investor Type	\$<1B	\$1B-\$10B	>\$10B
Public Pension			
Private Pension			
Endowment			
Foundation			
Sovereign			

5. Explain your firm's due diligence process in assessing a potential recommendation. (Attach checklist as an exhibit.)
- Describe each step in your due diligence process, which would lead to a recommendation.
 - Discuss qualitative versus quantitative aspects.
 - Describe the most common critical areas of focus.
 - Sources of data for analysis.
 - Any outsourced functions? E.g. background checks, legal reviews, etc.
6. To the best of your ability, please provide the number of funds in your firm's database by strategy category according to the table below. Differentiate between total number of funds in a given category, funds your firm has actively performed some level of due diligence on, number of funds formally recommended and funds with client capital invested. If not known exactly, please estimate in order to convey depth and breadth of sourcing, as well as coverage, and relative selectivity of recommendations.

Strategy	Funds in Database	Funds Covered	Funds Recommended	Funds with Client Capital	Average Client Dollar Amount Invested
Fund of Hedge Funds					
Long Short Equity					
Credit					
Event Driven					
Multi Strategy					
Relative Value/Arbitrage					
Global Macro/GTAA					
CTA/Managed Futures					
Commodities					
Exotic					
Other					
TOTAL					

7. To the best of your ability, please provide the number of funds in your firm's database by strategy category according to the table below.

Geographic Location	Fund Count
North America	
Europe	
Asia ex. Japan	
Japan	
LATAM	
Other	

Research

1. Describe the internal structure and organization of your firm's research department. If no separate department exists, describe how this function is structured. Also, describe how research focused personnel are compensated, and how this may differ from client relationship focused personnel.
2. Detail firm employee locations based on the chart below:

Geographic Location	Employee Count
North America	
Europe	
Asia ex. Japan	
Japan	
LATAM	
Other	

3. What percent of your firm's revenues are annually reinvested in the firm's research function? Please provide the most recent annual dollar amount.

Performance

1. Describe which performance metrics you believe to be most helpful and relevant, and how you use them to assess both fund performance and client overall portfolio performance.
2. Describe the methods you employ to determine whether the general partners are reporting reasonable investment carrying values. What do you do when you feel there is an inaccuracy?
3. Describe the interactions and reconciliation process between your firm's performance calculations and that of the managers or funds.

Manager, Fund, and General Partner Recommendation

1. Describe the resources your firm uses to develop and support recommendations and the level of detail provided.
 - a) How do you verify the data collected from external sources?
 - b) How often is each manager or general partner in the database visited by your staff?
 - c) How quickly is a manager review able to be thoroughly completed?
2. Describe your firm's process for monitoring managers and general partners with respect to administrative conditions such as staff turnover, mergers, legal issues and financial soundness. How are clients informed as to new information of this type?

3. Describe your process and basis for recommending any adverse action regarding a manager, fund, limited partnership, or direct investment, and describe what the range of actions may be. Please specify the distinction between termination recommendation and watch recommendation, both in terms of process and client notification.
4. Describe the client facing online portal for reviewing manager investment due diligence, operational due diligence, quantitative analysis, portfolio construction, risk and other aspects of the relationships.

Private Credit Related Strategies

1. Does your firm cover any private credit strategies using its Absolute Return team? Please list any strategies beyond the traditional universe of absolute return credit strategies your firm's absolute return team covers. Indicate whether coverage of these additional strategies typically falls within a non-discretionary Absolute Return consulting advisory services contract.
2. What factors are considered that might exclude credit strategies from being covered by the Absolute Return team (e.g. fund structure, type of manager, sector, etc.)?

Co-Invest

1. Does your firm provide co-invest recommendations or research support as part of non-discretionary advisory agreements? If so, please describe the level of support the firm provides and timelines over which that support may be provided. Please describe how allocations of co-invest among clients / discretionary accounts is handled. Please provide an example recommendation or support memo.
2. Does your firm provide discretionary co-invest services? (if 'yes' please see section IV.viii and consider whether your firm wishes to respond to that section)

Additional Requested Materials

1. Please provide a schedule of all asset class specific investments approved for client investment in the trailing twelve months. As applicable, please provide any 'approved' or 'investable' lists for the specific asset class that your firm maintains.

Section IV.iii – Real Return Program Background & Real Return Specific Questions

IV.iii.1 – Real Return Program Background Information

TMRS currently has a 10% target allocation to real return strategies. As of March 31, 2019 the portfolio is \$3.2B representing approximately 11% of TMRS' total portfolio. Private markets assets currently represent \$551mm of the \$3.2B balance. TMRS currently employs three full time professionals whose time is split between the management of the real return portfolio and a separate 10% target allocation to a real estate portfolio.

Per the TMRS Investment Policy Statement: The Real Return asset class is used for, return enhancement, diversification and inflation protection. The Real Return portfolio will include strategies that provide both favorable stand-alone risk-adjusted returns as well as the benefit of hedging inflation for the System.

Please see <http://www.tmr.com> for additional information concerning the TMRS portfolio including the full investment policy statement and past reporting.

IV.iii.2 – Real Return RFP Questions & Requests

Philosophy

1. What do you consider to be your firm's consulting specialties, strengths and limitations?
2. Identify the team that would be responsible for providing services to TMRS. Provide biographies on each individual(s) and any additional organizational structure charts relevant to answering this question that were not provided in response to Section IV.i. Comment on any turnover within this team that provides services related to real return.
3. Provide a list of all real return consulting clients terminated or which did not renew their contracts in the last three years and the reasons given for those terminations or non-renewals.
4. Explain your firm's due diligence process in assessing a potential investment. (Attach checklist as an exhibit.)
 - a) Describe each step in your due diligence process, which would lead to an investment.
 - b) Discuss qualitative versus quantitative aspects.
 - c) Describe the most common critical areas of focus.
 - d) Sources of data for analysis.
 - e) Any outsourced functions? E.g. background checks, legal reviews, etc.
5. To the best of your ability, please provide the number of funds in your firm's database by strategy category according to the table below. Differentiate between total number of funds in a given category, funds your firm has actively performed some level of due diligence on,

number of funds formally recommended and funds with client capital invested. If not known exactly, please estimate in order to convey depth and breadth of sourcing, as well as coverage, and relative selectivity of recommendations.

Strategy	Funds in Database	Funds Covered	Funds Recommended	Funds with Client Capital
Real Asset FoFs				
Real Estate				
REITs				
MLPs				
PE/Energy & Power				
PE/Natural Resource				
Infrastructure				
Timberland				
Farmland/Agriculture				
Other:				
TOTAL				

Research

1. Describe the internal structure and organization of your firm’s research department. If no separate department exists, describe how this function is structured. Also, describe how research focused personnel are compensated, and how this may differ from client relationship focused personnel.
2. What percent of your firm’s revenues are annually reinvested in the firm’s research function? Please provide the most recent annual dollar amount.

Performance

1. Describe which performance metrics you believe to be most helpful and relevant, and how you use them to assess both fund performance and client overall portfolio performance.
2. Describe the methods you employ to determine whether the general partners are reporting reasonable investment carrying values. What do you do when you feel there is an inaccuracy?
3. Describe the interactions and reconciliation process between your firm’s performance calculations and that of the managers or funds.

Manager, Fund, and General Partner Recommendation

1. Describe the resources your firm uses to develop and support recommendations and the level of detail provided.

- a) How do you verify the data collected from external sources?
 - b) How often is each manager or general partner in the database visited by your staff?
 - c) How quickly is a manager review able to be thoroughly completed?
2. Describe your firm’s process for monitoring managers and general partners with respect to administrative conditions such as staff turnover, mergers, legal issues and financial soundness. How are clients informed as to new information of this type?
 3. Describe your process and basis for recommending any adverse action regarding a manager, fund, limited partnership, or direct investment, and describe what the range of actions may be. Please specify the distinction between termination recommendation and watch recommendation, both in terms of process and client notification.
 4. Describe the client facing online portal for reviewing manager investment due diligence, operational due diligence, quantitative analysis, portfolio construction, risk and other aspects of the relationships.

Private Credit Related Strategies

1. Does your firm cover any private credit strategies using its Real Return team? Is private credit coverage typically considered by your firm to fall under a Real Return non-discretionary consulting contract?
2. If the answer to Question #1 is ‘Yes’, please indicate which of the following strategies your firm covers:

Strategy	Indicate ‘Y’ if Yes
Sector Based Lending (please list specific sectors covered including energy, mining, Agriculture, etc., in column to the right)	
Asset Backed Lending	
Capital Solutions Lending	
Corporate	
Distressed/Stressed/Rescue Financing	
Credit Risk Transfer	
Direct Lending	
Emerging Market Credit Opportunities	
Mezzanine Debt	
Multi-Asset Opportunistic Credit	
Non-Performing Loans	
Real Estate Debt	
Specialty Finance	

Special Situations Credit	
Structured Credit	
Whole Loans Strategies	

Co-Invest

1. Does your firm provide co-invest recommendations or research support as part of non-discretionary advisory agreements? If so, please describe the level of support the firm provides and timelines over which that support may be provided. Please describe how allocations of co-invest among clients / discretionary accounts is handled. Please provide an example recommendation or support memo.
2. Does your firm provide discretionary co-invest services? (if 'yes' please see section IV.viii and consider whether your firm wishes to respond to that section)

Additional Requested Materials

1. Please provide a schedule of all asset class specific investments approved for client investment in the trailing twelve months. As applicable, please provide any 'approved' or 'investable' lists for the specific asset class that your firm maintains.

Section IV.iv – Real Estate Program Background & Real Estate Specific Questions

IV.iv.1 – Real Estate Program Background Information

TMRS currently has a 10% target allocation to real estate strategies. As of March 31, 2019 the portfolio is \$2.6B representing approximately 9% of TMRS' total portfolio. The real estate portfolio is predominantly private market focused. TMRS currently employs three full time professionals whose time is split between the management of the real estate portfolio and a separate 10% target allocation to a real return portfolio.

Per the TMRS Investment Policy Statement: The purpose of the real estate allocation is to enhance total return and provide diversification to the overall investment portfolio. The long-term objective for the TMRS real estate portfolio is a real rate of return (adjusted for inflation) of five percent (5%), net of investment management fees.

Please see <http://www.tmr.com> for additional information concerning the TMRS portfolio including the full investment policy statement and past reporting.

IV.iv.2 – Real Estate RFP Questions & Requests

Philosophy

1. What do you consider to be your firm's consulting specialties, strengths and limitations?
2. Identify the team that would be responsible for providing services to TMRS. Provide biographies on each individual(s) and any additional organizational structure charts relevant to answering this question that were not provided in response to Section IV.i. Comment on any turnover within this team that provides services related to real estate.
3. Provide a list of all real estate consulting clients terminated or which did not renew their contracts in the last three years and the reasons given for those terminations or non-renewals.
4. Explain your firm's due diligence process in assessing a potential investment. (Attach checklist as an exhibit.)
 - a) Describe each step in your due diligence process, which would lead to an investment.
 - b) Discuss qualitative versus quantitative aspects.
 - c) Describe the most common critical areas of focus.
 - d) Sources of data for analysis.
 - e) Any outsourced functions? E.g. background checks, legal reviews, etc.
5. To the best of your ability, please provide the number of funds in your firm's database by strategy category according to the table below. Differentiate between total number of funds in a given category, funds your firm has actively performed some level of due diligence on,

number of funds formally recommended and funds with client capital invested. If not known exactly, please estimate in order to convey depth and breadth of sourcing, as well as coverage, and relative selectivity of recommendations.

Strategy	Funds in Database	Funds Covered	Funds Recommended	Funds with Client Capital
Real Estate Fund of Fund				
Core Open-End*				
Core+ Open End*				
Core/Core + Debt*				
Diversified Non-Core*				
Non-Core Multifamily*				
Non-Core Industrial*				
Non-Core Office*				
Non-Core Retail*				
Non-Core Other*				
Core/Core+ Europe				
Non-Core Europe				
Core/Core+ Asia				
Non-Core Asia				
Other				
TOTAL				

Research

1. Describe the internal structure and organization of your firm’s research department. If no separate department exists, describe how this function is structured. Also, describe how research focused personnel are compensated, and how this may differ from client relationship focused personnel.
2. What percent of your firm’s revenues are annually reinvested in the firm’s research function? Please provide the most recent annual dollar amount.

Performance

1. Describe which performance metrics you believe to be most helpful and relevant, and how you use them to assess both fund performance and client overall portfolio performance.
2. Describe the methods you employ to determine whether the general partners are reporting reasonable investment carrying values. What do you do when you feel there is an inaccuracy?
3. Describe the interactions and reconciliation process between your firm’s performance calculations and that of the managers or funds.

Manager, Fund, and General Partner Recommendation

1. Describe the resources your firm uses to develop and support recommendations and the level of detail provided.
 - a) How do you verify the data collected from external sources?
 - b) How often is each manager or general partner in the database visited by your staff?
 - c) How quickly is a manager review able to be thoroughly completed?
2. Describe your firm's process for monitoring managers and general partners with respect to administrative conditions such as staff turnover, mergers, legal issues and financial soundness. How are clients informed as to new information of this type?
3. Describe your process and basis for recommending any adverse action regarding a manager, fund, limited partnership, or direct investment, and describe what the range of actions may be. Please specify the distinction between termination recommendation and watch recommendation, both in terms of process and client notification.
4. Describe the client facing online portal for reviewing manager investment due diligence, operational due diligence, quantitative analysis, portfolio construction, risk and other aspects of the relationships.

Private Credit Related Strategies

1. Does your firm cover any private credit strategies using its Real Estate team? Is private credit coverage typically considered by your firm to fall under a Real Estate non-discretionary consulting contract?
2. If the answer to Question #1 is 'Yes', please indicate which of the following strategies your firm covers:

Strategy	Indicate 'Y' if Yes
Real Estate Debt (please list any specific broad categorizations of private RE debt you cover through RE consulting services)	
Asset Backed Lending	
Capital Solutions Lending	
Corporate	
Distressed/Stressed/Rescue Financing	
Credit Risk Transfer	
Direct Lending	
Emerging Market Credit Opportunities	

Mezzanine Debt	
Multi-Asset Opportunistic Credit	
Non-Performing Loans	
Specialty Finance	
Special Situations Credit	
Structured Credit	
Whole Loans Strategies	

Co-Invest

1. Does your firm provide co-invest recommendations or research support as part of non-discretionary advisory agreements? If so, please describe the level of support the firm provides and timelines over which that support may be provided. Please describe how allocations of co-invest among clients / discretionary accounts is handled. Please provide an example recommendation or support memo.
2. Does your firm provide discretionary co-invest services? (if 'yes' please see section IV.viii and consider whether your firm wishes to respond to that section)

Additional Requested Materials

1. Please provide a schedule of all asset class specific investments approved for client investment in the trailing twelve months. As applicable, please provide any 'approved' or 'investable' lists for the specific asset class that your firm maintains.

Section IV.v – Private Equity Program Background & Private Equity Specific Questions

IV.v.1 – Private Equity Program Background Information

TMRS currently has a 5% target allocation to real return strategies. As of March 31, 2019 the portfolio is \$609mm representing approximately 2% of TMRS' total portfolio. TMRS currently employs three full time professionals in the management of the Private Equity Portfolio.

Per the TMRS Investment Policy Statement: The Private Equity asset class is intended to enhance the total fund performance through investment in non-publicly traded securities by generating a long-term rate of return that exceeds that of publicly-traded equities. Private equity investments are expected to be illiquid and long-term in nature. Private equity strategies generally include, but are not limited to, buy-outs in private companies, venture capital, growth oriented or minority equity investments; and special situations or opportunistic investments such as distressed securities and lending strategies, mezzanine and hybrid positions or other structured investments.

Please see <http://www.tmr.com> for additional information concerning the TMRS portfolio including the full investment policy statement and past reporting.

IV.v.2 – Private Equity RFP Questions & Requests

Philosophy

1. What do you consider to be your firm's consulting specialties, strengths and limitations?
2. Identify the team that would be responsible for providing services to TMRS. Provide biographies on each individual(s) and any additional organizational structure charts relevant to answering this question that were not provided in response to Section IV.i. Comment on any turnover within this team that provides services related to private equity.
3. Provide a list of all private equity consulting clients terminated or which did not renew their contracts in the last three years and the reasons given for those terminations or non-renewals.
4. Explain your firm's due diligence process in assessing a potential investment. (Attach checklist as an exhibit.)
 - f) Describe each step in your due diligence process, which would lead to an investment.
 - g) Discuss qualitative versus quantitative aspects.
 - h) Describe the most common critical areas of focus.
 - i) Sources of data for analysis.
5. To the best of your ability, please provide the number of funds in your firm's database by strategy category according to the table below. Differentiate between total number of funds

in a given category, funds your firm has actively performed some level of due diligence on, number of funds formally recommended and funds with client capital invested. If not known exactly, please estimate in order to convey depth and breadth of sourcing, as well as coverage, and relative selectivity of recommendations.

Strategy	Funds in Database	Funds Covered	Funds Recommended	Funds with Client Capital
Venture Capital				
Buy-Out				
Growth/Minority				
Mezzanine				
Special Situations				
Distressed				
Secondary				
Co-Investment				
Fund of Funds				
TOTAL				

Research

1. Describe the internal structure and organization of your firm’s research department. If no separate department exists, describe how this function is structured. Also, describe how research focused personnel are compensated, and how this may differ from client relationship focused personnel.
2. What percent of your firm’s revenues are annually reinvested in the firm’s research function? Please provide the most recent annual dollar amount.

Performance

1. Describe which performance metrics you believe to be most helpful and relevant, and how you use them to assess both fund performance and client overall portfolio performance.
2. Describe the methods you employ to determine whether the general partners are reporting reasonable investment carrying values. What do you do when you feel there is an inaccuracy?
3. Describe the interactions and reconciliation process between your firm’s performance calculations and that of the managers or funds.

Manager, Fund, and General Partner Recommendation

1. Describe the resources your firm uses to develop and support recommendations and the level of detail provided.

- a) How do you verify the data collected from external sources?
 - b) How often is each manager or general partner in the database visited by your staff?
 - c) How quickly is a manager review able to be thoroughly completed?
2. Describe your firm’s process for monitoring managers and general partners with respect to administrative conditions such as staff turnover, mergers, legal issues and financial soundness. How are clients informed as to new information of this type?
 3. Describe your process and basis for recommending any adverse action regarding a manager, fund, limited partnership, or direct investment, and describe what the range of actions may be. Please specify the distinction between termination recommendation and watch recommendation, both in terms of process and client notification.
 4. Describe the client facing online portal for reviewing manager investment due diligence, operational due diligence, quantitative analysis, portfolio construction, risk and other aspects of the relationships.

Private Credit Related Strategies

3. Does your firm cover any private credit strategies using its Private Equity teams? Is private credit coverage typically considered by your firm to fall under a Private Equity non-discretionary consulting contract?
4. If the answer to Question #1 is ‘Yes’, please indicate which of the following strategies your firm covers:

Strategy	Indicate ‘Y’ if Yes
Asset Backed Lending	
Capital Solutions Lending	
Corporate	
Distressed/Stressed/Rescue Financing	
Credit Risk Transfer	
Direct Lending	
Emerging Market Credit Opportunities	
Mezzanine Debt	
Multi-Asset Opportunistic Credit	
Non-Performing Loans	
Real Estate Debt	
Specialty Finance	
Special Situations Credit	
Structured Credit	
Whole Loans Strategies	

Co-Invest

1. Does your firm provide co-invest recommendations or research support as part of non-discretionary advisory agreements? If so, please describe the level of support the firm provides and timelines over which that support may be provided. Please describe how allocations of co-invest among clients / discretionary accounts is handled. Please provide an example recommendation or support memo.
2. Does your firm provide discretionary co-invest services? (if 'yes' please see section IV.viii and consider whether your firm wishes to respond to that section)

Additional Requested Materials

1. Please provide a schedule of all asset class specific investments approved for client investment in the trailing twelve months. As applicable, please provide any 'approved' or 'investable' lists for the specific asset class that your firm maintains.

Section IV.vi – Private Credit Program Background & Private Credit Specific Questions

IV.v.1 – Private Credit Program Background Information

TMRS has a 20% target allocation to non-core fixed income strategies of which private credit is a subset. As of March 31, 2019 the portfolio is \$5.4B representing approximately 18.5% of TMRS' total portfolio; direct lending and opportunistic credit currently represent approximately \$2B of that total. TMRS currently employs three full time fixed income professionals.

Per the TMRS Investment Policy Statement: The non-core fixed income asset class diversifies the risk of the overall investment program and is designed to provide both income and capital appreciation.

Please see <http://www.tmr.com> for additional information concerning the TMRS portfolio including the full investment policy statement and past reporting.

IV.v.2 – Private Credit RFP Questions & Requests

Philosophy

1. How long has the firm been evaluating private credit managers? Please indicate at what point in time your firm began offering Private Credit as a product offering separate from other consulting services.
2. What do you consider to be your firm's consulting specialties, strengths and limitations?
3. Identify the team that would be responsible for providing services to TMRS. Provide biographies on each individual(s) and any additional organizational structure charts relevant to answering this question that were not provided in response to Section IV.i. Comment on any turnover within this team that provides services related to private credit.
4. Provide a list of all private credit consulting clients terminated or which did not renew their contracts in the last three years and the reasons given for those terminations or non-renewals.
5. Explain your firm's due diligence process in assessing a potential investment. (Attach checklist as an exhibit.)
 - j) Describe each step in your due diligence process, which would lead to an investment.
 - k) Discuss qualitative versus quantitative aspects.
 - l) Describe the most common critical areas of focus.
 - m) Sources of data for analysis.
6. To the best of your ability, please provide the number of funds in your firm's database by strategy category according to the table below. Differentiate between total number of funds

in a given category, funds your firm has actively performed some level of due diligence on, number of funds formally recommended and funds with client capital invested. If not known exactly, please estimate in order to convey depth and breadth of sourcing, as well as coverage, and relative selectivity of recommendations.

Strategy	Funds in Database	Funds Covered	Funds Recommended	Funds with Client Capital
Asset Backed Lending				
Capital Solutions Lending				
Corporate				
Distressed/Stressed/Rescue Financing				
Credit Risk Transfer				
Direct Lending				
Emerging Market Credit Opportunities				
Mezzanine Debt				
Multi-Asset Opportunistic Credit				
Non-Performing Loans				
Real Estate Debt				
Specialty Finance				
Special Situations Credit				
Structured Credit				
Whole Loans Strategies				
TOTAL				

Research

1. Describe the internal structure and organization of your firm’s research department. If no separate department exists, describe how this function is structured. Also, describe how research focused personnel are compensated, and how this may differ from client relationship focused personnel.
2. What percent of your firm’s revenues are annually reinvested in the firm’s research function? Please provide the most recent annual dollar amount.

Performance

1. Describe which performance metrics you believe to be most helpful and relevant, and how you use them to assess both fund performance and client overall portfolio performance.
2. Describe the methods you employ to determine whether the general partners are reporting reasonable investment carrying values. What do you do when you feel there is an inaccuracy?

3. Describe the interactions and reconciliation process between your firm's performance calculations and that of the managers or funds.

Manager, Fund, and General Partner Recommendation

1. Describe the resources your firm uses to develop and support recommendations and the level of detail provided.
 - a) How do you verify the data collected from external sources?
 - b) How often is each manager or general partner in the database visited by your staff?
 - c) How quickly is a manager review able to be thoroughly completed?
2. Describe your firm's process for monitoring managers and general partners with respect to administrative conditions such as staff turnover, mergers, legal issues and financial soundness. How are clients informed as to new information of this type?
3. Describe your process and basis for recommending any adverse action regarding a manager, fund, limited partnership, or direct investment, and describe what the range of actions may be. Please specify the distinction between termination recommendation and watch recommendation, both in terms of process and client notification.
4. Describe the client facing online portal for reviewing manager investment due diligence, operational due diligence, quantitative analysis, portfolio construction, risk and other aspects of the relationships.

Co-Invest

1. Does your firm provide co-invest recommendations or research support as part of non-discretionary advisory agreements? If so, please describe the level of support the firm provides and timelines over which that support may be provided. Please provide an example recommendation or support memo.
2. Does your firm provide discretionary co-invest services? (if 'yes' please see section IV.viii and consider whether your firm wishes to respond to that section)

Additional Requested Materials

1. Please provide a schedule of all asset class specific investments approved for client investment in the trailing twelve months. As applicable, please provide any 'approved' or 'investable' lists for the specific asset class that your firm maintains.

Section IV.vii – Co-Invest

Co-Invest Program Background & Co-Invest Specific Questions

IV.viii.1 – Co-Invest Program Background Information

Under the current investment policy statement, TMRS staff has authority to execute co-invest opportunities in limited circumstances. As part of this RFP TMRS is researching both consultant abilities to support co-investment decision making processes through non-discretionary advisory contracts (see questions in preceding sections) and potentially as separate discretionary mandates (see questions below). Please respond to the questions below only if you have discretionary co-invest services which can be provided to TMRS.

IV.viii.2 – Co-Invest RFP Questions & Requests

1. Which asset classes and subsectors does your firm provide discretionary co-invest services for?
2. Please provide information concerning the number of clients that utilize the service and total AUM. Additionally please provide a schedule and summary of all co-invests made under discretionary mandates by GP, count and AUM of co-invests made with each GP. Finally, please provide annual totals regarding discretionary co-investments, and how this compares to annual primary fund commitment pacing levels.
3. Please discuss your allocation policy across discretionary co-investment accounts, and nature of discretionary versus any non-discretionary or limited discretionary accounts.
4. Please discuss your philosophy regarding the inclusion of a co-invest program in a private equity portfolio. As part of this discussion please provide information concerning the prominence of fee reductions as part of this equation. Does this philosophy change to the extent your firm considers making co-invests in other asset classes (please address Absolute Return, Real Estate, and Real Return separately as appropriate)?
5. Please discuss your firm's philosophy regarding its ability to pick co-investments better than accepting broadly the deal flow received.
6. Does your firm co-invest with GPs that you have primary fund commitments with exclusively, or with prospective GPs as well? Do you work with fund-less sponsors? Does the process change in either case?
7. Is your firm focused on syndicated co-investments or do you have the capability to co-underwrite? Please provide details (amount, number, etc.) on any co-underwritten deals.
8. Please provide performance for all discretionary co-investments, grouped by vintage year or vehicle, including net IRRs and MOICs. Please compare this performance to the most applicable vintage year primary fund portfolio net performance as an excess return.

9. Please provide an overlap analysis between the GPs in your co-investment program and GPs TMRS currently works with.
10. How does your firm manage conflicts of interest that could arise as a result of managing discretionary co-invest accounts (e.g. allocation issues amongst clients, providing services to general partners, etc.)?

Section V
Review Criteria

Any contract awarded will be based upon an evaluation of the responses and determination by staff, of which proposal provides the best value to TMRS. TMRS staff will evaluate each firm's proposal in a fair, consistent, and objective manner. Responses to questions or requirements identified in this RFP will form the basis of the staff's evaluation.

TMRS staff shall make a recommendation to the TMRS Board of Trustees regarding proposal selection. Any contract award shall be made by the TMRS Board of Trustees only.

EXHIBIT A

**COPIES OF TEXAS CONSTITUTION ART. 16, SEC. 67
AND EXCERPTS OF SECTIONS OF TMRS ACT RELATED TO INVESTMENT OF ASSETS**

THE TEXAS CONSTITUTION

Article 16 - GENERAL PROVISIONS

Section 67 - STATE AND LOCAL RETIREMENT SYSTEMS

(a) General Provisions.

(1) The legislature may enact general laws establishing systems and programs of retirement and related disability and death benefits for public employees and officers. Financing of benefits must be based on sound actuarial principles. The assets of a system are held in trust for the benefit of members and may not be diverted.

(2) A person may not receive benefits from more than one system for the same service, but the legislature may provide by law that a person with service covered by more than one system or program is entitled to a fractional benefit from each system or program based on service rendered under each system or program calculated as to amount upon the benefit formula used in that system or program. Transfer of service credit between the Employees Retirement System of Texas and the Teacher Retirement System of Texas also may be authorized by law.

(3) Each statewide benefit system must have a board of trustees to administer the system and to invest the funds of the system in such securities as the board may consider prudent investments. In making investments, a board shall exercise the judgment and care under the circumstances then prevailing that persons of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the probable income therefrom as well as the probable safety of their capital. The legislature by law may further restrict the investment discretion of a board.

(4) General laws establishing retirement systems and optional retirement programs for public employees and officers in effect at the time of the adoption of this section remain in effect, subject to the general powers of the legislature established in this subsection.

(b) State Retirement Systems.

(1) The legislature shall establish by law a Teacher Retirement System of Texas to provide benefits for persons employed in the public schools, colleges, and universities supported wholly or partly by the state. Other employees may be included under the system by law.

(2) The legislature shall establish by law an Employees Retirement System of Texas to provide benefits for officers and employees of the state and such state-compensated officers and employees of appellate courts and judicial districts as may be included under the system by law.

(3) The amount contributed by a person participating in the Employees Retirement System of Texas or the Teacher Retirement System of Texas shall be established by the legislature but may not be less than six percent of current compensation. The amount contributed by the state may not be less than six percent nor more than 10 percent of the aggregate compensation paid to individuals participating in the system. In an emergency, as determined by the governor, the legislature may appropriate such additional sums as are actuarially determined to be required to

fund benefits authorized by law.

(c) Local Retirement Systems.

(1) The legislature shall provide by law for:

(A) the creation by any city or county of a system of benefits for its officers and employees;

(B) a statewide system of benefits for the officers and employees of counties or other political subdivisions of the state in which counties or other political subdivisions may voluntarily participate; and

(C) a statewide system of benefits for officers and employees of cities in which cities may voluntarily participate.

(2) Benefits under these systems must be reasonably related to participant tenure and contributions.

(d) Judicial Retirement System.

(1) Notwithstanding any other provision of this section, the system of retirement, disability, and survivors' benefits heretofore established in the constitution or by law for justices, judges, and commissioners of the appellate courts and judges of the district and criminal district courts is continued in effect. Contributions required and benefits payable are to be as provided by law.

(2) General administration of the Judicial Retirement System of Texas is by the Board of Trustees of the Employees Retirement System of Texas under such regulations as may be provided by law.

(e) Anticipatory Legislation. Legislation enacted in anticipation of this amendment is not void because it is anticipatory.

(f) Retirement Systems Not Belonging to a Statewide System. The board of trustees of a system or program that provides retirement and related disability and death benefits for public officers and employees and that does not participate in a statewide public retirement system shall:

(1) administer the system or program of benefits;

(2) hold the assets of the system or program for the exclusive purposes of providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the system or program; and

(3) select legal counsel and an actuary and adopt sound actuarial assumptions to be used by the system or program.

(g) If the legislature provides for a fire fighters' pension commissioner, the term of office for that position is four years. (Added April 22, 1975; Subsec. (f) added Nov. 2, 1993; Subsec. (g) added Nov. 6, 2001.)

**TEXAS GOVERNMENT CODE - SECTIONS RELATED TO INVESTMENT OF THE ASSETS OF THE
SYSTEM**

§ 855.103. ADMINISTERING SYSTEM ASSETS. (a) The board of trustees may sell, assign, exchange, or trade and transfer any security in which the retirement system's assets are invested. The board may use or reinvest the proceeds as the board determines that the system's needs require.

(b) In handling the funds of the retirement system, the board of trustees has all powers and duties granted to the comptroller that formerly were granted to the State Depository Board.

Acts 1981, 67th Leg., p. 1876, ch. 453, § 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, § 65.103 by Acts 1989, 71st Leg., ch. 179, § 1, eff. Sept. 1, 1989. Amended by Acts 1997, 75th Leg., ch. 891, § 3.15, eff. Sept. 1, 1997.

§ 855.201. EXECUTIVE DIRECTOR. (a) The board of trustees shall appoint an executive director.

(b) The executive director shall:

(1) manage and administer the retirement system under the supervision and direction of the board; and

(2) invest the assets of the system.

(c) The board of trustees may delegate to the executive director powers and duties in addition to those stated by Subsection (b).

(d) The executive director annually shall:

(1) prepare an itemized budget showing the amount required to pay the retirement system's expenses for the following fiscal year; and

(2) submit the report to the board for review, amendment, and adoption.

Acts 1981, 67th Leg., p. 1876, ch. 453, § 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, § 65.201 and amended by Acts 1989, 71st Leg., ch. 179, § 1, eff. Sept. 1, 1989. Amended by Acts 2001, 77th Leg., ch. 121, § 24, eff. Jan. 1, 2002.

§ 855.206. OTHER EMPLOYEES. The board of trustees shall employ actuarial, clerical, legal, medical, and other assistants required for the efficient administration of the retirement system.

Acts 1981, 67th Leg., p. 1876, ch. 453, § 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, § 65.206 by Acts 1989, 71st Leg., ch. 179, § 1, eff. Sept. 1, 1989.

§ 855.301. INVESTMENT OF ASSETS. (a) The board of trustees shall invest and reinvest the assets of the retirement system without distinction as to their source in accordance with Section 67, Article XVI, Texas Constitution. For purposes of the investment authority of the board of trustees under Section 67, Article XVI, Texas Constitution, "security" means any investment instrument within the meaning of the term as defined by Section 4,

The Securities Act (Article 581-4, Vernon's Texas Civil Statutes), 15 U.S.C. Section 77b(a)(1), or 15 U.S.C. Section 78c(a)(10)

(b) The assets of the retirement system may be held in the name of agents, nominees, depository trust companies, or other entities designated by the board of trustees. The records and all relevant reports or accounts of the retirement system must show the ownership interests of the retirement system in these assets and the facts regarding the system's holdings.

(c) The board of trustees, in the exercise of its discretion to manage the assets of the retirement system, may select one or more commercial banks or other entities experienced in short-term cash management to invest the system's cash balances through its short-term investment fund or funds and in such short-term securities as the board of trustees determines and as authorized by this section.

Added by Acts 1981, 67th Leg., p. 1876, ch. 453, § 1, eff. Sept. 1, 1981. Amended by Acts 1985, 69th Leg., ch. 542, § 8, eff. Aug. 26, 1985. Renumbered from Vernon's Ann.Civ.St. Title 110B, § 65.301 and amended by Acts 1989, 71st Leg., ch. 179, § 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 408, § 5, eff. Aug. 26, 1991; Acts 1993, 73rd Leg., ch. 858, § 4, eff. June 18, 1993; Acts 1995, 74th Leg., ch. 514, § 20, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 121, § 25, eff. Jan. 1, 2002; Acts 2003, 78th Leg., ch. 599, § 17, eff. Jan. 1, 2004.

§ 855.3011. SECURITIES LENDING. (a) The board of trustees, in the exercise of its discretion to manage the assets of the retirement system, may select a person, including a commercial bank or depository trust company, to lend retirement system securities as provided by this section and rules adopted by the board of trustees.

(b) To be eligible to lend securities under this section, a person must:

- (1) be experienced in the operations of a fully secured securities lending program;
- (2) maintain capital adequate in the prudent judgment of the retirement system to assure the safety of the securities;
- (3) execute an indemnification agreement, satisfactory in form and content to the retirement system, fully indemnifying the retirement system against any loss resulting from borrower default or the failure of the securities lending agent to properly execute the agent's responsibilities under the applicable securities lending agreement;
- (4) require any securities broker or dealer to whom the agent lends securities belonging to the retirement system to deliver and maintain with the custodian collateral in the form of cash or United States government securities eligible for book entry, the market value of which must equal not less than 100 percent of the market value, from time to time, of the loaned securities; and
- (5) comply with the guidelines adopted by the board of trustees relating to the investment of cash collateral, borrower limits, and other items.

Added by Acts 2001, 77th Leg., ch. 121, § 26, eff. Jan. 1, 2002.

§ 855.303. PRUDENCE REGARDING INVESTMENTS. A

determination of whether the board of trustees has exercised prudence in an investment decision must be made by considering the investment of all of the assets of the trust over which the board has management and control, rather than by considering the prudence of a single investment. In making investments for the retirement system, the board of trustees shall exercise the judgment and care, under the circumstances, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, considering the probable income from the securities and probable safety of their capital.

Added by Acts 1981, 67th Leg., p. 1876, ch. 453, § 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, § 65.303 by Acts 1989, 71st Leg., ch. 179, § 1, eff. Sept. 1, 1989. Amended by Acts 2003, 78th Leg., ch. 599, § 18, eff. Jan. 1, 2004.

855.310. INTEREST FUND. (a) The amount in the interest fund must accurately reflect the determination and allocation of net investment income or loss.

(b) The retirement system shall determine net investment income or loss annually as of December 31 in accordance with generally accepted accounting principles and shall allocate that amount each year in accordance with Section 855.317.

Acts 1981, 67th Leg., p. 1876, ch. 453, § 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, § 65.310 and amended by Acts 1989, 71st Leg., ch. 179, § 1, eff. Sept. 1, 1989.

Acts 1981, 67th Leg., p. 1876, ch. 453, § 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, § 65.320 by Acts 1989, 71st Leg., ch. 179, § 1, eff. Sept. 1, 1989

855.602. INTEREST IN ASSETS. A particular person, group of persons, municipality, or other entity has no right in a specific security, item of cash, or other property of the retirement system other than an undivided interest in the assets of the retirement system.

Acts 1981, 67th Leg., p. 1876, ch. 453, § 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, § 65.602 by Acts 1989, 71st Leg., ch. 179, § 1, eff. Sept. 1, 1989.

EXHIBIT B

FORM OF CONSULTANT AGREEMENT

Agreement for Investment Consulting Services

This Agreement for Investment Counseling and Consulting Services (this “**Agreement**”) is entered into effective as of the ___ day of ___ 2015 by and between _____ (“**Consultant**”) and the TEXAS MUNICIPAL RETIREMENT SYSTEM, a public pension fund and agency of the State of Texas (“**TMRS**”).

Recitals

- A. TMRS is a public pension fund and agency of the State of Texas created and organized under the constitution and laws of the State of Texas to provide retirement, death, and survivor benefits for employees of municipalities in Texas and their beneficiaries.
- B. The TMRS Board of Trustees (the “**Board**”) holds TMRS assets in trust for the exclusive benefit of its members, annuitants and beneficiaries and has a fiduciary duty to such members, annuitants and beneficiaries. Accordingly, TMRS invests assets to achieve investment objectives consistent with the mission of TMRS.
- C. In connection with such investments and the performance of its fiduciary responsibilities to its members and beneficiaries, TMRS desires to engage Consultant to provide expert fiduciary investment assistance and advice relating to the TMRS (Asset class) investment program.
- D. Consultant has substantial knowledge and experience in providing investment consulting and assistance with respect to institutional (asset class) portfolio management, and possesses the resources, capacity, expertise, experience, qualifications, staff support, databases, contacts, software, methods, expertise and know-how to study, assist, and advise the TMRS staff and Board on such matters.

NOW THEREFORE, in consideration of the premises and mutual covenants and agreements contained in this Agreement and fees to be paid hereunder, TMRS and Consultant agree as follows:

ARTICLE 1

ENGAGEMENT

- 1.1 **Recitals.** The above recitals are hereby incorporated by reference into this Agreement for all purposes.

- 1.2 Engagement.** Consultant is being retained to provide investment consulting services on the terms set forth in this Agreement and Consultant agrees to provide such services on such terms.
- 1.3 Status of Consultant.** It is understood and agreed that in providing the services under this Agreement, Consultant is an independent contractor and neither Consultant nor any of Consultant's personnel is an employee of TMRS. The Consultant assumes full responsibility for its employees' and agents' acts and shall be responsible for the payment of all unemployment taxes, workers compensation premiums, social security and other payroll taxes, and wrongful discharge liabilities, if any, attributable to its employees and agents. This Agreement is not and shall not be deemed a partnership or joint venture relationship.

ARTICLE 2

FIDUCIARY STANDARDS AND SCOPE OF SERVICES; INDEMNIFICATION

- 2.1 Standard of Performance and Duty of Care.** In its role as investment consultant assisting and advising the TMRS Board on investment matters of the (asset class) allocation, Consultant shall be a fiduciary under this Agreement as to TMRS, the TMRS Board, TMRS plan participants and beneficiaries, and TMRS trust assets. Consultant's fiduciary obligations shall include, but are not limited to, the fiduciary duty of loyalty, to take action and otherwise perform solely in the interest, and for the benefit, of TMRS, the TMRS Board, TMRS trust assets, and TMRS participants and beneficiaries. Consultant shall perform its duties with the care, skill, prudence and diligence under the circumstances then prevailing, that a prudent and expert investment adviser, acting in like capacity and familiar with such matters, would use in the investment of similar funds with similar aims, all in accordance with applicable federal and state laws and Board policies, guidelines and procedures. Consultant shall not (a) deal with TMRS assets in the Consultant's own interests or for its own account, or the account of its principals, affiliates or clients; (b) act in any transaction involving TMRS assets, on behalf of a party, or represent a party, whose interests are adverse to the interest of TMRS or TMRS plan participants and beneficiaries; (c) take any action or render any services when Consultant's independence of judgment on behalf of TMRS is or could reasonably be affected; or (d) receive any consideration for its own account, or for the account of any of its principals, affiliates or clients, from any party dealing with TMRS in connection with a transaction involving the assets of the trust assets for which TMRS has investment responsibility.
- 2.2 Services.** Consultant shall provide the consulting services described on Exhibit A (the "Services"). It is understood that the Consultant performs investment advisory services for various clients. TMRS agrees that the Consultant may give advice and take action with respect to any of its other clients which may differ from the action taken with respect to the Portfolio, or the timing or nature of action taken with respect to the Portfolio, provided that it continues to be the policy and practice of the Consultant not to favor or disfavor any client in the allocation of investment opportunities that the Consultant believes would be suitable for such client, so that, to the extent practical, such opportunities will be allocated among clients over a reasonable period of time on a fair and equitable basis.

2.3 **INDEMNIFICATION. CONSULTANT AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS TMRS, ITS TRUSTEES, OFFICERS, EMPLOYEES, REPRESENTATIVES, COUNSEL, AND OTHER ADVISORS OR CONSULTANTS, FROM AND AGAINST ALL CLAIMS, DEMANDS, ACTIONS, LIABILITIES, DAMAGES, FINES, PENALTIES, LOSSES, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING WITNESS FEES), CAUSED BY, ARISING OUT OF OR RELATING TO THE NEGLIGENCE, WRONGFUL ACT OR OMISSION, BREACH OF FIDUCIARY DUTY SET FORTH HEREIN, MISREPRESENTATION, MISSTATEMENT, FRAUD, WILLFUL MISCONDUCT, INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, OR MISAPPROPRIATION OR THEFT OF TRADE SECRETS BY CONSULTANT, ITS PRINCIPALS, PARTNERS, MEMBERS, DIRECTORS, TRUSTEES, OFFICERS, EMPLOYEES, AGENTS, OR REPRESENTATIVES RELATING TO THE PERFORMANCE OF THIS AGREEMENT.**

2.4 **Assigned Personnel.** Consultant's lead representative(s) having primary responsibility for performance of the Services is/are: _____ ("**Consultant's Representative**"). Consultant's additional key personnel assigned to perform the Services are listed on Exhibit B ("**Key Personnel**"). (Consultant's Representative, the Key Personnel and Consultant's support staff providing services under this Agreement are sometimes collectively referred to herein as "**Assigned Personnel**"). Consultant agrees to discuss changes in its Assigned Personnel with TMRS before changes are made. TMRS's designated lead representative is the Chief Investment Officer or his or her designee(s) (the "**TMRS Representative**"). The TMRS Representative will have primary responsibility on behalf of TMRS for the relationship with Consultant; monitoring Consultant's progress under the Agreement; approving payment; and designating TMRS staff personnel to act as liaison with Consultant for particular Services. Upon request of Consultant, TMRS shall furnish the names, titles and authorities of its officers and employees who are authorized to act on behalf of TMRS with respect to the Portfolio, together with specimen signatures of such individuals.

In the event Consultant becomes aware that any of the Assigned Personnel is seeking, has been offered, or has accepted employment with a (asset class) manager (including the manager's owners, principals or agents) that is the subject of a (asset class) manager search performed by Consultant for TMRS, or was the subject of a (asset class) manager search performed by Consultant during the time the Consultant's principal or employee was seeking employment or being considered for employment with the (asset class) manager, the Consultant shall immediately (i) advise TMRS in writing of this event, (ii) prohibit the employee or principal from providing any further services to TMRS on behalf of Consultant, and (iii) shelter the principal or employee from any information arising out of any ongoing search. Additionally, any due diligence work performed by Consultant before the principal or employee was removed from performing any due diligence services shall be independently reviewed, at Consultant's expense, by another (asset class) manager consultant chosen by TMRS.

2.5 Confidentiality. Consultant acknowledges and agrees that certain information received from TMRS or certain third party vendors, consultants, investment funds, or investment managers (individually a “Third Party” and collectively, the “Third Parties”) relating to TMRS or its assets or investments may be proprietary, confidential, or privileged commercial and financial property of TMRS or such Third Parties. Consultant agrees that all information relating to TMRS (including, without limitation, information relating to TMRS’s assets, investments, or the operations of its investment program) received by Consultant in its capacity as a consultant to TMRS (whether received from TMRS or from a Third Party) (collectively, “Confidential Information”) shall be received in confidence and shall be considered and kept confidential by Consultant; provided, however, Confidential Information does not include information which (a) is or becomes generally available to the public other than as a result of a disclosure by Consultant or its members, officers, employees or agents, (b) becomes available to Consultant on a non-confidential basis from a person other than TMRS, its agents, or employees and who is not otherwise known to Consultant to be bound by a confidentiality agreement with TMRS or otherwise known to Consultant to be prohibited from transmitting the information to Consultant, or (c) is known by Consultant prior to disclosure by TMRS or a Third Party.

Confidential Information may not be used by Consultant except for the sole purpose of providing its services to TMRS under this Agreement, as amended from time to time. Consultant covenants and agrees that it will not use any Confidential Information for any other purpose, and Consultant agrees not to disclose any Confidential Information to any person (other than Consultant’s employees responsible for matters relating to TMRS) or entity without the prior written consent of the TMRS Executive Director or his designee. Notwithstanding anything to the contrary contained herein, Consultant may disclose Confidential Information to the extent that Consultant is required by law, regulation, or an order of a court of competent jurisdiction to disclose such Confidential Information, in which event Consultant shall provide TMRS with prompt notice, if legally permissible, of such requirement so that TMRS may seek an appropriate protective order or other appropriate remedy (as to which Consultant agrees to reasonably cooperate). If any third person or entity seeks to compel Consultant to disclose or produce any information, including without limitation any Confidential Information, provided to Consultant by, through, or on behalf of TMRS, or claims an entitlement to any such information on the grounds that such information is alleged or claimed to be generally available to the public or to constitute in whole or in part a public record, document or report under applicable law, Consultant agrees to notify TMRS within two (2) business days of such demand and, to the extent permitted by law, provide TMRS adequate opportunity to request a legal opinion or to consent to or seek to prevent such disclosure through protective order or other appropriate remedy.

2.5.1 Texas Public Information Act; Open Meetings. Consultant acknowledges that all reports created by it for TMRS and other information provided by it to TMRS are presumed to be public records and may be subject to public disclosure under the Texas Public Information Act, Texas Government Code chapter 552 (the “Act”), unless an exception applies, and that oral discussions regarding the reports, information, and advice rendered by Consultant will be conducted in meetings of the TMRS Board of Trustees or its committees that are open to the public under the Texas open meetings laws.

2.5.2 Use of TMRS Information. TMRS and its auditors, other advisors, consultants, or custodians, if applicable, are entitled to use and retain copies of all written materials and reports generated by or prepared by Consultant under this Agreement and to disclose such materials to third parties. Consultant is solely responsible to provide sources and copyright notices for copyrighted information of third parties included by Consultant in any report prepared for TMRS under this Agreement. Consultant acknowledges that TMRS is an agency of the State of Texas and is subject to the Act.

2.5.3 Press Releases. No press release or other announcements respecting the subject matter of this Agreement shall be made without the advance written consent of TMRS. Notwithstanding anything to the contrary in this Section 2.5, the parties agree that the Consultant shall be permitted to disclose the fact that TMRS is a client of the Consultant without prior notice to or any consent from TMRS.

2.5.4 Records Retention and Disposition.

(a) If requested by TMRS, subject to regulatory requirements that require Consultant to retain indefinitely original client records in its capacity as a registered investment adviser, Consultant agrees to return to TMRS all originals and any copies of any documents or other media provided to Consultant by or through TMRS. Unless earlier returned to TMRS, Consultant agrees to retain any work papers and reports in whatever form used for performance of this Agreement for the longer of (a) five (5) years after the date of the applicable Consultant report, or (b) for such period as may be required by a TMRS retention policy disclosed to Consultant in writing, Texas law, or order by a court of competent jurisdiction.

(b) TMRS shall furnish to the Consultant and the Consultant shall furnish to TMRS from time to time such reports as the other shall reasonably request concerning assets, receipts and disbursements with respect to the Portfolio.

(c) Auditing personnel from TMRS and its external auditors shall be allowed access to all data relating to the services provided under this Agreement. At any time during the term of this Agreement and for a period of four (4) years thereafter, TMRS or a duly authorized audit representative of TMRS, at its expense and at reasonable times after reasonable prior written notice, reserves the right to audit Consultant's records and books relevant to all services provided under this Agreement.

2.6 Valuation of Assets. The Consultant shall value the assets of the Portfolio as of the end of each calendar quarter. Consultant shall report quarterly valuation to TMRS and, if directed, to TMRS' Custodian within a timeframe to be agreed upon by the parties. Such valuation shall be in the form of a written summary of assets in the Portfolio on the valuation date.

(a) For all purposes of this Agreement, the value of the Portfolio assets on any date shall be the fair market value of the then-current investments (excluding any prior distributions of income, gains and/or return of capital). Assets shall be valued using the values provided by managers of the investments held in the Portfolio and shall be reported by the Consultant to TMRS. Units in a group, common or collective trust fund

shall be valued at the fair market value of the group, common or collective trust fund units held, determined in accordance with generally recognized valuation procedures.

(b) Any Portfolio asset that cannot be valued in accordance with the foregoing principles shall be valued by the Consultant in a manner consistent with generally accepted business practice for such assets as determined with prudence and in good faith to reflect its fair market value and such fair market value shall be reported by the Consultant to TMRS.

2.7 Subcontractors. Consultant will be completely responsible for all contract services and will specifically assume all liability for any and all such services provided by subcontractors hired by the Consultant.

ARTICLE 3

FEES

3.1 Fees. Consultant shall be paid an annual fee in the amount of _____ Dollars (\$_____). Consultant's fee shall be payable quarterly in arrears within thirty (30) days after receipt by TMRS of Consultant's separate invoice for such period. TMRS will not reimburse Consultant for any out of pocket expenses or travel expenses.

3.2 Invoices. Consultant shall send its fee invoices at the end of each fiscal quarter to TMRS to the attention of _____, Texas Municipal Retirement System of Texas, P.O. Box 149153, Austin, TX 78714-9153, or to a substitute representative designated in writing by TMRS.

ARTICLE 4

TERM

4.1 Term. This Agreement shall commence on the date first specified above and shall continue for _____ term to expire on _____, unless sooner terminated as set forth in this Article 4 (the "**Term**"). [TMRS may, at its option exercisable by written notice, extend the Term for an additional one (1) year, in increments of not less than a calendar quarter.]

4.2 Termination. TMRS may terminate this Agreement immediately upon written notice to the Consultant for any reason or for no reason at any time during the Term of this Agreement. Upon termination of this Agreement during the Term, Consultant shall be entitled to receive a fee for the partial quarter determined by applying the ratio of days elapsed in the fiscal quarter to the total number of days in the quarter multiplied by the regularly computed full quarterly fee. TMRS reserves any other legal and equitable remedies to which it may be entitled.

- 4.3 Survival.** In addition to any other provisions expressly stated to survive termination or expiration, the obligations set forth in Sections 2.3, 2.5, 2.5.1, 2.5.2, 2.5.4, 6.1, 6.6, 6.9 and 6.12 shall survive the termination or expiration of this Agreement.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES

Representations and Warranties by Consultant. In Sections 5.1 and 5.2 below, the term “Consultant” includes all Assigned Personnel. Consultant makes the following covenants, representations and warranties, which will survive the execution and termination of this Agreement:

- 5.1** Except as disclosed in Exhibit C, Consultant represents and warrants that, to Consultant’s knowledge, Consultant has no direct or indirect personal or private commercial or business relationship, related or unrelated to the Services that Consultant is providing through this Agreement, with any other party to a transaction with TMRS. To Consultant’s knowledge, Consultant has no personal or private business or commercial relationship with any third party, including a TMRS Trustee or employee that has not been disclosed in writing by Consultant to TMRS that would violate professional standards or create any appearance of impropriety. Consultant shall adhere to the CFA Institute *Code of Ethics* and *Standards of Professional Conduct*.
- 5.2** Except as disclosed on Exhibit C, neither Consultant nor any of its principals, partners, members, managers, officers, directors, or trustees, as the case may be, collectively or individually, has ever had ethical charges decided adversely against it or them by anyone, been sued for any reason relating to its investment-related activities (including, without limitation, its consulting activities), been the subject of any investigative action or proceeding relating to their respective investment-related activities, had a professional license or registration suspended, revoked or denied, or had a civil or criminal penalty, forfeiture, or fine imposed against them as a result of their respective investment-related business activities. Except as disclosed on Exhibit C, none of the foregoing entities or persons has ever been investigated or indicted for or convicted of a crime relating to their respective investment-related activities.
- 5.3** Consultant has not given, offered to give, nor does it intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a TMRS trustee or employee in connection with this Agreement, except as permitted under the TMRS Code of Ethics, Chapter 572, Government Code or Chapter 36, Penal Code.
- 5.4** Consultant’s Representative and the Key Personnel providing Services under this Agreement are qualified to assist and advise the TMRS Board and staff as experts qualified to provide the Services and understand that TMRS is relying on their expertise in these areas.

- 5.5** Consultant has sufficient resources to carry out its duties under this Agreement in a prompt, efficient, skillful, diligent and professional manner.
- 5.6** The execution and delivery of this Agreement will not conflict with or result in the breach of the terms and provisions of, or constitute a default or violation under, any governing document, contract, covenant, indenture, mortgage, deed of trust, instrument or other agreement to which Consultant is a party or by which it is bound, or any statute, order, law, rule or regulation applicable to Consultant.
- 5.7** This Agreement constitutes a legal, valid and binding agreement of Consultant enforceable against Consultant in accordance with its terms except as limited by bankruptcy, insolvency, receivership and similar laws of general application. The execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of Consultant.
- 5.8** Consultant is a _____ duly organized, validly existing and in good standing under the laws of the State of _____ and has authority to do business as a foreign limited liability company in Texas. Consultant is registered with the Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940. At least annually, the Consultant shall deliver to TMRS a current copy of Consultant's Form ADV Part II. The execution and delivery of this Agreement and the consummation of the transactions contemplated thereby are within the power and authority of Consultant and have been duly authorized by all necessary company action. Consultant is qualified to do business in such jurisdictions as required to perform its obligations hereunder.
- 5.9** Consultant holds all licenses, registrations, franchises, approvals, authorizations or permits necessary or required to transact its business in the places and in the manner in which such business (including performance of its duties and obligations hereunder) is conducted.
- 5.10** Consultant shall comply with (i) all federal and state statutes, rules and regulations applicable to the performance of its obligations under this Agreement, and (ii) all conflict of interest disclosures and other ethics requirements as developed by TMRS in the future and disclosed to Consultant.
- 5.11** Prior to conducting due diligence for investment opportunities for TMRS, Consultant agrees to disclose any agreement or arrangement, written or oral, Consultant has or to Consultant's knowledge, that any manager, fund or involved third party has with a placement agent, finder, marketer or any other third party involved in marketing, funding or otherwise introducing investment opportunities ("Placement Agent"). Consultant shall disclose the name of the Placement Agent, whether licensed, and if licensed, details on such license and any fee arrangement or understanding.
- 5.12** Except as disclosed in Exhibit C, within the last five years, there has been no legal action, suit or arbitration or other legal, administrative, regulatory or governmental inquiry, investigation, proceeding or action of any kind (collectively "Legal Proceedings"), involving, in any capacity, the Consultant or any Assigned Personnel.

- 5.13 Consultant agrees to notify TMRS immediately in writing if any of the representations or warranties described in this Article 5 change or are no longer true in any material respect. Consultant shall annually certify that it continues to comply with the requirements stated in this Section 5.
- 5.14 [NTD: **Headline risk: representations and warranties, as well as notification requirements regarding headline risk issues will be included in the final agreement.**]
- 5.15 Consultant agrees to immediately notify TMRS's Chief Investment Officer, Director of (asset class) and General Counsel, but in no event later than five (5) business days, unless otherwise required sooner, in writing, if any of the representations or warranties described in this Article 5 change or are no longer true in any material respect, and to provide TMRS any reports, data, or information TMRS may reasonably request as such reports, data, or information relate to the above representations and warranties. At the end of the calendar year, Consultant shall file an annual certification within 30 (thirty) days, in a form provided by TMRS, certifying that it has not breached the terms of this Agreement.

Representations and Warranties by TMRS. TMRS makes the following covenants, representations and warranties, which will survive the execution and termination of this Agreement:

- 5.16 TMRS is an agency of the State of Texas duly organized, validly existing and in good standing under the laws of the State of Texas. The execution and delivery of this Agreement and the consummation of the transactions contemplated thereby are within the power and authority of TMRS and have been duly authorized by all necessary action. TMRS is qualified to do business in such jurisdictions as required to perform its obligations hereunder.
- 5.17 The execution and delivery of this Agreement will not conflict with or result in the breach of the terms and provisions of, or constitute a default or violation under, any governing document, contract, covenant, indenture, mortgage, deed of trust, instrument or other agreement to which TMRS is a party or by which it is bound, or any statute, order, law, rule or regulation applicable to TMRS.

ARTICLE 6

MISCELLANEOUS

- 6.1 **Insurance.** Consultant shall maintain the following insurance coverage during the Term of this Agreement, and shall annually provide to TMRS satisfactory evidence of the same:

6.1.1 Errors and Omissions and Fiduciary Liability Insurance. A combined policy of errors and omissions and fiduciary liability insurance in an amount of at least \$__ million aggregate claims and \$__ million per claim, provided that such policy continues to be available on a commercially reasonable basis. If the policy is a claims-made policy,

Consultant also agrees to provide, at its sole expense, certificates evidencing continuing coverage or tail coverage, with extended reporting, under such errors and omissions insurance policy for not less than one (1) year after the termination or expiration of this Agreement.

Consultant shall deliver or cause to be delivered to TMRS, certificates of insurance evidencing the coverage required by this Article 6. Each certificate shall provide for not less than thirty (30) days' written notice to TMRS prior to alteration, reduction, cancellation or material change by endorsement of the coverage evidenced by such certificate.

6.1.2 Consultant shall keep copies of insurance policies and applicable certificates of insurance in Consultant's files at its principal place of business available for inspection upon request by TMRS or its internal or external auditors.

6.2 Discretionary Accounts: When Consultant submits Target Opportunities (as set forth in Exhibit A) for TMRS's consideration for a potential investment (i.e., the "Short List"), Consultant shall concurrently submit to TMRS, in writing, a statement indicating whether Consultant has invested or committed Consultant's discretionary account funds (if any) in any of the private equity funds set forth in the Short List, or will likely invest or commit discretionary account funds in such private equity funds in the next six months.

Consultant shall also update and submit to TMRS's Director of (asset class) and its General Counsel, Exhibit D, within five business days of any changes to the Fund names, amounts, or fees.

6.3 Amendment. This Agreement may be amended and any provisions hereof waived only in writing, signed by an authorized representative of the party against whom such amendment or waiver is sought to be enforced.

6.3 No Assignment by Consultant. Without the prior written consent of TMRS, Consultant may not assign, transfer, or convey, in whole or in part, this Agreement or assign, transfer or delegate any of its rights, duties, or obligations hereunder, including any material change of control of Consultant, and any such attempted assignment by Consultant shall be void. This Agreement shall be binding upon TMRS and Consultant, and, their respective successors and permitted assigns.

6.4 No Third Party Beneficiary. This Agreement shall inure to the sole benefit of TMRS and Consultant and is not for the benefit of any third party.

6.5 Headings. Headings on the articles and paragraphs in this Agreement are for reference purposes only and are not intended to have any substantive effect.

6.6 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to Texas rules respecting choice of law. This Agreement is performable in Travis County, Texas. The Parties agree

that venue of any action brought in connection with this Agreement is fixed in the state courts of competent jurisdiction of Travis County, Texas.

- 6.7 Severability.** If any provision of this Agreement is held to be invalid or unenforceable in whole or in part, this instrument shall in all other respects remain in full force and effect as if the invalid provision had never been included, and the remaining provisions shall be construed as consistently as possible with the Agreement's original purpose.
- 6.8 Exhibits.** All exhibits to this Agreement are intended to be attached to this Agreement and, whether or not so attached, are incorporated herein by reference as if set forth in full.
- 6.9 Entire Agreement.** This Agreement sets forth the entire agreement between TMRS and Consultant with respect to the Services of Consultant, including payment for such Services, and supersedes all prior oral or written agreements among them.
- 6.10 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall be deemed to be but one instrument.
- 6.11 No Waiver.** No action or failure to act by a Party hereto shall constitute a waiver of a right or duty afforded under this Agreement, or constitute approval or acquiescence in a breach of this Agreement, except as may be specifically set forth in this Agreement.
- 6.12 Dispute Resolution.** The dispute resolution process provided for in Chapter 2260 will be used by TMRS and Consultant to attempt to resolve any claim for breach of contract made by Consultant that cannot be resolved in the ordinary course of business. The Executive Director of TMRS or his designee will examine Consultant's claim and any counterclaim and negotiate with Consultant in an effort to resolve such claims. The parties specifically agree that (i) neither the execution of the Agreement by TMRS nor any other conduct, action or inaction of any representative of TMRS relating to the Agreement constitutes or is intended to constitute a waiver of TMRS' sovereign immunity to suit; and (ii) TMRS has not waived its right to seek redress in the courts.
- 6.13 Impossibility of Performance.** Neither Party hereto shall be deemed to be in violation of this Agreement if such Party is delayed in performing or prevented from performing any of its obligations hereunder for any reason beyond its reasonable control, including, without limitation, a breakdown, failure or malfunction of any utilities or telecommunications systems; acts of war, terrorism, insurrection or revolution; natural disaster, acts of God, fire or other casualty, acts of a foreign enemy; or statutory or other laws, regulations, rules or orders of federal, state or local government, or any agency thereof, except to the extent that such Party does not have a prudent and commercially reasonable disaster planning and recovery plan for foreseeable occurrences.
- 6.14 Notices.** All notices under this Agreement shall be in writing, properly addressed, and shall be (1) mailed by first class, United States Mail, postage prepaid, and properly addressed to the Parties hereto at the address specified below (two copies of any notice shall be delivered to TMRS, as indicated below), (2) hand delivered to the intended address by a nationally recognized courier service, or (3) electronically delivered via fax. Notices

shall be effective only upon delivery (or receipt of a completed electronic transmission in full, legible form during business hours of the addressee) to the address of the addressee. The parties hereto may change their address by giving notice to the other in conformity with this provision. For purposes of notices or other communications under this Agreement, the addresses and facsimile numbers of the parties shall be as follows:

If to TMRS by hand delivery or facsimile (2 copies):

Texas Municipal Retirement System
1200 North Interstate 35
Austin, TX 78701
Attention: Chief Investment Officer
E-mail: _____
cc to:
Attn: General Counsel
E-mail: _____

If to Consultant:

Attention: _____
Fax Number: _____
E-mail: _____
cc to:

If to TMRS by U. S. Mail (2 copies):

Texas Municipal Retirement System
P.O. Box 149153
Austin, TX 78714-9153
Attention: Chief Investment Officer
Attention: General Counsel

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first written above.

CONSULTANT:

[name of Consultant]

By: _____

name, title

Date: _____

TMRS:

**TEXAS MUNICIPAL RETIREMENT SYSTEM
a public pension system**

By: _____

David Gavia, Executive Director

Date: _____

List of Appendices to Agreement For Investment Consulting Services

Appendix A	Scope of Services
Appendix B	Consultant's Representative and Key Personnel
Appendix C	Consultant's Disclosures
Appendix D	Discretionary Account Disclosure

APPENDIX A

Scope of Services

Consultant shall develop and maintain a thorough working familiarity with state law, fiduciary standards and restrictions applicable to TMRS investments generally, and with TMRS Investment Policy Statement, as amended by the Board from time to time (“IPS”), and other internal applicable guidelines and procedures. Consultant will act in a fiduciary capacity to TMRS in accordance with section 2.1 of the Agreement with respect to the following services:

1. Using best practices and fiduciary standards required under this Agreement, assist in developing a long-term (asset class) investment strategy, consistent with TMRS statutory restrictions and the IPS (“**Investment Guidelines**”);

2. Present investment and economic research on (an asset class), as related to development of the TMRS strategy, policies, guidelines, and monitoring of the program;

(a) Provide current and ongoing assessments of the (asset class) market.

(b) Identify and advise on significant trends in (asset class) market or within specific sectors of the market.

(c) Provide assessments of the capital markets as they relate to (asset class) investments.

(d) Provide Manager Universe Database: Provide access to a database of (asset class) managers (and/or funds), including philosophies, organizations, performance and clients. Manager information should be available for a wide range of managers, including, but not limited to _____, _____, and _____, among others.

3. Assist in the development of investment policies and guidelines for the (asset class) allocation including specific manager mandates for investments;

4. Assist in the development of an annual implementation plan to include certain factors such as the public vs. private mix with appropriate sub-asset classes, geographic diversification, appropriate pacing of commitments, and other relevant factors considering the market environment;

5. Assist in the development of internal controls and processes for investment decisions in the (asset class) allocation;

6. Assist in the development of a due diligence process, to include documentation and general program oversight responsibilities;

7. Identify and recommend in writing investment vehicles that qualify for investment within the parameters of the IPS (“**Target Opportunities**”);

8. With TMRS staff, research and analyze Target Opportunities for consistency with the IPS, objectives and strategies, including screening, conducting, and documenting due diligence on prospective Target Opportunities;
9. With TMRS staff, conduct (asset class) manager searches to include quantitative and qualitative factors, manager interviews, and recommended actions;
10. Work with TMRS staff and legal counsel in the negotiation of contract terms and conditions and, at the direction of TMRS, serve as the primary negotiator;
11. Monitor and review all correspondence, reports, financial statements, capital call notices and cash distribution activity from approved Target Opportunities which become part of the approved Target Opportunities and any other investments designated by TMRS to be overseen by the Consultant pursuant to this Agreement (“**Portfolio**”);
12. Periodically review (asset class) performance benchmarks and recommend changes as appropriate;
13. Regularly report on the Portfolio to include at a minimum: (i) a full annual review of the Portfolio that includes a performance review, a qualitative assessment of each segment and the (asset class) allocation as a whole; and (ii) quarterly valuation and performance attribution and analysis of each segment and the (asset class) allocation as a whole that includes measurement against benchmarks and peer comparisons, valuation adjustments, and significant events during each quarter;
14. As necessary, provide assistance in actions to protect the interests of TMRS as an investor and monitor compliance by outside managers with the terms of their contracts;
15. Attend TMRS Board meetings as requested. Attendance at Board meetings may include periodic educational presentations regarding timely (asset class) topics, such as potentially beneficial and evolving (asset class) investment concepts or strategies;
16. Review the proxy voting policies of any public or private (asset class) managers recommended by the Consultant and subsequently hired by TMRS, and provide recommendations to TMRS regarding the exercise of all voting rights with respect thereto;
17. Review, evaluate and advise on return and risk assumptions made in asset allocation study in relation to (asset class) investments;
18. Recommend to TMRS in writing that it sell, exchange, convey or transfer any (asset class) assets or investments in the Portfolio;
19. Coordinate and work closely with other TMRS investment consultants, advisors, managers and legal counsel as warranted or on request; and
20. Provide other general assistance with the TMRS (asset class) investment program as needed.

APPENDIX B

Consultant's Lead Representative and Key Personnel

Lead Representative

List person(s)

Key Personnel

List person(s)

APPENDIX C

Consultant's Disclosures

APPENDIX D

Consultant’s Discretionary Account Disclosure

The Consultant has discretion over certain client accounts (“Discretionary Accounts”). The Consultant has committed capital on behalf of its Discretionary Accounts to the following private equity funds in which TMRS has also made capital commitments:

Fund Name	Commitment Date	Discretionary Account Capital Commitment	TMRS Capital Commitment	Favorable Fee Rate on Discretionary Account Y/N (see <u>Note</u>)
		\$	\$	

Note: If the fee rate the private manager is earning on the Discretionary Account is equal to or less than the fee rate being earned on the TMRS account, indicate with a “Y”. If the fee rate is higher for the Discretionary Account, indicate with an “N”.