



**REQUEST FOR PROPOSALS (“RFP”) for  
GENERAL INVESTMENT CONSULTING SERVICES**

**RFP NUMBER 23-08**

**RELEASE DATE: October 23, 2023**  
**DEADLINE FOR INQUIRIES: November 13, 2023, 3:00 P.M. (EST)**  
**DEADLINE FOR SUBMISSION: December 15, 2023, 3:00 P.M. (EST)**

# Table of Contents

<b>SECTION 1 – INTRODUCTION.....</b>	<b>1</b>
1.1 Title.....	1
1.2 Overview of Request for General Investment Consulting Services .....	1
1.3 INPRS Background.....	1
1.4 Issuer.....	3
1.5 Contacts.....	3
1.6 Inquiries about the RFP for INPRS.....	4
1.7 Invitation to Submit Proposals.....	4
1.8 Modification or Withdrawal of Offers.....	4
1.9 Confidential Information.....	5
1.10 RFP Response Costs.....	5
1.11 Proposal Life.....	5
1.12 Taxes.....	6
1.13 Secretary of State Registration.....	6
1.14 Discussion Format.....	6
1.15 Compliance Certification.....	6
1.16 Summary of Milestones.....	7
<b>SECTION 2 – PROPOSAL CONTENT REQUIREMENTS.....</b>	<b>8</b>
2.1 General Instructions.....	8
2.2 Transmittal Letter.....	8
2.3 Business Proposal.....	9
2.4 Fee Proposal.....	11
<b>SECTION 3 – SCOPE OF SERVICES.....</b>	<b>12</b>
<b>SECTION 4 – CONTRACT AWARD.....</b>	<b>17</b>
4.1 Length of Contract.....	18
4.2 Evaluation Criteria.....	18
<b>APPENDIX A – SAMPLE INVESTMENT CONSULTING AGREEMENT .....</b>	<b>19</b>
<b>Appendix A.1 – ESSENTIAL CLAUSES.....</b>	<b>20</b>
<b>Appendix A.2 - SAMPLE INVESTMENT CONSULTING AGREEMENT.....</b>	<b>23</b>
<b>APPENDIX B – MANDATORY RESPONDENT FORMS.....</b>	<b>44</b>
B.1 Taxpayer Identification Number Request.....	44
B.2 Foreign Registration Statement.....	44
<b>APPENDIX C – QUESTIONNAIRE.....</b>	<b>45</b>

## **SECTION 1 – INTRODUCTION**

### **1.1 Title**

Request for Proposals (“RFP”) for General Investment Consulting Services for the Indiana Public Retirement System (“INPRS” or the “System”)

### **1.2 Overview of Request for Consulting Services**

INPRS is soliciting proposals from all qualified firms who wish to be considered as a vendor to provide the General Investment Consulting Services described in Section 2 - Scope of Services.

### **1.3 INPRS Background**

#### **1.3.1 History**

INPRS was established by statute in 2011 as an independent body corporate and politic. The system is not a department or agency of the state but is an independent instrumentality exercising essential government functions. INPRS was established by legislation to manage the retirement funds of certain public employees throughout the State of Indiana. INPRS administers 16 funds including:

##### Defined Benefit DB Fund

- Public Employees’ Defined Benefit Account (PERF DB)
- Teachers’ Pre-1996 Defined Benefit Account (TRF Pre-’96 DB)
- Teachers’ 1996 Defined Benefit Account (TRF ’96 DB)
- 1977 Police Officers’ and Firefighters’ Retirement Fund (’77 Fund)
- Judges’ Retirement System (JRS)
- Excise, Gaming and Conservation Officers’ Retirement Fund (EG&C)
- Prosecuting Attorneys’ Retirement Fund (PARF)
- Legislators’ Defined Benefit Fund (LE DB)

##### Defined Contribution DC Fund

- Public Employees’ Defined Contribution Account (PERF DC)
- My Choice: Retirement Savings Plan for Public Employees (PERF MC DC)
- Teachers’ Defined Contribution Account (TRF DC)
- My Choice: Retirement Savings Plan for Teachers (TRF MC DC)
- Legislators’ Defined Contribution Fund (LE DC)

##### Other Postemployment Benefit / OPEB Fund

- Special Death Benefit Fund (SDBF)
- Retirement Medical Benefits Account Plan (RMBA)

Custodial Fund

- Local Public Safety Pension Relief Fund (LPSPR)

For additional information regarding INPRS and the funds detailed above, please access: <http://www.in.gov/inprs/>.

A copy of INPRS’s most recent Annual Report may be reviewed at <http://www.in.gov/inprs/annualreports.htm>

### 1.3.2 INPRS Portfolio Description

INPRS manages approximately \$39.6 billion dollars across its defined benefit, defined contribution, and other plans. For its defined benefit plan, INPRS has an assumed rate of return on invested assets of 6.25%. INPRS’s defined benefit investment portfolio currently consists of:

Asset Class	Target Allocation	Target Range
Public Equity	20.0%	17.0% to 23.0%
Private Markets	15.0%	10.0% to 20.0%
Fixed Income – Ex Inflation-Linked	20.0%	17.0% to 23.0%
Fixed Income – Inflation – Linked	15.0%	12.0% to 18.0%
Commodities	10.0%	7.0% to 13.0%
Real Assets	10.0%	5.0% to 15.0%
Absolute Return	5.0%	0.0% to 10.0%
Risk Parity	20.0%	15.0% to 25.0%
<b>Total Exposure</b>	<b>115%</b>	<b>Max = 120%</b>

INPRS’s defined contribution plan consists of 7 core menu options and a target date fund family totaling approximately \$6.5 billion. More information regarding INPRS’s defined

contribution plan investments can be reviewed at <https://www.in.gov/inprs/publications/investment-fact-sheets/>.

### **1.3.3. INPRS Investment Staff**

INPRS has an investment department dedicated to making recommendations to the Board of Trustees as well as managing and implementing such investment strategies. The Investment Department is led by a Chief Investment Officer and supported by 21 investment professionals. The winning Respondent will be expected to work very closely and upon direction of the INPRS Investment Staff.

### **1.3.4. INPRS Investment Resources**

INPRS will be advised by the General Investment Consultant; however, specialty consultants are also utilized for the areas of Private Equity, Private Credit, Real Assets, and Hedge Funds/Absolute Return. Additionally, INPRS has contracted investment consulting services, outside the scope of the General Investment Consultant, for defined contribution assets. INPRS anticipates the General Investment Consultant will sometimes coordinate efforts with the specialty consultants to ensure overall portfolio efficiencies and optimization.

INPRS also utilizes numerous investment systems such as Bloomberg to manage the investment business process. INPRS's custodian, BNY Mellon, is required to provide accounting and custody extract files/feeds to INPRS's in-house systems and platforms through both standard and custom daily and monthly interfaces. Generally, transactions are posted on trade date to allow for the monitoring of positions, including cash, on a near real time basis.

## **1.4 Issuer**

INPRS is issuing this RFP in accordance with Indiana statutes governing the procurement of services and certain administrative policies of INPRS.

## **1.5 Contacts**

Inquiries from Respondents are not to be directed to any staff or member of the Board of Trustees of INPRS, except as outlined in *Section 1.6* of this RFP. Such unauthorized communication(s) may disqualify Respondent from further consideration. INPRS reserves the right to discuss any part of any response for the purpose of clarification. Respondents will be

given equal access to any communications about the RFP between INPRS and other Respondents.

## **1.6 Inquiries about the RFP for INPRS**

All inquiries and requests for information affecting this RFP must be submitted by email to the contact below no later than due dates outlined in *Section 1.16* of this RFP:

Stanton Lanman  
Director of Vendor Management and Procurement  
procurements@inprs.in.gov

INPRS reserves the right to judge whether any questions should be answered in writing. Questions and responses will be posted to the INPRS website, <https://www.in.gov/inprs/procurement/quoting-opportunities/> on the date specified in *Section 1.16* of this RFP.

If it becomes necessary to revise any part of this RFP or provide additional interpretation of a provision, an addendum will be posted to the INPRS website prior to the due date for proposals. If such addendum issuance is necessary, the Director of Vendor Management and Procurement may extend the due date and time of the proposals to accommodate such additional information requirements, if necessary.

## **1.7 Invitation to Submit Proposals**

All proposals must be **emailed no later than December 15, 2023 at 3:00 PM EST to procurements@inprs.in.gov.**

Any proposal received after the due date will not be considered.

## **1.8 Modification or Withdrawal of Offers**

Responses to this RFP may be modified or withdrawn in writing by email if modifications are received prior to the date specified for receipt of proposals. Modification to or withdrawal of a proposal received after the date specified for receipt of proposals will not be considered.

INPRS may, at its option, allow all Respondents a five-calendar-day period to correct errors or omissions to their proposals. Should this necessity arise, INPRS will contact each Respondent affected. Each Respondent must submit written corrections to the proposal within five calendar days of notification. The intent of this option is to allow proposals with only minor errors or

omissions to be corrected as deemed necessary by INPRS. Major errors or omissions, such as the failure to include prices, will not be considered by INPRS as a minor errors or omission and may result in disqualification of the proposal from further evaluation.

## **1.9 Confidential Information**

Respondents are advised that materials contained in proposals are subject to Indiana's Access to Public Records Act ("APRA"), IC 5-14-3 *et seq.*, and, after the contract award, the entire RFP file may be viewed and copied by any member of the public, including news agencies and competitors. The responses are deemed to be "public records" unless a specific provision of IC 5-14-3 protects it from disclosure.

Respondents claiming a statutory exception to the APRA **must indicate so in the Transmittal Letter.** (See Section 2.2.5 for instructions.) Documents containing confidential information must be labelled as such in the filename. The Respondent **must provide a separate redacted (for public release) version of the document.**

INPRS reserves the right to make determinations of confidentiality. Any objection to INPRS's confidentiality determination may be raised with the Indiana Public Access Counselor (PAC). The Public Access Counselor provides guidance on APRA. Respondents are encouraged to read guidance from the PAC on this topic as this is the guidance INPRS follows:

[18-INF-06; Redaction of Public Procurement Documents Informal Inquiry](#)

INPRS also reserves the right to seek the opinion of the PAC for guidance if INPRS doubts the cited exception is applicable.

## **1.10 RFP Response Costs**

INPRS accepts no obligation for costs incurred by Respondents in preparation of a proposal or any other costs incurred in anticipation of being awarded a contract.

## **1.11 Proposal Life**

All proposals made in response to this RFP must remain open and in effect for a period of not less than 180 days after the due date specified above. Any proposal accepted by INPRS for the purpose of contract negotiations shall remain valid until superseded by a contract or until rejected by INPRS.

## **1.12 Taxes**

INPRS is exempt from federal, state, and local taxes. INPRS will not be responsible for any taxes levied on the Respondent as a result of any contract resulting from this RFP.

## **1.13 Secretary of State Registration**

Before an out-of-state corporate Respondent can do business with INPRS, the Respondent must be registered with the Indiana Secretary of State. If an out-of-state corporate Respondent does not have such registration at present, the Respondent should contact:

Secretary of State of Indiana  
Corporations Division  
302 West Washington Street, E018  
Indianapolis, IN 46204  
(317) 232-6576

For the necessary registration application form, or it can be accessed via the internet at the web address provided in Appendix B.2. It is each Respondent's responsibility to register prior to the initiation of any contract discussions, but registration is not a requirement to submit a response.

## **1.14 Discussion Format**

INPRS reserves the right to conduct discussions, either oral or written, with those Respondents determined by INPRS to be reasonably viable to being selected for award. INPRS also reserves the right to seek clarification to resolve issues as deemed necessary by INPRS.

## **1.15 Compliance Certification**

Responses to this RFP serve as a representation that the Respondent and its principals, have no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana, and Respondent agrees that it will immediately notify INPRS of such actions should they arise. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees, or other statutory, regulatory, or judicially required payments to the State of Indiana. The Respondent agrees that INPRS may initiate a background check on the Respondent and/or its principals in order to confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that INPRS may bar the Respondent from contracting with INPRS, cancel existing contracts, withhold payments to set off such obligations, and withhold further payments or purchases until the entity is current in its liability to the State of Indiana and has submitted proof of such payment to INPRS.



## 1.16 Summary of Milestones

The following is the expected timeline for this solicitation:

---

<b>ACTIVITY</b>	<b>EXPECTED DATE</b>
<b>Release RFP</b>	<b>October 23, 2023</b>
<b>Respondent's Inquiry Period Ends</b>	<b>November 13, 2023, 3:00 P.M. (EST)</b>
<b>Answers to Inquiries Provided</b>	<b>November 27, 2023</b>
<b>Respondent RFP Submissions Due</b>	<b>December 15, 2023, 3:00 P.M. (EST)</b>
<b>Finalist Presentations</b>	<b>January – February 2024</b>
<b>Finalist Selection</b>	<b>February 2024</b>
<b>Contract Negotiation</b>	<b>March 2024</b>

---

## **SECTION 2 – PROPOSAL CONTENT REQUIREMENTS**

### **2.1 General Instructions**

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is documented in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below.

A complete proposal must be submitted electronically per the guidelines in Section 1.7 of this RFP and must include the following:

- A transmittal letter (with the information in Section 2.2 of this RFP).
- A business proposal (with the information and attachments described in Section 2.3 of this RFP).
- A fee proposal (with the information in Section 2.4 of this RFP).
- The required documents from Appendix B.

### **2.2 Transmittal Letter**

The transmittal letter must be in the form of a letter and address the following topics:

#### **2.2.1 Identification of RFP**

The transmittal letter must first identify the RFP title and number.

#### **2.2.2 Identification of Vendor**

The transmittal letter must identify the following information:

- Respondent Name
- Street Address
- City
- State
- ZIP
- Contact Name
- Phone
- Email

#### **2.2.3 Summary of Ability and Desire to Supply the Required Services**

The transmittal letter must briefly summarize the Respondent's ability to supply the requested services and the contents of the Business Proposal. The letter must

also contain a statement indicating the Respondent's willingness to provide the requested services subject to the terms and conditions set forth in the RFP, including INPRS's standard contract clauses.

#### **2.2.4 Signature of Authorized Representative**

An authorized representative of the Respondent must sign the transmittal letter. Respondent personnel signing the transmittal letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section must contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

#### **2.2.5 Confidential Information**

Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (APRA), IC 5-14-3 *et seq.* (See **Section 1.9 of this RFP.**)

Provide the following information. If the Respondent does not provide this information, INPRS will NOT consider the submission confidential.

- List all documents, or sections of documents, for which statutory exemption to the APRA is being claimed. INPRS does NOT accept blanket confidentiality exceptions for the totality of the proposal.
- Specify which statutory exception of APRA applies for each document, or section of the document.
- Provide a description explaining the manner in which the statutory exception to the APRA applies for each document or section of the document.
- Provide a separate redacted (for public release) version of the document.

#### **2.2.6 Other Information**

Any other information the Respondent may wish to briefly summarize will be acceptable.

### **2.3 Business Proposal**

Please complete the sections listed below.

### **2.3.1 Executive Summary**

Provide a high-level description of the proposed scope of services.

### **2.3.2 Relevant Experience**

See Appendix C Questionnaire.

### **2.3.3 Organizational Capability**

Describe the Respondent's organizational capability to provide the scope of work described in *Section 3* of this RFP. To demonstrate organizational capability, provide the following:

#### **i. Personnel**

See Appendix C Questionnaire.

#### **ii. Registration to do Business**

Respondents proposing to provide services required by this RFP are required to be registered to do business within the state with the Indiana Secretary of State. The contact information for this office may be found in *Section 1.13* of this RFP. This process must be concluded prior to contract negotiations with INPRS. It is the Respondent's responsibility to successfully complete the required registration with the Secretary of State. The Respondent must indicate the status of registration, if applicable, in this section of the proposal.

#### **iii. Financial Statements and Quality Assurance Report**

This section must include the Respondent's financial statements, including an income statement and balance sheet for each of the two most recently completed fiscal years. In addition, please provide a copy of the Respondent's most recent financial statement audit report.

### **2.3.4 Required Questionnaire, Appendix C**

Complete the questionnaire, Appendix C.

### **2.3.5 Contract**

*Appendix A.2* of this RFP is the base contract that will be used if an award is made. Any or all portions of this document are incorporated by reference as an addendum to the final contract. The Respondent is required to clearly identify and explain any exception that it desires to take to any of the terms and conditions of this RFP in this section. Additionally, if the Respondent wishes to include or change any language in the base contract being submitted, proposed language should be included in this section in the form of an amendment to the base contract. It should be noted that *Appendix A.1* of this RFP includes the essential clauses that are non-negotiable.

### **2.3.6 Assumptions**

List any assumptions made by the Respondent in developing the response to this RFP, including INPRS responsibilities.

## **2.4 Fee Proposal**

Please provide detail on your proposed fees. Fees must be submitted in U.S. dollars under a fixed price. The Services detailed in SECTION 3 – SCOPE OF SERVICES of this RFP are the basis for the proposed fees. The proposed fees shall include all costs for providing Services to INPRS as described and shall be guaranteed through the contract term. In no case will the final fee be higher than the fee contained in the Proposal. Payment of fees shall be in arrears.

**FAILURE TO SUBMIT A DETAILED FEE PROPOSAL WILL ELIMINATE A RESPONDENT'S ORGANIZATION FROM CONSIDERATION.**

## **SECTION 3 – SCOPE OF SERVICES**

### **3.1 MINIMUM QUALIFICATIONS & REQUIREMENTS**

Unless otherwise specified, as of the response due date, respondents must meet the following minimum requirements to be considered for the contract:

1. The investment consulting firm must be a Registered Investment Advisor under the Investment Company Act of 1940 evidenced by Form ADV Parts I and II.
2. The investment consulting firm must have been in the business of providing investment consulting services for a minimum of five (5) years.
3. The investment consulting firm must have a minimum of two (2) public pension fund clients for which general investment consulting services are provided with at least \$10.0 billion or more in the investment portfolio.
4. The investment consulting firm must assign a minimum of three (3) professionals to cover INPRS's account, with two (2) individuals serving as the primary consultants. Secondary professional(s) assigned to INPRS's account must be able to adequately service the account in conjunction with and/or in the absence of the primary consultants. Additionally, it is desired to have professionals servicing INPRS's account that have had direct experience as investors.
5. The primary consultants assigned to INPRS's account must have a minimum of five (5) years of investment consulting experience, either at the current or a prior firm, serving in a senior investment advisory role, preparing and/or overseeing investment policy initiatives, implementation of investment allocation strategies, and preparation of evaluations and recommendations of investment managers for public pension plans.
6. The investment consulting firm must have knowledge and demonstrated experience with risk parity strategies.
7. The investment consulting firm must possess experience with risk management software platforms and analysis.
8. The investment consulting firm must disclose all conflicts of interest and/or the appearance of a conflict of interest, all sources of revenue and affiliations especially, but not limited to, those concerning investment managers recommended by the firm.
9. Fees must be assessed on a fixed-structure basis, as opposed to a percentage of assets under advisement.
10. The investment consulting firm must agree to act as a fiduciary within the meaning of applicable Indiana law.

11. The investment consulting firm must agree to comply with Indiana law as it applies to investments made by INPRS.

## **3.2 GENERAL INVESTMENT CONSULTING SCOPE OF SERVICE**

### **Mandatory Services**

INPRS is seeking the services of an investment consulting firm (“Consultant”) to provide advice and expertise with respect to the investment management of the assets of a large public pension system. INPRS Investment Staff have identified the following imperatives, whereby, each is considered with regard to every investment decision made by the System: (1) achieve the long-term rate of return assumption (currently set at 6.25%), (2) achieve the return as efficiently and effectively as possible, and (3) always have enough cash on hand to pay the bills. The General Investment Consultant will:

- ✓ be aligned with INPRS culture,
- ✓ challenge ideas and processes,
- ✓ be smart and innovative in thought,
- ✓ possess a risk conscious philosophy,
- ✓ be a strategic partner with a willingness to engage,
- ✓ possess a deep team with a diversity of knowledge and experience in all asset classes and portfolio management, and
- ✓ provide competitive fees.

Responding firms must demonstrate extensive experience and superior capability for providing the investment consulting services that are critical to the success of a large public pension system’s investment program. Working with INPRS Investment Staff, the Consultant shall serve as INPRS’s non-discretionary General Investment Consultant, reporting directly to the Board of Trustees. INPRS prefers to contract with a single investment consultant firm with broad investment expertise; however, INPRS may consider contracting with additional investment consulting firms on projects where exemplary expertise and thoughtfulness have been identified.

### **Criteria for General Consultant**

At the discretion of the Board of Trustees and in accordance with the Investment Guidelines, services provided by the Consultant shall include the following:

#### **3.2.1 Investment Policies and Procedures**

1. Conduct a comprehensive annual review and provide analysis of investment

objectives, policies, asset allocation, and portfolio construction, recommending changes where appropriate, including, but not limited to:

- a. Advise on the development, implementation, and/or revisions of investment policies and guidelines for all asset classes.
  - b. Advise on both strategic and tactical investment issues.
  - c. Advise on portfolio structure (e.g., active vs. passive, investment style mix).
  - d. Advise on performance benchmarks on individual asset class portfolios and total plan.
2. Conduct an Asset/Liability study, working closely with INPRS's actuary and in conjunction with INPRS Investment Staff. Asset/Liability studies will be conducted in line with the Investment Policy Statement.

### **3.2.2 Interaction: Meetings and Availability**

1. Attend regularly scheduled Board of Trustees meetings and Board Working Group meetings. Nonscheduled meetings will be attended as requested by INPRS Investment Staff, Executive Director, and/or Board of Trustees.
2. Attend pre-board meetings with INPRS Investment Staff. Pre-board meetings will take place the day prior to the regularly scheduled board meeting with an agenda of topics for discussion to be identified by INPRS Investment Staff.
3. Attend ad-hoc meetings at the request of INPRS Investment Staff. Ad-hoc meetings may be via teleconference, in-person, or virtual meeting as deemed appropriate by INPRS Investment Staff.

### **3.2.3 Investment Manager Diligence and Compliance**

1. Identify new investment opportunities in concert with INPRS Investment Staff.
2. Develop a structured process that will analyze the full universe of potential institutional quality managers appropriate for the mandate under consideration.
3. Provide access to investment manager database that includes investment philosophy, organizational structure, sectors of expertise, investment vehicles, and historical performance.
4. Develop due diligence methodology consistent with the highest fiduciary standards and in conjunction with INPRS Investment Staff for the analysis of prospective investment managers. Implement methodologies when performing the due diligence procedures for prospective investment managers that INPRS selects for consideration.



5. The Consultant will perform up to 20 operational diligence visits per year and provide detailed reporting from those visits. INPRS Investment staff may direct the Consultant to perform up to 10 additional operational diligence visits in response to specific needs or circumstances. For avoidance of doubt, where INPRS has multiple mandates with a single firm, such operational diligence visit will count as one visit. The Consultant will permit INPRS Investment Staff to participate in all operational diligence meetings.
6. Conduct investment diligence of current investment managers relative to investment objectives of each mandate and provide reporting at least annually.
7. Provide substantive written recommendations to include the full results of the due diligence process, strategic considerations, fee structure comparison against peer universe, and how the investment fits into the overall investment objectives for INPRS.
8. Assist, in concert and at the request of INPRS Investment Staff, in the negotiation of contract terms and conditions, interfacing with legal counsel as required.
9. The Consultant will make best efforts to obtain favorable terms for INPRS's prospective investment.
10. Recommend strategies and provide best practices relative to Investment Policy Statement compliance. Provide implementation and documentation strategies of on-going compliance procedures.

#### **3.2.4 Reporting and Monitoring**

1. Conduct formal investment reviews, highlighting macro-economic risks, performance attribution, and risk analysis at the asset class and total plan level. Investment reviews will be completed on a quarterly basis and include reports to be provided to INPRS Investment Staff. The scope of such reports shall be mutually agreed upon by the parties.
2. Provide oversight and on-going monitoring reports for all INPRS public market investment managers at least annually, to include:
  - a. Individual and aggregated reporting of portfolio holdings listing current investment metrics.
  - b. Analysis of investment manager's absolute and relative performance vs. benchmarks, investment objectives, and peer universe.
  - c. Performance attribution.
  - d. Fee budget and forecasting analysis to ensure fees charged by manager are in

line with expected fees per contractual terms, including market terms and quartile ranking vs. peers.

- e. Advice on investment manager retention/termination/transitions.
- f. Macroeconomic summary letter for INPRS's Annual Report.
- g. Recommend rebalancing strategies and methodologies.

### **3.2.5 Risk Management Services**

1. Support the implementation of a Risk Management System.
  - a. Facilitate interaction with the Risk Management System, including the automated collection, loading, processing, and production of INPRS's data.
  - b. Ensure accounts within INPRS's portfolio are loaded into the Risk Management System and updated, as needed.
  - c. Monthly quality assurance reports, independent of the Risk Management System standard reporting, will be completed and shared with INPRS.
2. Custom modeling of unlisted assets, including but not limited to:
  - a. Risk Parity: measure exposures and risk contributions within Risk Parity portfolios, and
  - b. Alternative Investment: understand drivers of risk and performance within Alternative Investment Asset Classes, including Absolute Return (Hedge Funds), Private Credit, Private Equity, and Real Asset strategies.
3. Provide INPRS with a Risk Dashboard at least monthly, including consultation, support, training, and communication for the Risk Management usage.
4. Pro-forma risk analysis on policy changes, benchmark transitions, manager assessment, and selection.
5. Integrate risk decision making into the Investment Policy. Work with INPRS Investment Staff to identify and meet specific, measurable, and value-creating risk management goals.

### **3.2.6 Research and Projects**

1. Provide educational meetings/forums, training, research, and reports to INPRS Investment Staff and/or Board of Trustees as requested by INPRS Investment Staff.
2. Make available all firm research, including proprietary research, and provide

consultative opportunities with research staff as requested by INPRS Investment Staff.

3. Provide information on current market conditions and explain the impact to INPRS's portfolio at the asset class level and total plan level.
4. Perform special projects as requested by INPRS Investment Staff. Possible projects may include but are not limited to:
  - a. Active vs. Passive study.
  - b. Portfolio Construction.
  - c. Portable Alpha analysis.
  - d. Annual Capital Market assumptions.
5. The Consultant may be required to perform other services in connection with, and in the general nature of, the above duties.
6. The Consultant will retain account records for a period of seven (7) years and provide to INPRS a quarterly batch download or transfer via an agreed upon method of account data records.

## **SECTION 4 – CONTRACT AWARD**

Based on the results of this process, the qualifying proposal(s) determined to be the most advantageous to INPRS, considering all of the evaluation factors, may be selected by INPRS for contract award. If, however, INPRS decides that no proposal is sufficiently advantageous, INPRS may take whatever further action is deemed best in its sole discretion, including making no contract award. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, INPRS may begin contract preparation with the next qualified Respondent or determine that it does not wish to award a contract pursuant to this RFP.

INPRS reserves the right to discuss and further clarify proposals with any or all respondents. Additionally, INPRS may reject any or all proposals received or to award, without discussions or clarifications, a contract based on proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint. INPRS also reserves the right to divide the investment consulting contract to two (2) or more respondents, in its sole discretion, in all respects.

The Executive Director or his designee(s) will, in the exercise of his/her discretion, determine which proposal(s) offer the best means of servicing the interests of INPRS. The exercise of this discretion will be final.

## **4.1 Length of Contract**

The term of the contract entered under this RFP shall be for an initial period of five (5) years, beginning from the date of final execution of contract. There may be one (1) or more renewals under the same terms and conditions at INPRS's option up to the length of the original term. Total contract period shall not exceed ten (10) years.

## **4.2 Evaluation Criteria**

INPRS has selected a group of qualified personnel to act as an evaluation team. The procedure for evaluating the responses against the evaluation criteria will be as follows:

- Based on the results of the evaluation, the proposal determined to be most advantageous to INPRS, taking into account all of the evaluation factors, may be selected by INPRS for further action.
- In addition, the evaluation team will consider other factors it believes to be material for this selection.

Proposals will be evaluated based upon the ability of the Respondent to satisfy the requirements in an efficient and cost-effective manner.

Specific criteria include:

- Fulfilling the requirements set forth in the RFP
- Financial Strength
- Technical knowledge, skills, and other competencies of the vendor
- Respondent qualifications
- Quality and completeness of responses to this RFP
- Quality of references
- Experience and track record
- Price (i.e., detail of fee proposal)
- Quality of finalist presentation, if selected
- Additional qualifying factors, as determined relevant by INPRS

References may be contacted. It is possible that finalists will be interviewed by persons participating in the selection process.

## **APPENDIX A – SAMPLE INVESTMENT CONSULTING AGREEMENT**

The following sample contract is the base investment consulting agreement that will be used if an award is made. It is the expectation of INPRS that the Respondent will review the sample agreement and provide desired changes to INPRS at the time of submittal of a proposal. Desired changes are unlikely to be added unless INPRS determines in its sole discretion that the performance of services under the agreement is dependent upon such changes.

If Respondent wishes to amend any term or change any language in the base agreement being submitted, proposed language should be included in the business proposal in the form of an amendment to the base agreement. See *paragraph 2.3.5* of this RFP for the applicable section of the business proposal. For each proposed revision, the Respondent should indicate that the change is required by the Respondent in any contract resulting from this RFP and why it is required or indicate that the change is desired (but not required) by the Respondent in any contract resulting from this RFP.

If a required change is unacceptable to INPRS, the Respondent's proposal may be considered unacceptable. It should be noted that *Appendix A.1* of this RFP includes the essential clauses that are non-negotiable.

The Respondent is required to clearly identify and explain any exception that it desires to take to any of the terms and conditions of this Solicitation in the business proposal. The evaluation of a proposal may be negatively affected by exception taken by the Respondent to any part of this Solicitation, and INPRS reserves the right, in its sole discretion, to refuse to consider any exception that is not so identified in the Respondent's proposal.

## **Appendix A-1 - Essential Clauses in the INPRS's Investment Consulting Agreement**

As part of the Request for Proposal (RFP) process, you are required to review the Indiana Public Retirement System's ("INPRS's" or the "System's") boilerplate investment consulting agreement and submit comments with your proposal. The following clauses are non-negotiable. If you believe that a clause will affect your risk of liability, you should adjust your bid price accordingly.

### (Section 35) Audits

The System is subject to audits by the Indiana State Board of Accounts. Therefore, the System will not accept any substantive modifications to the language under this Section.

### (Section 22B) Compliance with Laws

The Indiana Attorney General requires this provision in all State of Indiana contracts. Contractor and its agents must abide by the ethical requirements set forth in Indiana Code, including provisions regarding the telephone solicitation of customers. As the System is subject to the jurisdiction of the State Ethics Commission and State ethics rules, the System will not agree to delete these provisions.

### (Section 18) Confidentiality of System Information

Although the System is subject to Indiana's public records laws, many of the System records are confidential public records that cannot be disclosed. In addition, the Indiana Attorney General requires the Social Security disclosure clause in all State of Indiana contracts.

### (Section 25) Disputes

The System will not agree in advance to any binding resolution clauses, except those of the State of Indiana courts; however, the System may agree to alternative dispute resolution options, should a dispute arise.

### (Section 33/34) Drug-Free Workplace

To ensure compliance with the Governor of Indiana's executive order on drug-free workplaces, these provisions are required in all the System contracts. The System will not accept any modifications of the language under this Section.

### (Section 24) Governing Law

The contract must be governed by the laws of the State of Indiana, and suit, if any, must be brought in a state court of jurisdiction in the state of Indiana. As a quasi-governmental agency, the System is protected by the Eleventh Amendment of the United States Constitution, which guarantees that state governments hold sovereign immunity and are immune from federal

lawsuits initiated by citizens of another state. The System will not agree to any provision that can be construed as waiving the System's Eleventh Amendment rights.

(Section 13) Indemnification

The System will not agree to any modification that limits Contractor's responsibility to indemnify the System as described in this Section. The Indiana Attorney General has opined that any agreement requiring the System to indemnify Contractor is a violation of the Indiana Constitution and against public policy. In addition, the System will not agree to any modification that limits the System's ability to recover damages or limits Contractor's liability as described in the contract.

(Section 40) Minority and Women's Business Enterprise Compliance

Indiana law requires this provision in all System contracts. In the event Contractor uses a subcontractor to complete services pursuant to this contract, Contractor must visit the Indiana Department of Administration's Web site, which contains a list of subcontractors registered as Minority Business Enterprises and/or Women's Business Enterprises. If a subcontractor who performs services required under the contract is listed on the Web site, Contractor must give that subcontractor the opportunity to bid. If Contractor does not use a subcontractor to complete services pursuant to this contract, Contractor will be unaffected by this provision.

(Section 21) Nondiscrimination

The Indiana Attorney General requires this provision in all State of Indiana contracts. The System will not agree to limit Contractor's liability under this provision, nor will the System agree to substitute Contractor's discrimination policy for the requirements under this Section.

(Section 17) Record Retention and Inspection

The System will not agree to any provision eliminating this requirement or requiring the System records to be retained for less than applicable law, including Indiana's public records retention schedule.

(Section 14G) Investigations and Complaints

As part of the System's fiduciary and due diligence obligations, this is an essential clause in the System's contracts. The System will not accept material changes to this provision.

**Additional contract provisions to which the System will not agree:**

- Any provision requiring the System to provide insurance or an indemnity;
- Any provision requiring the contract to be construed in accordance with the laws of any state other than Indiana;
- Any provision requiring suit to be brought in any state other than Indiana;

- Any mandatory dispute resolution other than the courts;
- Any provision requiring the System to pay taxes;
- Any provision requiring the System to pay penalties, liquidated damages, interest, or attorney fees;
- Any provision modifying the statute of limitations;
- Any provision relating to a time in which the System must make a claim;
- Any provision requiring payment in advance, except for rent; and
- Any provision limiting disclosure of information in contravention of the Indiana Access to Public Records Act

**Acknowledgement**

We have reviewed and agree to the System’s mandatory contract provisions.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: «Company\_Name»

Date: \_\_\_\_\_



## **Appendix A.2 – SAMPLE INVESTMENT CONSULTING AGREEMENT**

**THIS INVESTMENT CONSULTING AGREEMENT** (“Consulting Agreement”) is made effective this \_\_\_ day of \_\_\_\_\_, 20\_\_\_ (the “Effective Date”), by and between Indiana Public Retirement System (“INPRS”) and \_\_\_\_\_ (“Consultant”).

**WHEREAS**, INPRS has determined that it is in its best interests to enter into a new agreement with Consultant to provide [**general investment**] consulting services for its portfolio of assets; and

**WHEREAS**, Consultant desires to provide such services for INPRS;

**NOW, THEREFORE**, in consideration of the above-stated recitals, the mutual promises, covenants, representations, and conditions contained herein, and the mutual benefits to be derived therefrom, INPRS and Consultant agree as follows.

### **1. Duties of Consultant**

The Consultant shall provide the [**general investment**] consulting services (“Consulting Services”), described in Exhibits A, which is attached hereto and incorporated herein by reference.

### **2. Term**

This Consulting Agreement shall commence on the Effective Date and shall continue in full force and effect until the fifth (5th) anniversary of the Effective Date, unless otherwise terminated, modified, or renewed in writing by the parties. This Consulting Agreement may be renewed under the same terms and conditions by mutual written agreement of the parties consistent with the terms set forth in Section 20. The total length of this Consulting Agreement, including renewal terms, may not exceed ten (10) years. This Consulting Agreement, unless terminated, modified, or renewed in writing by the parties, will automatically renew on a month-to-month basis after the expiration date for a period not to exceed six (6) months.

### **3. Consideration**

INPRS agrees to pay Consultant, and Consultant agrees to accept as full compensation for all Consulting Services rendered, a fee calculated at a rate and upon such terms as may from time to time be determined by the mutual agreement of the parties and, initially, in accordance with Exhibits B Schedule of Fees, attached hereto and incorporated by reference herein.

### **4. Definitions, Gender and Number**

For purposes of this Consulting Agreement, capitalized terms not otherwise defined herein shall have the meanings set forth in this Section. In this Consulting Agreement, unless the context otherwise requires, the masculine, feminine, and neuter genders and the singular and plural include one another.

- A. Agents.** “Agents” means any of Consultant’s employees, agents, or representatives providing services in connection with this Consulting Agreement. “Agents” does not include independent service providers, including, but not limited to, broker/dealers and securities pricing services.
- B. Assets.** “Assets” means those securities, bonds, instruments, contracts, commercial papers, real property and cash owned by INPRS that the Board, in its sole discretion, may from time to time appoint Consultant to provide Consulting Services pursuant to the terms of this Consulting Agreement, together with all interest, earnings, accruals, capital growth, and any and all other additions, substitutions, and alterations thereon or thereto.
- C. Board.** “Board” means the INPRS Board of Trustees responsible for the management and administration of INPRS.
- D. Claims.** “Claims” means any and all claims, damages, losses, liabilities, suits, costs, charges, expenses (including, but not limited to, attorneys’ fees and costs), judgments, fines, and penalties of any nature whatsoever that may be brought against INPRS in connection with the performance of this Consulting Agreement.
- E. Effective Termination Date.** “Effective Termination Date” means the date on which work under this Consulting Agreement will formally cease, as specified in any notice of termination delivered by INPRS to Consultant or by Consultant to INPRS.
- F. Investment Guidelines.** “Investment Guidelines” means the investment policies, guidelines, standards, and objectives set forth in INPRS’s Investment Policy Statement (“IPS”), a copy of which is attached hereto as Exhibit C and is incorporated herein in its entirety, and the scope of services enumerated within this Consulting Agreement.
- G. Legal Requirements.** “Legal Requirements” means all foreign, international, federal, state, county, and local laws, and regulations, ordinances, registrations, filings, approvals, authorizations, consents and examinations which may apply to INPRS or Consultant in relation to their performance under this Consulting Agreement.
- H. Standard of Care.** “Standard of Care” refers to the standard governing Consultant’s performance as a fiduciary of INPRS with respect to the performance of services under this Consulting Agreement and requires Consultant to discharge each of its duties and exercise each of its powers under this Consulting Agreement with the care, skill, prudence, and diligence that an expert acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims.
- I. Fund Records.** “Fund Records” means all records related to the Assets, including, but not limited to, any pertinent transaction, activity, time sheets, cost, billing, accounting and financial records, proprietary data, electronic recordings, and any other records created by Consultant or its Agents in connection with this Consulting Agreement.

## **5. Appointment of Consultant and Acceptance of Appointment**

INPRS hereby appoints Consultant as a fiduciary with respect to the performance of services under this Consulting Agreement. Consultant hereby accepts such appointment and agrees to execute its duties according to the terms, conditions, and standards set forth in this Consulting Agreement.

## **6. Standard of Care**

Consultant acknowledges that this Consulting Agreement places it in a fiduciary relationship with INPRS with respect to the performance of services under this Consulting Agreement. Consultant holds itself out as an expert with respect to consulting on alternative investments by large trust and investment funds. Consultant represents itself as possessing greater knowledge and skill than the average person. Accordingly, Consultant is held to the Standard of Care, as defined in Section 4 of this Consulting Agreement. Consultant shall cause any and all of its Agents to exercise the same Standard of Care. Consultant shall be liable to INPRS for any Claim that arises from or relates to any failure by Consultant or any of its Agents to exercise this Standard of Care. The Consultant and its subsidiaries and/or affiliates may render investment management services to other persons and may engage in or possess an interest in other real estate or business ventures, which ventures may be competitive with the Assets.

## **7. Limited Status as Agent**

Consultant shall be deemed the agent of INPRS for the sole and limited purpose of consulting on the Assets. This Consulting Agreement is not intended and shall not be construed to create the relationship of servant, employee, partnership, joint venture, or association as between INPRS and Consultant. For all purposes, including, but not limited to, Workers' Compensation and unemployment liability, Consultant understands and agrees that all persons furnishing services pursuant to this Consulting Agreement are deemed employees solely of Consultant and not of INPRS.

## **8. Written Reports**

Consultant shall provide INPRS with the periodic written reports mutually agreed upon by INPRS and Consultant. An authorized officer of Consultant shall sign all reports and shall certify that such reports are accurate and consistent with all applicable Investment Guidelines, unless otherwise indicated. INPRS agrees that Consultant, in the maintenance of its records and preparation of its reports, does not assume responsibility for the accuracy of any information furnished by INPRS, INPRS's custodian, or any other person or firm.

## **9. Meetings**

At INPRS's request and at mutually agreed upon times, Consultant shall meet with INPRS to review Consultant's performance and to discuss Consultant's present and future investment strategy. Consultant shall be available upon reasonable notice to answer questions by INPRS's staff and Board members from time to time as needed, without additional charge.

## **10. Invoices for Compensation**

Consultant agrees to execute such payment or invoice forms as are required by INPRS. Consultant shall submit to INPRS a quarterly invoice within thirty (30) calendar days of the close of the quarter for which services were provided. Each invoice shall include the quarterly share of Consultant's fee (prorated for any partial quarter) as set forth in the then-current Schedule of Fees. Invoices shall only cover work already performed because no compensation shall be paid to Consultant in advance of services rendered. All payment obligations shall be made in arrears in accordance with Indiana law and INPRS policies and procedures.

## **11. Seminars and Training Programs**

Subject to and in accordance with all applicable State of Indiana and INPRS's ethics rules and regulations, in the event Consultant conducts seminars, training sessions, or similar events that are generally made available to Consultant's clients, INPRS shall be invited to attend upon the same terms and conditions as such other clients.

## **12. Termination; Rights, Remedies, and Responsibilities upon Termination; Termination for Convenience**

Notwithstanding anything to the contrary, this Consulting Agreement may be terminated by INPRS, in whole or in part, for any reason, by delivery of a notice of termination at least thirty (30) days prior to the Effective Termination Date. Upon termination of this Consulting Agreement, Consultant shall retain all Fund Records in accordance with the record retention provisions set forth in the Record Retention and Inspection section of this Consulting Agreement.

The Consultant shall have the right to terminate this Consulting Agreement in the event that (i) INPRS fails to perform their obligations under this Consulting Agreement (including the obligation to pay fees billed by Consultant), (ii) the Consultant has given ninety (90) days advance written notice of intent to terminate INPRS, and (iii) INPRS have not fully performed its obligations to Consultant within such ninety (90) day period.

Consultant shall be compensated for services rendered prior to the Effective Termination Date.

Following the Effective Termination Date, Consultant shall submit to INPRS, in the form and with any reasonable certifications as may be prescribed by INPRS, Consultant's final invoice ("Termination Invoice"). The Termination Invoice shall prorate Consultant's quarterly fees, on a daily basis, for work already performed but for which Consultant has not been compensated through the Effective Termination Date, in accordance with Consultant's then-current compensation level. Consultant shall submit such Termination Invoice no later than thirty (30) days after the Effective Termination Date. Upon Consultant's failure to submit its Termination Invoice within the time allowed, INPRS may determine, on the basis of information available to it, the amount, if any, due to Consultant and such determination shall be deemed final. After INPRS has made such determination, or after Consultant has submitted its Termination Invoice, INPRS shall authorize payment to Consultant.

Except as provided in the next paragraph, INPRS will not be liable for services performed after the Effective Termination Date. Consultant shall be compensated for services herein provided, but in no case shall total payment made to Consultant exceed the original contract price plus changes approved or directed in writing by INPRS. In no event shall INPRS's termination of the Consulting Agreement under this Section be deemed a waiver of either party's right to make a claim against the other party for damages resulting from any default by such other party that occurred prior to the Effective Termination Date. Additionally, INPRS may terminate this contract immediately in the event that INPRS, in its sole discretion, considers such action necessary to protect the plan or assets in the trust.

In the event of any termination of this Consulting Agreement, unless otherwise expressly directed by INPRS, Consultant shall take all necessary steps to stop services under this Consulting Agreement on the Effective Termination Date. All terms and conditions set forth herein shall continue to apply through the period following the Effective Termination Date ("Transition Period"), during which Consultant shall continue to serve as Consultant hereunder at the then-existing compensation level for the duration of the Transition Period. Such Transition Period shall not exceed three (3) months after the Effective Termination Date. Consultant shall perform services required under this Consulting Agreement that are necessary to complete any transactions pending on the Effective Termination Date. Consultant shall cooperate with INPRS in good faith to affect an orderly transfer of such services and all applicable records to a successor manager by the Effective Termination Date. After the additional services have been performed and the Transition Period is complete, Consultant, subject to the terms and conditions of this Consulting Agreement, shall be compensated for the Transition Period at its then-existing compensation level.

The rights and remedies provided by this Section are not exclusive, but cumulative, and in addition to any other rights and remedies provided by law, in equity, or under any provisions of this Consulting Agreement.

### **13. Indemnification**

Consultant shall indemnify, defend, and hold harmless INPRS, its trustees, officers, employees, and agents, from and against any and all Claims arising from or relating to any bad faith, negligence, willful misconduct, improper or unethical practice, knowing infringement of intellectual property rights, breach of fiduciary duty, breach of trust, breach of confidentiality, violation of any Legal Requirement, or any other negligent or willful act or omission of or by Consultant or any of its Agents acting in connection with this Consulting Agreement. This indemnification shall survive any termination of this Consulting Agreement. INPRS shall not provide such indemnification to Consultant.

### **14. Consultant's Representations, Warranties, and Covenants**

Consultant acknowledges, represents, warrants, covenants, and agrees to the following provisions:

- A. Authorization.** Consultant has duly authorized, executed, and delivered this Consulting Agreement, and this Consulting Agreement constitutes the legal, valid, and binding agreements and obligations of Consultant, enforceable against Consultant in accordance with its terms, except insofar as such enforceability may be limited by bankruptcy,

insolvency, reorganization, moratorium, or other similar limitations on creditors' rights generally and general principles of equity. Consultant is not subject to or obligated under any law, rule, or regulation of any governmental authority, or any order, injunction, or decree, or any agreement that would be breached or violated by Consultant's execution, delivery, or performance of this Consulting Agreement.

- B. Quality of Services.** All services that Consultant provides hereunder shall meet the requirements and standards set forth in this Consulting Agreement and any exhibits, schedules, and appendices attached hereto. At INPRS's request, Consultant shall promptly correct any errors or omissions in the provision of such services.
- C. Contingent Fees.** Consultant has not employed or retained any person or selling agency to solicit or secure this Consulting Agreement under any agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for bona fide employees of Consultant and Consultant's affiliates or bona fide established commercial or selling agencies maintained by Consultant for the purpose of securing business. If Consultant in any way breaches or violates this warranty, INPRS shall have the right to immediately terminate this Consulting Agreement for default and, in INPRS's sole discretion, to deduct from Consultant's compensation under this Consulting Agreement, or to otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.
- D. Gratuities.** Consultant has not offered or given any gratuities in the form of gifts, entertainment or otherwise, to any officer, fiduciary, or employee of INPRS or the State of Indiana with a view toward securing this Consulting Agreement or securing any favorable determination made concerning the award of this Consulting Agreement. Consultant covenants that no such gratuities will be given to any such person with a view toward securing any favorable treatment concerning the performance and/or continuation of this Consulting Agreement. If it is found that Consultant has offered or given such gratuities, INPRS may terminate this Consulting Agreement upon one (1) calendar day's written notice.
- E. Intellectual Property.** In connection with its performance under this Consulting Agreement, Consultant shall not knowingly develop, provide, or use any program, process, composition, writing, equipment, appliance, or device, or any trademark, service mark, logo, idea, or any other work or invention of any nature, or any other tangible or intangible assets that infringe or will infringe on any patent, copyright, or trademark of any other person or entity, or is or will be a trade secret of any other person or entity.
- F. Changes.** Consultant shall notify INPRS in writing within three (3) business days of any of the following changes:

  - i.** Consultant becomes aware that any of its representations, warranties, and covenants set forth herein cease to be materially true at any time during the term of this Consulting Agreement;

- ii. There is any material change in Consultant's senior personnel assigned to perform services under this Consulting Agreement;
- iii. There is any change in control of Consultant; or
- iv. Consultant becomes aware of any other material change in its management or its business organization, including without limitation the filing for bankruptcy relief.

**G. Investigations and Complaints.** To the extent permitted by applicable law, Consultant shall promptly advise INPRS in writing of any extraordinary investigation, examination, complaint, disciplinary action, or other proceeding relating to or affecting Consultant's ability to perform its duties under this Consulting Agreement that is commenced by any of the following:

- i. The Securities and Exchange Commission of the United States (the "SEC");
- ii. The New York Stock Exchange;
- iii. The American Stock Exchange;
- iv. The National Association of Securities Dealers;
- v. Any Attorney General or any regulatory agency of any state of the United States;
- vi. Any U. S. Government department or agency; or
- vii. Any governmental agency regulating securities of any country in which Consultant is doing business. Except as otherwise required by law, INPRS shall maintain the confidentiality of all such information until the investigating entity makes the information public.

**H. Registered Investment Advisor.** Consultant hereby represents that it is registered as an investment advisor with the SEC under the Investment Advisers Act of 1940, as amended ("Advisers Act"), unless exempted from registration by the SEC. Consultant shall immediately notify INPRS if at any time during the term of this Consulting Agreement it is not so registered or if its registration is suspended.

**I. Consultant's Agents.** The Agents of Consultant who will be responsible for performing under this Consulting Agreement are individuals experienced in the performance of the various functions contemplated by this Consulting Agreement and have not been convicted of any felony, found liable in any civil or administrative proceeding, or pleaded no contest or agreed to any consent decree with respect to any matter involving breach of trust, breach of fiduciary duty, fraud, securities law violations, or bankruptcy law violations.

Consultant understands and agrees that INPRS has relied upon the foregoing acknowledgments, representations, warranties, covenants, and agreements and that the same constitute a material inducement to INPRS's decision to enter into this Consulting Agreement.

## 15. Liability Insurance

Consultant shall provide proof of insurance coverage as set out in this Section. The intent of the required insurance is to protect INPRS and the State of Indiana from any claims, suits, actions, costs, damages, or expenses arising from any negligent or intentional act or omission of Consultant or subcontractor, or their Agents, while performing under the terms of this Consulting Agreement.

Consultant shall provide proof of insurance coverage, and such insurance coverage shall be maintained in full force and effect during the term of this Consulting Agreement, as follows:

- A. **Commercial General Liability Insurance Policy.** Commercial General Liability Insurance Policy, including contractual liability, in adequate quantity to protect against legal liability arising out of contract activity, but in no event less than \$1 million per occurrence and \$2 million general aggregate limit. Additionally, Consultant is responsible for ensuring that any subcontractors obtain adequate insurance coverage for the activities arising out of subcontracts. All insurance shall cover liability arising out of premises, operations, independent contractors, personal injury, and liability assumed under a contract.
- B. **Professional Liability Insurance.** Such coverage shall cover loss resulting from Consultant's rendering or failing to render professional services. Consultant shall maintain this coverage with minimum limits of no less than \$\_\_ million per claim, as applicable. If this policy is a "claims made" policy, Consultant shall purchase a "tail" that extends the coverage for at least one year from the expiration of this Consulting Agreement. If defense costs are paid within the limit of liability, Consultant shall maintain limits of \$\_\_ million per incident, loss, or person, as applicable. If the policy contains a general aggregate or policy limit, then it shall be at least two (2) times the incident, loss, or personal limit.
- C. **Financial Institutions Blanket Fidelity Bond.** Provide a fidelity bond(s) or insurance policy(ies) in adequate quantity to protect against legal liability arising out of Consulting Agreement activity, but no less than \$\_\_ million per occurrence and an aggregate limit, if any, of not less than \$5 million for the following circumstances:
  - i. Fidelity Loss. Loss resulting directly from dishonest or fraudulent acts committed by an employee of the Consultant acting alone or in collusion with others.
  - ii. Physical Loss. Loss by reason of the physical loss of, or damage to, or unexplained disappearance of INPRS funds, assets, or other property under the control of Consultant within any premises, wherever located, or while in transit.



- iii. Forged Instruments. Loss by reason of forgery or alteration of negotiable instruments, certificates of deposit, or letters of credit.
- iv. Computer Manipulation. Loss by reason of a dishonest or fraudulent act or computer manipulation that was committed by any employee of Consultant.

The insurance coverage required shall be issued by an insurance company or companies authorized to do business within the state of Indiana, and shall name the State of Indiana and its agents and employees, as well as INPRS and its agents and employees as additional insureds, where appropriate. All policies shall be primary to any other valid and collectable insurance. Consultant shall instruct the insurers to give INPRS thirty (30) days advance notice of any insurance cancellation.

Consultant shall submit to INPRS five (5) days prior to the Consulting Agreement's effective date certificates of insurance that outline the coverage and limits defined in this Section and demonstrate that such limits and coverage have been met or exceeded. Certificates of insurance that are accepted by INPRS shall be incorporated as part of this Consulting Agreement. Consultant shall submit renewal certificates as appropriate during the term of the Consulting Agreement or as requested by INPRS. Consultant shall promptly give INPRS notice of the cancellation of any policy for which a certificate of insurance or renewal certificate has been submitted to INPRS. Such notice of cancellation shall be as far in advance of such cancellation as possible.

By requiring insurance coverage, INPRS does not represent that coverage and limits will be adequate to protect Consultant or INPRS, and such coverage and limits shall not limit Consultant's liability under this Consulting Agreement.

Failure of Consultant to obtain and maintain the required insurance is a material breach of this Consulting Agreement, which may result in termination of this Consulting Agreement for cause, at INPRS's option.

## **16. Replacement of Consultant's Agents**

Upon demand by INPRS, Consultant shall replace any Agent assigned to perform services under this Consulting Agreement who INPRS determines is unable to effectively execute the responsibilities required by this Consulting Agreement.

## **17. Record Retention and Inspection**

- A. **Record Maintenance.** Consultant shall keep and maintain all records related to the Assets, including, but not limited to, any Fund Records, according to Consultant's record retention standards. Consultant shall keep and maintain Fund Records according to Consultant's record retention schedule in accordance with applicable law, including Indiana's public records retention schedule.

- B. Record Review and Audit.** Consultant agrees that INPRS, or any duly authorized representative of INPRS, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any Fund Records at any time during the term of this Consulting Agreement or at any time in accordance with applicable law, including Indiana's public records retention schedule. Upon INPRS's request and on reasonable notice, Consultant shall make such records available for review during normal business hours at Consultant's business office. Consultant shall make the persons responsible for creating and maintaining Fund Records available to INPRS during such review for the purpose of responding to INPRS's reasonable inquiries. If INPRS requests copies of Fund Records, copies shall be furnished by Consultant, at no cost to INPRS.

## **18. Confidentiality**

Consultant understands and agrees that information, data, and materials disclosed to Consultant by or on behalf of INPRS or any of its members, participants, employees, customers, or third party service providers may contain confidential and protected information; therefore, Consultant promises and assures that data, materials, and information gathered, based upon, or disclosed to Consultant for the purpose of this Consulting Agreement will be treated as confidential and will not be disclosed to or discussed with other parties without the prior written consent of INPRS.

Notwithstanding the foregoing, confidential information shall exclude information which (a) is or becomes generally available to the public other than as a result of a breach of this Consulting Agreement by Consultant or its Agents, or (b) is already in Consultant's possession or becomes available to Consultant from a source other than INPRS or its agents, provided that such source is not known by the Consultant to be bound by a confidentiality agreement with INPRS or is not otherwise known by the Consultant to be prohibited from transmitting the information to the Consultant by a contractual, legal or fiduciary obligation.

In addition to the foregoing, the Consultant may disclose confidential information to the extent required by law, regulation or court order or if requested by any regulatory or law enforcement authority, provided that (x) where permitted by such law, regulation, court order or regulatory or law enforcement authority, the Consultant will provide INPRS with written notice, as far in advance as reasonably practicable when disclosing such confidential information, and (y) the Consultant will inform the applicable regulatory authority or other person to whom disclosure is being made of the confidential nature of the confidential information and will request such authority or other person to treat such confidential information as confidential.

The parties acknowledge that the services to be performed by Consultant for INPRS under this Consulting Agreement may require or allow access to data, materials, and information containing Social Security numbers or other personal information maintained by INPRS in its computer system or other records.

## **19. Force Majeure; Suspension and Termination**

In the event that either party is unable to perform any of its obligations under this Consulting Agreement or to enjoy any of its benefits because of natural disaster, actions, or decrees of governmental bodies, or

communication line failure not the fault of the affected party or other causes beyond a party's reasonable control ("Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance, and the failure to perform its obligations shall not be treated as a default hereunder.

**20. Renewal Option**

This Consulting Agreement may be renewed by INPRS in any manner authorized by law.

**21. Nondiscrimination**

Pursuant to IC § 22-9-1-10 and the Civil Rights Act of 1964, Consultant and its Agents, if any, shall not discriminate against any employee or applicant for employment in the performance of this Consulting Agreement. Consultant shall not discriminate with respect to the hire, tenure, terms, conditions, or privileges of employment or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin, or ancestry. Breach of this covenant may be regarded as a material breach of Agreement. Acceptance of this Consulting Agreement also signifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability, or status as a veteran.

**22. Conflict of Interest, Compliance with Laws, and Ethics**

**A. Conflict of Interest**

**i.** As used in this section:

- (a) "Immediate family" means the spouse and the unemancipated children of an individual.
- (b) "Interested party" means:
  - (1) The individual executing this Consulting Agreement;
  - (2) An individual who has an interest of three percent (3%) or more in Consultant, if Consultant is not an individual; or
  - (3) Any member of the immediate family of an individual specified under subdivision (i) or (ii).
- (c) "Department" means the Indiana Department of Administration.
- (d) "Commission" means the Indiana State Ethics Commission.

**ii.** INPRS may cancel this Consulting Agreement without recourse by Consultant if any interested party is an employee of INPRS.

- iii. INPRS will not exercise its right of cancellation under subsection 2 above if Consultant gives the Department an opinion by the Commission indicating that the existence of this Consulting Agreement and the employment by INPRS of the interested party does not violate any statute or rule relating to ethical conduct of INPRS employees. INPRS may take action, including cancellation of this Consulting Agreement, consistent with an opinion of the Commission obtained under this section.
- iv. Consultant has an affirmative obligation under this Consulting Agreement to disclose to INPRS when an interested party is or becomes an employee of INPRS. The obligation under this section extends only to those facts that Consultant knows or reasonably could know.

**B. Laws and Ethics**

- i. Consultant shall comply with all applicable federal, state, and local laws, and rules, regulations, and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of rules or regulations thereunder after execution of this Consulting Agreement shall be reviewed by INPRS and Consultant to determine whether the provisions of this Consulting Agreement require formal modification.
- ii. Consultant and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with INPRS as set forth in IC § 4-2-6 *et seq.*, IC § 4-2-7, *et seq.*, the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004, and reaffirmed under Executive Order 05-12, dated January 10, 2005. If Consultant is not familiar with these ethical requirements, Consultant should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission Web site at <http://www.in.gov/ethics/>. If Consultant or its Agents violate any applicable ethical standards, INPRS may, in its sole discretion, terminate this Consulting Agreement immediately upon notice to Consultant. In addition, Consultant may be subject to penalties under IC §§ 4-2-6 and 4-2-7. Consultant has an affirmative obligation under this Consulting Agreement to disclose to INPRS when any INPRS employee, their spouse or dependent children has a pecuniary interest in or derives a profit from this Consulting Agreement. The obligation under this section extends only to those facts that Consultant knows or reasonably could know.
- iii. Consultant certifies by entering into this Consulting Agreement that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees, or other statutory, regulatory, or judicially-required payments to the State of Indiana. Consultant agrees that any payments currently due to the State may be withheld from payments due to Consultant. Additionally, further work or payments may

be withheld, delayed, or denied and/or this Consulting Agreement suspended until Consultant is current in its payments and has submitted proof of such payment to the State.

- iv.** Consultant warrants that it has no current, pending, or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify INPRS of any such actions. During the term of such actions, Consultant agrees that INPRS may delay, withhold, or deny work under any supplement, amendment, change order, or other contractual device issued pursuant to this Consulting Agreement.
- v.** If a valid dispute exists as to Consultant's liability or guilt in any action initiated by the State or its agencies, and INPRS decides to delay, withhold, or deny work to Consultant, Consultant may request that it be allowed to continue, or receive work, without delay. Consultant must submit, in writing, a request for review to INPRS. A determination by INPRS shall be binding.
- vi.** Any payments that INPRS may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest under IC § 5-17-5.
- vii.** Consultant warrants that Consultant and its sub-Consultants, if any, shall obtain and maintain all required permits, licenses, registrations, and approvals, as well as comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for INPRS. Failure to do so may be deemed a material breach of this Consulting Agreement and grounds for immediate termination and denial of further work with INPRS.
- viii.** Consultant affirms that, if it is an entity described in IC Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.
- ix.** As required by IC § 5-22-3-7:
  - (a)** Consultant and any principals of Consultant certify that
    - (1)** Consultant, except for de minimis and nonsystematic violations, has not violated the terms of IC § 24-4.7 [Telephone Solicitation Of Consumers], IC § 24-5-12 [Telephone Solicitations], or IC 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if IC § 24-4.7 is preempted by federal law; and
    - (2)** Consultant will not violate the terms of IC § 24-4.7 for the duration of the Consulting Agreement, even if IC § 24-4.7 is preempted by federal law.

- (b) Consultant and any principals of Consultant certify that an affiliate or principal of Consultant and any agent acting on behalf of Consultant or on behalf of an affiliate or principal of Consultant:
  - (1) Except for de minimis and nonsystematic violations, has not violated the terms of IC § 24-4.7 in the previous three hundred sixty-five (365) days, even if IC § 24-4.7 is preempted by federal law; and
  - (2) Will not violate the terms of IC § 24-4.7 for the duration of the Consulting Agreement, even if IC § 24-4.7 is preempted by federal law.

**23. Taxes**

The State of Indiana is exempt from state, federal, and local taxes. INPRS does not agree and will not be responsible for any taxes levied on Consultant as a result of this Consulting Agreement.

**24. Governing Laws**

This Consulting Agreement shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in a state court of jurisdiction in the State of Indiana.

**25. Disputes**

- A. Should any disputes arise with respect to this Consulting Agreement, Consultant and INPRS agree to act immediately to resolve any such disputes. Time is of the essence in the resolution of disputes.
- B. Consultant agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Consulting Agreement which are not affected by the dispute. Should Consultant fail to continue without delay to perform its responsibilities under this Consulting Agreement in the accomplishment of all non-disputed work, any additional costs incurred by Consultant or INPRS as a result of such failure to proceed shall be borne by Consultant, and Consultant shall make no claim against the State of Indiana for such costs. If Consultant and INPRS cannot resolve a dispute, the parties may mutually agree to submit the dispute to arbitration for a determination, or otherwise the dispute shall be submitted to an Indiana court of competent jurisdiction.
- C. INPRS may withhold payments on disputed items pending resolution of the dispute. Except as provided in Section 12, the unintentional nonpayment by INPRS to Consultant of up to three invoices not in dispute in accordance with the terms of this Consulting Agreement will not be cause for Consultant to terminate this Consulting Agreement, and Consultant may bring suit to collect without following the disputes procedure contained herein.

## **26. Notices**

All notices, requests, demands, or other communications required or desired to be given hereunder or under any law now or hereafter in effect shall be in writing. Such notices shall be deemed to have been given if delivered by electronic mail with acknowledgement of receipt, by facsimile with telephone confirmation of receipt, or by overnight courier, or if mailed by first class registered or certified mail, postage prepaid, and addressed as follows (or to such other address as Consultant, custodian, or INPRS from time to time may specify in writing to the others in accordance with this notice provision):

### **Notices to INPRS shall be sent to:**

Scott Davis, CFA  
Chief Investment Officer  
Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Tel: (317) 234-6210  
E-mail: scdavis@inprs.in.gov

### **With a copy to:**

[INSERT]

### **Notices to the Consultant shall be sent to:**

[INSERT]

## **27. Funding Cancellation**

When the Board of Trustees makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Consulting Agreement, this Consulting Agreement shall be canceled. A determination by the Board that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

## **28. Section Headings; Interpretation**

Caption and Section headings used in this Consulting Agreement are for convenience and reference only and shall not affect in any way the meaning, construction, or interpretation of this Consulting Agreement. Each party hereto and its counsel have participated fully and equally in the review and negotiation of this Consulting Agreement. The language in all parts of this Consulting Agreement shall in all cases be construed according to its fair meaning and not strictly for or against any party hereto.

## **29. Entire Agreement; Exhibits, Schedules, and Appendices**

This Consulting Agreement, together with any and all exhibits, schedules, and appendices attached

hereto, contains the entire and exclusive Consulting Agreement between the parties hereto and supersedes all previous oral and written agreements or understandings, and all contemporaneous oral and written negotiations, commitments, understandings, and communications between the parties, relating to the subject matter of the Consulting Agreement. The exhibits, schedules, and appendices attached hereto are incorporated in and made a part of this Consulting Agreement by reference.

### **30. Severability**

If any provision of this Consulting Agreement is held by any court to be invalid, void, or unenforceable, in whole or in part, the other provisions shall remain unaffected and shall continue in full force and effect.

### **31. Waiver**

The waiver of any breach of any provision of this Consulting Agreement by either party shall not constitute a waiver of any preceding or subsequent breach of such provision or of any other provision of this Consulting Agreement. The failure or delay of either party to exercise any right given to the party under this Consulting Agreement shall not constitute a waiver of such right, nor shall any partial exercise of any right given hereunder preclude further exercise of such right. No right conferred on either party shall be deemed waived and no breach of this Consulting Agreement excused unless such waiver or excuse shall be in writing and signed by the party claimed to have waived such right.

### **32. Assignment and Delegation**

This Consulting Agreement and any of the rights or duties hereunder may not be assigned or delegated by Consultant without the prior written consent of INPRS, consent which may be granted or withheld in the INPRS's sole discretion. Any assignment of rights or delegation of duties under this Consulting Agreement, to which the parties hereto agree in writing, shall bind and inure to the benefit of the successors in interest of INPRS and Consultant.

### **33. Maintaining a Drug-Free Workplace**

- A.** Consultant hereby covenants and agrees to make a good faith effort to provide and maintain during the term of this Consulting Agreement a drug-free workplace. Consultant will give written notice to INPRS within ten (10) days after receiving actual notice that an employee of Consultant has been convicted of a criminal drug violation occurring in Consultant's workplace.
- B.** In addition to the provisions of subsection (a) above, if the total Consulting Agreement amount set forth in this Consulting Agreement is in excess of \$25,000, Consultant hereby further agrees that this Consulting Agreement is expressly subject to the terms, conditions, and representations contained in the Drug-Free Workplace Certification ("Certification"). The Certification is hereby executed by Consultant in conjunction with this Consulting Agreement and is set forth in Section 34 of this Consulting Agreement.
- C.** It is expressly agreed that the falsification or violation of terms of the Certification referenced in Subsection (b) above, or the failure of Consultant to comply with the terms of Subsection (a)



above, shall constitute a material breach of this Consulting Agreement and shall entitle INPRS to impose sanctions against Consultant including, but not limited to, suspension of Consulting Agreement payments, termination of this Consulting Agreement, and/or debarment of Consultant from doing further business with INPRS for up to three (3) years.

### **34. Drug-Free Workplace Certification**

This Certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. No award of an Agreement shall be made, and no Agreement, purchase order or agreement, the total amount of which exceeds \$25,000, shall be valid, unless and until this Certification has been fully executed by Consultant and made a part of the Agreement or agreement as part of the Agreement documents. False certification or violation of the Certification may result in sanctions, including, but not limited to, suspension of Agreement payments, termination of the Agreement or agreement and/or debarment of contracting opportunities with the State for up to three (3) years.

Consultant certifies and agrees that it will provide a drug-free workplace by:

- A.** Publishing and providing to all of its employees a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in Consultant's workplace and specifying the actions that will be taken against employees for violations of such prohibition; and
- B.** Establishing a drug-free awareness program to inform employees of
  - i.** The dangers of drug abuse in the workplace;
  - ii.** Consultant's policy of maintaining a drug-free workplace;
  - iii.** Any available drug counseling, rehabilitation, and employee assistance programs; and
  - iv.** The penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace.
- C.** Notifying all employees in the statement required by subparagraph (a) above, that as a condition of continued employment, the employee will
  - i.** Abide by the terms of the statement; and
  - ii.** Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D.** Notifying INPRS in writing within ten (10) days after receiving notice from an employee under subdivision (c)(2) above or otherwise receiving actual notice of such conviction;

- E. Within thirty (30) days after receiving notice under subdivision (c)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace:
  - i. Take appropriate personnel action against the employee, up to and including termination; or
  - ii. Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (a) through (e) above.

### **35. Audits**

Consultant acknowledges that it may be required to submit to an audit of funds paid through this Consulting Agreement. Any such audit shall be conducted in accordance with IC 5-11-1, *et seq.* and audit guidelines specified by INPRS. If an error is discovered as a result of an audit performed by Consultant or INPRS, or if Consultant becomes aware of any error through any other means, Consultant shall use commercially-reasonable efforts to promptly correct such error or to cause the appropriate party to correct such error.

### **36. Authority to Bind Consultant**

The signatory for Consultant represents that he/she has been duly authorized to execute this Consulting Agreement on behalf of Consultant and has obtained all necessary or applicable approvals to make this Consulting Agreement fully binding upon Consultant when his/her signature is affixed, and certifies that this Consulting Agreement is not subject to further acceptance by Consultant when accepted by INPRS.

### **37. Changes in Work**

Consultant shall not commence any additional work or change the scope of the work until authorized in writing by INPRS. No claim for additional compensation shall be made in the absence of a prior written approval executed by all signatories hereto.

### **38. Debarment and Suspension**

- A. Consultant certifies by entering into this Consulting Agreement that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Consulting Agreement by any federal agency, or by any department, agency or political subdivision of the State. The term "principal" for purposes of this Consulting Agreement means an officer, director, owner, partner, key employee, in house attorney, or in house paralegal providing services to INPRS, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the

operations of Consultant.

- B.** Consultant certifies that it has verified the state and federal suspension and debarment status for all lawyers receiving funds under this Consulting Agreement and shall be solely responsible for any recoupment, penalties, or costs that might arise from use of a suspended or debarred subcontractor. Consultant shall immediately notify INPRS if any lawyer providing services under this Consulting Agreement becomes debarred or suspended, and shall, at INPRS's request, take all steps required to terminate work to be performed by such person under this Consulting Agreement.

### **39. Penalties/Interest/Attorney's Fees**

INPRS will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest, or attorney's fees, except as permitted by Indiana law, in part, IC § 5-17-5, IC § 34-54-8, and IC § 34-13-1.

Notwithstanding the provisions contained in IC § 5-17-5, any liability resulting from INPRS's failure to make prompt payment shall be based solely on the amount of funding originating from INPRS and shall not be based on funding from federal or other sources.

### **40. Minority and Women's Business Enterprise Compliance**

Consultant agrees to comply fully with the provisions of Consultant's Minority and Women's Business Enterprise ("MBE/WBE") participation plans (if applicable), and agrees to comply with all applicable MBE/WBE statutory and administrative code requirements and obligations, including IC § 4-13-16.5 and 25 IAC 5. Consultant further agrees to cooperate fully with the MBE/WBE division to facilitate the promotion, monitoring, and enforcement of the policies and goals of MBE/WBE programs, including any and all assessments, compliance reviews, and audits that may be required.

### **41. Regulatory Communications.**

Consultant agrees to provide all statements, responses, and filings made with federal or state of Indiana regulatory bodies within thirty (30) days of request by INPRS. These may be related to such topics as current or proposed industry regulations, proposed statutory changes, or any other topics affecting INPRS or financial sector.

### **42. Non-Collusion and Acceptance**

The undersigned attests, subject to the penalties for perjury, that he is the contracting party, or that he is the representative, agent, member, or officer of the contracting party, that he has not, nor has any other member, employee, representative, agent, or officer of the firm, company, corporation, or partnership represented by him, directly or indirectly, to the best of his knowledge, entered into or offered to enter into any combination, collusion, or agreement to receive or pay, and that he has not received or paid any sum of money or other consideration for the execution of this Consulting Agreement other than that which appears upon the face of the Consulting Agreement.

[Signature page follows]

The parties having read and understood the foregoing terms of this Consulting Agreement do by their respective signatures dated below hereby agree to the terms hereof.

**CONSULTANT**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**INDIANA PUBLIC RETIREMENT SYSTEM**

By: \_\_\_\_\_

Printed Name: Steve Russo \_\_\_\_\_

Title: Executive Director \_\_\_\_\_

Date: \_\_\_\_\_

## **APPENDIX B – MANDATORY RESPONDENT FORMS**

### **B.1 Taxpayer Identification Number Request**

<https://www.irs.gov/pub/irs-pdf/fw9.pdf>

### **B.2 Foreign Registration Statement**

<https://forms.in.gov/Download.aspx?id=13562>

**APPENDIX C – QUESTIONNAIRE**  
**Indiana Public Retirement System**  
**General Investment Consulting Services**

The following questionnaire must be completed and included with the Proposal. The questionnaire has been prepared to obtain responses relative to the Respondent's capability to provide general investment consulting services.

Please respond to the following questions regarding your firm's organizational and consulting capabilities and experience:

**Contact information:**

<b><i>Firm</i></b>	
Name:	
Address:	
Telephone Number:	
Website:	
Additional Office Locations:	
<b><i>Primary Contact</i></b>	
Name:	
Title:	
Telephone Number:	
Email:	
Location (city/state):	

1. Provide an overview of the firm, its history, and a timeline of any major changes to its legal, organizational or ownership structure. Please include any expected future changes (over the next three years) to your firm's legal, organizational or ownership structure.
2. How many years has your firm been providing investment consulting services? To tax-exempt clients? To public pension fund clients? Please include the categories of services available to clients during this period.

3. List the firm's office locations and the main functional roles of each, indicating the number of individuals in each office.
4. List any subsidiaries, affiliates or joint ventures and briefly describe the nature of each relationship, respective ownership structure and any revenue/profit sharing arrangements between your firm and all relevant entities.
5. Describe any litigation regarding your firm's consulting, advisory, or investment activities or other legal proceedings or governmental investigation. Provide an explanation and indicate the current status.
6. Are you registered with the SEC or a state securities regulator as an investment advisor?
7. Discuss all lines of business and assets under management and assets under advisement of your firm. Describe all sources of revenue for the firm.
8. Indicate the total number of consulting clients and the percentage of clients that retain your firm on a discretionary vs. non-discretionary basis.
9. Does your firm or any affiliate serve as an investment manager for clients? Does your firm or any affiliate act as a securities broker-dealer? If you responded yes to one or both, please provide additional detail.
10. Provide a breakdown of firm clientele by assets under consulting/advisory, in \$US millions:

	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22	6/30/23
<b><i>Client Type</i></b>						
Public						
Corporate						
Endowment & Foundation						
Taft-Hartley						
Sovereign Entity						
High Net Worth						
Other						
<b>Total</b>						



- 11. Does your firm or related entities receive any payments from money managers and/or non-client third parties? If yes, please provide additional detail about all arrangements in place.
- 12. Are there any circumstances under which any individual employed by your firm receives compensation, finder’s fees, or any other material benefit from clients, investment managers, and/or non-client third parties? If yes, please describe in detail.
- 13. If you are hired, will you acknowledge in writing that you have a fiduciary obligation as an investment adviser or consultant to the plan while providing the consulting services INPRS is seeking?
- 14. Describe any other circumstances that could conflict with your firm’s duty to provide unbiased service to INPRS, including any significant personal or business relationships of your firm or its key personnel that could affect services provided on INPRS’s behalf.
- 15. Describe the levels of coverage for errors and omissions insurance and any other fiduciary or professional liability insurance your firm carries. List the insurance carriers supplying the coverage and their current A.M. Best or equivalent ratings. Confirm that such coverage will be applicable to proposer’s actions under the Contract.
- 16. Describe the relationship among the various teams of the consulting group. Indicate if consulting personnel in the firm also are assigned to perform work for any other area of the firm.
- 17. Provide summary information about the investment consulting professionals at your firm by functional group.

<b>Group/Role</b>	<b>Number of Professionals</b>	<b>Average Experience (yrs.)</b>	<b>Average Tenure with the Firm (yrs.)</b>
Senior Staff			
Research Analysts			
Operations Analysts			
Investment Analysts			
Risk Management			
IT Platform			
Other (please specify)			

<b>Total</b>			
--------------	--	--	--

18. Provide summary information about the investment consulting professionals at your firm by sector.

<b>Group/Role</b>	<b>Number of Professionals</b>	<b>Average Experience (yrs.)</b>	<b>Average Tenure with the Firm (yrs.)</b>
Public Equity			
Fixed Income			
Absolute Return			
Commodities			
Real Estate			
Infrastructure			
Other Real Assets			
Private Equity			
Private Credit			
Other (please specify)			
<b>Total</b>			

19. Provide the names of the persons you propose to be Primary Consultants and Secondary Consultant(s) for INPRS. Please state which of your firm's offices would service this account. In parentheses, please identify these professionals by primary asset class: public equity, fixed income, absolute return, private equity, private credit, real estate, infrastructure, and other real assets.

20. Explain how the team dedicated to the INPRS relationship would function, including Primary Consultants, Secondary Consultant(s), back-up, quality control, research, and support services. In addition, please explain how the team will interact and communicate with INPRS.

21. Discuss the overall business objectives of your firm with respect to future growth. Speak to any present or planned areas of emphasis over the near future. Include in your response:

- ✓ Maximum limit on assets and/or client relationships that will be accepted;

- ✓ Maximum limit on asset amounts and/or number of clients per consultant;
  - ✓ New technologies or reporting databases for clients; and
  - ✓ Plans to develop, expand resources, merge or acquire other firms, and/or spin off subsidiaries.
22. Describe the firm's compensation and incentive arrangements for consultants and other professional staff. What specific incentives are employed to ensure key professionals do not leave your firm?
  23. Please list the name, title, role, year of departure and reason for departure for all professional employees that left the firm over the past five (5) years.
  24. Please describe your internal training procedures for consultants and research analysts.
  25. Provide a description of the firm's business recovery plan, including plans for an alternative work site in the event of a business disruption.
  26. Describe your firm's backup procedures in the event the key staff assigned to this account should leave the firm or will be unavailable for an extended period of time (e.g., vacation, illness).
  27. Discuss the details on the number, name(s) and asset values of any client relationships that were either terminated or not renewed since June 30, 2018, with reasons for the termination or non-renewal.
  28. Discuss the details on the number, name(s) and asset value of any new client relationship gained since June 30, 2018.
  29. Provide a client list of the ten (10) largest clients including asset values, number of years the client has retained your firm and product or service the client uses.
  30. Provide references for five current defined benefit public pension fund or institutional clients. Use the following template to present the information for each client. INPRS may contact any of these clients as references.

<b>REFERENCE</b>	
Client Name	
Client Address	
Primary Contact Name	
Primary Contact Title	
Primary Contact Phone Number/Email	
Number of Years as a Client	
Product / Services Provided	

REFERENCE	
Asset Values	

31. Provide a list of your firm’s discretionary clients, if applicable, and assets that your firm manages for each such client.

***General Consulting Services***

32. Discuss the overall philosophy relative to the General Investment Consultant’s role with respect to the Board of Trustees, Investment Staff, and Investment Managers.

33. Discuss the firm’s investment philosophy including: (1) fundamental beliefs about capital markets, (2) tactical vs strategic, (3) the separation of alpha from beta, (4) passive vs active management, and (5) alternatives and illiquid assets.

34. Discuss the areas in which your firm is most likely to add value to INPRS. What changes would you broadly recommend to INPRS’s current investment allocations?

35. How do you measure the success of a consultant/client relationship? Describe how your firm measures its own performance? In your opinion, how should a client measure or evaluate the performance of the investment consulting firm?

36. Discuss the process that will be utilized to recommend investment objectives and/or investment policies to INPRS, highlighting risk management components of this process.

37. Describe your role in the completion of the Annual Comprehensive Financial Report (AFCR) or other Annual Reports required by clients.

38. Describe your role in the production and review of the Investment Policy Statement (IPS). What are the most critical issues to continually consider in establishing and/or reviewing the IPS?

39. Describe how key events such as terminated client relationships, structural changes with executive/key professionals at the firm, acquisitions/mergers are communicated to clients.

40. Discuss trends or recent changes (i.e., legislative, regulatory, or other) you believe will impact public pension funds. Discuss the most significant changes in asset allocations for public pension funds expected over the next five (5) years.

41. Discuss the firm’s approach to building a diversified portfolio? Describe how new investment opportunities will be identified and evaluated.

42. Is your firm partnering, or planning to partner with any artificial intelligence/machine learning companies to provide clients with better insights, processes, or reporting?

43. Discuss your views and philosophy on risk balanced portfolios (e.g., risk parity)? Does your firm currently support any clients who have moved to a risk balanced approach to portfolio construction? If so, approximately what percentage of the client's portfolio is invested in risk-balanced portfolios or invested using a risk balanced approach?
44. Describe the process and resources that are or will be utilized in the asset allocation process. Include discussion regarding the utilization and methodologies of alternative/illiquid assets as well as how the liabilities of the Fund will factor into strategic asset allocation targets.
45. Please provide details on the frequency and scope of the reporting process, including the ability to aggregate underlying exposures by sector and geography (country-specific detail)? What sources are utilized to aggregate this data?
46. Describe the variables and methodologies that will be considered in recommending performance benchmark(s). Provide an example of a benchmark, either standard or custom, that you have recently recommended.
47. Discuss your philosophy on how the General Investment Consultant and Investment Staff should interact leading up to and during an investment manager search. Discuss how you will incorporate INPRS Investment Staff in your manager due diligence process, either initial or ongoing?
48. Describe the process in performing initial due diligence on an investment manager. What items are reviewed with respect to operational diligence and investment diligence? Upon completion of initial due diligence on an investment manager, is there a report documenting such that is shared or may be distributed to a client upon request?
49. Describe your process for conducting ongoing investment manager due diligence. At what frequency is operational and investment diligence performed? How is the diligence process documented? Are documented diligence reports readily available and reviewable by clients? Is diligence maintained for all recommended managers in the database? Upon request, how quickly can you perform a full due diligence and prepare a recommendation on a manager not currently covered by your firm?
50. Describe your process for negotiating manager fee breaks on behalf of clients and general success at achieving reduced fees on behalf of clients.
51. Discuss the key factors on which you rely in assessing manager skill. Discuss analysis performed on active managers/mandates in determining and reviewing where value added is attributable to skill or luck. At what frequency is this analysis performed?

52. If you became convinced that a particular change was necessary to the structure, management or objective of a clients' existing portfolio or specific investment, what process would you follow in promoting adoption of the change?
53. Describe your firm's process for providing oversight on INPRS's investment managers, including, but not limited to, overseeing performance, risk, investment objective, and reporting requirements. Describe your approach in monitoring and/or reviewing investment manager performance and investment approach (i.e., style drift).
54. Describe how your firm monitors investment manager adherence to the investment management agreement, including, but not limited to, contract compliance, account restrictions, activities creating potential conflicts of interest?
55. Describe how your firm might add value to clients in the management fee review/reconciliation process.
56. Discuss how performance measurement and analysis is presented and the type of reports coming from your firm. Is Custodian performance utilized as the source or does your firm make performance calculations? If so, what methodology is utilized in making these calculations?
57. Is your firm capable of providing peer universe analysis?
58. Do you have a risk aggregation/portfolio monitoring system in place? What are its capabilities?
59. Describe the experience your firm has with risk management software and/or tools. Provide a list of risk management software and/or tools used and describe what analysis is conducted and provided to clients.
60. Does your firm utilize an online platform to provide analytical tools, performance and attribution reports, and/or research? Does functionality exist for the creation of customized exportable reports? Discuss the dynamics of such platform and what type of analysis may be performed.
61. Can custom searches be performed through your online portal? Please describe the functionality of your search engine.
62. Discuss research pieces provided to clients on a regular basis. At what frequency are new research pieces generally distributed?
63. Describe educational opportunities your firm provides its client at the Investment Staff and Board of Trustees level. At what frequency are educational opportunities offered?

64. Discuss any services or tools provided to clients that you feel sets your firm apart from other firms offering general investment consulting services.

### ***Environmental, Social and Governance Matters***

1. Does your firm have an ESG policy?
2. Does your firm advocate for disclosure of ESG information?
3. What stewardship codes or ESG related initiatives and pledges has your firm adopted (e.g., UNPRI, Net Zero Asset Managers Initiative, CDP Investor Signatory, Climate Action 100+, Coalition for Climate Resilient Investment, etc.)? Do you have any firm-specific or mandate-specific caveats when adopting such codes? Please explain how adhering to these commitments has impacted your investment or consulting process.
4. Do you have a team dedicated solely to investment stewardship? If so, how many members on this team dedicate most of their time to this function?
5. Do you have a team dedicated solely to ESG matters? If so, how many members on this team dedicate most of their time to this function?
6. In the event that you have the above teams, to what extent do the teams overlap?

### ***Exhibits***

1. Please provide, as an exhibit, a recent representative investment recommendation report.
2. Please provide, as an exhibit, an example of your investment pacing model.
3. Provide, as an exhibit, a sample performance measurement attribution report.
4. Provide, as an exhibit, a sample monthly, quarterly, and annual portfolio reports.
5. Please provide, as an exhibit, a sample ex-ante and/or ex-post risk monitoring report.
6. Please provide, as an exhibit, a copy of your current Capital Market Assumptions and any Capital Market Assumption reports from the past five years (2019 – 2023).
7. Please provide, as an exhibit, an example of reviews conducted of General Partner relationships following advisory board or annual meetings.
8. Please provide your most recent Form ADV Part II and provide how many years the firm has been registered as an investment advisor.

9. Please provide, as an exhibit, biographies on all the proposed individuals assigned to INPRS's account.
10. Please provide your Code of Ethics.
11. Please provide current certificates of insurance coverage.
12. Attach the firm's latest organizational chart.