

ILLINOIS STATE BOARD OF INVESTMENT
Request for Competitive Proposal:
Factor-based Global Equity Investment Management Services

I. OVERVIEW.

The Illinois State Board of Investment (“ISBI”) hereby issues a request for competitive proposals (“RFP”) from qualified investment managers (“Respondent[s]” or “Manager[s]”) to provide Factor-based Global Equity Investment Management Services. ISBI is seeking proposals for an actively managed, broad-based global equity factor portfolio mandate, which will seek to track the MSCI ACWI. The portfolio should have active risk of less than 4%. ISBI intends to invest approximately \$1.0 to \$2.0 billion in the global factor portfolio. Only portfolios with investment management fees below 0.25% will be considered.

Only proposals from experienced managers will be considered. Respondents must have been in operation for at least three years and have total assets under management exceeding \$5 billion. The objective of this RFP shall be to identify a manager, or managers, whose expertise will best meet ISBI’s goals and needs.

Pursuant to the Illinois Pension Code (40 ILCS 5/22A) ISBI is a non-appropriated, statutorily-created public pension fund responsible for managing and investing the pension assets of the General Assembly Retirement System, the Judges’ Retirement System of Illinois and the State Employees’ Retirement System of Illinois. ISBI’s net assets totaled \$25.0 billion as of March 31, 2022. More information regarding ISBI can be found by reviewing its enabling statute at 40 ILCS 5/22A and its website at: www.isbinvestment.com.

All forms needed for submitting a response to this RFP are available on ISBI’s website at: <https://www.isbinvestment.com/media/rfp/>. **Respondents to this RFP are responsible for monitoring ISBI’s website for information pertaining to the RFP while the RFP is outstanding.**

II. RFP TIMELINE.

Issue Date	November 14, 2022
Deadline for Respondents to Submit Written Questions	November 30, 2022, at 3 PM CST
Q&A Document Posted to ISBI’s Website	December 7, 2022
Final Filing Date for Respondents	December 22, 2022, at 3 PM CST
Review of Submitted Responses	On or around January 2023
Due Diligence / Site Visits	TBD
Finalist Presentation / Board Selection	On or around 1 st or 2 nd Quarter 2023

III. QUIET PERIOD.

During the proposal period, no Respondent or any person acting on behalf of a Respondent may contact the ISBI Board of Trustees (“Board”), any individual member of the Board (“Board Member”), or any ISBI staff member other than the Search Contacts specified below. No Respondent may, at any time, attempt to influence the evaluation other than by a properly submitted response to this RFP or to a formal request for information or presentation.

Current ISBI service providers who are responding to this RFP are expected to limit their contact for business transactions to ISBI employees with whom they ordinarily interact and to avoid direct contact with Board Members or other staff during the proposal period. These communications with ISBI employees shall not involve any discussions about the ongoing RFP. Violation of these rules constitutes grounds to reject the proposal of any offender.

IV. ***PROPOSAL SUBMISSION.***

ISBI's Defined Benefit Investment Consultant, Meketa Investment Group ("Investment Consultant"), shall oversee the RFP process. If your firm is interested in submitting a proposal, you must submit an electronic copy of the complete proposal by **3:00 PM, CST, December 22, 2022** to:

SEARCH CONTACTS: Illinois State Board of Investment
Jennifer Koelle
jkoelle@isbinvestment.com

Meketa Investment Group, Inc.
RFPResponse@meketa.com

AND

ISBI.backstop@isbinvestment.com

Emailed responses should include the following subject line: "ISBI—Fall 2022 DB Factor-based Global Equity Investment Management Search."

Procedural and substantive questions concerning the RFP must be submitted in writing via e-mail to the Search Contacts by **3:00PM CST, November 30, 2022**. Responses to questions properly submitted will be consolidated in a single Q&A document and posted on ISBI's website on or around December 7, 2022. The Q&A document will not identify the source of the query.

PLEASE NOTE: Respondents WILL NOT receive individualized responses from the Search Contacts in response to questions submitted by a Respondent. Respondents must review the Q&A document posted on ISBI's website to receive answers to all questions submitted.

If ISBI Staff ("Staff") or the Investment Consultant has a question(s) regarding how to interpret a Respondent's proposal, Staff and/or the Investment Consultant is/are authorized to request additional information from that Respondent.

All interested Respondents must submit their responses in accordance with the proposal submission instructions below. ISBI reserves the right to reject any or all proposals submitted. All material submitted in response to the RFP will become the property of ISBI and is subject to the requirements stated in Appendix 1. ISBI is not responsible for any costs incurred by the Respondents in responding to this RFP. Neither this RFP nor any response to this RFP should be construed as a legal offer.

ANY PROPOSAL RECEIVED AFTER THE DECEMBER 22, 2022 DUE DATE AND TIME WILL NOT BE CONSIDERED.

PROPOSALS MUST CONTAIN THE FOLLOWING DOCUMENTS:

1. Transmittal Letter. A transmittal letter must be submitted on the Respondent’s official business letterhead. The letter must identify all documents provided collectively as a response to the RFP and must be signed by an individual authorized to bind the Respondent contractually. **An unsigned proposal shall be rejected.** The letter must also contain the following:
 - Statement that the proposal is being made without fraud or collusion; that the Respondent has not offered or received any finder’s fees, inducements or any other form of remuneration, monetary or non-monetary, from any individual or entity relating to the RFP, the Respondent’s proposal or ISBI’s resulting selection.
 - Statement that discloses any current business relationship or any current negotiations for prospective business with the Board or any Board Members or Staff.
2. Minimum Qualifications Certification. The Respondent must complete the certification in Section VII and provide all supporting documentation.
3. Questionnaire. The Respondent must address the questionnaire items in the RFP in the order in which they appear in the RFP. Further, each question number and question in the RFP shall be repeated in its entirety before stating the answer. Please do not respond to ANY question with, “See response to (question number).” Instead, provide complete responses that fully and adequately communicate the response to each question. Please note that certain questions require supporting documentation. This additional documentation should be submitted as attachments to the questionnaire. Failure to provide the requisite additional documentation may be grounds for disqualification.
4. Exhibit A. The Respondent MUST complete Exhibit A and provide all supporting documentation.
5. Exhibit B. The Respondent MUST complete Exhibit B. The representations and certifications will be incorporated into any investment contract.

For additional information/requirements related to the RFP process and regulations, please refer to Appendix 1, attached and incorporated herein.

V. SCOPE OF SERVICES.

ISBI seeks an investment manager with substantial qualifications in managing public equity portfolios designed to systematically capture and harvest global equity factor premia. The portfolio should be benchmarked against the MSCI ACWI. This mandate will replace ISBI’s existing factor portfolio, which passively tracks and has equal weights to four underlying indices: the MSCI USA Value Weighted, MSCI USA Momentum, MSCI USA Quality and MSCI USA Minimum Volatility. The Board intends to invest approximately \$1.0 to \$2.0 billion in the global factor portfolio. Long only portfolios with active risk of less than 4% will be considered for this mandate.

ISBI believes certain pockets of market inefficiencies exist; however, public markets and specifically factor portfolios tend to be fairly efficient. Therefore, investment management fees are important and ISBI will not consider strategies with fees in excess of 0.25%.

Robust reporting capabilities and full look through on portfolio holdings are expected as part of this mandate.

In all its relationships with its strategic partners, ISBI seeks to leverage additional resources. Please note any that are relevant in the RFP response.

The selected investment manager will work closely with Staff and the Investment Consultant and will report regularly to Staff, ISBI's Investment Policy Committee and the Board.

VI. POST PERFORMANCE REVIEW.

Any Respondent retained by ISBI will undergo quarterly performance reviews, at Staff's discretion, wherein the Respondent's compliance with agreement objectives and deliverables will be assessed. Evidence of material non-compliance will be reviewed by Staff, as well as Board Members, if necessary.

VII. MINIMUM QUALIFICATIONS AND CERTIFICATION.

Respondents must satisfy each of the following minimum qualifications for this RFP in order to be given further consideration by the Board. Failure to satisfy each of the requirements will result in the immediate rejection of the proposal. Failure to provide complete information will result in the rejection of the proposal.

Please circle "YES" or "NO" where indicated. If evidence is requested, please provide complete documentation.

1. Respondent is an investment adviser registered with the Securities and Exchange Commission (SEC) under the federal Investment Advisers Act of 1940. (Yes/No): _____
2. Respondent is authorized to conduct business in the State of Illinois. (Yes/No): _____
If yes, please provide evidence.
3. If retained, Respondent agrees to act as a fiduciary under the Illinois Pension Code (40 ILCS 5/1-101.2). (Yes/No): _____
4. The firm has been in operation for at least three years and has total assets under management exceeding \$5 billion as of 9/30/22. (Yes/No): _____
5. Respondent has not been censured by the SEC or subject to material regulatory action within the last five (5) years. (Yes/No): _____
6. Respondent has a lead portfolio manager assigned to the account with three years' experience. (Yes/No): _____
7. Respondent agrees to provide the services as detailed in the Scope of Services section of this RFP and any other requirements as stated in this RFP. (Yes/No): _____
8. If retained, Respondent will, in conjunction with Staff, submit periodic written reports, on at least a quarterly basis, for ISBI's review at its regularly scheduled meetings. (All returns on investment shall be reported as both gross and net returns after payment of all fees, commissions and any other compensation, in addition to any other reporting requested.) (Yes/No): _____

9. Respondent has reviewed ISBI’s Investment Policy, found on ISBI’s website, and agrees that, if retained, Respondent can provide investment advisory services in furtherance of the policy.
(Yes/No): _____
10. Respondent maintains sufficient procedures and capabilities necessary to ensure the timely and accurate backup and full recovery for all computers and other data storage systems related to an ISBI account(s). (Yes/No): _____. If yes, please provide a complete description of these procedures and capabilities.
11. Respondent and its proposed account team have all authorizations, permits, licenses and certifications required by federal and state laws and regulations to perform the services specified in this RFP at the time Respondent submits a response to the RFP. (Yes/No): _____
12. Respondent has both (i) reviewed the Board’s Vendor Disclosure Policy **and** (ii) provided all disclosures required under the Policy. If Respondent has no disclosures to report, Respondent has indicated that fact in the firm’s response. The Vendor Disclosure Policy is attached as **Exhibit A**.
(Yes/No): _____
13. Respondent has (i) reviewed the representations and certifications outlined in **Exhibit B**, titled Required Representations and Certifications, **and** (ii) agrees that, if Respondent is selected to provide investment management services, such representations and certifications will be incorporated into the investment management agreement. (Yes/No): _____

IF RESPONDENT PROVIDED A “NO” RESPONSE TO ANY OF THE MINIMUM QUALIFICATIONS ABOVE, RESPONDENT SHOULD NOT SUBMIT A PROPOSAL TO THE BOARD.

PLEASE CERTIFY THE RESPONDENT’S SATISFACTION OF THE MINIMUM QUALIFICATIONS BY PROVIDING THE RESPONDENT’S AUTHORIZED SIGNATURE BELOW.

Authorized Signer Name: _____

Title: _____

Respondent Firm: _____

Signature: _____

Date: _____

VIII. **QUESTIONNAIRE – RESPONSES AS OF SEPTEMBER 30, 2022.**

I. GENERAL INFORMATION

Firm Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Contact Name: _____ Phone: _____
Title: _____ Fax: _____
E-mail: _____
Strategy under Consideration: _____
Projected Allocation Amount: _____ RFP Due Date: _____
Notes: _____

II. ORGANIZATION INFORMATION

1. When was the firm's inception date?
2. Where is the firm located (include headquarters and satellite offices)?
3. Is the Firm a Registered SEC Investment Advisor? Yes: ___ No: ___

If *yes*, please complete the following:

- a. Name of Firm (as registered with the SEC):
- b. SEC File Number:
4. What is the firm's ownership structure? Note any recent (within the last five years) or pending changes in ownership structure.
5. Please indicate whether the firm is certified as a Minority, Women, or Disabled Business Enterprise (MWDBE) as defined by the [Illinois Business Enterprise for Minorities, Females, and Persons with Disabilities Act](#). If so, please provide a copy of the firm's certification or attestation.
6. Please provide your firm's Diversity and Inclusion representation below.

Employee Composition by Race / Ethnicity / Other Minority Groups.

Title/Function	White (%)	Veteran (%)	African America n (%)	Latino America n (%)	Asian America n (%)	Other Minority (%)	Disabled Person (%)	Not Disclosed (%)
Total Firm								
Board of Directors								
Senior Organization Mgmt								
Portfolio Managers								
Investment Team								
Operations								
Administrative								
Equity Ownership								

Employee Composition by Gender.

Title/Function	Male (%)	Female (%)	Not Disclosed (%)
Total Firm			
Board of Directors			
Senior Organization Management			
Portfolio Managers			
Investment Team			
Operations			
Administrative			
Equity Ownership			

7. How does the firm seek diversity with respect to employees/teams? With respect to ownership? How has this evolved over time?

8. Does your firm have a diversity policy? If so, please provide as an attachment. When was this statement or policy adopted?

9. Please describe your firm's diversity efforts. Please comment on any specific programs, initiatives, or partnerships with outside organizations as appropriate.

a. How does your firm measure the success of the impact of its diversity efforts? Please provide evidence of such. Who is responsible for implementing the diversity efforts?

b. How does your firm ensure accountability for these efforts? Who is responsible for any oversight and monitoring?

10. Please discuss the firm’s process in hiring and evaluating service providers (e.g. auditors, legal counsel, insurance providers). How, if at all, do you firm’s diversity efforts influence the vendor and service provider evaluation and hiring processes? Please provide specific considerations or examples as appropriate.

11. What percentage of your firm’s revenue comes from asset management? What other lines of business are there? Please provide a breakdown by % indicating the source of your firm’s revenue.

12. Does your firm have in-house counsel? If not, do you retain outside counsel to address legal and regulatory matters? What is the name of this firm and who is your attorney?

13. Please provide a brief description of any past or pending regulatory action, litigation, or other legal proceedings involving the firm or any registered employees and/or principals.

14. Who is the firm’s current auditor? Has the firm changed auditors in the past five years? If so, please explain why.

15. What types of liability insurance (e.g., Errors and Omissions) and other forms of coverage does your firm carry to protect your clients? Please provide dollar amounts and proof of coverage.

16. Please provide an organizational chart that includes all senior management and all investment professionals. (In the Investment Team section, we will ask for an organizational chart of all the investment professionals who work on the investment product under consideration in this RFP.)

17. Are any investment professionals under employment contracts? If so, please discuss the nature of the contracts.

18. Please complete the following table:

	As of: 9/30/22	As of: 9/30/21	As of: 9/30/20	As of: 9/30/19	As of: 9/30/18	As of: 9/30/17
Total Firm Assets						
Total No. of Clients						

19. Please provide a current list of all the relevant investment products/strategies offered by the firm. Include the total amount of assets managed under each strategy, whether the strategy is open or closed, and, if applicable, the amount of capacity currently available in each strategy.

20. What percentage of the firm's assets under management are institutional (separate) accounts? Commingled funds? Mutual funds? High net worth individuals?

21. If selected as a finalist candidate to present to the client, will you provide a complete copy of your form ADV and a statement of your financial condition?

22. How does your firm back up computer files and systems? Do you have a disaster recovery plan in place? Please explain your plan. In the event of a disaster, how long would it take to become fully functional?

23. What security measures does your firm have in place to ensure the protection of firm and client assets?

24. Is your firm represented by any third party organization or individual whose purpose is marketing and/or gathering assets for your firm? If so, list all relationships and their nature.

25. Will any third party organization or individual be compensated if your firm were to be hired for this mandate?

26. Please describe your firm's ESG efforts and provide your mission statement as it applies to ESG. If your firm is a UNPRI signatory, please provide a copy of the latest Transparency Report.

III. INVESTMENT TEAM

1. If it is different than the organizational chart requested earlier, please provide an organizational chart with all the investment professionals involved in the proposed strategies and the biographies of these individuals. We would like as much detail as possible. This information can be included separately. In addition, please complete the table below.

Name	Tenure at Company	Tenure with Strategy	Industry Experience	Education/Credentials	Areas of Specialization	Other Products Supported (# and AUM)

2. Where is the individual/team that runs this strategy located?
3. How was the investment team built and how long has it been together?
4. In addition to the proposed strategy, what other product responsibilities do the portfolio managers/research analysts have?
5. Please list additions and departures to the management and research team(s) responsible for your proposed strategies in the last five years, including their responsibilities. Provide a brief explanation for each departure and list any replacements for these vacancies.

Additions: Name	Title	Coverage Responsibilities	Product Responsibilities	Date of Hire

Departures: Name	Title	Coverage Responsibilities	Product Responsibilities	Reason for Departure

6. Explain your approach to bringing new analysts/portfolio managers onto the team. Do you prefer to bring in seasoned/experienced individuals or do you hire younger investment professionals and train them? Why do you take this approach?

7. How do your firm's diversity initiatives and policies inform your approach to talent management? Please comment on recruitment, retention, promotion, and compensation specifically, as well as any other areas as appropriate.

8. How do you evaluate your analysts and portfolio managers? Describe the compensation structure for portfolio managers and research analysts. What kind of behavior are you trying to encourage? How do you align compensation with performance of strategies?

9. Please provide two client references for your proposed strategy. Include name and phone number of contact person, the type and size of the account, and the inception date of the account.

10. For your three largest current client relationships in the strategy, please provide the size of the mandate and the inception date for each account/relationship.

11. Please provide the names and biographies of the portfolio manager(s) and client service personnel who will be assigned to this account. How often would these individuals be available for client meetings or ad hoc communications?

IV. INVESTMENT PHILOSOPHY & PROCESS AND PORTFOLIO CONSTRUCTION

1. What factors do you consider persistent and utilize to build your investment approach? What evidence or research would you cite to support this?

2. Do you suggest an active or passive implementation of factors? Why?

3. How are your factors defined? How often do you update your models to account for changes within factor definitions? What has been the historical correlation between your defined factors and the MSCI's factor definitions?

4. Explain in detail the method used to select and weight stocks in the portfolio, explaining the rationale for the approach. You may attach a separate methodology document if relevant (e.g., in the case of replicating a third-party index provider's approach).

5. How do you think about factor exposure within portfolio construction?

6. How do you track factor exposure over time and allocate amongst factors?

7. How do you think about risk in the context of a factor mandate? How do you track and manage risk in the proposed strategy?

8. What are your expectations for tracking error versus the reference benchmark index? What level of volatility reduction, if any, do you target?

9. Please describe your firm's research process as it pertains to the following aspects of the investment process. Who are the key stakeholders in each?

- a. Factors and relevant stock selection inputs.

- b. Portfolio construction.

- c. Risk management.

10. What portions of the investment process (if any) are performed by outside firms (i.e., services that are "outsourced"). Please explain your rationale for outsourcing any investment tasks and to what outside firm they are delegated to.

V. PRODUCT INFORMATION – VEHICLES, TRADING, OPERATIONS, AND COMPLIANCE

1. What is the name and the inception date of this product? When did the current portfolio managers or investment committees start managing this product? If there has been a portfolio manager change, please show the periods when each portfolio manager managed the product. You may include similar information on relevant similar strategies.

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2. Please complete the following table for the proposed product. Please include, but note as such, any information on relevant similar products.

	As of: 9/30/22	As of: 9/30/21	As of: 9/30/20	As of: 9/30/19	As of: 9/30/18	As of: 9/30/17
Assets Managed in each strategy						
No. of Clients in each strategy						

3. Please provide the number of clients in each strategy that have been gained and lost, and the respective amounts, during the past five years. For clients lost, please state the reason.

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4. Please list all vehicles offered for this strategy (commingled and pooled), including name, inception, vehicle type, vehicle assets and number of clients invested. If you offer a mutual fund (or sub-advised one), please include the name and symbol.

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5. Does the firm have a Chief Compliance Officer (CCO)? Who is that individual? What is their background and why are they qualified to be CCO? Do they have legal training? Please attach their biography and a copy of your compliance manual. (The manual should be attached in a separate file.)

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6. What are the CCO’s responsibilities? Is compliance their sole function or do they have other responsibilities? Approximately what portion of their time is spent on compliance issues?

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7. Please state your firm’s ethics policy. Does the firm have a Code of Ethics? If so, please include this document as an attachment.

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8. Has your firm ever experienced a significant violation of your compliance or ethics policy? If a violation has occurred, please explain what happened, how the violation of the firm’s policies was handled, and how the issue was resolved.

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9. How does the firm monitor employee investment and trading? How often are employees trained in compliance policies?

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10. What systems are in place for ensuring that portfolios are in compliance with client guidelines? Does the firm use any outside firms to help with compliance issues?

11. For vehicles with commingled assets, does the vehicle utilize securities lending? If so, please describe the parameters of the securities lending program.

12. What is the firm's policy regarding the use of soft dollars? Are all soft dollars used strictly for the benefit of clients? Please provide the absolute level of soft dollars generated and the percentage of commissions this represented over each of the last three years.

13. Please explain how brokers are approved and briefly explain why you have selected these brokers. List the top five brokerage firms with whom you have conducted trades in the last year. Provide the percentage of your total trading volume that each firm accounted for, along with the average commission for each.

14. Has the firm recently ended any brokerage relationships? If so, why?

15. Does the firm have any broker/dealer affiliations? If yes, please describe the relationship between the firm and its broker/dealer and whether the firm would utilize its services for this mandate.

16. ISBI encourages its investment managers to utilize the services of brokerage firms owned by minorities, women, and persons with a disability (MWDBE). Please list MWDBE brokers used in the past 3 years and what percentage of trades they made up for the proposed strategy.

17. ISBI encourages its investment managers to utilize the services of Illinois-based brokerage firms. Please list Illinois-based brokers used in the past 3 years and what percentage of trades they made up for the proposed strategy.

18. Please describe the size and structure of your trading team. Please provide an organizational chart with all the traders involved in the proposed strategies. This information can be included separately. In addition, please complete the table below.

Name	Tenure at Company	Tenure with Trading Team	Industry Experience	Education/Credentials	Areas of Specialization	Other Products Supported (# and AUM)

19. What systems and tools do you use for order entry (trading), portfolio accounting, and portfolio analysis?
20. Please describe how trade orders are created, submitted, and executed. How much of the trading process is automated vs. manual?
21. How are trades allocated between client accounts? Does the firm have a written allocation policy?
22. How are client investment restrictions incorporated into the order and trading process? How are trade confirmations tracked? How does the firm handle trading errors?
23. Does the firm track broker best execution? If so, how is this tracking performed? Can you provide a recent Trading Cost Analysis (TCA) report for the portfolio?
24. How does the firm monitor best execution on foreign currency transactions, if any?
25. Describe the firm's settlement process and what software is used.
26. Describe the firm's valuation process and procedures for securities. Does the firm use an independent pricing service? If so, what is the name of the service? How long does it take from month end for clients to receive estimate, final, and administrator values in accounts?
27. Describe the reconciliation process for equity, cash, dividend receivables, and other transactions.
28. Describe how the firm receives corporate action information. How do corporate actions elections take place?
29. Which individuals at the firm are authorized to place trades with broker/dealers, issue trade settlement, corporate action, and proxy statement instructions to custodian banks, and perform portfolio accounting functions?
30. Please attach a sample of a quarterly client report, including performance attribution.
- a) Please include reporting on factor exposures.
- b) Please describe how your firm provides clients with full look through on portfolio holdings. Is it provided on a quarterly or monthly basis? How soon after period-end is it available?

VI. PORTFOLIO PERFORMANCE AND CHARACTERISTICS

- Please provide monthly performance history since inception for the proposed strategies and their respective benchmarks. Include a discussion of the performance calculation methodology and whether it is GIPS compliant.

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If possible, please provide information both gross and net of fees. This information should be in an Excel spreadsheet, formatted as follows:

	A	B	C
1		Proposed Strategy (Gross)	Proposed Strategy (Net)
2	Jan-10	0.00442	0.00442
3	Feb-10	0.02216	0.02216
4	Mar-10	0.05762	0.05762
5	Apr-10	-0.01122	-0.01122
6	May-10	0.00762	0.00762

Cell (A1) must be empty.

- The first row, starting with the second column (B1) must contain the firm and product name, up to 40 characters (spaces count as characters).
- Dates in column A must be in either mmm-yy (Jan-10) or mmm-yyyy (Jan-2010) format.
- Numbers can be in percent or decimal format.
- Data must start from earliest and end with latest.
- Empty cells for which there is no return should have a N/A entered, otherwise a zero will be read.

Note: Please detail the dollar amount of assets in the performance composite annually, as well as the number of accounts. Include all other composite footnotes.

- Has the product performance been audited and verified by a third party? If so, by whom and for what period?

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- In a separate Excel file, please provide a sample client portfolio as of 9/30/22 detailing individual holdings (including security name, CUSIP, # of shares, price, and % of the portfolio). Also, please include historical quarterly portfolio holdings for the last five calendar years and the current year.

- Please complete the following table for the portfolio:

<i>Portfolio Construction Parameters</i>	
No. of holdings	
Portfolio turnover	
Sector / industry constraints	
Individual stock constraints	
Country constraints	
Factors (for targeted factors as well as others as appropriate: beta, etc.)	
Tracking error targets	

5. Please complete the following table for the portfolio:

	As of 9/30/22	As of 6/30/22	As of 3/31/22	As of 12/31/21
Price-Earnings Ratio				
Price-Book Value Ratio				
Historical Earnings Growth Rate				
Projected Earnings Growth				
Weighted Average Market Cap				
Median Market Cap				
Number of Holdings				
Industry/Sector Weightings: <i>(show % and in parentheses show % for benchmark)</i> 1) Three largest weightings 2) Three largest overweights 3) Three largest underweights				
Factor Weightings: <i>(show % and in parentheses show % for benchmark)</i>				
Geographic Weightings: <i>(show % and in parentheses show % for benchmark)</i> 1) Three largest weightings 2) Three largest overweights 3) Three largest underweights				
Percent Portfolio in Top 5 / Top 10 Holdings				
Trailing 5-Year Tracking Error				

VIII. FEES & RELATED MANAGEMENT COSTS

1. Please provide the fee schedules for the proposed strategies, for a separate account, a commingled account, and mutual fund (if available). For any funds (commingled and mutual) or similar vehicles which collectively pool assets, please detail the nature and amount of any additional expenses (e.g. custody, audit, licensing, etc.) that accrue against the net assets of the vehicle, disclose the Total Expense Ratio (TER) of the vehicle (including any reimbursement associated with the TER), and include a copy of the latest audited financial statement.

2. Do all clients pay the same fee? Please explain any discrepancies.

3. What is your account minimum for a separately managed portfolio? Commingled vehicle? Mutual fund?

4. Is there a minimum fee?

5. Do you offer a performance-based fee? If so, please provide a performance-based fee schedule. Over what period is performance evaluated and against what benchmark? What is the base fee? Is there a maximum fee (a cap)?

6. Do you offer a Most Favored Nations (MFN) clause? If so, would you be willing to provide ISBI an MFN?

7. Does this product have any liquidity constraints? Discuss in detail your policy on subscriptions and redemptions for all applicable vehicles. What special provisions (i.e., lock-ups, reserves, in-kind payments, exit fees, delayed payments, queues, etc.), if any, exist?

Exhibit A

The Illinois State Board of Investment (ISBI) acts as fiduciary for the General Assembly Retirement System, Judges' Retirement System of Illinois, and State Employees' Retirement System of Illinois. As fiduciary, the Board of Trustees of ISBI is responsible for managing, investing, reinvesting, preserving, and protecting fund assets.

It is the policy objective of ISBI to prevent actual, potential, or perceived conflicts of interest with its current and prospective vendors on behalf of its participants.

In furtherance of this policy, ISBI shall require the following disclosures:

1. Political Contribution Disclosure

All (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors' solicitors, finders, officers, directors, partners, principals, lobbyists, and any individual whose compensation is directly derived by the awarding of ISBI's contracts must provide written disclosures of all political contributions made during the preceding five years to a Board Member or a Board Member's Campaign Committee and any other political contribution expressly prohibited by SEC Rule 206(4)-5 (17 CFR 275.206(4)-5), and provide disclosures in writing of any future political contributions made to Board Members or a Board Member's Campaign Committee. In addition, all vendors submitting bidding proposals to ISBI and any vendors retained by ISBI shall affirm in writing their compliance with SEC Rule 206(4)-5.

All (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors' solicitors, finders, officers, directors, partners, principals, lobbyists, and any individual whose compensation is directly derived by the awarding of ISBI's contracts must provide written disclosures of any future instances where a Board Member or a Board Member's Campaign Committee solicits any political contributions from such persons, regardless of the candidate or political campaign committee for whom the solicitation is requested.

Additionally, (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors' solicitors, finders, officers, directors, partners, principals, lobbyists, and any other individual whose compensation is directly derived by the awarding of ISBI's contracts must provide written disclosures of all political contributions made during the preceding five years to any political committee established to promote the candidacy of the officeholder of the Governor or any other declared candidate for that office.

The failure to provide written disclosures of political contributions or solicitations may result in the disqualification or termination of the vendor.

PROVIDE RESPONDENT'S POLITICAL CONTRIBUTION DISCLOSURES IN AN ATTACHMENT.

IF RESPONDENT HAS NO POLITICAL CONTRIBUTIONS TO REPORT, INDICATE THAT RESPONDENT HAS NO DISCLOSURES TO REPORT IN AN ATTACHMENT.

2. Public Act 95-0971 Disclosures

Public Act 95-0971 (the Act) amends the Illinois Procurement and Election Codes (i) to require certain "business entities" to register with the State Board of Elections; (ii) to require state bidding documents and contracts to contain language referencing a business entity's duty to register with the State Board of Elections

and duty to provide a registration-related certification; and (iii) to restrict business entities from making political contributions to any political committee established to promote the candidacy of the officeholder responsible for awarding the contract on which the business entity has submitted a bid or proposal, which is the Governor in the case of the Board. ISBI constitutes a “State Agency” under the Act. On January 30, 2008, the Board resolved to apply the Act’s requirements to ISBI’s contracts.

All (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI must comply with all requirements of the Act that are applicable to the particular vendor. Please note that any contract formed between ISBI and vendor is voidable for vendor’s failure to comply with the requirements of the Act.

Please read the Act carefully, as it may affect your ability to do business with ISBI. The Act may require registration and disclosures by you with the State Board of Elections and requires specific language to be present in ISBI bidding materials and contracts. Further, the Act may restrict you from making political contributions to certain state officeholders.

DISCLOSE WHETHER RESPONDENT CONSTITUTES A “BUSINESS ENTITY” UNDER THE ACT.

IF RESPONDENT IS A BUSINESS ENTITY, RESPONDENT MUST PROVIDE A REGISTRATION CERTIFICATION AS AN ATTACHMENT.

3. Vendor Disclosure of Financial Interests and Potential Conflicts of Interest

All bidding materials from potential ISBI vendors must be accompanied by a disclosure of any ownership of the vendor in excess of 7.5%, as well as a disclosure of any distributive income share in excess of \$100,000.00 of the bidding entity and its parent entity. If the vendor is a publicly traded entity subject to Federal 10K reporting, it may submit its 10K disclosure to satisfy the 7.5% ownership disclosure. Distributive income share, in this instance, is a fee, commission, bonus, or any other form of remuneration conferred by the bidding entity or its parent entity contingent on the bidding entity’s selection for procurement of services by ISBI.

Disclosures must include at least the names, addresses, and dollar or proportionate share of ownership of each person identified and their instrument of ownership.

PLEASE PROVIDE OWNERSHIP DISCLOSURES IN AN ATTACHMENT.

IF RESPONDENT HAS NO OWNERSHIP DISCLOSURES TO REPORT, INDICATE THAT RESPONDENT HAS NO OWNERSHIP DISCLOSURES TO REPORT IN AN ATTACHMENT.

Further, the bidding entity must disclose whether any of the following relationships, conditions, or statuses are applicable to representatives of the bidding entity or its parent entity:

- a. State employment, currently or in the previous three years, including contractual employment services;
- b. State employment by spouse, father, mother, son, daughter, or immediate family, including contractual employment, for services in the previous two years;
- c. Elective Status: the holding of elective office of the State of Illinois, the government of the United States, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, currently or in the previous three years;

- d. Relationship to anyone (spouse, father, mother, son, daughter, or immediate family) holding elective office currently or in the previous two years;
- e. Employment, currently or in the previous three years, as or by any registered lobbyist of the State government;
- f. Relationship to anyone (spouse, father, mother, son, daughter, or immediate family) who is or was a registered lobbyist of the State government in the previous two years;
- g. Compensated employment, currently or in the previous three years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections;
- h. Relationship to anyone (spouse, father, mother, son, daughter, or immediate family) who is or was a compensated employee in the previous two years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections.

PROVIDE DISCLOSURES APPLICABLE UNDER 3.a. – 3.h. IN AN ATTACHMENT.

IF RESPONDENT HAS NO DISCLOSURES TO REPORT FOR 3.a. – 3.h., INDICATE RESPONDENT HAS NO DISCLOSURES TO REPORT FOR 3.a. – 3.h. IN AN ATTACHMENT.

4. Public Act 98-1022 Disclosures

Public Act 98-1022 (the Act) amends the Illinois Pension Code to require certain disclosures regarding minorities, women, and persons with disabilities. For purposes of this RFP, the terms “minority-owned business,” “woman-owned business,” and “business owned by a person with a disability” are as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575). In accordance with the Act, all (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI must provide the following numerical data:

- a. The number of the vendor’s investment and senior staff and the percentage of its investment and senior staff who are a (i) minority person, (ii) a woman, or (iii) persons with disabilities;

DIVERSITY PROFILE								
Name of Investment Advisory Firm:								
Data as of:								
Job Category	Non-Disabled				Disabled		Total Minority, Female and Disabled Persons	Total Staff Minority & Non-Minority
	Non-Minority		Minority		Male	Female		
	Male	Female	Male	Female				
Senior Staff (as defined by your Firm)								
Investment Professionals (Excluding Senior Staff)								
Total Senior Staff & Investment Professionals								
Percent of Total Senior & Investment Professionals								

Note: Do not count employees twice. Employees must be placed in one category ONLY.

Example: A black female with a disclosed disability can go into either the “minority female” category OR the “disabled female” category, not both.

Additional Note: “Not Applicable” is not an acceptable response. A number must be written in each box.

b. The number of contracts, oral or written, for investment services, consulting services, and professional and artistic services that the vendor has with a (i) minority owned business, (ii) woman owned business, or (iii) business owned by a person with a disability; and

c. The number of contracts, oral or written, that the vendor has in place for investment services, consulting services, and professional and artistic services where more than 50% of services performed pursuant to contract are performed by a (i) minority person, (ii) a woman, or (iii) person with a disability but where the business does not constitute a business owned by a minority, woman, or person with a disability.

Number of contracts, oral or written, for investment services, consulting services, and professional and artistic services that the Respondent has with:		
	Number of Contracts	Funds Expenses to Date
Minority/Female/Disabled Firms		
Non-,inority owned firms where greater than 50% of the services performed pursuant to the contact are completed by minority/female/disabled persons within that firm.		
Total		\$

Note: “Not Applicable” is not an acceptable response. A number must be written in each box. If your firm does not track this information, please perform a reasonable review of your service provider relationships and answer to the best of your knowledge.

Finally, in a separate attachment, please provide any additional information related to your firm’s diversity initiatives that might be useful during the search and/or selection process.

These disclosures are not intended to prohibit or prevent any contract. The disclosures are (i) considered by the Board, within the bounds of financial and fiduciary prudence, prior to awarding a contract and (ii) used to fully and publicly disclose any potential conflict to ISBI so that ISBI may adequately discharge its duty to protect its participants.

When a potential for a conflict of interest is identified, discovered, or reasonably suspected, the Executive Director shall review and comment on it in writing to the Board’s Audit and Compliance Committee. This Committee shall recommend in writing to the Board whether to void or allow the contract, bid, proposal or response, weighing the best interests of the State of Illinois. The comment and determination shall be part of the associated file.

These thresholds and disclosures do not relieve ISBI, or its designees, from reasonable care and diligence for any contract, bid, proposal or response. ISBI, or its designees, shall use any reasonably known and publicly available information to discover any undisclosed potential conflict of interest and act to protect the best interest of the State of Illinois.

Failure to make any disclosure required by this provision may render the contract, bid, proposal, response or relationship voidable by the Board and may result in the termination of any existing relationship, and/or suspension from future contracts, bids, proposals, responses or relationships for a period up to ten years. Reinstatement must be reviewed and commented on in writing by the Executive Director. The Board shall determine in writing whether and when to reinstate the party at issue. The comment and determination must be part of the associated file.

Additionally, all disclosures must note any other current or pending contracts, leases, bids, proposals, responses or other ongoing procurement relationships that the bidding, proposing or responding entity has with any other unit of State government and must clearly identify unit and the contract, lease, bid, proposal, response or other relationship.

This policy shall be disclosed to all vendors as early as possible in the search process, ideally at the initial point of contact with ISBI. However, a failure on the part of ISBI to make such disclosure shall in no way detract from the application of this policy.

Exhibit B

Representations and Certifications:

1. _____ shall comply with all applicable laws of the State of Illinois and the United States of America, and any governmental or regulatory authority outside of the United States.
2. _____ certifies that no finder's fee or commission has been or shall be paid to any individual or organization resulting from the establishment of this investment relationship.
3. No party may assign this Agreement, in whole or in part, nor delegate, except as contemplated herein, all or part of the performance of duties required of it by this Agreement without the prior written consent of the other party, and any attempted assignment or delegation without such consent shall be void.
4. If any provision of this Agreement shall be held invalid, illegal, or unenforceable, the validity, legality, or enforceability of the other provisions of this Agreement shall not be affected, and there shall be deemed substituted for the provision at issue a valid, legal, and enforceable provision as similar as possible to the provision at issue.
5. _____ and ISBI each represents to the other that it is duly authorized and fully empowered to execute, deliver, and perform this Agreement.
6. _____ shall maintain, for a minimum of 5 years after the completion of this Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with this Agreement. _____ further agrees to cooperate fully with any audit and to make this Agreement, and all books, records, and supporting documents related to this Agreement, available to the Auditor General, chief procurement officer, internal auditor, and the purchasing agency. Failure to maintain the books, records, and supporting documents required by this Agreement shall establish a presumption in favor of the State of Illinois for the recovery of any funds paid by the State of Illinois under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.
7. _____ certifies that _____ is its correct tax identification number and that the manager is doing business as a _____.
8. _____ certifies that neither it, nor any of its affiliates, is participating or shall participate in an international boycott in violation of the provisions of the United States Export Administration Act of 1979.
9. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-5. Section 50-5 prohibits a contractor from entering into a contract with a State Agency if the contractor has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, or if the contractor has made an admission of guilt of such conduct which is a matter of record. Further, _____ acknowledges that ISBI may declare this Agreement void if this certification is false.
10. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-10. Section 50-10 prohibits a contractor from entering into a contract with a State Agency if the contractor has been convicted of a felony and 5 years have not passed from the completion of the sentence for that felony. Further, _____ acknowledges that the Board may declare this Agreement void if this certification is false.
11. _____ certifies that it, and any of its affiliates (as defined in the Illinois Procurement Code), is not barred from being awarded a contract under 30 ILCS 500/50-11. Section 50-11 prohibits a contractor from entering into a contract with a State Agency if the contractor knows or should know that it, or any of its affiliates, is delinquent in the payment of any debt to the State of Illinois, as defined by the Debt Collection Board. Further, _____ acknowledges that the Board may declare this Agreement void if this certification is false.

12. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-12. Section 50-12 prohibits a contractor from entering into a contract with a State Agency if the contractor, or any affiliate, has failed to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act. Further, _____ acknowledges that the Board may declare this Agreement void if this certification is false.
13. _____ certifies that is not barred from being awarded a contract under 30 ILCS 500/50-14. Section 50-14 prohibits a contractor from entering into a contract with a State Agency if the contractor has been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last 5 years. Further, _____ acknowledges that ISBI may declare this Agreement void if this certification is false.
14. _____ certifies that during the five years prior to the date of this Agreement, no officer, director, partner, or other managerial agent of the _____ has been convicted of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953. Further, _____ acknowledges that ISBI shall declare this Agreement void if this certification is false.
15. Respondent represents and warrants to ISBI that it is registered as an investment adviser under the Investment Advisors Act of 1940.
16. Respondent acknowledges that it is a “fiduciary” with respect to ISBI within the meaning of Article 1 of the Illinois Compiled Statutes, Chapter 40, Act 5; warrants that none of the disqualifications described in Section 411 of ERISA apply to the Respondent; and specifically agrees to perform its duties under this Agreement with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in an enterprise of like character and with like aims.
17. _____ shall secure, and maintain throughout the term of the investment management relationship with ISBI, insurance that satisfies the requirements set forth below that is provided by insurer(s) rated A- or better by A.M. Best & Company. _____ shall provide ISBI:
 - a. A copy of the requisite insurance policies upon initiation of the contract;
 - b. an annual certification that the insurance requirements continue to be satisfied; and
 - c. evidence of continued satisfaction of the insurance requirements upon request.The minimum insurance requirement shall include: (1) a bond protecting the Account assets that meets the requirements of, and that is in the amount specified under, ERISA and the regulations thereunder; and (2) errors and omissions coverage in an amount equal to the greater of: \$5 million or 5% of the assets under management, up to a maximum of \$10 million of coverage. The errors and omissions insurance shall protect the Account against losses from the negligent acts, errors or omissions of Respondent.
18. _____ shall notify ISBI in writing within five (5) business days of any material changes in senior officers, senior personnel involved in the management of the Account, ownership, significant legal actions instituted against Respondent, or any investigations, examinations, or other proceedings commenced by any governmental regulatory agency which is not conducted in the ordinary course of Respondent’s business.
19. _____ certifies that Respondent and, to the best of its knowledge, Respondent’s subcontractors (if any), have complied with Illinois Executive Order 1-2007.
20. _____ certifies that Respondent is not an Illinois Finance Entity as defined by 40 ILCS 5/1-110.10.
21. If _____ retains any subcontractors to perform any portion of the work hereunder, then Respondent shall promptly provide notification, in writing, to ISBI. Respondent shall also disclose the names and addresses of all subcontractors and the expected amount of money each will receive under the contract. Respondent shall provide ISBI a copy of any subcontract with an annual value of more than \$25,000 so identified within 20 days after the execution of this Agreement or after

execution of the subcontract, whichever is later. In addition, Respondent acknowledges that if at any time during the term of the contract it adds or changes any subcontractors, it will provide notification, in writing, to ISBI. For purposes of this certification, “subcontractor” does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy-voting advisory services, services used to track compliance with legal standards, and investment fund of funds where ISBI has no direct contractual relationship with the investment advisers or partnerships.

22. _____ acknowledges that a description of this Agreement shall be posted on ISBI’s website, including the name of the organization, the total amount applicable to the Agreement, the total fees paid or to be paid under the Agreement and a disclosure, approved by ISBI, describing the factors that contributed to the selection of the organization.
23. _____ agrees to disclose the names and address of: (i) Respondent; (ii) any entity that is a parent of, or owns a controlling interest in, Respondent; (iii) any entity that is a subsidiary of, or in which a controlling interest is owned by, Respondent; (iv) any persons who have an ownership or distributive income share in Respondent that is in excess of 7.5%; or (v) any persons who serve as executive officers of Respondent.
24. _____ agrees to provide full disclosure of direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the organization in connection with the provisions of services to ISBI. Such disclosure shall be updated promptly.
25. _____ will furnish to ISBI, from time to time, such evidence as ISBI may reasonably request that it satisfies the foregoing requirements and shall promptly notify ISBI if it has reason to believe that any of the foregoing representations, warranties, or covenants may cease to be satisfied.
26. _____ acknowledges that ISBI is unable to provide its vendors with any indemnification rights in a resulting Agreement with ISBI and agrees that, if selected pursuant to this procurement process, such limitation will not impact the contract negotiations between ISBI and the Respondent.

NOTE: ADDITIONAL CERTIFICATIONS AND REPRESENTATIONS MAY BE NEGOTIATED IN ANY RESULTING AGREEMENT WITH ISBI.

Appendix 1
Other Information

Other Procedural Information

Notice. ISBI will provide notice of this RFP on the ISBI website at least 14 days before the response to the RFP is due. Notice may also be posted in one or more industry periodicals. Neither this RFP nor any response to this RFP should be construed as a legal offer.

Diversity. Public Act 96-0006 encourages ISBI to increase the racial, ethnic, and gender diversity of its fiduciaries, to the greatest extent feasible within the bounds of financial and fiduciary prudence. In furtherance of this Act, it is the goal of ISBI to use its best efforts to increase the racial, ethnic, and gender diversity of its fiduciaries, including its investment managers. ISBI encourages minority-owned investment managers, woman-owned investment managers, and investment managers owned by persons with a disability to submit proposals to this RFP.

As defined by the Illinois Pension Code, an “emerging investment manager” is “a qualified investment adviser that manages an investment portfolio of at least \$10M but less than \$10B and is a ‘a minority owned business,’ ‘woman owned business,’ or ‘business owned by a person with a disability’ as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.” A minority investment manager is “a minority owned business,” “woman owned business,” or “business owned by a person with a disability” as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act with assets under management greater than \$10B. Please refer to ISBI’s Diversity Policy (available on ISBI’s website) for more information.

Response Submissions. All interested Respondents must submit their responses in accordance with the proposal submission instructions herein. ISBI reserves the right to reject any or all proposals submitted. All material submitted in response to the RFP will become the property of ISBI. ISBI is not responsible for any costs incurred by the Respondents in responding to this RFP.

Staff in conjunction with the Investment Consultant shall open the responses and thoroughly review each for content, quality, and compliance with the RFP’s requirements. Staff will compile a list of all Respondents to the RFP, identifying which responses are complete and incomplete.

If it becomes necessary to revise any part of the RFP, or if additional information is necessary for a clarification of provisions within this RFP, prior to the due date for proposals, a supplement will be provided to all known Respondents and posted on ISBI’s website. If a supplement is necessary, ISBI may extend the due date and time of the proposals to accommodate any additional information requirements.

Revisions. If it becomes necessary to revise or re-issue any part of the RFP, or if additional information is necessary for a clarification of provisions within this RFP, prior to the due date for proposals, a supplement will be provided to all known Respondents and posted on the ISBI’s website. If a supplement or re-issue is necessary, ISBI may extend the due date and time of the proposals to accommodate any additional information requirements.

Freedom of Information Act. Respondents are advised that proposal materials are subject to the Illinois Freedom of Information Act (5 ILCS 140). After completion of the RFP, selection by the Board, and successful negotiation of a contract, if any, proposals submitted may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the Illinois Freedom of Information Act for information within the Respondents’ proposals must identify relevant language as confidential and identify in the email transmission of the proposal whether confidential

information is included. Further, each piece of confidential information must be labeled as such. The Respondent must also specify which statutory exemption applies for each piece of confidential information. Responses to this RFP with every page marked as proprietary, privileged, or confidential will not satisfy this requirement, and such markings will result in the entire proposal being deemed to be disclosable public information, without further discussion. Proposers are required to make a good faith attempt to properly identify only those portions of the response that are truly furnished under a claim that they are proprietary, privileged, or confidential and that disclosure of the trade secrets or commercial or financial information would cause competitive harm to the person or business responding to this RFP. The Freedom of Information Act can be found at the Illinois General Assembly's website (<http://www.ilga.gov/>).

ISBI reserves the sole right to make determinations of confidentiality. If ISBI disagrees with a Respondent's confidential designation, it may either reject the proposal, remove the redaction, or discuss its interpretation of the exemptions with the Respondent. However, any claim of privilege from disclosure is not definitive. ISBI has the right and legal obligation to determine whether such information is exempt from disclosure under the Illinois Freedom of Information Act. No information will be considered or determined by ISBI to be proprietary, privileged, or confidential unless it is identified and separated as indicated herein.

Respondents waive any cause of action against ISBI if ISBI discloses any information provided by a Respondent pursuant to this RFP that was required to be disclosed pursuant to law.

Applicable Law. ISBI shall conduct the RFP process in accordance with applicable provisions of the Illinois Pension Code, the State Officials and Employees Ethics Act, and any other relevant authority under the Illinois Compiled Statutes. *Ex parte* communications between ISBI and its Staff and interested parties, including Respondents, or non-interested parties shall be recorded or disclosed, in accordance with the State Officials and Employees Ethics Act.

Respondents are subject to 40 ILCS 5/1-110.16, as amended from time to time, relating to investments in companies that are designated by the Illinois Investment Policy Board ("IIPB") as restricted companies. Managers must comply with the IIPB's Prohibited Investment List and reporting requirements under applicable Illinois law. For more information, please visit: <http://iipb.illinois.gov>.

Other Requirements and Information. Respondents will be required to conform to all applicable ISBI manager guidelines and sign the Investment Management Agreement ("IMA"). A sample IMA will be provided to finalist candidates upon request. The successful firm must be willing and able to execute an agreement in the form of the sample IMA. Certain provisions mandated by the State of Illinois to be included in contracts with agencies of the State of Illinois are never subject to negotiation. Certain non-traditional fund structures may be considered, in which case an alternative agreement may be utilized. However, the alternative agreement will remain subject to Illinois law.

No Respondent shall retain a person or entity to influence (i) the outcome of an investment decision or (ii) the procurement of investment advice or services of ISBI for compensation, contingent in whole or in part upon the decision or procurement.

ISBI shall post the name of the successful Respondent, if any, on ISBI's website, along with a disclosure including the total amount applicable to the contract, the total fees paid or to be paid and a description of the factors that contributed to the selection of the Respondent.

This RFP does not obligate ISBI to complete the RFP process. ISBI reserves the right to amend any segment of the RFP prior to the announcement of the selected firm(s). In case of such amendment, all Respondents

will be afforded the opportunity to revise their proposals to accommodate the RFP amendment. ISBI also may, at its discretion, issue a separate contract for any service or group of services included in this RFP.

The evaluation process, conducted by the Investment Consultant and Staff, will be structured to secure highly skilled, diligent, responsive, and experienced professional investment advisory firms who will be effective in providing the high quality of services that ISBI desires. The primary objective of the evaluation process is to select one or more investment managers or advisory firms that:

- clearly demonstrates a thorough understanding of the scope of the engagement and the specific responsibilities entailed;
- possesses adequate resources to handle assigned responsibilities and to handle extenuating circumstances that may arise;
- assigns highly skilled, experienced, diligent, responsive, and professional personnel to perform the required duties;
- maintains high ethical standards and reputation;
- are competitive in terms of fees; and
- have no conflict of interest existing between ISBI and other clients.