

Request for Proposals
for
Global Trust/Custody Services;
Foreign Exchange Services; and Risk Management Services
(Performance Measurement, Compliance Monitoring and Advanced Analytics)

December 4, 2020
State of Connecticut
Office of the Treasurer

Deadline: January 4, 2021

STATE OF CONNECTICUT
OFFICE OF THE TREASURER
Honorable Shawn T. Wooden, State Treasurer

REQUEST FOR PROPOSALS
Global Trust/Custody Services

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SECTION I – INTRODUCTION AND PURPOSE OF THE RFP

A. Background

The Office of the Treasurer of the State of Connecticut (OTT) hereby requests proposals from qualified firms (each, a “Respondent”) interested in providing Trust/Custody Services as set forth herein (“Trust/Custody Services”).

The Treasurer, elected quadrennially, serves as the principal fiduciary of investment assets approximating \$39 billion in total market value at November 30, 2020 for Connecticut Retirement Plans and Trust Funds (the “CRPTF”). CRPTF is comprised of 16 retirement plans and trust funds. An independent Investment Advisory Council (“IAC”), appointed pursuant to Connecticut General Statutes §3-13b, is charged with advising the Treasurer on standards governing the investment of the CRPTF’s assets and with reviewing such investments, and the Chief Investment Officer of the Office of the Treasurer advises the Treasurer on investments and oversees the day-to-day operations.

The Combined Investment Funds (“CIF”) were established pursuant to Connecticut General Statutes Section 3-31b to provide a means for investing pension and other trust fund assets entrusted to the Treasurer in a variety of investment asset classes. The CIFs are separate, open-end portfolios consisting of: the Liquidity Fund, the Domestic Equity Fund, the Core Fixed Income Fund, the Emerging Market Debt Fund, the High Yield Debt Fund, the Private Credit Fund, the Developed Markets International Stock Fund, the Emerging Markets International Stock Fund, the Real Assets Fund, the Private Investment Fund, and the Alternative Investment Fund. The CIFs are used by the Treasurer to construct investment portfolios for CRPTF. The units of the CIFs are owned by six pension funds, which include: the Teachers’ Retirement Fund; State Employees’ Retirement Fund; Connecticut Municipal Employees’ Retirement Fund; State Judges Retirement Fund; Probate Judges and Employees’ Retirement Fund; and State’s Attorney Retirement Fund. In addition, there are nine trust funds that invest through CIFs: the Soldiers’ Sailors’ and Marines’ Fund; Policemen and Firemen Survivors’ Benefit Fund; Arts Endowment Fund; School Fund; Ida Eaton Cotton Fund; Hopemead State Park Fund; Andrew C. Clark Fund; Other Post Employment Benefits Trust Fund and the Agricultural College Fund.

The Short-term Investment Fund (“STIF”) was created by legislation enacted in 1972, and is a state and local government investment pool managed by the Treasurer of the State of Connecticut. Investors in STIF include the State, state agencies and authorities, municipalities, and other political subdivisions of the State. The primary objective of STIF is to provide the greatest possible return while, first, protecting principal and, second, providing liquidity for investors. STIF’s Investment Policy ensures strong asset diversification by security type and issuer, comprising high-quality, very liquid securities with a relatively short average maturity. In addition, STIF maintains a Designated Surplus Reserve to protect against security defaults or the erosion of security values due to any significant unforeseen market changes. In addition, OTT maintains other short-term investment funds and portfolios that require similar services. There is the Medium-Term Investment Fund (MTIF), intended for the investment of funds that are not needed for immediate liquidity. There is also an Extended Investment Portfolio (EIP). For the sake of brevity, this RFP will use the term STIF to cover all short-term investment funds and portfolios. Attached to this RFP are the investment policies for each fund/portfolio.

Additional information regarding OTT, CRPTF, CIF and STIF, including the 2019 Annual Report and the current Investment Policy Statement, is available on the Office of the Treasurer’s web site at <https://portal.ct.gov/ott>.

B. Purpose

The primary purpose of this Request for Proposals (“RFP”) is to identify the most qualified firm, or firms, to provide trust/custody, and/or foreign exchange services and reporting to CRPTF; and custody, accounting and transfer agency (shareholder services) to STIF.

This RFP contains (i) instructions governing the proposals to be submitted and the materials to be included therein, (ii) a description of services to be provided to OTT, (iii) requirements that must be met to be eligible for consideration, (iv) general evaluation criteria, and (v) other requirements to be met by each Respondent.

In response to this RFP, the successful Respondent(s) will need to demonstrate expertise in global trust/custody, unitized accounting and reporting, secure online technology, performance measurement & analytics, compliance monitoring, proxy notification, litigation & class action support, cash management, risk management and transfer agency services in a manner consistent with the OTT's investment policies and guidelines and administrative guidelines. In addition, to be considered, each Respondent's proposal must meet the standards and requisites set forth in Section V, Proposal Requirements.

The selected Respondent(s) will be expected to execute a personal service agreement with OTT to become a Contractor with the State of Connecticut.

C. Minimum Qualifications

Each Respondent must satisfy each of the following minimum qualifications in order to be considered for the contract award:

1. The Respondent must accept and enter into a written investment advisor/personal services contract as supplied by OTT.
2. **As part of the submission, the Respondent's chief legal counsel ("Respondent's Counsel") must provide a written statement addressed to the Treasurer stating that the Respondent's Counsel has reviewed the agreements and related documents attached to this RFP and that the Respondent has the ability to and will execute the documents as presented ("Commitment Letter"). Provided however that, if Respondent's Counsel is unable or unwilling to execute the documents as presented, then Counsel should include with Respondent's response to the RFP those specific issues and/or concerns that give Respondent's Counsel cause to be unwilling or unable to submit a Commitment Letter.**
3. The Respondent must agree to provide the services as detailed in Section II, as well as agree to all other requirements as stated in this RFP.
4. The Respondent must exhibit a proven capability, qualifications and responsibility to provide the services set forth in Section II, Scope of Services.
5. The Respondent's key professionals and the organization must not have, nor could they potentially have, a material conflict of interest with the Office of the Treasurer.
6. Respondents must meet the following at or for periods ending November 30, 2020.
 - a) At least \$1 billion in total market capitalization as of November 30, 2020.
 - b) At least \$500 billion in total tax-exempt assets under trust/custody as of November 30, 2020.
 - c) Minimum of 10 years of continuing experience in providing global trust/custody services for institutional tax-exempt investors for the period ending November 30, 2020.
 - d) Availability of Internet Access over the ten years ending November 30, 2020 for all Accounting Data for all Asset Classes, (including GASB Support), Performance Measurement & Analytics (Returns, Portfolio and Security Characteristics and Analytics, Universe Comparison, Performance Attribution, etc.), and Investment Guidelines Compliance Monitoring.
 - e) Minimum of 10 years' experience in providing complete unitized investment accounting services to tax-exempt clients for the period ending November 30, 2020.
 - f) At least \$100 billion in investment manager assets for which your organization is providing custody, investment accounting, foreign exchange services and transparent reporting, risk and performance analytics, and back-office support services as of November 30, 2020.

- g) Minimum of 5 years' experience in providing transfer agency services for a total client asset base of at least \$25 billion for the period ending November 30, 2020.
- h) Specific to foreign exchange services, the additional requirements are:
 - Be registered with the SEC as an investment advisor and/or FINRA as a broker/dealer.
 - Have the ability to trade on an agency basis.
 - Be able to provide all post-trade settlement and trade processing services.
 - Have executed at least \$20 billion (notional, USD equivalent) of FX for similar institutional investors, for each of the last three (3) years ending November 30, 2020.

SECTION II – SCOPE OF SERVICES

To meet the needs and requirements of CIF, CRPTF and STIF, the Office of the Treasurer is seeking proposals from qualified providers for trust/custody services. The Treasurer will consider delivery of foreign exchange services and/or risk management (performance measurement, compliance monitoring and advanced analytics) that are normally included as components of trust/custody on a stand alone (“unbundled”) basis. The service functions required are (each bullet point is inclusive of CIF, CRPTF and STIF unless there is a specific reference to either):

- Experienced Client Servicing Team
- Global Custody - Safekeeping of U.S. and Non-U.S. Assets
- Accounting and Book of Record
- Unitized Accounting
- Asset Servicing, Settlement and Trade Processing
- Valuation (both Monthly and Daily as requested)
- Daily Valuation of Liquidity Fund and STIF
- Derivatives Processing – Independent Valuation
- Reporting and Support for GASB 25, 28, 40, 53 and 72, and others as adopted
- Unlimited Access to all applications both On-Line and Web Access
- Education and Training of designated OTT staff at least 40 hrs. per year
- Active Investment Manager Reconciliation (Monthly)
- Alternative Investment Tracking, Valuation & Reconciliation Support
- Class Action Processing and Support
- Proxy Notification and Support, including interface with third party proxy voting agency (currently ISS) and vote reconciliation
- Foreign Powers of Attorney and Registration as required by Foreign Markets and/or Exchanges indicating ownership
- Global Tax Agent Capabilities for Country specific needs
- Electronic Trading Platform for marketable as well as non-marketable securities for STIF
- Accounting vs. Custody reconciliation prior to settlement on daily investing for STIF
- Ability to turn on fluctuating NAV for STIF
- Security income smoothing on investments with a 30/360 basis for STIF
- Dedicated team for STIF Unit supporting Transfer Agency, Custody, and Accounting functions
- Client Approval for Foreign Cash Overdraft Charges
- Ability to meet 5th to 8th Business Day Monthly Close
- Trade Fail Management and Protection
- Compliance Monitoring
- Performance Measurement, Analytics and Attribution at Combined Investment Fund, Portfolio, Asset Class, and Security Levels
- Customized Enterprise Risk Tools
- Cash Management Sweeps
- General Ledger Feeds and Interfaces to internal systems, external systems and third party systems
- Foreign Exchange Trading Desk
- Foreign Currency Execution Disclosure Reporting (to support OTT monitoring and reporting) for both master and sub custodians
- Accounting, reporting and monitoring of derivatives activities
- Executive Board Reporting
- Electronic Approval Process for Cash Disbursements/Transfers
- Custodian Representative On-Site for Conversion Period
- Third party Feeds to Consultants and Other External Providers
- Transfer Agency for STIF and Shareholder Reporting

In addition to the above core requirements, OTT would like to evaluate value added services that would improve operations efficiency and investment oversight. The value-added services include, but are not limited to the following:

- Corporate Governance Tools
- Reconciliation of votes reflected on proxy ballots and shares owned as of record dates
- Lag and Non-Lag Performance Calculations for alternative investments
- Advanced Performance Analytics – Universe, Peer Group, Complete Attribution and Portfolio Characteristics at consolidated Fund, CIF, Plan, Investment Manager, Asset Class and Security Levels
- Risk Analytics – VaR, Stress/Scenario Testing, NAV Testing, Drill Down or See-Through capability for third party Commingled Funds;

ability to integrate the information into the performance analytics and attribution system(s) as well as risk management systems.

- Alternative Investment Support (beyond line-item tracking) for Private Equity, Real Estate, Commodities, and Absolute Return Strategies
- Capital Call Management and On-line Document Management and Library Support
- Ongoing risk analyses of approved counterparties
- Historical Data Recordkeeping
- Conversion Support for both Domestic and International portfolios, including all non-traditional assets
- Collateral Management for Derivatives and Sophisticated Transactions
- Process Flow Analysis of Operations

Of particular concern to OTT are cost-effective solutions that embrace technology and expert systems, and a disciplined approach in the delivery of trust/custody services. The successful Respondent must demonstrate the ability to deploy automated solutions, and its electronic interfaces (web based applications) must be valuable and secure. In addition, the following monthly reports are required from the Custodian in order to prepare Internal Financial Reports: monthly reconciliation between investment manager accounting and performance reports and that of the custodian, Multi-currency Full Accrual Trade Date Asset and Transaction Statements, Statement of Changes in Net Assets, Unitized Plan Accounting Report, daily/monthly financial reports for STIF, and a Fully Audited Annual Report.

Performance measurement and analytics capabilities are crucial to the assignment. Full adherence to GIPS should be applied when responding to this RFP. Respondent should demonstrate the ability to calculate returns on a gross and net of fee basis; support multiple benchmarks; generate relevant universes for comparative purposes; provide performance attribution, portfolio characteristics, and supplemental risk analysis; (including underlying data and statistics for commingled funds and ETFs using “look-through” reporting). ; The responded should also demonstrate the ability to support alternative investment programs. Additional required investment capabilities include: the ability to calculate IRRs; provide the ability to “look-through” limited partnership, limited liability and other similar investment structures; provide consolidated reports; and process venture capital stock distributions, including (but not limited to) familiarity with Rule 144, ability to complete all required forms, ability to sell shares and ensure proper settlement, and ability to facilitate processing of corporate actions. The successful provider must be able to support the enterprise risk management and full transparency needs of OTT.

OTT requires the custodian bank to offer competitive foreign exchange trading for the OTT money managers and provide thorough and transparent transaction reporting. In addition and at its discretion, OTT may use the custodian bank’s foreign exchanges services for the periodic repatriation of cash. Clear comprehensive reporting of daily foreign exchange rate ranges, time of day execution matched with current spreads, cross trades performed, any and all fees and taxes related to the trade will be minimum requirements.

OTT also requires the custodian bank to provide transfer agency and dividend disbursing agency services (shareholder services) for STIF with respect to deposits and withdrawals by STIF participants with full on-line capabilities.

The **Scope of Services** listed below represents the best practices for custodial services and functions required by OTT and the best practices for comparable funds that require custody services. Please indicate that your firm is able to provide the services listed below by checking the boxes for each applicable item. If for any reason a service is not available, please explain.

Respondents proposing a bundled custody, securities lending and transfer agency services should respond to Items A to Q. Respondents proposing securities lending services (unbundled from custody) should respond to Item R. Respondents proposing foreign exchange services (unbundled) should respond to item S. Respondents proposing risk management services should respond to item T.

A. Safekeeping of U.S. and non-U.S. Assets:

- ☐ The Custodian acts as the central depository and nominee holder of the assets of CIF and STIF domestically and internationally and as the transaction-clearing agent for those assets.
- ☐ The Custodian is responsible for the safekeeping of CIF and STIF securities (physically or electronically) in a location and manner satisfactory to OTT, with adequate controls and an adequate disaster preparedness plan.
- ☐ The Custodian is on-line with domestic depositories (*e.g.*, DTC/PTC, Fed Book Entry System) and basic international depositories (Euroclear, Cedel).
- ☐ The Custodian is on-line with additional significant international depositories.

- ☐ The Custodian performs regular reconciliations with investment managers or provides information electronically to investment managers for reconciliation to ensure records are consistent.
- ☐ The Custodian ensures securities in omnibus accounts are attributed correctly to client accounts.
- ☐ The Custodian has a dedicated staff for foreign tax withholding and repatriation.
- ☐ The Custodian ensures that accounts are grouped by tax treaty and claims for all clients are processed at the same time.
- ☐ The Custodian monitors outstanding foreign tax withholding claims, collects foreign tax reclaims in those countries where OTT has investments (including filing of foreign tax reclaim forms), follows-up on a pro-active basis of delinquent reclaims, and offers "relief or exact at source" withholdings in all permissible countries.
- ☐ The Custodian must be able to support the Global Tax Agent requirements of specific countries when required.
- ☐ The Custodian has the capability and will commit to the completion of all necessary regulatory forms, filings and certifications necessary for the repatriation of funds invested overseas.
- ☐ The Custodian is responsible for the timely notification of all corporate actions and activities including but not limited to tender offers, called bonds, class action suits, proxy statements and solicitations, proxy cards and annual reports. Also, upon request of OTT, the timely certification of beneficial ownership and supporting documentation for the purposes of annual shareholder meeting attendance.
- ☐ The Custodian has services and support systems necessary for the timely exercise of corporate actions and proxy voting by OTT, or its investment managers, as directed.
- ☐ The Custodian must be able to support 3rd party proxy voting advisory service providers (such as ISS and Glass-Lewis).
- ☐ The Custodian must establish an electronic communications link with OTT's proxy advisory service provider to communicate the number of holdings on the record date, and track the number of shares out on loan.
- ☐ The Custodian in collaboration with the proxy advisory service must match holdings to the proxy ballot to ensure that the proper numbers of shares are reflected for voting.
- ☐ The Custodian offers income accrual in markets where sufficient depository controls and market infrastructure promotes efficient collection. The Custodian clearly identifies the markets in which it offers contractual income accrual.
- ☐ The Custodian identifies and collects on a timely basis all receipts/income that become due and payable on CIF and STIF assets, and makes timely payment of receipts/income with the income recognized in all developed markets (*e.g.*, MSCI EAFE countries) and many emerging markets on a contractual basis.
- ☐ The Custodian has a staff dedicated to income collection.
- ☐ The Custodian clearly identifies the circumstances under which it will rescind contractual income collections.
- ☐ The Custodian's securities monitoring and control system is fully integrated with its core accounting system, subcustodians, and depositories.
- ☐ The Custodian retains in-house expertise to maintain and upgrade the tracking and accounting system.
- ☐ The Custodian's performance measurement system is fully integrated and compatible with the core custody and accounting systems.
- ☐ The Custodian has significant control over performance systems product development and maintenance.

B. Settlement Process

- ☐ The Custodian identifies those markets in which it performs contractual settlement.
- ☐ The Custodian provides contractual settlement in those markets with sufficient depository controls and where market infrastructure promotes efficient settlement.
- ☐ The Custodian maintains clear procedures for contractual settlement. The Custodian identifies the circumstances under which contractual settlement will be suspended.

- ☐ The Custodian has specific remedies for each level where a trade fails.
- ☐ The Custodian has well-defined methods for monitoring and managing failed trades.
- ☐ The Custodian recognizes securities settlement in all developed markets (*e.g.*, MSCI EAFE countries) and many emerging markets on a contractual basis.
- ☐ The Custodian acts as the primary contact for all of OTT's investment managers for the resolution of trade discrepancies and also is responsible for insuring that trades are affirmed by the appropriate manager.
- ☐ The Custodian is able to handle derivatives and other instruments
- ☐ The Custodian is able to manage collateral and margin accounts.
- ☐ The Custodian notifies OTT in a timely manner of failed trades. The Custodian does not insist that the investment manager is solely responsible for monitoring failed trades.
- ☐ The Custodian maintains and utilizes an independent control function for the review of failed trades over a certain threshold.
- ☐ The Custodian provides an automated exchange of daily investment data between the Custodian and OTT. Specifically, securities transaction clearing and settlement information is available to OTT on-line, including all necessary notification and coordination with OTT's investment and accounting staff, outside investment managers, and OTT's banks that provide services other than custodial services.
- ☐ The Custodian can provide a secure, on-line, on-demand cash management module for wires. The cash management module must have strong controls over the authorization process (e.g. dual authentication) and monitoring of cash activity.
- ☐ The Custodian is able to process daily late day trading efficiently prior to settlement deadlines for STIF.
- ☐ Custodian has ability to reconcile custody to accounting prior to settlement deadlines on daily investing for STIF.
- ☐ Custodian will notify STIF of settlement issues in a timely fashion to ensure settlement of all securities.

C. Accounting/Reporting

- ☐ The Custodian's custody securities movement and control system and accounting systems are completely integrated and compatible.
- ☐ The Custodian has sufficient personnel and resources dedicated to technology and system maintenance.
- ☐ If the Custodian's securities tracking and control system was purchased from an outside vendor, the Custodian retains in-house expertise to maintain and upgrade the system.
- ☐ The Custodian has plans for systems enhancements to increase the functionality and capacity of the Custodian's systems and to process new investment opportunities.
- ☐ The Custodian backs up data on a daily basis.
- ☐ Automated Repo, CD Processing, and Settlement Platform with functionality to handle non-marketable securities.
- ☐ The Custodian's disaster recovery plan includes off-site back up of data and systems on a different power grid, and the Custodian tests the plan regularly.
- ☐ The Custodian's disaster recovery plan has comprehensive coverage over the areas affecting custody clients.
- ☐ If the Custodian purchased or leased a core accounting system from an outside vendor, the Custodian retains in-house expertise to maintain and upgrade the system. In-house expertise is particularly important if the system has been customized.
- ☐ The Custodian has the source code for those systems that were purchased from an outside vendor. If the Custodian does not have the source code, the Custodian has had the source code placed in an escrow account to which it will have access if there is a problem with the vendor.
- ☐ The Custodian uses an accounting system that is an integrated full accrual, trade date based, multi-currency general ledger accounting and reporting platform.
- ☐ The Custodian's systems are based on trade date and are designed for trade date accounting.
- ☐ The Custodian can accommodate multi-currency accounting (base and local currencies).

- ☐ The Custodian can accommodate unitized accounting, and has a proven record that includes existing accounts that utilize unitized accounting.
- ☐ The Custodian can process unit/share/dollar/plan accounting, with a proven record that includes existing accounts that require such accounting processing.
- ☐ The Custodian's accounting systems can handle a significant number of sub ledger and plan accounts.
- ☐ Entries to the Custodian's accounting and securities tracking and control systems are automated.
- ☐ The Custodian's system captures OTC securities and structured derivatives, including the ability to provide independent valuations.
- ☐ The Custodian's system captures the majority of security types, including foreign-denominated investments and exchange traded funds.
- ☐ The Custodian's trade date accounting and reporting are appropriate to support OTT's portfolio. The OTT Accounting Department must have access to the Custodian-maintained accounting and custody data in on-line, real-time mode, with the ability to receive ad hoc (as well as standard) system reports in a timely manner, as a highly desirable capability.
- ☐ The Custodian must have a disciplined manager reconciliation process performed monthly in collaboration with OTT's Accounting Department. The reconciliation must be in conformance with OTT's current reconciliation process using OTT's forms and procedures currently in place or such other process developed by OTT.
- ☐ The Custodian's standard monthly audited report package includes a statement of assets and transactions, accrued income at month end, failed trade report, pending trade report, cash and cash equivalents sorted by CIF. The monthly audited statements are available on-line no later than 10 business days after month-end. Unaudited statements are available on-line on the first business day after month-end.
- ☐ The Custodian can provide an annual audited report package on-line no later than 10 business days after OTT closes its fiscal year-end (June 30). Unaudited statements are available on-line on the first business day after year-end.
- ☐ The Custodian can provide audited plan and trust accounting statements for the CRPTF (or unit holdings for each plan and trust in the fund plus assets held directly) on a monthly basis. The plan and trust accounting statements are available on-line no later than the 10th business day after month-end.
- ☐ The Custodian makes reports available on a settlement and trade date basis.
- ☐ The Custodian is able to support and generate reports specific to GASB requirements, including required Comprehensive Annual Financial Reports (CAFRs).
- ☐ Custodian has ability to smooth out accruals on securities with a 30/360 basis for STIF.
- ☐ The custodian has the ability to account for assets on an "amortized cost" basis where such accounting and reporting is necessary.
- ☐ Ability to implement Front End or Custom Trade Compliance Monitoring Functionality for STIF.
- ☐ The Custodian is able to assist with the fulfillment of requirements under GASB 20, 28, 40 and 53 and other pronouncements as they are finalized.
- ☐ The Custodian provides reporting for all CIF and STIF securities as follows:
 - a) Cash transactions, by security, at manager and asset class/fund level for each day's cash transactions.
 - b) Five business day forecasts of cash transactions by security at the manager and fund level for each day of the forecast and a separate fund level report by security for each business day of the forecast. These daily cash reports are to be available by 7:30 A.M. ET daily.
 - c) For bond accounts, both cash receipt and cash forecast reports should list the principal, interest and total amount to be received for each security. Bond reports should be subtotaled by security type. These daily cash reports are to be received by 7:30 A.M. ET daily.
 - d) Monthly reports for domestic equity and fixed income securities must include all trade, income, and corporate action activity as well as all standard holdings information used for domestic equity and fixed income securities at both the manager and the fund level.
 - e) Monthly reports shall provide a summary of failed trades.

- f) Monthly reports shall include aging analysis for income accruals and failed trades.
- g) Monthly broker commission report. Detailed summary report of all broker commission activity during the fiscal year. Provide ability to access details identifying each commission with its trade and money manager generating the trade as well as volume of trades by broker/dealer for internally managed funds.. Notate foreign countries versus US. Consolidate monthly statements into annual report.
- h) A weekly report of month-to-date corporate actions by security for each manager account should be provided on the first business day of each week.
- i) Monthly analysis of all transactions occurring during the month at both the manager and the fund level, stating month-end market and cost values, and all income, contributions, disbursements, transfers, and month-end accrued earnings adjustments sorted by account.
- ☐ The Custodian provides the following additional reporting for international investments:
 - a) Weekly trade activity reports by manager.
 - b) Monthly reports that contain trade activity detail, income, and corporate action events in both base and local currency, for global manager accounts. Detailed holding reports grouped by currency, indicating the number of shares, cost, and market value of equity holdings in both base and local currency, as well as accounting for futures for currency hedging.
 - c) Monthly reports shall provide a detailed summary of failed trades and tax reclaims.
 - d) Monthly reports shall include an aging analysis for failed trades and tax reclaims
 - e) Cash journals by currency for each manager which details all cash transactions with a monthly report package for each manager.
- ☐ The Custodian provides the following additional reporting for alternative investments:
 - a) The Custodian must maintain and report daily to OTT all information related to cash received and disbursed or distributions of securities by account.
 - b) Monthly reporting of all types of transactions for securities in this asset group.
- ☐ The Custodian must be able to daily value the Liquidity Fund and STIF and maintain either a fluctuating net asset value (NAV) or fixed NAV for both.
- ☐ The Custodian will provide class-action information for securities that CIF owned in the relevant time periods, including notice of filing and settlement information as required.
- ☐ The Custodian will provide a summary of monthly securities lending transactions sorted by manager and account, stating gross income, rebates, bank fees, and net securities lending income summarized by account in both hardcopy and electronic format.
- ☐ The Custodian will provide daily securities lending reports detailing failed trades or pending fails due to the failure to return securities on loan.
- ☐ The Custodian will provide services and support systems necessary for the timely receipt, review, and monitoring of corporate actions and proxy voting according to specifications by OTT.
- ☐ The Custodian will provide daily pricing for all publicly traded securities on a non-audited basis and end-of-month audited pricing for all securities, including private placements and non-publicly traded securities.
- ☐ The Custodian undertakes automated confirmation of stale pricing and has the appropriate methodology for fair market value pricing for illiquid securities and holdings.
- ☐ The Custodian has the ability to provide a proper valuation for real estate, private equity and appropriate alternative investment holdings using, at a minimum, a quarter lag cash flow adjusted roll forward valuation methodology.
- ☐ The Custodian has ability to provide “shadow accounting” of real estate and private equity asset classes.
- ☐ The Custodian agrees to participate in and cooperate with scheduled audits and inventory of securities conducted by independent audit firms designated by OTT.
- ☐ The Custodian maintains on-line accounting data on a prior-day basis and standard monthly accounting production reports.
- ☐ The Custodian processes on a daily basis all cash and non-cash (*e.g.*, corporate actions) accounting transactions affecting assets held in custody.
- ☐ The Custodian has the ability to provide information in both hardcopy and electronic format to prepare GASB accounting reports.

D. Unit Value Accounting

- ☐ The Custodian can unitize CIFs, utilizing equitable share accounting (unit and dollar basis).
- ☐ The Custodian has experience in unitizing accounts on a monthly basis at a minimum.
- ☐ The Custodian can accrue fees and/or income in NAV calculations on a daily basis.
- ☐ The Custodian reviews corporate actions, unrealized gains and losses, and foreign exchange in striking NAVs.
- ☐ The Custodian has experience with unit pricing for all asset classes (Liquidity Short Term, Domestic Equity, Fixed Income (domestic and international), International Equity (including emerging and “frontier” markets), Mortgages, Real Estate, Real Assets, Private Equity, and Alternative Fund – Absolute Strategies)
- ☐ The Custodian can collect NAVs and perform unit pricing in a daily environment and provide for an audited unit value at the fund level at least monthly.
- ☐ The Custodian is able to strike a NAV for illiquid asset classes at least monthly.
- ☐ The Custodian has daily on-line access to NAVs.
- ☐ The Custodian shall provide for a clear and detailed policy on Materiality Thresholds and Error Resolutions.
- ☐ The Custodian has clear procedures for researching NAV errors, communicating problems to the client, reprocessing NAVs, and making clients whole in the event of a loss due to calculation errors.
- ☐ The Custodian can provide audited monthly unit values for CRPTF as follows:
 - a) The Custodian can provide accounting resources for unitized accounting in both hardcopy and electronic format.
 - b) The Custodian should have experience with unit value pricing and should be able to calculate NAVs in a daily environment.
 - c) The Custodian will need to communicate relevant monthly NAV information electronically to OTT.
 - d) The Custodian should make available audited NAV calculations no later than the 10th business day after month-end.

E. Accurate and Timely Pricing

- ☐ The Custodian uses independent pricing sources.
- ☐ The Custodian provides daily pricing.
- ☐ The Custodian has a rigorous, independent methodology to price illiquid and highly structured securities.
- ☐ For liquid securities, the Custodian checks prices against multiple pricing sources.
- ☐ The Custodian uses automatic price feeds.
- ☐ The Custodian flags price differences that exceed a client-established threshold.
- ☐ The Custodian has an established methodology for resolving price differences with investment managers.
- ☐ The Custodian has access to independent sources that are used as the final price for problem securities. The Custodian does not have to rely on the investment manager for independent prices.
- ☐ The Custodian has a mechanism for notifying clients of problematic price differentials.
- ☐ The Custodian has an up-front check on the quality of pricing data coming in from vendors.
- ☐ The Custodian has a methodology for assessing whether asset identifiers are consistent between the Custodian’s accounts and the vendor’s price feed.
- ☐ The Custodian maintains control mechanisms for manual overrides on pricing illiquid or highly structured securities.
- ☐ The Custodian has an appropriate level of review of pricing problems.
- ☐ The Custodian works actively with pricing vendors to resolve pricing problems.

F. Risk Analysis System/Internal Controls

- ☐ The Custodian maintains an automated exception process.
- ☐ The Custodian has front-end edits to verify the integrity of trade data.
- ☐ The Custodian has specific guidelines for dealing with exceptions and problems at each level.
- ☐ The Custodian has a specific sign-off process for exceptions.
- ☐ The Custodian has specific materiality standards for re-processing client activity.
- ☐ The Custodian has a process for reconciling and following up with investment managers.
- ☐ The Custodian has an SSAE 16 or SAS 70 analysis prepared by a nationally recognized independent third party auditor at least once a year.
- ☐ The Custodian must have fully documented compliance policies and guidelines regarding all aspects of operations.
- ☐ Value at Risk (VaR) and scenario/event analysis of consolidated portfolio and individual asset class portfolios (i.e. equities, fixed income).
- ☐ The custodian provides the ability to initiate exception notifications using e-mail directed to specific individuals/departments based upon client established priorities in addition to standard hard copy or online reports.

H. Cash Management (CIF)

- ☐ The Custodian's global cash management function has regional centralization.
- ☐ Clients can choose among global cash management options that will earn interest for the CIFs.
- ☐ The Custodian has a clear schedule of charges for overdraft problems.
- ☐ The Custodian has overnight cash sweeps, including overnight multi-currency cash sweeps.
- ☐ The Custodian has cash management vehicles available for each investment risk tolerance.
- ☐ The Custodian fees are disclosed and are competitive.
- ☐ The Custodian will work with third-party cash managers.
- ☐ The Custodian allows clients to maintain separate accounts versus investing short term funds through a pool of assets.
- ☐ The Custodian makes contributions available for investment same-day.
- ☐ The Custodian can accommodate a one day notification prior to cash disbursements.
- ☐ The Custodian can work with third parties (investment managers, transfer agents or participants) to facilitate collections and withdrawals.
- ☐ The Custodian has a clear float management policy.
- ☐ The Custodian ensures that accounts are compensated for any and all income credited on a delayed basis.
- ☐ The Custodian's cash management services and cash movement operations can facilitate the daily investment of all available cash in domestic and international accounts. The Custodian maintains CIFs "cash management account" (within which excess funds are invested daily in a short term investment fund or vehicle) including completion of a monthly reconciliation and provision of a monthly statement of interest earned in the short term investment fund or money market fund.

I. Foreign Exchange (F/X)

- ☐ The Custodian has a desk of foreign exchange traders who can execute competitive transactions in the inter-bank market, including 24-hour access to foreign exchange markets.
- ☐ The Custodian has a disclosure policy that delineates all types of foreign currency transactions (i.e. income repatriation, standing instructions, settlement FX, funding FX such as Global Capital Calls, netting, etc.) including fees.
- ☐ Specific fees or charges, beyond the bid ask spread, that will be borne by the CIFs must be articulated in the contract.
- ☐ The Custodian will allow OTT and CIF's investment managers to execute foreign currency transactions with dealers or desks other than that of the Custodian without charging additional fees.

- ☐ All foreign exchange trades executed by the Custodian will be performed on a competitive basis, with the exception of restricted markets in which the Custodian does not have full control. In the case of restricted markets, the Custodian will monitor the execution and transactions cost of each sub-custodian and report all activity.
- ☐ The Custodian shall provide a customized report on all FX executed through their own foreign currency desk on-behalf of the CIFs or as directed by CIF's investment managers.
- ☐ The Custodian will provide a "time-stamped" foreign currency trade report that includes the price at which the Custodian valued the foreign currency trade. This may include the WM Fixing Rate, the Hi-Lo of the day, and other metrics where appropriate.
- ☐ The Custodian will identify all cross trades and quantify the benefits to OTT of such trading.
- ☐ The Custodian will provide online access to daily pricing of FX currency pairs, such that OTT staff or other OTT designee can reconcile the timing of execution with the execution pricing.
- ☐ Any and all taxes and fees related to foreign exchange transactions conducted by the Custodian and all others, including in restricted markets, will be quantified in a monthly report to OTT.
- ☐ The Custodian automatically flags off-market transactions (off-market is considered to be 10% or greater variance).
- ☐ The Custodian ensures that an independent controller or compliance group reviews all off-market transactions and indicates the reasons for each price.
- ☐ The Custodian discloses to clients any conflicts of interest.
- ☐ The Custodian ensures that an independent controller or compliance manager reviews failed foreign exchange transactions, and provides monthly reports on failed trades to OTT
- ☐ The Custodian can execute a significant number of foreign exchange trades directly in the market as required by country regulations or restrictions (i.e. restricted currencies).
- ☐ The Custodian will be responsible for the costs associated with the failure to deliver the foreign currency requirement to settle transactions and capital calls/funding, including income repatriation.

J. Safekeeping for Derivatives and Non-Dollar Bonds

- ☐ The Custodian must have strong working relationships with securities exchanges on which derivatives are traded because derivatives are held on the exchanges where purchased.
- ☐ The Custodian must be able to handle and report on Over the Counter (OTC) derivatives, including all levels of collateral and margin account tracking.
- ☐ For non-dollar bonds, depositories are used by the Custodian. However, the Custodian must have a relationship with a local sub-custodian when depositories are not available.
- ☐ The Custodian has a clear understanding of FASB 133.
- ☐ The Custodian must be able to properly record and monitor securities movements to insure the proper accounting for derivatives and non-dollar assets.

K. Performance Measurements/Analysis/Attribution

- ☐ The Custodian provides a dedicated performance measurement client service team.
- ☐ The Custodian's performance measurement system is fully integrated and compatible with the Custodian's core custody and accounting systems.
- ☐ Performance analytics and attribution will be holdings based.
- ☐ The Custodian has significant control over performance systems product development and maintenance.
- ☐ The Custodian's performance and analytics information is accessible on-line. Standardized reports and customized analytics will be available.
- ☐ The Custodian makes performance reports available by the 5th business day after books are closed.
- ☐ The Custodian's performance measurement reports that are easily understood by both Investment Advisory Council members and OTT staff.
- ☐ The Custodian provides a wide array of domestic and global indexes for benchmarking and building customized benchmarks and will provide OTT with benchmark data within performance and analytical reports and in support of performance attribution.

- ☐ Custodian will enter into subscriptions with index providers to provide full and complete access to data necessary for detailed performance reporting and attribution.
- ☐ The Custodian reconciles performance and holdings with investment managers.
- ☐ The Custodian provides unaudited flash performance reports monthly.
- ☐ The Custodian provides audited performance reports monthly.
- ☐ The Custodian calculates performance in compliance with GIPS methodology or standards.
- ☐ The Custodian can calculate IRRs (dollar weighted) and equity multiples for real estate, private equity and other alternative investments.
- ☐ The Custodian has the ability to calculate performance returns at the security and manager level, by asset class and various intervening roll-ups including at the consolidated fund level. This capability will also be available on-line as part of the analytics package.
- ☐ The Custodian provides customization options for hard copy performance reports.
- ☐ The Custodian provides third-party access to performance data on-line.
- ☐ The Custodian provides a universe comparison service at the asset class and fund level utilizing TUCS and/or relevant universes (note: the comparisons would be for the retirement plans and trusts as opposed to the Combined Investment Funds and must include both gross and net returns).
- ☐ The Custodian provides performance attribution analysis at the portfolio (including OTT's various consolidations), asset class, country, industry, and security level for all global public securities.
- ☐ The Custodian generates portfolio characteristics for equity (*i.e.*, price to book, earnings, etc.) and fixed income (convexity, duration, etc.) securities.
- ☐ The Custodian provides CIF, portfolios underlying the CIFs, plan and trust attribution.
- ☐ The Custodian can provide a full array of risk adjusted performance statistics (such as Sharpe Ratio, Information Ratio, Treynor Ratio, Jensen's Alpha, Downside Risk Measures, standard deviation, etc.).
- ☐ The Custodian offers style analysis.
- ☐ The Custodian provides GIPS compliant monthly, quarterly, and annual performance measurements according to industry standards for all portfolios. OTT specifically requires rates of return for each plan and trust, for each CIF, for the consolidation of all CIFs (including intervening consolidations), and for each investment manager mandate. Monthly performance measurement services are required for all investment accounts, including the maintenance of historical returns, annualized and cumulative, of each fund option and investment manager mandate. OTT also requires access to benchmark and index comparisons, including customized/blended benchmark reporting, and monthly/quarterly/annual portfolio characteristics/analytics.
- ☐ The Custodian provides drill-down or look through analysis of commingled funds.
- ☐ The Custodian provides tracking and analytics for non-traditional assets (*i.e.* private equity, hedge funds, absolute return strategies, derivatives, overlay, etc.).
- ☐ The Custodian provides Optimization software for consolidated fund and asset classes (*i.e.* equities, fixed income) portfolio.
- ☐ The Custodian provides Value at Risk (VaR) and scenario/event analysis of consolidated portfolio and individual asset class portfolios (*i.e.* equities, fixed income, etc.).
- ☐ The Custodian provides risk aggregation at the portfolio, CIF and consolidated CIF and intervening consolidation levels.
- ☐ The Custodian provides optimization software for consolidated fund and asset classes (*i.e.* equities, fixed income, alternatives, etc.) portfolio.
- ☐ The Custodian provides a robust monitoring and reporting tool for non-traditional assets (*i.e.* private equity, hedge funds, absolute return strategies, real estate, etc.)

L. Compliance Monitoring

- ☐ The Custodian provides compliance monitoring and reporting for individual portfolios as well as the various consolidations to include compliance with the Investment Policy Statement.
- ☐ The Custodian provides post-trade pre-settlement compliance reporting on a daily basis.
- ☐ The Custodian provides compliance reporting through its on-line reporting product.

- ☐ The Custodian's compliance reporting product includes screening by CUSIP, sector, country, quality and maturity.
- ☐ The Custodian provides compliance reporting at the portfolio manager level for domestic and global separate accounts.
- ☐ The Custodian provides the ability to notify client of breaches of investment guidelines by a phone call from the regular client service team.
- ☐ Compliance violations result in an automated email to client contact(s).
- ☐ The Custodian provides on-line investment and securities lending guideline compliance reporting for all investment and securities lending transactions for OTT according to its guidelines as follows:

M. Corporate Governance and Litigation Support

- ☐ The Custodian should be able to provide active monitoring of proxy notification, voting and corporate governance policies of OTT, including retrieving or replacing securities out on loan.
- ☐ The Custodian is responsible for the timely notification of all corporate actions and activities including but not limited to tender offers, called bonds, class action and/or foreign group lawsuits, proxy statements and solicitations, proxy cards and annual reports. Also, upon request of the OTT, the custodian shall provide timely certification of beneficial ownership and supporting documentation for the purposes of annual shareholder meeting attendance.
- ☐ The Custodian has services and support systems necessary for the timely exercise of corporate actions and proxy voting by OTT, or its investment managers, as directed.
- ☐ The Custodian must be able to support 3rd party proxy voting advisory service providers (such as ISS and Glass-Lewis).
- ☐ The Custodian must establish an electronic communications link with OTT's proxy advisory service provider to communicate the number of shares owned as of the record date, and track the number of shares out on loan.
- ☐ The Custodian in collaboration with the proxy advisory service must match holdings to the proxy ballot to ensure proper voting to include verification that the number of shares owned as of the record date is in agreement with the number of shares shown on the ballot.
- ☐ The Custodian must be able to block a specified number of shares of any holdings or securities to effect a proxy vote or class action filing.
- ☐ The Custodian has a client-accessible system for monitoring class action litigation and bankruptcy proceedings affecting portfolio securities held by client.
- ☐ The Custodian has a system for filing claim notices and other documents in connection with such proceedings.
- ☐ The Custodian has a system to track history of portfolio securities held during any periods that are the subject of such proceedings.
- ☐ The Custodian has a system to advise client and client's investment managers of significant dates and deadlines in respect of such proceedings, including but not limited to opt-out elections in class action litigation, deadlines for filing claims, deadlines for filing bankruptcy notices or claims.

N. Client Service

- ☐ The Custodian shall assign a day-to-day administrator to act as one point of contact for OTT.
- ☐ The Custodian shall assemble a team that has the requisite experience, tenure and knowledge in the delivery of all functions that OTT contracts with the Custodian.
- ☐ The Custodian shall maintain and keep updated a Procedures Manual Handbook for CRPTF, CIF and STIF in both hard copy and electronic form. OTT will be notified and provided with updates as they occur.
- ☐ The Custodian shall provide an education and training seminar at least once a year to ensure that OTT is aware of new industry initiatives relative to custody, trade processing and related best practices.
- ☐ The Custodian shall develop a service level agreement with OTT and review actual results against benchmarks on a quarterly basis. Benchmarks are to include at least the following:

- Respond to all inquiries within 24-hours.
- For issues with a longer time to resolution, provide estimated time to resolve and weekly status reports for all outstanding issues.
- Audited report delivery dates.
- Confirmation of reconciliation of investment manager data to Custodian's books in accordance with OTT schedule.
- Time lines and updates for special projects

O. Other Related Services

- ☐ The Custodian shall provide monthly evaluation of trade execution, including all trading costs and brokerage commissions, including foreign-imposed surcharges or taxes, of CRPTF's investment managers. Provide support to OTT's comprehensive studies of trading costs and brokerage commissions conducted on a five schedule.
- ☐ The Custodian shall provide a fund structure and work flow analysis of the OTT Pension Fund Management Division (PFM) and the STIF Cash Management Division and shall provide recommendations for operational improvements as part of the initial conversion process (or within the first six months of the contract if a renewal) and after each subsequent major system upgrade.
- ☐ The Custodian shall provide such other services required by OTT and normally performed by a master Custodian for a major pension fund that is deemed beneficial to the OTT.
- ☐ The Custodian's senior management shall meet with the OTT at least annually to discuss relationship status, present and future initiatives, performance issues and other pertinent topics.

P. Transfer Agency and STIF Unit Support Requirements

- ☐ The Custodian shall provide the requisite safekeeping, trade processing and accounting requirements for STIF, MTIF, EIP and such other fund as may be subsequently established.
- ☐ The Custodian shall act as the transfer agent and dividend disbursing agent for STIF, MTIF, EIP or other fund subsequently established with respect to deposits ("Deposits") and withdrawals ("Withdrawals") by participants, as well as any other fund that may be created as follows:
 - a) Receive Deposits for acceptance.
 - b) Pursuant to Deposit orders, issue the appropriate number of shares and log such shares in the appropriate Participant account.
 - c) Receive for acceptance withdrawal requests and withdrawal directions.
 - d) Pay over or cause to be paid over in the appropriate manner such monies as instructed by the withdrawing Participant.
 - e) Prepare and transmit interest payments and distributions paid by STIF and MTIF, EIP or other fund subsequently established.
 - f) Generate weekly/monthly position shareholder reports online and hardcopy.
 - g) Generate weekly/monthly position reports aggregated by type of account – state agencies and/or local governments.
- ☐ The Custodian shall provide the following required services: Participant Account Services, Customer Services, Client Administration, Interest/Dividend Processing, Shareholder Mailings, Reconciliation/ Control Services, Record Retention, and Conversion.
 - ☐ Participant Account Services
 - a) Establish accounts.
 - b) Maintain accounts.
 - c) Process Deposits by wire, ACH or check.
 - d) Process redemptions by wire, ACH or check.
 - e) Wire or ACH redemption proceeds only to bank accounts previously authorized by at least two officials from the OTT or participant.
 - f) Provide systematic deposit and withdrawal plans.
 - g) Process automatic dividend/interest payments to another STIF account.
 - h) Process transfers between accounts electronically.

- i) Allow participants to initiate deposits and/or withdrawals through an on-line system.
- j) Allow participants to verify participant initiated account activity and account balances via an online system.
- k) Electronic statements and trade confirmation.
- ☐ Customer Services
 - a) Provide a dedicated 800 telephone number answered by a customer service representative during regular business hours.
 - b) Record all customer service telephone calls.
 - c) Provide a dedicated 800 telephone number for a 24 hour automated voice response service that would provide yields, account balances, request for duplicate statements, and ACH transactions.
 - d) Process and respond to participant correspondence as required to support other services to include "STIF Express" and online transaction processing system.
 - e) Provide an automated quality control program to ensure client expectations are followed accurately.
- ☐ Client Administration
 - a) Provide daily cash calls by 11:30am.
 - b) Support on-request reporting needs as required.
- ☐ Interest/Dividend Processing
 - a) Calculate, accrue and pay interest/dividends on a monthly basis, according to policies of the STIF.
- ☐ Shareholder Mailings
 - a) Produce and mail confirmations of daily transactions with the ability to deliver electronically.
 - b) Produce and mail monthly account statements with the ability to deliver electronically.
 - c) Produce disbursement checks as requested.
- ☐ Reconciliation/Control Services
 - a) Reconcile the deposit, withdrawal and interest/dividend payment control accounts daily.
 - b) Execute money moves to and from the control accounts.
 - c) Balance all account accruals.
 - d) Balance master security holder files and sub-files.
 - e) Daily reconciliation between transfer agency and accounting to ensure that all aspects (shares, factors, etc) are accurately accounted for by both services.
- ☐ Record Retention
 - a) Maintain records of all shareholder source documents for five years.
 - b) Provide, on request, shareholder history statements for current and previous STIF fiscal year.
 - c) Provide historical transcripts for prior fiscal year.
- ☐ Conversion
 - a) Convert master file and non-history sub-files.
- ☐ STIF Programs
 - a) Honor instructions from Paying Agents designated by OTT in terms of withdrawals.
 - b) Support STIF programs such as clean water express, debt express, and grant express that allow participants to have debt service payments withdrawn from their STIF accounts according to pre-established schedules & sent to Paying Agents.
 - c) Process deposits to individual accounts based on instructions and aggregated transfers from OTT ACH deposit capabilities.
- ☐ The Custodian shall support the operational requirements as specified in the STIF Investment Policy (Exhibit 4).
- ☐ The Custodian provides a program to cover overdrafts (intra-day and overnight) at both the transfer agency level or the custodian level. Overdraft rates will be competitive and recognize the risk profile of the client.
- ☐ The Custodian provides cash management vehicles available for each investment risk tolerance.
- ☐ The Custodian fees are disclosed and are competitive.

- ☐ The Custodian will work with in-house cash manager.
- ☐ The Custodian allows clients to maintain separate accounts versus investing short term funds through a pool of assets.
- ☐ The Custodian provides a late day investment vehicle for OTT.
- ☐ The Custodian ensures that contributions are available for investment same-day and withdrawals are available same day and provides the ability to accept late day trades.
- ☐ The Custodian works with third parties (investment managers, transfer agents or participants) to facilitate collections and withdrawals in a daily environment.
- ☐ The Custodian has a clear float management policy.
- ☐ The Custodian ensures that accounts are compensated for uncredited income.
- ☐ The Custodian provides STIF Unit Support:
 - a) Generate accurate weekly reports to complete Standard & Poor's Aggregate Portfolio Information Sheets to be sent by custodian.
 - b) Ability to support compliance requirements of the STIF Unit portfolios both frontend and backend.
 - c) On-line access to custody and accounting information of securities within the STIF and STIF Unit's portfolios including ROR and Income return.
 - d) Performance Measurement and Benchmark Comparison with various portfolios.
 - e) Electronic trade entry system tying into custody, accounting and performance, which can handle non-marketable securities.
 - f) The ability to account for 30/360 securities (smooth out accruals).
 - g) The ability to provide a fluctuating NAV.
 - h) Provide same day portfolio pricing in a readable format.

Q. Risk Management - Performance Measurement, Compliance Monitoring and Advanced Analytics

- ☐ The Analytics Firm provides a dedicated performance measurement client service team.
- ☐ The Analytics Firm's performance measurement system is fully integrated and compatible with the Custodian's core custody and accounting systems.
- ☐ Performance analytics and attribution will be holdings based.
- ☐ The Analytics Firm has significant control over performance systems product development and maintenance.
- ☐ The Analytics Firm's performance and analytics information is accessible on-line. Standardized reports and customized analytics will be available.
- ☐ The Analytics Firm makes performance reports available by the 5th business day after books are closed.
- ☐ The Analytics Firm's performance measurement reports are "user-friendly."
- ☐ The Analytics Firm provides a wide array of domestic and global indexes for benchmarking and building customized benchmarks and will provide OTT with benchmark data within performance and analytical reports and in support of performance attribution.
- ☐ The Analytics Firm reconciles performance and holdings with investment managers.
- ☐ The Analytics Firm provides unaudited flash performance reports monthly.
- ☐ The Analytics Firm provides audited performance reports monthly.
- ☐ The Analytics Firm calculates performance in compliance with GIPS methodology or standards.
- ☐ The Analytics Firm can calculate IRRs (dollar weighted) and equity multiples for real estate, private equity and other alternative investments.
- ☐ The Analytics Firm has the ability to calculate performance returns at the asset class, security and manager level and various intervening roll-ups including at the consolidated fund level. This capability will also be available on-line as part of the analytics package.
- ☐ The Analytics Firm provides customization options for hard copy performance reports.
- ☐ The Analytics Firm provides third-party access to performance data on-line.
- ☐ The Analytics Firm provides a universe comparison service at the asset class and fund level utilizing TUCS and/or relevant universes (note: the comparisons would be for the retirement plans and trusts as opposed to the Combined Investment Funds. Must provide both gross and net returns).

- ❑ The Analytics Firm provides performance attribution analysis at the asset class, country, industry, portfolio and security level for all global public securities.
- ❑ The Analytics Firm generates portfolio characteristics for equity (*i.e.*, price to book, earnings, etc.) and fixed income (convexity, duration, etc.) securities.
- ❑ The Analytics Firm provides attribution for each CIF, portfolios underlying CIFs, consolidated CIF Plan and Trust.
- ❑ The Analytics Firm can provide a full array of risk adjusted performance statistics (such as Sharpe Ratio, Information Ratio, Treynor Ratio, Jensen's Alpha, Downside Risk Measures, standard deviation, etc.).
- ❑ The Analytics Firm offers style analysis.
- ❑ The Analytics Firm provides GIPS compliant monthly, quarterly, and annual performance measurements according to industry standards for all portfolios. OTT specifically requires rates of return for each plan and trust, each CIF, for the combined/consolidated CIF and intervening consolidations, and for each investment manager mandate within each CIF. Monthly performance measurement services are required for all investment accounts, including the maintenance of historical returns, annualized and cumulative, of each CIF option and investment manager mandate. OTT also will need access to benchmark and index comparisons, including customized/blended benchmark reporting, and monthly/quarterly/annual portfolio characteristics/analytics.
- ❑ The Analytics Firm provides drill-down or look through analysis of commingled funds, ETFs, etc.
- ❑ The Analytics Firm provides tracking and analytics for non-traditional assets (*i.e.* private equity, hedge funds, absolute return strategies, derivatives, overlay, etc.).
- ❑ The Analytics Firm provides Optimization software for consolidated CIF and asset classes (*i.e.* equities, fixed income) portfolio.
- ❑ The Analytics Firm provides Value at Risk (VaR) and scenario/event analysis of consolidated portfolio and individual asset class portfolios (*i.e.* equities, fixed income, etc.).
- ❑ The Analytics Firm provides risk aggregation at the portfolio, CIF and consolidated CIF and intervening consolidation levels.
- ❑ The Analytics Firm provides optimization software for consolidated fund and asset classes (*i.e.* equities, fixed income, alternatives, etc.) portfolio.
- ❑ The Analytics Firm provides a robust monitoring and reporting tool for non-traditional assets (*i.e.* private equity, hedge funds, absolute return strategies, real estate, etc.)

SECTION III – EVALUATION PROCESS

All Respondents will be evaluated on the basis of their written responses to this RFP, additional written information as requested and oral interviews, if any, against the following criteria:

1. Respondent's overall ability to provide the scope of services required by OTT.
2. Respondent's ability to support OTT's unitized operating environment.
3. Respondent's experience with tax-exempt clients and the quality and depth of its products and services deliverables.
4. The experience, quality and availability of Respondent's key professionals, including the client servicing team to be assigned to serve the OTT relationship for each service.
5. Respondent's system and technology infrastructure used in the delivery of required services, specifically in the area of Internet based on-line access to accounting, transactions, corporate actions, and other pertinent information required by OTT.
6. Respondent's financial condition.
7. Potential or actual material conflicts between Respondent or Respondent's key professionals and OTT.
8. The overall quality of Respondent's written proposal and oral presentation, if any.
9. Submitted samples of Respondent's written materials presented to other institutional clients.
10. Respondent's fee proposal.
11. Respondent's equal employment opportunity record as evidenced by the composition of Respondent's personnel and its affirmative action and equal employment opportunity policies and practices.
12. Respondent's commitment to the State of Connecticut.
13. Respondent's proven commitment to corporate citizenship.
14. Respondent's ability to comply with OTT's compliance reporting obligations.
15. References.

Fees and compensation will be important factors in the evaluation process. The Treasurer, however, will not be required to select the lowest-cost Respondent.

In addition, the following criteria will be used to evaluate Respondent's proposal with regard to the specified service:

A. Trust/Custody Banking Services

1. Organization and Experience

- History, depth of experience, and organizational issues
- Risk management
- Client Service, key personnel and support team, service structure model

2. Custody and Accounting Capabilities

- Trade Processing and Settlement
- Income collection

- Crediting Practices and Investment of Collected Balances
- Securities Pricing
- Accounting and Reporting
- Corporate action and Proxy processing
- Unitization Capabilities
- Cash management and STIF Accounting
- Operational compatibility and cooperation with other and/or multiple Service providers

3. Integrated Solutions Across Asset Classes

- Core processing platform; integration across all asset classes
- On-line capabilities, reporting, ad hoc reporting, and depth of deliverables
- Private Markets, Real Estate and Alternative Investment Support, Deliverables
- System capabilities
- Transfer Agency capabilities

4. Cost Considerations

B. Foreign Exchange Services

1. Organization

- Organizational history and capabilities
- FX experience and track record
- Experience, size and stability of FX personnel/department

2. Execution Capabilities (Quality, Stability and Experience)

- Trading strategies and technological resources
- FX Execution
- Monitoring and measuring trade execution
- Business philosophy and operational policies
- History of working with foreign markets and associated regulatory and banking authorities
- Risk management strategies and processes
- Operational compatibility and cooperation with other and/or multiple Service providers

3. Compliance and Transaction Analyses

- Service quality, trade transparency and reporting
- Compliance monitoring
- Provision for independent transaction cost analysis and commitment to bear costs
- Quality, scope and timeliness of exception reports provided to OTT

C. Performance and Risk Analytics

1. Organization and Structure

- Organizational experience and stability
- Qualifications and experience of Key personnel and support team
- Quality of services and support

2. Capabilities

- Performance Measurement
 - Quality of reports
 - Ad hoc reporting capability
- Performance Attribution, Peer Universe Comparison, provision of portfolio characteristics at individual portfolio level and all required consolidations
- On-line access, technology solutions
- Monitoring, reporting and operational support for Private Markets, Real Estate, Hedge Fund and Alternative Investment
- Compliance Monitoring
- Operational compatibility and cooperation with other and/or multiple Service providers

3. Cost Considerations

SECTION IV – REQUIRED INFORMATION

The purpose of this section is to identify the information that should be submitted in response to this RFP and the order in which it should appear in the proposal.

A. Cover Letter

The proposal shall contain a cover letter identifying the Respondent's name, address, and the name, telephone number and email address of the person (or persons) authorized to represent the Respondent regarding all matters related to the proposal. The cover letter shall state the services upon which the Respondent is bidding and shall affirm the following:

1. The Respondent has the current capability to provide the proposed services.
2. The Respondent has reviewed the minimum qualifications and meets the eligibility criteria set forth in Section I, subsection C of this RFP.
3. The Respondent has thoroughly reviewed the RFP.
4. The Respondent acknowledges and accepts all terms and conditions included in the RFP.

In addition, a person authorized to bind the Respondent to all commitments made in its proposal must sign the letter.

B. General Information

Each proposal shall include the following:

1. A written statement from the Respondent's chief legal counsel addressed to the Treasurer stating that they, as the Respondent's chief legal counsel, have reviewed the agreements and related documents attached to this RFP and that the Respondent has the ability and will execute the documents as presented. Specific issues and/or concerns should be addressed within the written statement.
2. A description of the Respondent's experience in providing the services identified in Section II, Scope of Services, to institutional investment clientele. The Respondent should include references of such institutional clientele and examples of the products the Respondent has provided to such clients.
3. The name, title, address and telephone number of three (3) client references the Office of the Treasurer may contact in connection with the Respondent's proposal.
4. Completed and separately bound Legal and Policy Attachments A-L

C. Summary of Proposed Services

Generally describe the Respondent's approach and plans for accomplishing the work it is bidding on as outlined in Section II, Scope of Services. The Respondent should indicate any additional tasks that are necessary and/or advisable that it recommends. Respondent shall include a completed copy of the check list found in "SECTION II – SCOPE OF SERVICES" within the description.

Summarize your firm's plan for working with OTT personnel in an effective, mutually agreeable contractor-client relationship. Respondents should provide a detailed description of the information and assistance the Respondent will require from OTT staff in order to provide the services required to satisfy Section II, Scope of Services.

Respondents are encouraged to suggest alternative or innovative approaches to meeting OTT's service requirements that are set forth in Section II, Scope of Services. Such alternatives should be described clearly and priced separately.

Depending on which services Respondent is interested in providing, this section shall contain a general overview and a summary description of the Respondent's approach and work plan for each

service item A through T of Section II Scope of Services upon which it is bidding. The response shall be presented following the format of Section II, Scope of Services.

D. Questionnaires

All Respondents interested in trust/custody shall complete and submit the questionnaire attached hereto as Appendix I, III and IV. Respondents interested in FX Execution should complete and submit Appendix III, while Respondents interested in Risk Management, Performance Measurement and Advanced Analytics should complete and submit Appendix IV. All Questionnaire responses should be provided in sufficient detail to permit the Office of the Treasurer to evaluate proposals fairly without the possibility of misinterpretation.

E. Price

All firms interested in this RFP must respond to the appropriate Appendices (Questionnaires) in order to be considered.

1. Complete the Fee Worksheet, in order for OTT to determine the fees and costs for the required services detailed in Section II: Scope of Services on which the Respondent is bidding. In addition, if a different fee schedule is available for bundled services, present a separate alternative Fee Worksheet, clearly marked as “Bundled Fee Schedule” As part of your submission. Describe the Respondent's fee schedule in both narrative form and by means of an example calculation.
2. Provide estimates of any other expenses that would be charged exclusive of proposed fee schedules.

Note: The Office of the Treasurer intends to enter into a contract or contracts with those Respondents that are selected. Final fee calculations and the basis thereof will be determined during contract review and negotiation.

SECTION V – PROPOSAL REQUIREMENTS

The purpose of this section is to indicate the terms and conditions that will govern the submission and review of proposals made in response to the RFP. Firms selected to provide custody and/or securities lending services as part of this RFP process will be required to enter into a Personal Services Agreement with the Office of the Treasurer, the basic form of which is attached hereto as Exhibit 5, and may be amended from time to time, at the Treasurer's sole discretion.

A. Instructions for Completion

Firms responding to the RFP shall:

1. Prepare their proposals according to the requested format as set forth herein.
2. Respond directly to each question posed herein.
3. Provide such relevant attachments as appropriate.
4. Submit their proposed fee calculation.

B. Bid Due Date

To be considered, each Respondent must submit via email to the Office of the Treasurer at pfm.rfp@ct.gov with Custody Services RFP in the subject line no later than **January 4, 2021**.

Receipt after the time and date specified above or at another email address will result in disqualification.

C. Cost Liability

Neither the State of Connecticut nor the Office of the Treasurer shall be liable or responsible for any costs incurred by any Respondents responding to this RFP or prior to the issuance of a contract. All costs incurred by the selected Respondent after the full execution of the contract shall be paid in accordance with the applicable compensation schedule as set forth therein. Expenses and costs incurred outside the scope of the applicable compensation schedule are the responsibility of the Respondent and will not be paid by the State of Connecticut or the Office of the Treasurer.

D. Additional Information

All questions regarding this RFP or requests for additional information should be sent to the following e-mail address for the Office of the Treasurer, Pension Funds Management:

Peter.gajowiak@ct.gov

Questions will be taken through December 18, 2020. The Treasurer reserves the right to combine similar questions and to decline to answer any question. Copies of all questions and answers will be posted on the State of Connecticut Department of Administrative Services' and Office of the Treasurer's web sites by December 24, 2020.

The Office of the Treasurer does not guarantee the validity or reliability of information obtained from other sources. If it becomes necessary to revise any part of this RFP, an addendum will be posted on the State of Connecticut Department of Administrative Services' and Office of the Treasurer's web sites.

E. Respondent's Responsibility

Each firm should familiarize itself with the service specifications and the work to be performed before submitting a response. All proposals are to remain valid for at least nine(9) months from the date of submission.

F. Oral Presentation

Respondents that submit a proposal in response to this RFP may be required to give oral presentation(s) of their proposals to the Office of the Treasurer and/or the Investment Advisory Council. This will give each Respondent an opportunity to clarify or elaborate on its proposal, but in no way will change the Respondent's original written submission. The Office of the Treasurer will determine the date, time and location or online medium if remote of such presentations. In addition, the Treasurer and/or designated staff or agency representatives may conduct a site visit of Respondent's facilities at a date and time mutually agreed upon.

G. Disclosure of Proposal Contents

All materials submitted by Respondents shall become the property of the State of Connecticut and may be returned only at the State's option. Proposals submitted may be reviewed and evaluated by any person designated by the State, in its sole discretion. During the selection process, proposals shall not be revealed or discussed with competing Respondents. Upon the execution of a contract with the successful Respondent, the proposals will be available to the public to the extent required by law.

H. Economy of Presentation

To be considered for selection, Respondents must submit a complete response to this RFP. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Respondent's capabilities and approach in meeting the requirements set forth in this RFP. The emphasis should be on each proposal's completeness and clarity of content.

I. Rejection of Proposals

The Office of the Treasurer will be the sole judge of the Respondent's responsiveness to the RFP and reserves the right to reject any or all responses, with or without cause, without incurring any liability whatsoever. The Treasurer may reject all proposals and/or withdraw the RFP at any time prior to contract execution.

J. Contract Execution

After final firm selection, the OTT will enter into contract negotiations with the selected Respondent to finalize terms, fees and conditions. This RFP and the selected Respondent's proposal, or any part thereof, may be included in and made a part of the final contract. The resulting contract and all attachments shall be a public document.

If, in the sole opinion of the Office of the Treasurer, an acceptable contract with the selected Respondent cannot be reached, the Treasurer reserves the right to disqualify such Respondent and to negotiate with the next-preferred Respondent.

K. Contract Term

The Treasurer proposes to hire a custodian provider for the ten year period beginning July 1, 2021, with options for renewal. The contract shall include a provision allowing termination upon 180 days prior written notice.

L. Collusion

By responding, the Respondent represents that its proposal is not made in connection with any competing Respondent submitting a separate response to the RFP, and is in all respects fair and without collusion or fraud. It is further represented that the Respondent did not directly or indirectly induce any firm to submit a false or sham proposal or to refrain from proposing. In addition, the

Respondent represents that it did not participate in the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no employee of the agency participated directly or indirectly in the Respondent's proposal preparation.

M. Further Instructions and Conditions

1. Conformance with Instructions – All responses to this RFP must conform to these instructions. Failure to conform may be considered appropriate cause for rejection of the response.
2. Inclusion of Taxes in Prices – The Office of the Treasurer is exempt from the payment of excise, transportation, and sales and use taxes imposed by the Federal Government or any state or local government. Such taxes must not be included in prices.
3. Terms and Conditions of RFP – Submission of a proposal indicates the Respondent's acceptance of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Office of the Treasurer and the firm selected.
4. Conformance with Statutes - Any contract awarded as a result of this RFP must be in full conformance with statutory requirements of the State of Connecticut and the U.S. Government.
5. Timing and Sequence – The timing and sequence of events resulting from this RFP will ultimately be determined solely by the Office of the Treasurer.
6. Stability of Proposed Prices - Price offerings from Respondents must be valid for a period of nine (9) months from the due date of proposals.
7. Oral Agreements - Any alleged oral agreement or arrangement made by a Respondent with any agency or employee shall be superseded by the written contract between the OTT and such a Respondent.
8. Amending or Canceling Requests - The Treasurer reserves the right to amend or cancel this RFP, prior to the due date and time, at its sole discretion.
9. Rejection for Default or Misrepresentation - The Treasurer reserves the right to reject the proposal of any Respondent that is in default of any prior contract, for misrepresentation or otherwise, as may be determined by the Office of the Treasurer.
10. State's Clerical Errors in Awards - The Office of the Treasurer reserves the right to correct inaccurate awards resulting from its clerical errors.
11. Rejection of Qualified Proposals - Proposals are subject to rejection in whole or in part if they limit or modify any of the terms and conditions and/or specification of the RFP.
12. Respondent's Presentation of Supporting Evidence - A Respondent, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in its proposal.
13. Changes to Proposal - No additions or changes to a Respondent's original proposal shall be allowed after submittal, except where corrections of errors or omissions may serve the best interests of the Office of the Treasurer. Clarification at the request of the agency may be required at the Respondent's expense.
14. Right to Award, Reject or Waive – The Treasurer reserves the right to award in part, to reject any and all proposals in whole or in part, to waive technical defects, irregularities and omissions if, in its judgment, the best interests of the Office of the Treasurer will be served.

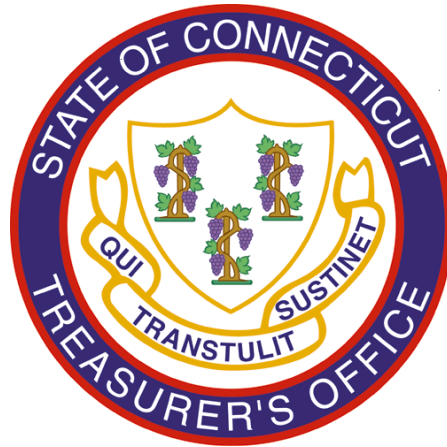
ATTACHMENTS A-M

Pursuant to Connecticut law and Office of the Treasurer policies, vendors and prospective vendors of the Office of the Treasurer are required to provide various reports, affidavits and other documents indicating compliance with such laws and policies.

As a standard procedure we request that you complete attachments A-M of our compliance package. To access the fillable forms please go to:

<https://portal.ct.gov/OTT/Doing-Business/Compliance-Reporting>

Please note: as part of attachment A, we require the Employment Information Report to be completed for the last 3 years.



PERSONAL SERVICES AGREEMENT
BETWEEN
THE STATE OF CONNECTICUT
OFFICE OF THE TREASURER
AND

PERSONAL SERVICES AGREEMENT

This **PERSONAL SERVICES AGREEMENT** ("Agreement") is entered into as of _____ (the "Commencement Date"), between the **STATE OF CONNECTICUT**, acting through its Treasurer (the "Treasurer" or the "State") and _____, a _____ corporation, having a principal place of business at _____ (the "Contractor").

WHEREAS, Section 3-11a of the Connecticut General Statutes authorizes the Treasurer to enter into contracts to as may be necessary and proper for the discharge of his duties;

WHEREAS, having engaged in a process designed to solicit and evaluate bids, the Treasurer has selected the Contractor based on the Contractor's proposal to provide Global Trust/Custody Services; Foreign Exchange Services; and Risk Management Services for the Connecticut Retirement Plans and Trust Funds. The Treasurer wishes to appoint the Contractor to provide such services, and the Contractor wishes to accept this appointment, on the terms and conditions set forth below; and

WHEREAS, the Contractor hereby reaffirms the reliability and accuracy of the written and oral representations made to the Treasurer in Contractor's solicitation of this Agreement;

NOW, THEREFORE, in consideration of the foregoing recitals that are incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Term

This Agreement shall commence on the Commencement Date and shall expire on the earlier of (i) _____, or (ii) termination by either party as set forth in Section 33 hereof (Termination).

2. Definitions

- A. "Agreement" shall mean this Personal Services Agreement.
- B. "C.G.S." shall mean the Connecticut General Statutes.
- C. "Commencement Date" shall have the meaning set forth in the introductory paragraph hereto.
- D. "Commission" shall mean the Connecticut Commission on Human Rights and Opportunities.
- E. "Contractor" shall mean _____.
- F. "Election Laws" shall mean C.G.S. Section 9-612, 9-613, *et seq.*, as amended from time to time.
- G. "Gift Affidavit" shall have the meaning set forth in Section 24 (Gift Affidavit) hereof.

- H. “Internal Investigation” shall have the meaning set forth in Section 21 (Legal proceedings) hereof.
- I. “Proceeding” shall have the meaning set forth in Section 21 (Legal Proceedings) hereof.
- J. “State” shall mean the State of Connecticut, acting through its Treasurer.
- K. “State Ethics Code” shall mean Chapter 10 of the Connecticut General Statutes.
- L. “Treasurer” shall mean (i) the Office of the State Treasurer; (ii) the then-current Treasurer of the State of Connecticut in his capacity as trustee; and/or (iii) the State Treasurer’s authorized agent, employee or designee.

3. Scope of Services

- A. **[Insert from RFP]**

4. Compensation

- A. The Treasurer shall pay the Contractor a fee of _____, for each of the five years of the Term (the “Fee”). The Fee shall be paid on a quarterly basis in arrears in accordance with this Section (“Compensation of the Contractor”).
- B. For the Quarter in which this Agreement commences or terminates, the Fee shall be prorated based upon the number of days in that Quarter during which this Agreement is in effect. The Fee shall be calculated as follows: the regular quarterly Fee shall be multiplied by a fraction, the numerator of which is the number of days in the Quarter during which the Agreement is in effect and the denominator of which is the total number of days in the Quarter.
- C. The Contractor shall submit an invoice for payment of the Fee no later than 15 calendar days following the last business day of the Quarter for which the Fee is due. In no event shall the Fee for any Quarter be due or payable sooner than 30 calendar days following the end of the Quarter for which the invoice is rendered.
- D. The Treasurer shall review any request for changes in Fees proposed by the Contractor. If the Treasurer approves a change in Fees, such change shall be implemented by amending this Agreement as provided in Section 26 hereof.
- E. The Contractor shall submit to the Treasurer invoices only covering work already performed; no compensation shall be paid to, or requested by, the Contractor in advance of services rendered. Invoices shall be mailed to:

Office of the Treasurer
State of Connecticut
165 Capitol Avenue
Hartford, CT 06106

Attention: Pension Fund Management Division

The Treasurer may change the above address for invoices under this section upon prior written notification to the Contractor.

5. Representations and Warranties of the Contractor

- A. The Contractor represents and warrants that it is fully experienced and properly qualified to perform the services provided for herein and that it is properly licensed, equipped, organized and financed to perform such services.
- B. The Contractor represents and warrants that neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated herein will violate any agreement or a contractual commitment to which the Contractor is a party or by which it is bound, any law, regulation, order, or any provision of the Contractor's charter documents. The Contractor further represents and warrants that it is not a party to any existing agreement that would prevent the Contractor from entering into and performing this Agreement. For the term of this Agreement, the Contractor agrees not to enter into any other agreement that is in conflict with the Contractor's obligations under this Agreement.
- C. The Contractor represents and warrants that it is duly organized, validly existing, and in good standing under the laws of the state of its organization and has full corporate power and authority to carry on its business as it has been and is currently being conducted.
- D. The Contractor represents and warrants that it has full power and authority to enter into and perform fully the terms of this Agreement and that the execution of this Agreement on behalf of the Contractor is duly authorized and, upon execution and delivery, this Agreement shall be binding upon the Contractor in accordance with its terms.
- E. The Contractor represents and warrants that it has completed, obtained and performed all applicable registrations, filings, approvals, licenses, authorizations, consents and/or examinations required by any government or governmental authority for entry into this Agreement and performance of the services contemplated herein, and the Contractor further represents and warrants that it shall maintain all such proper and required registrations, filings, approvals, licenses, authorizations, consents and/or examinations for the term of this Agreement.
- F. The Contractor represents and warrants that it shall act as an independent contractor in performing this Agreement and shall maintain complete control over its employees and any subcontractors hired by it to perform services hereunder.
- G. The Contractor represents and warrants that it shall perform all services hereunder in accordance with the terms of this Agreement and in compliance with all applicable federal, state and local laws, regulations, guidelines, permits, and requirements.

- H. The Contractor represents that services to be rendered hereunder do not in any way conflict with other contractual commitments with or by the Contractor.
- I. The Contractor represents and warrants that neither any representation and warranty contained herein nor any written statements, certificates or documents delivered or to be delivered to the Treasurer or the Treasurer's designated representative(s) by or on behalf of the Contractor contains or will contain any misstatements of material fact, or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.
- J. The Contractor represents and warrants that the Contractor (including its key professionals) has no undisclosed material or potential conflict of interest with the Treasurer. Any previously undisclosed material or potential conflicts of interest are disclosed on **Attachment K – Conflicts of Interest** on the Compliance Reporting link, (see **Exhibit D for Compliance Reporting link**). Advisor represents and warrants that it shall, no less than annually and for the term of this Agreement, report to the Treasurer any changes to the disclosure provided in **Attachment K**.
- K. The Contractor shall promptly notify the Treasurer in writing in the event any of the foregoing acknowledgements, representations, warranties or agreements herein shall no longer be true.

6. Changes in Services

When changes in services are required or requested by the Treasurer, the Contractor shall promptly estimate the monetary effect of such services and so notify the Treasurer. Subject to the terms and conditions set forth in Section 26 hereof (Amendments), the Contractor shall not implement any change in services under this Agreement unless such change is first approved by the Treasurer in writing. Unless otherwise agreed to in writing, the provisions of this Agreement shall apply to all changes in services.

7. Labor and Personnel

At all times, the Contractor shall utilize qualified personnel necessary to perform the services under this Agreement. The Contractor shall, if requested to do so by the Treasurer, reassign from the Treasurer's account, within a reasonable period of time, any employee or authorized representative whom the Treasurer, in his sole discretion, determines is incompetent, dishonest, uncooperative or unable to effectively perform the responsibilities and services required hereunder.

8. Insurance Requirements

- A. **Minimum Coverage Requirements.** At minimum, the Contractor shall at its sole cost and expense, during the term of this Agreement, procure and maintain in full force and effect the types and minimum limits of insurance coverage specified in this Section 9 (Insurance) against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors. In no event shall the Contractor perform work under this Agreement until the required evidence of insurance has been furnished to the Treasurer. All insurance shall be procured from reputable insurers (rated A-, class X

or better by A.M. Best & Company) that are approved/admitted to doing business in the State of Connecticut or otherwise acceptable to the Treasurer. Coverage for occurrences happening during the performance of the services provided hereunder shall be maintained in full force and effect under the policy.

- B. Comprehensive General Liability Insurance: The Contractor shall obtain and maintain occurrence-based commercial general liability insurance or similar coverage with a limit of not less than \$1,000,000 for each occurrence for bodily injury, personal injury and property damage. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two times the occurrence limit.
- C. Professional Liability Insurance or Miscellaneous Professional Liability Insurance. The Contractor agrees to procure and maintain professional liability insurance or miscellaneous professional liability insurance with a limit of not less than \$10,000,000. The Contractor's insurance policy must have a provision for a supplemental Extended Reporting Period ("ERP" a/k/a "tail coverage"). This tail coverage allows for claims to be reported after the policy is terminated for covered incidents that occurred while the Contractor was insured. Should the Contractor cease operations which would result in the termination of this claims-made policy prior to the expiration date of this agreement, the Contractor is required to activate the supplemental "ERP" or "tail" coverage by purchasing the extended coverage prior to the policy's termination. The Extended Reporting Period must be for one full year after termination.
- D. Cybersecurity Insurance. The Contractor shall obtain and maintain cyber liability insurance with a limit of not less than [\$1,000,000 for each claim and \$2,000,000 in the aggregate.]
- E. Deductibles. Any deductibles or self-insured retentions must be declared to and approved by the Treasurer. At the Treasurer's reasonable option, the Contractor shall reduce such deductibles or self-insured retentions, or shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.
- F. Certification. The Contractor shall certify to the Treasurer in writing upon execution of this Agreement on the Insurance Certificate located on the Compliance Reporting Link and, thereafter at least annually, the nature, amount of and carrier of insurance insuring the Contractor against the risks specified, and the indemnification obligations and liabilities of the Contractor contained in this Agreement. Prior to the execution of this Agreement and as requested by the Treasurer, the Contractor shall furnish the Treasurer in writing with proof of its insurance coverage. In doing so, the Contractor shall furnish the Treasurer with a true and correct copy of (a) the original insurance policies or (b) a Certificate of Insurance that shall clearly evidence all insurance required in this Agreement and which provide that such insurance may not be canceled, except on 30 days' prior written notice to the Treasurer. Notices of cancellation, termination, and alteration of such insurance or bond shall be delivered to the Treasurer immediately upon receipt by the Contractor.
- G. Cancellations, Modifications, Failures to Maintain, Etc. The Contractor shall not cancel or reduce such coverage as set forth in this Section 8 (Insurance Requirements), except upon thirty (30) days prior written notice to the Treasurer. Notices of cancellation, termination, and alteration of such insurance or bond shall be delivered to the Treasurer *via* certified

mail immediately upon receipt by the Contractor. If at any time during the term of this Agreement the Contractor fails to obtain or maintain the required insurance, the Treasurer shall have the right to treat such failure as a breach of contract and to exercise all appropriate rights and remedies. Each of the insurance coverage's shall provide for at least thirty (30) days prior written a notice to be given to the Treasurer in the event coverage is materially changed, canceled or non-renewed.

- H. Claims. The Contractor shall notify the Treasurer in writing of any claims made to, and any payment received on a claim from any of its insurance carriers pertaining to the State or the Treasurer. The Treasurer reserves the right to receive the benefit of any insurance coverage obtained by the Contractor in amounts higher than the minimums set forth herein.
- I. Effect. The insurance requirements set forth herein are not intended and shall not be construed to modify, limit or reduce the indemnification obligations made in this Agreement by the Contractor to the Treasurer or to limit the Contractor's liability under this Agreement to the limits of the policies of insurance required to be maintained by the Contractor hereunder.

9. Quality Surveillance

All services performed by the Contractor shall be subject to the inspection and approval of the State at all times, and the Contractor shall furnish all information concerning such services, and shall grant the Treasurer's duly authorized representatives free access at all reasonable times to the Contractor's facilities where the services under this Agreement are performed. The Contractor shall allow such representatives free access to any of the Contractor's books and records relating to the services provided hereunder. At the Treasurer's request, the Contractor shall provide the State with hard copies or computer transmittal of any data or information in the possession of the Contractor that pertains to the Treasurer's business under this Agreement. The Contractor shall incorporate this paragraph verbatim into any agreement it enters into with any vendor providing services under this Agreement.

10. Nondisclosure

The Contractor shall not release any information concerning the services provided pursuant to this Agreement or any part thereof to any member of the public, the press or media, business entity or any official body unless prior written consent is obtained from the Treasurer or required by law or court order.

11. Promotion

No publicity release or announcement concerning this Agreement shall be issued without the advance written approval of the Treasurer. Unless specifically authorized in advance in writing by the Treasurer on a case-by-case basis, the Contractor shall have no right to use, and shall not use, the name of the State of Connecticut, its officials or employees, or the seal of the State of the Treasurer:

- i. In any advertising, publicity, or promotion;
- ii. As an express or implied endorsement of the Contractor's products or services; or

- iii. In any other manner (whether or not similar to uses prohibited by subsections (a) and (b) above), except to perform and deliver in accordance with this Agreement such services as are hereby contracted by the State of Connecticut.

In no event may the Contractor use the State Seal or the seal of the Office of the Treasurer in any way without the express written consent of the Secretary of State of the State of Connecticut or the Treasurer, respectively.

12. Confidentiality

All data provided to the Contractor by the Treasurer, the Treasurer's staff or designated representatives, or developed internally by the Contractor with regard to the Treasurer or the State will be treated as proprietary to the State and confidential unless the Treasurer agrees in writing to the contrary in advance. The Contractor agrees to forever hold in confidence all files, records, documents or other information ("State Information") as designated, whether prepared by the State or others, which may come into the Contractor's possession during the term of this Agreement, except where a disclosure of such information by the Contractor is required (whether in the ordinary course of business or otherwise) by another governmental authority to ensure compliance with laws, rules or regulations, and such disclosure will be limited to that actually so required. Where such disclosure is required, the Contractor will provide advance written notice to the Treasurer of the need for disclosure. The Contractor shall inform all of its agents of the confidentiality provision contained in this Agreement. To fulfill the obligations of this Section, the Contractor shall maintain a privacy policy which shall contain procedures to safeguard State Information.

The Contractor shall immediately report to the Treasurer any use or disclosure of State Information not provided for by this contract, including the extent of the unauthorized release or use, the recipient(s) of the data, and the data released or used. The Contractor shall mitigate, to the extent practicable, any harmful effect that is known to the Contractor arising from use or disclosure of State Information, and shall report to the Treasurer the steps taken to mitigate the harm.

The Contractor further agrees to comply with the Treasurer's Security Addendum, attached as "Exhibit E."

13. Non-Discrimination Obligations

- A. The following subsections are set forth here as required by Section 4a-60, as amended by State of the Connecticut General Statutes; references in this Section 14 to "Contractor" shall mean the Contractor, and references to "commission" shall mean the Connecticut Commission on Human Rights and Opportunities:

(1) The Contractor agrees and warrants that in the performance of the Agreement such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability or physical disability, including but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further

agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved; (2) The Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission; (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e, 46a-68f and 46a-86; and (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records, and accounts, concerning the employment practices and procedures of the Contractor as relating to the provisions of this section and C.G.S. Section 46a-56.

- B. If this Agreement is a public works contract, municipal public works contract or contracts for a quasi-public agency project, the Contractor agrees and warrants that it will make good faith efforts to employ minority business enterprises as subContractors and suppliers of materials on such public works or quasi-public agency project.
- C. "Minority business enterprise" means any small Contractor or supplier of materials fifty-one per cent (51%) or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) Who are active in the daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise and; (3) who are members of a minority, as such term is defined in subsection (a) of C.G.S. Section 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.
- D. Determination of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor's employment and subcontracting policies, patterns, and practices; affirmative advertising, recruitment, and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

- E. The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- F. The Contractor shall include the provisions of **subsection (A)** above in every subcontract or purchase order entered into in order to fulfill any obligation of this Agreement with the State and such provisions shall be binding on a subContractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subContractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- G. The following subsections are set forth here as required by section 4a-60a of the Connecticut General Statutes:
- (1) the Contractor agrees and warrants that in the performance of this Agreement such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State, and that employees are treated when employed without regard to their sexual orientation; (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractors commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; and (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this section and section 46a-56.
- H. The Contractor shall include the provisions of **subsection (G)** above in every subcontract or purchase order entered into in order to fulfill any obligation of this Agreement with the state and such provisions shall be binding on a Contractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided that, if such Contractor becomes involved in, or is threatened with, litigation with a Contractor or vendor as a result of such direction by the commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

For the purposes of this entire Non-Discrimination section, “Agreement” includes any extension or modification of the Agreement, “Contractor” includes any successors or assigns of the Contractor, “marital status” means being single, married as recognized by the state of Connecticut, widowed, separated or divorced, and “mental disability” means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association’s “Diagnostic and Statistical Manual of Mental Disorders,” or a record of or regarding a person as having one or more such disorders. For the purposes of this section, “Agreement” does not include a contract where each Contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

- I. In accordance with the foregoing acknowledgments and agreements, and as required by Public Act 09-158, **Attachment B from the Compliance Reporting Link**, is Contractor’s nondiscrimination certificate. Contractor shall update such certificate not later than 30 days after the effective date of any change in the information provided in such certification, and shall certify annually that the most recent certification on file is current and accurate.

14. Fiduciary Duties

By execution of this Agreement, the Contractor, to the extent that it exercises any discretionary authority or discretionary control respecting the management or disposition of the assets, or renders investment advice, acknowledges that it is a fiduciary with respect to the Office of the Treasurer, and asserts that it is registered and/or licensed pursuant to all applicable state and federal laws. The Contractor shall discharge such fiduciary duties under this Agreement solely in the interests of the Office of the Treasurer 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 the conduct of an enterprise of like character and with like aims, and in accordance with the provisions of this Agreement.

15. Indemnification

The Contractor hereby indemnifies and shall defend and forever hold harmless the Treasurer, the Treasurer’s officers, representatives and employees, from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, losses, liabilities, suits, judgments, fines, penalties, charges, interest, attorney’s fees, costs and expenses of whatsoever kind or nature including those arising out of injury to or death of the Contractor’s employees, whether arising before, during or after completion of the services hereunder, and in any manner directly or indirectly caused or occasioned by, or attributable or contributed to in whole or in part, any act of bad faith, negligence, willful misconduct, improper or unethical practice, infringement of intellectual property rights, breach of fiduciary duty, breach of trust, breach of confidentiality, or any other breach of contract or violation of any law or requirement in connection with this Agreement, by the Contractor, its principals, directors, officers, employees, agents or subcontractors. At the Treasurer’s option, and in his sole discretion, the Contractor shall defend

at its expense any actions brought against the Treasurer or the State arising out of or in connection with any services performed hereunder or the failure to perform such services, or other breach of this Agreement, by the Contractor, its principals, directors, officers, employees, agents or subcontractors, and the costs of such defense shall be borne by the Contractor and shall not constitute any expense of nor shall be paid by the State or the Treasurer. This indemnification shall survive any termination of this Agreement.

16. Liability

Nothing set forth in this Agreement shall in any way constitute a waiver or limitation of any rights that the State or the Treasurer may have under any applicable laws and nothing contained in this Agreement shall be construed as relieving the Contractor from any responsibility or liability for any responsibility, obligation, or duty hereunder imposed on the Contractor by state or federal law.

17. Corporate Citizenship

The Contractor agrees and acknowledges that the Treasurer expects all of its vendors to be good corporate citizens. Good corporate citizenship includes, without limitation, embracing workforce diversity within the company and with respect to the procurement of goods and services, supporting the communities where the company does business with respect to charitable and civic organizations, community works and procurement practices, and incorporating good corporate governance in the company's operation. During the term of this Agreement, the Contractor agrees to furnish the Treasurer with detailed and accurate reports of its good corporate citizenship activities upon request.

18. Third Party Fee Disclosure

The Contractor acknowledges and agrees that:

- A. Pursuant to Section 3-13j of the Connecticut General Statutes, any person or entity who would be a party to a contract for investment services with the Office of the Treasurer shall disclose to the Treasurer, in writing, all third-party fees attributable to such contract before any such contract may take effect;
- B. Contractor is not providing investment services to the Office of the Treasurer under this Agreement; and
- C. Section 4a-81 of the Connecticut General Statutes prohibits the Office of the Treasurer from entering into any contract for goods or services with an annual value of \$50,000 or more unless it obtains an affidavit from the vendor attesting as to whether such vendor has entered into any written or oral consulting agreements in connection with its contract with the Office of the Treasurer.

In accordance with the foregoing acknowledgement and agreements, the Contractor agrees to have its chief official authorized to enter into this Agreement complete and submit to the Treasurer a sworn affidavit in the form of **Attachment D** (the "Third Party Fee Disclosure Affidavit") on the Compliance Reporting link.

The Contractor represents that the information it has disclosed on the Third Party Fee Disclosure Affidavit is accurate and complete as of the date of this Agreement. The Contractor covenants to

promptly report any changes to the disclosure provided on the Third Party Fee Disclosure Affidavit and to file an updated affidavit with the Treasurer on an annual basis as of June 30 of each contract year.

19. Campaign Contributions

- A. The parties hereto acknowledge and agree that C.G.S. Sections 9-612 and 613 (as may be amended from time to time, the “Elections Laws”) among other things, prohibits contributions to and limits solicitations on behalf of a candidate for the Treasurer of the State of Connecticut. The Contractor covenants not to make any campaign contributions or solicitations in violation of such Election Laws for the term of this Agreement. The Contractor further represents and agrees that (i) the Contractor, (ii) any and all directors or persons with 5% or greater ownership in the Contractor, (iii) any and all individuals employed as president, treasurer or executive vice president by the Contractor, (iv) any and all officers and employees of the Contractor with managerial or discretionary responsibilities with respect to the State, (v) the spouse or dependent child who is eighteen years of age or older of any of the foregoing, or (vi) a political committee established or controlled by the Contractor or any such individuals, did not during the last election cycle contribute to or solicit contributions on behalf of, and will not (for the term of this Agreement) contribute to, or solicit contributions on behalf of, any exploratory committee or candidate committee established by a candidate for nomination or election to the Office of the Treasurer of the State of Connecticut.
- B. If this Agreement has a value equal to or more than \$50,000 in a calendar year, then the Treasurer hereby notifies the Contractor that, pursuant to the Elections Laws, no principal of the Contractor, as defined in the Elections Laws (“Principal”), shall make a political contribution to or on or after January 1, 2011, knowingly solicit a political contribution from Contractor’s employees or from a subcontractor or principals of a subcontractor of Contractor on behalf of: (i) an exploratory committee or candidate committee established by a candidate for election to any of the following offices of the State: Governor, Lieutenant Governor, Secretary of State, Treasurer, Comptroller, or Attorney General; (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates; or (iii) a party committee (each and together, a “Prohibited Contribution”). If the Contractor or a Principal makes or solicits a Prohibited Contribution, then the Treasurer at his sole discretion may void this Agreement immediately and without notice. If the Contractor or a Principal makes or solicits a Prohibited Contribution and the Treasurer decides not to void this Agreement, then this Agreement shall not be amended for that period of time proscribed by the Elections Laws.
- C. For all State contracts as defined in Public Act 10-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the Contractor’s authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission’s notice advising State contractors of State campaign contribution and solicitation prohibitions, and will inform its Principals of the contents of such notice. See **Attachment H** on the Compliance Reporting link.

20. Code of Ethics

None of the Contractor, its principals, directors, members, officers, partners, employees or agents shall engage directly or indirectly in any financial or other transaction with any trustee, staff member, or employee of the Office of the Treasurer which would violate the standards set forth in the State of Connecticut Code of Ethics for Public Officials, as codified in Chapter 10, Part 1, Sections 1-79 through 1-90 of the Connecticut General Statutes.

21. Notice of Certain Legal Proceedings, Internal Investigations

- A. As of the date hereof, the Contractor shall have provided the Treasurer with a complete and accurate report in writing of any known or threatened (i) lawsuit, legal or administrative proceeding or governmental investigation, examination, complaint, disciplinary action, non-routine Securities and Exchange Commission inquiry or investigation, or other proceeding relating to the Contractor or any of its affiliates (including any proceedings to which the Contractor, its affiliates, or any of their respective officers, directors, principals, members, partners, managers or employees is a named party or of which any of such has been the focus), or of any other lawsuit, legal proceeding or governmental investigation (whether or not the Contractor or its affiliates, or any of their respective directors, officers, managers, or principal is a party thereto, but only to the extent the Contractor has knowledge thereof) relating to or affecting the Contractor's ability to perform its obligations under this Agreement or involving any investment professional employed by the Contractor who has performed or does perform any services for the Treasurer (each, a "Proceeding") and (ii) formal internal investigations of the Contractor, or any of its directors, officers, principals, members, partners, managers, investment professionals or employees involved with providing services to the Treasurer under this Agreement relating to or affecting the Contractor's ability to perform its obligations under this Agreement or involving any investment professional employed by the Contractor who has performed or does perform any services for the Treasurer (each, an "Internal Investigation").
- B. During the term of this Agreement and to the extent permitted by law, the Contractor agrees to promptly notify the Treasurer in writing of the commencement or existence of any known or threatened Proceeding or Internal Investigation.
- C. During the term of this Agreement and to the extent permitted by law, the Contractor agrees to promptly provide the Treasurer with any and all information reasonably requested by the Treasurer in response to disclosure made pursuant to this Section 21.
- D. During the term of this Agreement and to the extent permitted by law, the Contractor shall promptly inform the Treasurer in writing of any material changes in the status of any pending Proceeding or Internal Investigation previously disclosed hereunder, and shall promptly update any information previously disclosed to the Treasurer related to any such Proceeding or Internal Investigation.

22. Compliance; Duty to Update; Whistleblower

- A. The Contractor, its employees, agents and representatives shall at all times comply with all applicable foreign, international, federal, state (including those of the State of Connecticut),

county and local laws, ordinances, statutes, rules, regulations, registrations, filings, approvals, authorizations, consents examinations and orders of governmental authorities, including those having jurisdiction over its registration and licensing to perform services hereunder, and all provisions required by such legal requirements are hereby incorporated by reference in this Agreement. The Contractor shall be solely responsible for obtaining current information on such laws and requirements. The Contractor shall promptly disclose to the Treasurer any changes in the Contractor's status with respect to any such compliance and disclosure and shall immediately deliver any amended, modified or changed instruments, documents and other filings to the Treasurer.

- B. Without limiting the foregoing, this Agreement is subject to the provisions of §4-61dd of the Connecticut General Statutes. No officer, director or appointing authority of the Contractor may take or threaten to take any retaliatory personnel action against any employee of the Contractor who discloses information regarding corruption, unethical practices, violation of state laws or regulations, mismanagement, gross waste of funds, abuse of authority or danger to public safety occurring in any state department or agency to the Connecticut Auditors of Public Accounts or the Connecticut Attorney General. In the event that any such retaliatory action is taken or threatened, the Contractor shall be liable for civil penalties.

23. Equal Opportunity and Diversity

- A. The Contractor agrees and warrants that, in the performance of its duties hereunder, it shall not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, gender, mental retardation, sexual orientation or physical disability, including but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the services under this Agreement.
- B. The Contractor further agrees to use its best efforts to consider applicants with job-related qualifications for employment and that, once employed, employees are treated without regard to their race, color, religious creed, age, marital status, national origin, ancestry, gender, mental retardation, sexual orientation, or physical disability. The Contractor agrees, represents and warrants that all solicitations or advertisements for employees placed by it or on its behalf shall state that the Contractor is "affirmative action – equal opportunity employer." The Contractor agrees, represents and warrants that it shall use its good faith efforts to consider and recruit diverse applicants from the widest possible pool of candidates. In meeting its good faith obligation to recruit diverse applicants, the Contractor agrees, represents and warrants that it shall contact national networks, and shall maintain adequate records of its efforts regarding workforce diversity.
- C. The Contractor must complete and submit **Attachment A** on the Compliance Reporting link. The Contractor further represents and warrants that the information disclosed on **Attachment A** is accurate and complete as of the date of this Agreement. During the term of this Agreement, the Contractor agrees to furnish the Treasurer with updated and accurate disclosure no later than December 31 of each year.

24. Gift Affidavit

The Contractor shall complete, truthfully attest to and submit herewith a Gift Affidavit in the form of **Attachment E** on the Compliance Reporting link. The Contractor represents and warrants that the information it has disclosed in such Gift Affidavit is complete and accurate as of the date of this Agreement.

25. Pay-to-Play

The Contractor represents and warrants that neither the Contractor nor any individual in the Contractor's organization has received or paid, or entered into an agreement, to receive or pay, any compensation, fees, or any other benefit from or to any third party, including any consultants or contractors to the State or the Treasurer, in connection with the indirect or direct procurement of this Agreement.

26. Entire Agreement; Integration; Amendments

This Agreement embodies the entire agreement between the Treasurer and the Contractor on the matters specifically addressed herein. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. This Agreement shall supersede all prior written agreements between the parties and their predecessors. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty outside those expressly set forth herein. No changes, amendments or modifications of any of the terms or conditions of this Agreement shall be valid unless reduced to writing, signed by both parties and approved by the Office of the Attorney General of the State of Connecticut. The parties shall meet and confer in good faith on any modification of this Agreement that may become necessary to make its provisions consistent with any policy of the Treasurer, or federal, state, local, foreign or international statute, rule, regulation or ordinance that governs any aspect of this Agreement.

27. Notices

Unless otherwise expressly provided to the contrary, all notices, requests, demands or other communications required by or otherwise with respect to this Agreement shall be in writing and shall be deemed given (i) when made, if made by hand delivery, and upon confirmation of receipt, if made by facsimile, (ii) one business day after being deposited with a next-day courier, postage prepaid, or (iii) three business days after being sent certified or registered mail, return receipt requested, postage prepaid, in each case to the applicable addresses set forth below (or to such other address as such party may designate in writing from time to time):

TREASURER: Office of the Treasurer
 State of Connecticut
 165 Capitol Avenue
 Hartford, CT 06106
 Telephone: (860) 702-3000
 Attn: Pension Fund Management

COPY TO: General Counsel
 Office of the Treasurer

State of Connecticut
165 Capitol Avenue
Hartford, CT 06106
Telephone: (860) 702-3000
Fax: (860) 728-1290

CONTRACTOR:

[REDACTED]

ADDRESS:
CITY, STATE ZIP

Telephone: (XXX) XXX-XXXX
Fax: [REDACTED]

The parties may change their respective addresses for notices under this Section 27 (Notices) upon prior written notification to the other.

28. Governing Law; Jurisdiction; Venue

This Agreement shall be interpreted under, governed by and enforced according to the laws of the State of Connecticut, without regard to choice of law rules. The Contractor hereby submits to the jurisdiction of the courts of the State of Connecticut, or of the United States of America sitting in the State of Connecticut, over any action, suit, or proceeding arising out of or relating to this Agreement. The Contractor agrees to service of process in any manner authorized by the laws of the State of Connecticut.

29. Discovery of Conflicts, Errors, Omissions, and Discrepancies

In the case of conflicts, discrepancies, errors or omissions among the various parts of this Agreement, any such matter shall be submitted immediately by the Contractor to the Treasurer for clarification. The Treasurer shall issue such clarification within a reasonable period of time. This remedy shall not be deemed exclusive and the Contractor does not waive any of its legal or equitable remedies. Any services affected by such conflicts, discrepancies, errors or omissions which are performed by the Contractor prior to clarification by the State shall be at the Contractor's risk.

30. Non-Waiver

None of the conditions of this Agreement shall be considered waived by the Treasurer or the Contractor unless given in writing. Failure by the Treasurer to promptly assert any rights under this Agreement shall not be construed to be acquiescence of any misfeasance, malfeasance or nonfeasance. No such waiver shall be a waiver of any past or future default, breach, failure of condition, right or remedy or modification of any of the conditions of this Agreement unless expressly stipulated in such waiver.

31. Survival

The rights and obligations of the parties which by their nature survive termination or completion of this Agreement, including but not limited to those set forth herein Sections 10 (Nondisclosure), 11 (Promotion), 12 (Confidentiality), 15 (Indemnification) and 16 (Liability) of this Agreement, shall remain in full force and effect.

32. Sovereign Immunity

Notwithstanding any provisions to the contrary contained in this Agreement, it is agreed and understood that neither the State nor the Treasurer shall be construed to have waived any rights or defenses of sovereign immunity, which the State or the Treasurer may have with respect to all matters arising out of this Agreement. The Treasurer hereby reserves all immunities, defenses, rights or actions arising out of the State's sovereign status or under the Eleventh Amendment to the United States Constitution, and no waiver of any such immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by the Treasurer's entry into this Agreement, by any express or implied provision of this Agreement, or by any actions or omissions to act of the State or the Treasurer, or any representative or agent of either the State or the Treasurer, whether taken pursuant hereto, prior to or after the Treasurer's entry into this Agreement.

33. Termination

The parties mutually agree, that either may terminate this Agreement upon thirty (30) days' written notice delivered to the other by certified or registered mail to the addresses provided in Section 27 hereof. Notwithstanding any provisions in this Agreement, the Treasurer, through a duly authorized employee, may terminate the Agreement whenever the Treasurer makes a written determination that such termination is in the best interests of the State. The Treasurer shall notify the Contractor in writing of termination pursuant to this Section, which notice shall specify the effective date of termination and the extent to which the Contractor must complete its performance under the Manager prior to such date.

Following the delivery of any notice of termination hereunder, the Contractor shall perform all of its obligations hereunder in good faith as directed by the State and will cooperate fully with the State in taking all necessary or appropriate steps in order to effectuate the orderly transfer of management functions to third parties designated by the State.

34. Assignment

This Agreement shall not be assigned by either party without the express prior written consent of the other party.

35. Severability

If any part or parts of this Agreement shall be held to be void, invalid or unenforceable, or contrary to any express provision of law, or contrary to the policy of express law though not expressly prohibited, or against public policy, then such part or parts shall be treated as severable from the rest of the Agreement, leaving valid and enforceable the remainder of this Agreement and in no way shall affect the validity or enforceability of the rights of the parties hereto.

36. Applicable Executive Orders of the Governor

- A. This Agreement is subject to the provisions of Executive Order Number Three of Governor Thomas J. Meskill promulgated June 16, 1971, set forth in the attached **Exhibit A**.
- B. This Agreement may be canceled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order Number Three or any state of the federal law concerning nondiscrimination.
- C. This Agreement is subject to the provisions of Executive Order Number Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, set forth in the attached **Exhibit B**.
- D. This Agreement may be canceled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order Number Seventeen, notwithstanding that the Labor Commissioner may not be party to this Agreement.
- E. This Agreement is subject to the provisions of Executive Order Number Sixteen of Governor John G. Rowland promulgated August 4, 1999, set forth in the attached **Exhibit C**.
- F. This Agreement may be canceled, terminated or suspended by the State for violation of or noncompliance with said Executive Order Number Sixteen.
- G. The parties agree to abide said Executive Orders and agree that, with respect to Executive Orders Three and Seventeen, the State Labor Commissioner shall have to continue jurisdiction with respect to performance in regard to nondiscrimination, until performance is completed, or until this Agreement is terminated prior to completion.

37. Successor and Assigns

This Agreement shall inure to the benefit of and be binding upon each party's respective successors or assigns.

38. Miscellaneous Provisions

- A. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement does not: (i) permit the filing of liens against the State; (ii) obligate the State to indemnify or hold Contractor harmless in any way; (iii) obligate the State to be subject to binding arbitration (iv) provide that this Agreement is expired or terminated. Further, any foregoing provision of this Agreement that would cause this Agreement to be considered a contract that: (i) permits the filing of liens against the State; (ii) obligates the State to indemnify or hold Contractor harmless in any way; (iii) obligates the State to be subject to binding arbitration, or (iv) provides that this Agreement is expired or terminated is null, void, unenforceable and hereby stricken from this Agreement.
- B. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement is not a Personal Service Agreement entered into by the

Treasurer for the purpose of hiring an individual as contemplated by C.G.S. Section 4a-58(b). Further, any foregoing provision of this Agreement that would cause this Agreement to be considered a contract for the purpose of hiring an individual as contemplated by C.G.S. Section 4a-58(b) is null, void, unenforceable and hereby stricken from this Agreement.

- C. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement does not concern or in any way relate to tangible personal property as contemplated by C.G.S. Section 12-411b. Further, any foregoing provision of this Agreement that would cause this Agreement to concern or in any way to relate to tangible personal property as contemplated by C.G.S. Section 12-411b is null, void, unenforceable and hereby stricken from this Agreement.
- D. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement is not funded by and does not concern or in any way relate to a state grant as contemplated by C.G.S. Section 7-396a. Further, any foregoing provision of this Agreement that would cause this Agreement to concern or in any way to relate to a state grant as contemplated by C.G.S. Section 7-396a is null, void, unenforceable and hereby stricken from this Agreement.
- E. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement is not a Large Construction or Procurement Contract as contemplated by and defined in Conn. Gen. Stat. §1-101mm. Further, any foregoing provision of this Agreement that would cause this Agreement to be considered a Large Construction or Procurement Contract as contemplated by and defined in Conn. Gen. Stat. §1-101mm is null, void, unenforceable and hereby stricken from this Agreement.
- F. It is the Treasurer's express policy to never intentionally assign or allocate, in whole or in part, to any person or contractor, any Governmental Function of the Office of the Treasurer—as defined by Chapter 14 of the C.G.S. and contemplated by C.G.S. Section 1-218. If, however, (a) this Agreement has a value greater than or equal to Two Million Five Hundred Thousand Dollars (\$2,500,000) and (b) the State Freedom of Information Commission makes a final determination that this Agreement is a contract for the performance of a Governmental Function, then this Agreement shall be subject to the provisions of C.G.S. Section 1-218, as may be modified from time to time. Accordingly, the Treasurer shall be entitled to receive a copy of the Contractor's records and files related to its performance of such Governmental Function, and such records and files shall be subject to the State of Connecticut Freedom of Information Act, C.G.S. Sections 1-200 et seq. No request to inspect or copy such records or files pursuant to the Freedom of Information Act shall be valid unless the request is made to the Office of the Treasurer in accordance with the provisions set forth in the State of Connecticut Freedom of Information Act. Any complaint by a person who is denied the right to inspect or copy such records or files shall be brought to the Freedom of Information Commission in accordance with the provisions of C.G.S. Sections 1-205 and 1-206
- G. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge and agree that this Agreement does not concern or in any way relate to the Health Insurance Portability and Accountability Act of 1996. Further, any foregoing provision of this Agreement that would cause this Agreement to concern or in any way to

relate to the Health Insurance Portability and Accountability Act of 1996 is null, void, unenforceable and hereby stricken from this Agreement.

- H. Both parties hereto hereby agree that all references made in this Agreement to any statute, public act, regulation, code or executive order shall refer to such statute, a public act, regulation, code or executive order respectively as it has been amended, replaced or superseded.
- I. Despite and notwithstanding any contrary theory at law, in equity or otherwise, including but not limited to “the specific overruling the general,” the parties hereto expressly agree that in the event of any conflict between the provisions of this Section of this Agreement (“Miscellaneous Provisions”) and the provisions of any other Section of this Agreement, the provisions of this Miscellaneous Provisions Section of this Agreement shall override, control and apply.

39. Headings

Descriptive headings in this Agreement are for convenience only and shall not affect the construction or meaning of the contractual language.

40. Further Assurances

From and after the date of this Agreement, upon the request of the Treasurer, the Contractor shall execute and deliver such instruments, documents, and other writings as may be reasonably necessary or desirable to confirm and carry out and to effectuate fully the intent and purposes of this Agreement.

41. Counterpart Originals

This Agreement may be executed in any number of counterparts, each of which shall be an original, but which, taken together, shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have hereunto executed this Agreement, which shall become effective as of the Commencement Date.



TREASURER
STATE OF CONNECTICUT

By: _____
Title: _____

By: _____
Title: **Treasurer**

Dated: _____

Dated: _____

Approved as to form:
OFFICE OF THE ATTORNEY GENERAL

By: _____
Title: _____

Dated: _____

EXHIBIT A

State Of Connecticut
By His Excellency
Thomas J. Meskill
Governor

Executive Order No. Three

WHEREAS, sections 4-61d(b) and 4-114a of the 1969 supplement to the general statutes require nondiscrimination clauses in state contracts and subcontracts for construction on public buildings, other public works and goods, and services, and

WHEREAS, section 4-61e(c) of the 1969 supplement to the general statutes requires the labor department to encourage and enforce compliance with this policy by both employers and labor unions, and to promote equal employment opportunities, and

WHEREAS, the government of this state recognizes the duty and desirability of its leadership in providing equal employment opportunity, by implementing these laws,

NOW, THEREFORE, I, THOMAS J. MESKILL, Governor of the State of Connecticut, acting by virtue of the authority vested in me under section twelve of article fourth of the constitution of the state, as supplemented by section 3-1 of the general statutes, do hereby ORDER and DIRECT, as follows, by this Executive Order:

- I. The labor commissioner shall be responsible for the administration of this Order and shall adopt such regulations as he deems necessary and appropriate to achieve the purposes of this Order. Upon the promulgation of this Order, the commissioner of finance and control shall issue a directive forthwith to all state agencies, that henceforth all state contracts and subcontracts for construction on public buildings, other public works and goods and services shall contain a provision rendering such contract or subcontract subject to this Order, and that such contract or subcontract may be cancelled, terminated or suspended by the labor commissioner for violation of or noncompliance with this Order or state or federal laws concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to such contract or subcontract.
- II. Each contractor having a contract containing the provisions prescribed in section 4-114a of the 1969 supplement to the general statutes, shall file and shall cause each of his subcontractors to file, compliance reports with the contracting agency or the labor commissioner, as may be directed. Such reports shall be filed within such times and shall contain such information as to employment policies and statistics of the contractor and each subcontractor, and shall be in such form as the labor commissioner may prescribe. Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order or any preceding similar Order, and in that event to submit on behalf of themselves and their proposed subcontractors compliance reports prior to or as an initial part of their bid or negotiation of a contract.
- III. Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor organization or employment agency as defined in section 31-122 of

the general statutes, the compliance report shall identify the said organization or agency and the contracting agency or the labor commissioner may require a compliance report to be filed with the contracting agency or the labor commissioner, as may be directed, by such organization or agency, signed by an authorized officer or agent of such organization or agency, with supporting information, to the effect that the signer's practices and policies, including but not limited to matters concerning personnel, training, apprenticeship, membership, grievance and representation, and upgrading, do not discriminate on grounds of race, color, religious creed, age, sex or national origin, or ancestry of any individual, and that the signer will either affirmatively cooperate in the implementation of the policy and provisions of this Order, or that it consents and agrees that recruitment, employment and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the Order.

- IV. The labor commissioner may by regulation exempt certain classes of contracts, subcontracts or purchase orders from the implementation of this Order, for standard commercial supplies or raw materials, for less than specified amounts of money or numbers of workers or for subcontractors below a specified tier. The labor commissioner may also provide by regulation for the exemption of facilities of a contractor which are in all respects separate and distinct from activities of the contractor related to the performance of the state contract, provided only that such exemption will not interfere with or impede the implementation of this Order, and provided further, that in the absence of such an exemption, all facilities shall be covered by the provisions of this Order.
- V. Each contracting agency shall be primarily responsible for obtaining compliance with the regulations of the labor commissioner with respect to contracts entered into by such agency or its contractors. All contracting agencies shall comply with the regulations of the labor commissioner in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Order and of the regulations of the labor commissioner issued pursuant to this Order. They are directed to cooperate with the labor commissioner and to furnish the labor commissioner such information and assistance as he may require in the performance of his functions under this Order. They are further directed to appoint or designate from among the personnel of each agency, compliance officers, whose duty shall be to seek compliance with the objectives of this Order by conference, conciliation, mediation, or persuasion.
- VI. The labor commissioner may investigate the employment practices and procedures of any state contractor or subcontractor and the practices and policies of any labor organization or employment agency hereinabove described, relating to employment under the state contract, as concerns nondiscrimination by such organization or agency as hereinabove described, or the labor commissioner may initiate such investigation by the appropriate contract agency, to determine whether or not the contractual provisions hereinabove specified or statutes of the state respecting them have been violated. Such investigation shall be conducted in accordance with the procedures established by the labor commissioner and the investigating agency shall report to the labor commissioner any action taken or recommended.
- VII. The labor commissioner shall receive and investigate or cause to be investigated complaints by employees or prospective employees of a state contractor or subcontractor or members or applicants for membership or apprenticeship or training in a labor organization or employment agency hereinabove described, which allege discrimination contrary to the contractual provisions specified hereinabove or state statutes requiring nondiscrimination in employment opportunity. If this investigation is conducted by the labor commissioner by a contracting agency, that agency shall report to the labor commissioner what action has been taken or is recommended with regard to such complaints.

- VIII. The labor commissioner shall use his best efforts, directly and through contracting agencies, other interested federal, state and local agencies, contractors and all other available instrumentalities, including the commission on human rights and opportunities, the executive committee on human rights and opportunities, and the apprenticeship council under its mandate to provide advice and counsel to the labor commissioner in providing equal employment opportunities to all apprentices and to provide training, employment and upgrading opportunities for disadvantaged workers, in accordance with section 31-51(d) of the 1969 supplement to the general statutes, to cause any labor organization or any employment agency whose members are engaged in work under government contracts or referring workers or providing supervising apprenticeship or training for or in the course of work under a state contract or subcontract to cooperate in the implementation of the purposes of this Order. The labor commissioner shall in appropriate cases notify the commission on human rights and opportunities or other appropriate state or federal agencies whenever it has reason to believe that the practices of any such organization or agency violate equal employment opportunity requirements of state or federal law.
- IX. The labor commissioner or any agency officer or employee in the executive branch designated by regulation of the labor commissioner may hold such hearings, public or private, as the labor commissioner may deem advisable for compliance, enforcement or educational purposes under this Order.
- X. (a) The labor commissioner may hold or cause to be held hearings, prior to imposing ordering or recommending the imposition of penalties and sanctions under this Order. No order for disbarment of any contractor from further state contracts shall be made without affording the contractor an opportunity for a hearing. In accordance with such regulations as the labor commissioner may adopt, the commissioner or the appropriate contracting agency may
1. Publish or cause to be published the names of contractors or labor organizations or employment agencies as hereinabove described which it has concluded have complied or failed to comply with the provisions of this Order or the regulations of the labor commissioner in implementing this Order.
 2. Recommend to the commission on human rights and opportunities that in cases in which there is substantial or material violation or threat thereof of the contractual provision or related state statutes concerned herein, appropriate proceedings be brought to enforce them, including proceedings by the commission on its own motion under chapter 563 of the general statutes and the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly compliance with the provisions of this Order.
 3. Recommend that criminal proceedings be brought under chapter 939 of the general statutes.
 4. Cancel, terminate, suspend or cause to be cancelled, terminated, or suspended in accordance with law any contract or any portion or portions thereof for the failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be cancelled, terminated, suspended absolutely or their continuance conditioned upon a program for future compliance approved by the contracting agency.
 5. Provide that any contracting agency shall refrain from entering into any further contracts or extensions or modifications of existing contracts with any contractor until he has satisfied the labor commissioner that he has established and will carry out personnel and employment policies compliant with this Order.

6. Under regulations prescribed by the labor commissioner each contracting agency shall make reasonable efforts with a reasonable period of time to secure compliance with the contract provisions of this Order by methods of conference, conciliation, mediation or persuasion, before other proceedings shall be instituted under this Order or before a state contract shall be cancelled or terminated in whole or in part for failure of the contractor or subcontractor to comply with the contract provisions of state statute and this Order.

(b) Any contracting agency taking any action authorized by this Order, whether on its own motion or as directed by the labor commissioner or pursuant to his regulations shall promptly notify him of such action. Whenever the labor commissioner makes a determination under this Order, he shall promptly notify the appropriate contracting agency and other interested federal, state and local agencies of the action recommended. The state and local agency or agencies shall take such action and shall report the results thereof to the labor commissioner within such time as he shall specify.

- XI. If the labor commissioner shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless he has satisfactorily complied with the provisions of this Order, or submits a program for compliance acceptable to the labor commissioner, or if the labor commissioner so authorizes, to the contracting agency.

- I. Whenever a contracting agency cancels or terminates a contract, or a contractor has been disbarred from further government contracts because of noncompliance with the contract provisions with regard to nondiscrimination, the labor commissioner or the contracting agency shall rescind such disbarment, upon the satisfaction of the labor commissioner that the contractor has purged himself of such noncompliance and will thenceforth carry out personnel and employment policies of nondiscrimination in compliance with the provision of this Order.

- II. The labor commissioner may delegate to any officer; agency or employee in the executive branch any function or duty of the labor commissioner under this Order except the authority to promulgate regulations of a general nature.

III. This Executive Order supplements the Executive Order issued on September 28, 1967. All regulations, orders, instructions, designations and other directives issued heretofore in these premises, including those issued by the heads of various departments or agencies under or pursuant to prior order or statute, shall remain in full force and effect, unless and until revoked or superceded by appropriate authority, to the extent that they are not inconsistent with this Order.

This Order shall become effective thirty days after the date of this Order.

Dated at Hartford, Connecticut, this 16th day of June 1971

Thomas J. Meskill
Governor

Filed this 16th day of
June 1971.

Harry Hammer
Secretary Of The State

EXHIBIT B

The State Of Connecticut
By His Excellency
Thomas J. Meskill
Governor

Executive Order No. Seventeen

WHEREAS, Section 31-237 of the General Statutes of Connecticut as amended requires the maintaining of the established free services of the Connecticut State Employment Service to both employers and prospective employees and

WHEREAS, Section 31-5 of the General Statutes of Connecticut requires that no compensation or fee shall be charged or received directly or indirectly for the services of the Connecticut State Employment Service and

WHEREAS, large numbers of our citizens who have served in the Armed Forces of our nation are returning to civilian life in our state and seeking employment in civilian occupations and

WHEREAS, we owe a duty as well as gratitude to these returning veterans including the duty to find suitable employment for them and

WHEREAS, many of our handicapped citizens are fully capable of employment and are entitled to be placed in suitable employment and

WHEREAS, many of the citizens of our state who are unemployed are unaware of the job openings and employment opportunities which do in fact exist in our state and

WHEREAS, notwithstanding the free services of the Connecticut State Employment Service, many of our Connecticut employers do not use its free services or do not avail themselves fully of all the services offered,

NOW, THEREFORE, I, THOMAS J. MESKILL, Governor of the State of Connecticut, acting by virtue of the authority vested in me under the fourth article of the Constitution of the State and in accordance with Section 3-1 of the General Statutes, do hereby ORDER and direct, as follows, by this Executive Order:

- I. The Labor Commissioner shall be responsible for the administration of this Order and shall do all acts necessary and appropriate to achieve its purpose. Upon promulgation of this Order, the Commissioner of Finance and Control shall issue a directive forthwith to all state agencies, that henceforth all state contracts and subcontracts for construction on public buildings, other public works and goods and services shall contain a provision rendering such contract or subcontract subject to this Order, and that such contract or subcontract may be cancelled, terminated or suspended by the Labor Commissioner for violation of or noncompliance with this Order, notwithstanding that the Labor Commissioner is not a party to such contract or subcontract.
- II. Every contractor and subcontractor having a contract with the state or any of its agencies, boards, commissions, or departments, every individual partnership, corporation, or business entity having business with the state or who or which seeks to do business with the state, and every bidder or prospective bidder who submits a bid or replies to an invitation to bid on any state contract shall list all employment openings with the office of the Connecticut State Employment Service in the area where the work is to be performed or where the services are to be rendered.

All state contracts shall contain a clause which shall be a condition of the contract that the contractor and any subcontractor holding a contract directly under the contractor shall list all employment openings with the Connecticut State Employment Service. The Labor Commissioner may allow exceptions to listings of employment openings which the contractor proposes to fill from within its organization from employees on the rolls of the contractor on the date of publication of the invitation to bid or the date on which the public announcement was published or promulgated advising of the program concerned.

- III. Each contracting agency of the state shall be primarily responsible for obtaining compliance with this Executive Order. Each contracting agency shall appoint or designate from among its personnel one or more persons who shall be responsible for compliance with the objectives of this Order.
- IV. The Labor Commissioner shall be and is hereby empowered to inspect the books, records, payroll and personnel data of each individual or business entity subject to this Executive Order and may hold hearings or conferences, formal or informal, in pursuance of the duties and responsibilities hereunto delegated to the Labor Commissioner.
- V. The Labor Commissioner or any agency officer or employee in the executive branch designated by regulation of the Labor Commissioner may hold such hearings, public or private, as the Labor Commissioner may deem advisable for compliance, enforcement or educational purposes under this Order.
- VI. (a) The Labor Commissioner may hold or cause to be held hearings, prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this Order. In accordance herewith, the Commissioner or the appropriate contracting agency may suspend, cancel, terminate, or cause to be suspended, cancelled, or terminated in accordance with law any contract or portion or portions thereof for the failure of the contractor or subcontractor to comply with the listing provisions of the contract. Contracts may be cancelled, terminated, suspended absolutely or their continuance conditioned upon a program for future compliance approved by the contracting agency.

(b) Any contracting agency taking any action authorized by this Order, whether on its own motion or as directed by the Labor Commissioner, shall promptly notify him of such action. Whenever the Labor Commissioner makes a determination under this Order, he shall promptly notify the appropriate contracting agency of the action recommended. The agency shall report the results to the Labor Commissioner promptly.
- VII. If the Labor Commissioner shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless he has satisfactorily complied with the provisions of this Order.

This Order shall become effective sixty days after the date of this Order.

Dated at Hartford, Connecticut, this 15th day of February 1973.

Thomas J. Meskill
Governor

Filed this 15th day of February 1973.

Harry Hammer
Secretary Of The State (Deputy)

EXHIBIT C

The State of Connecticut
By His Excellency
John G. Rowland
Governor

Executive Order No. Sixteen

WHEREAS, the State of Connecticut recognizes that workplace violence is a growing problem that must be addressed; and

WHEREAS, the State is committed to providing its employees a reasonably safe and healthy working environment, free from intimidation, harassment, threats, and/or violent acts; and

WHEREAS, violence or the threat of violence by or against any employee of the State of Connecticut or member of the public in the workplace is unacceptable and will subject the perpetrator to serious disciplinary action up to and including discharge and criminal penalties.

NOW, THEREFORE, I, John G. Rowland, Governor of the State of Connecticut, acting by virtue of the authority vested in me by the Constitution and by the statutes of this state, do hereby ORDER and DIRECT:

1. That all state agency personnel, contractors, subcontractors, and vendors comply with the following **Violence in the Workplace Prevention Policy**:

The State of Connecticut adopts a statewide zero tolerance policy for workplace violence.

Therefore, except as may be required as a condition of employment

- No employee shall bring into any state worksite any weapon or dangerous instrument as defined herein.
- No employee shall use, attempt to use, or threaten to use any such weapon or dangerous instrument in a state worksite.
- No employee shall cause or threaten to cause death or physical injury to any individual in a state worksite.

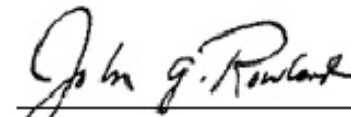
Weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocket knife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon.

Dangerous instrument means any instrument, article, or substance that, under the circumstances, is capable of causing death or serious physical injury.

Violation of the above reasonable work rules shall subject the employee to disciplinary action up to and including discharge.

2. That each agency must prominently post this policy and that all managers and supervisors must clearly communicate this policy to all state employees
3. That all managers and supervisors are expected to enforce this policy fairly and uniformly.
4. That any employee who feels subjected to or witnesses violent, threatening, harassing or intimidating behavior in the workplace immediately report the incident or statement to their supervisor, manager, or human resources office.
5. That any employee who believes that there is a serious threat to their safety or the safety of others that requires immediate attention notify proper law enforcement authorities and his or her manager or supervisor
6. That any manager or supervisor receiving such a report shall immediately contact their human resources office to evaluate, investigate and take appropriate action.
7. That all parties must cooperate fully when questioned regarding violations of this policy.
8. That all parties be advised that any weapon or dangerous instrument at the worksite will be confiscated and that there is no reasonable expectation of privacy with respect to such items in the workplace.
9. That this order applies to all state employees in the executive branch.
10. That each agency will monitor the effective implementation of this policy.
11. That this order shall take effect immediately.

Dated in Hartford, Connecticut, this fourth day of August 1999.


JOHN G. ROWLAND, Governor

Filed this 4th day of August 1999.

SUSAN BYSIEWICZ, Secretary of the State



EXHIBIT D

In accordance with Connecticut Law and Office of the Treasurer policies, vendors of the Office are required to provide various reports, affidavits and other documents indicating compliance with such laws and policies. Please locate the required compliance attachments found on the Compliance Reporting link:

Compliance Reporting link: <https://portal.ct.gov/OTT/Doing-Business/Compliance-Reporting>

Please complete and provide the following documents:

Employment Information Report

Attachment A – CHRO Contract Compliance Regulations, Bidder Contract Compliance Monitoring Report, and Employer Information Report

Attachment B – Nondiscrimination Affidavit

Attachment C – Employment Practices Information

Attachment D – Affidavit of Third Party Fees and Disclosure of Consulting Agreements

Attachment E – Gift Affidavit

Attachment F – Corporate Citizenship

Attachment G – Notice of Legal Proceedings

Attachment H – Campaign Contribution Disclosure

Attachment I – Notice to State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

Attachment J – Anti-Terrorism Foreign Asset Control Regulations, Foreign Corrupt Practices Act

Attachment K – Conflicts of Interest

Attachment L – Iran Certification Form

Attachment M- Evaluation and Implementation of Sustainable Principles

Insurance Certificate – Vendors that are contractually required to maintain insurance must produce annual proof of insurance, which may consist of a copy of the Insurance Policy or an Insurance Certificate.

Exhibit E

Security Addendum

- A. Information Security Program** – Contractor agrees and represents that it currently maintains information protection practices and procedures (“Security Program”) that comply with industry best practice and applicable Privacy Law (as defined below) as a means to preserve the confidentiality and security of the Treasurer’s Information (as defined below) in its possession or control or of which it has the ability to access or impact.

“Treasurer Information” includes the following, regardless of the media in which it is contained, that may be disclosed to or accessed by Contractor in connection with or incidental to the performance of services for or on behalf of Treasurer or by any other means:

- a) Any information relating to an identified or identifiable individual (such as name, postal address, email address, telephone number, date of birth, Social Security number, driver's license number, account number, credit or debit card number, health or medical information, or any other unique identifier); and
- b) Confidential non-public business information; and
- c) Any Information defined as “Confidential” by the Agreement to which this Addendum is attached.

Contractor's Security Program must include at a minimum:

- 1. Appropriate administrative, technical and physical safeguards and other security measures designed to ensure the security and confidentiality of Treasurer Information.
- 2. A security design intended to prevent any compromise of its own information systems, computer networks or data files by unauthorized users, viruses or malicious computer programs which could, in turn, be propagated to Treasurer.
- 3. Appropriate internal practices including, but not limited to, encryption of data in transit or at rest; using appropriate firewall and antivirus software; maintaining these countermeasures, operating systems and other applications with up-to-date virus definitions and security patches so as to avoid any adverse impact to Treasurer’s systems or Information; and appropriate logging and alerts to monitor access controls and to assure data integrity and confidentiality.
- 4. All persons with authorized access to Treasurer Information must have a documented genuine business need-to-know prior to access.

- B. Training Programs**– Contractor agrees that it maintains adequate training programs to ensure that its employees and any others acting on its behalf are aware of and adhere to its information Security Program. Contractor shall exercise necessary and appropriate supervision over its relevant employees to maintain appropriate confidentiality and security of Treasurer Information.

- C. **Data Incidents** - Contractor agrees to immediately notify Treasurer's General Counsel by phone of any reasonably suspected or actual loss of data or breach or compromise of its Information Security Program which has or may result in the loss or unauthorized access, disclosure, use or acquisition of Treasurer Information (including hard copy records) or otherwise presents a potential threat to any Treasurer systems ("Data Incident"). While the initial phone notice may be in summary form, a comprehensively written notice should be provided within 48 hours to Treasurer's General Counsel. The notice shall summarize in reasonable detail the nature and scope of the Data Incident and the corrective action is already taken or to be taken by Contractor. The notice shall be timely supplemented in the detail reasonably requested by Treasurer, inclusive of relevant forensic reports. Contractor shall promptly take all necessary and advisable corrective actions, and shall cooperate fully with Treasurer in all reasonable efforts to mitigate the adverse effects of a Data Incident and to prevent its recurrence.

Contractor acknowledges that it is solely responsible for the confidentiality and security of Treasurer Information in its possession, custody or control, or for which Contractor is otherwise responsible, and shall hold Treasurer harmless from any suspected or actual breach or other compromises of Treasurer Information while in Contractor's possession, custody or control, or for which Contractor is otherwise responsible. The parties will collaborate on whether any notice of breach is required to be given to any person, and if so, the content of that notice. Treasurer will designate a signatory to the notice. Contractor will bear all costs of the notice.

- D. **Data Parties**— Contractor shall not share, transfer, disclose or otherwise provide access to any Treasurer Information to any third party unless Treasurer has authorized Contractor to do so in writing. Contractor will ensure that any third party it may authorize to perform any of the services required by its contract with Treasurer shall be obligated to have an information Security Program equivalent to that required of Contractor (which includes all terms of this Security Addendum). Further, regarding any Data Incident, Contractor shall contractually preserve for itself - or Treasurer - all such rights as Treasurer has in section (C) above. Regarding audit rights, Contractor shall contractually preserve for itself - or Treasurer - all such rights as Treasurer has in section (F) below. Contractor shall not share Treasurer Information with any other third party without prior written approval or, if required to comply with legal process, only after notice to Treasurer. Contractor shall only retain third parties that are capable of performing the delegated obligations in accordance with this Information Security Addendum.

- E. **Ownership and Usage** - Any Treasurer Information, including in any reconfigured format, shall at all times be and remain the sole property of Treasurer unless agreed otherwise in writing by Treasurer. Any usage of Treasurer Information is limited to the sole purpose expressly authorized by this contract.

F. **Security Review and Audit**

1. Treasurer's Information Technology (IT) Group may conduct a security review of Contractor's Information Security Program when determined reasonably required by Treasurer.

2. At Treasurer's request, Contractor will provide Treasurer copies of its data privacy and security policies and procedures that apply to Treasurer Information. Subject to reasonable notice, Contractor shall provide the Treasurer's IT Group an opportunity to conduct a privacy and security audit of Contractor's Information Security Program and systems and procedures that are applicable to the services provided by Contractor to Treasurer. Such audit may be conducted on-site by Treasurer personnel or Treasurer's contracted third party assessors or through surveys and interviews, at the option of Treasurer.
3. In the event Contractor has any security audits or reviews of its own systems, performed by Contractor or a third party, including vulnerability and penetration assessments, it will give Treasurer notice of any current findings that are likely to adversely impact Treasurer Information, and will keep Treasurer timely informed of its remediation efforts.

G. Compliance – Contractor shall comply with (i) all applicable legal requirements (federal, state, local and international laws, rules and regulations and governmental requirements) currently in effect and as they become effective, relating in any way to the privacy, confidentiality or security of Treasurer Information; (ii) all applicable industry standards concerning privacy, data protection, confidentiality or information security; and (iii) applicable privacy policies, statements or notices that are provided to Contractor in Writing; and (iv) controls required by the IT Group Security Review (collectively referred to as “Privacy Laws”).

H. Mobility and Transfer of Data

1. No Treasurer Information shall be stored, transported or kept on a laptop or any other mobile device or storage media, including USB, “thumb drives,” DVDs, CDs unless encrypted using an encryption methodology approved in writing by Treasurer.
2. All electronic data transfers must be via secure FTP or other Treasurer approved protocol and/or in approved encrypted form.
3. Any physical removal or transfer of Treasurer Information from Treasurer's or Contractor's facilities shall be conducted only according to controls developed or approved by Treasurer's IT Group.

I. Notice of Process - In the event Contractor receives a governmental or other regulatory requests for any Treasurer Information, it agrees to immediately notify Treasurer's General Counsel so that Treasurer shall have the option to defend such action. Contractor shall reasonably cooperate with Treasurer in such defense.

J. Security Certification – Contractor must maintain a level of security certification or assessment consistent with best practices and by a qualified third party reasonably acceptable to Treasurer (such as ISO 27001 or 27018). Such certifications shall be provided to Treasurer as reasonably requested by Treasurer.

- K. Secure Disposition** – Contractor shall either return or dispose of Treasurer Information if no longer needed for Treasurer's business or legal purposes or upon contract termination or upon Treasurer's direction which may be given at any time. Any disposal must ensure that Treasurer Information is rendered permanently unreadable and unrecoverable. Upon reasonable notice and if requested by Treasurer, Contractor shall provide Treasurer a certification by an officer of compliance with this section.

TRUST/CUSTODY QUESTIONNAIRE**A. Experience**

1. Please give a brief overview of your firm, including the year founded, location of your headquarters and branch offices, ownership structure, significant recent (i.e., 3 years) organizational developments (e.g., changes in ownership, reorganization), anticipated changes in firm structure between the date of this document and the next 24 months and the number of years your firm has provided custody services for tax-exempt clients. Provide details of the financial condition of your firm.
2. Describe your firm's commitment to the State of Connecticut.
3. How many offices and employees does your firm have located within Connecticut?
4. Does your firm have a significant business presence in the State of Connecticut? Please describe this presence and its impact.
5. Describe your firm's procurement of goods and services from individuals or firms in the State of Connecticut.
6. Do you have a national charter to provide trust and custody services? Is your firm registered under the Investment Advisory Act of 1940? If yes, please submit a copy of your firm's most recent Form ADV with your response. If not, please explain the basis for the firm's registration exemption. If your firm is exempt, has it drafted a disclosure document providing similar information to that contained in Form ADV? If so, please provide the most recent version of that document.
7. Please list each of your firm's lines of business and the approximate contribution of each such business to your organization's total revenue. If your firm is an affiliate or subsidiary of an organization, what percentage of the parent firm's total revenue does your subsidiary or affiliate generate?
8. What percentage of total revenues is a result of trust/custody services to institutional clients? What other services or products are offered?
9. List the office location (primary and secondary) from which the work is to be delivered.
10. Do you have tax-exempt clients within the State of Connecticut? Kindly provide the number of Connecticut tax-exempt clients and the aggregate market value as of November 30, 2020.
11. Are there any current organizational issues (i.e., mergers, acquisitions, personnel changes, business concerns, etc.) about your institution that we should know about? Please address any issues that occurred during the last three years?
12. Describe in detail any potential conflicts of interest your firm may have in the management of the State's account, or in the alternative, state that no potential conflicts exist. Please include any activities of affiliated or parent organizations, as well as other client relationships, which may inhibit services provided to the Office of the Treasurer.
13. Describe the objectives of your firm with respect to future growth, commenting on new products or services, additional resources, and size limitations. Explain your firm's goals and desires for expansion, particularly how such goals pertain to accepting new client business and the quality of service to all clients. Is there a limit to the number of new clients your firm will accept? At what point will your firm need to add additional staff?
14. Provide the number of your organization's clients as categorized in the following matrix. Report aggregate values of their total assets under custody in US\$ millions for periods specified as of June 30 of each year.

Total Tax Exempt Trust and Custody Clients Only

	Total Number of Clients	Asset Value (US\$ millions)
2016		
2017		
2018		
2019		
2020		

15. Provide the number of your organization's clients as categorized in the following matrix. Report aggregate values of their total assets under custody in US\$ millions for periods specified as of June 30.

Public Fund Custody Clients Only

	Total Number of Clients	Asset Value (US\$ millions)
2016		
2017		
2018		
2019		
2020		

16. Provide the number of **tax-exempt trust and custody accounts**, including global custody clients, gained and/or lost for the periods listed in the following matrix. Report corresponding market values in US\$ millions as of initiation date for clients gained and termination date for clients lost as of June 30.

Total Trust and Custody Clients Only

	Clients Gained (Number)	Clients Gained (US\$ millions)	Clients Lost (Number)	Clients Lost (US\$ millions)
2016				
2017				
2018				
2019				
2020				

17. Provide the number of your organization's Government Investment Pools ("GIP")/Local Government Investment Pools ("LGIP") that are a 2a7 type money market funds utilizing a fixed NAV unitized structure. Report aggregate values of their total assets in US \$ millions for periods specified as of June 30, 2020.

GIP/LGIP Clients Only

	Total Number of Clients	Asset Value (US\$ millions)
2016		
2017		
2018		
2019		
2020		

18. List and describe all pending or threatened litigation regarding Custody Services, against your organization. List and describe all agency supervision associated with the pending or threatened litigation. What has been your experience with regard to litigation or agency supervision over the past five years?
19. Provide your organization's client distribution as specified in the following table. Report aggregate market values of total assets under custody in US\$ millions as of June 30 2020.

Tax-Exempt Client Asset Size Distribution

Distribution	Number of Clients	Number of Plans	Aggregate Market Value (US\$ millions)
<i>Taft Hartley-Union</i>			
Below \$500 million			
\$500+ million to \$1 billion			
\$1+ billion to \$5 billion			
\$5+ billion and Up			
<i>Corporate</i>			
Below \$500 million			
\$500+ million to \$1 billion			
\$1+ billion to \$5 billion			
\$5+ billion and Up			
<i>Public Fund</i>			
Below \$500 million			
\$500+ million to \$1 billion			
\$1+ billion to \$5 billion			
\$5+ billion and Up			
<i>Endowments & Foundations, etc.</i>			
Below \$500 million			
\$500+ million to \$1 billion			
\$1+ billion to \$5 billion			
\$5+ billion and Up			
TOTAL			

B. Risk and Insurance

1. Please address all substantive issues raised by independent auditors in your SSAE 16 and/or SAS 70 and issues published in your Form 10-Q. Provide a copy of the most recent annual report, Form 10-Q and SSAE 16 or SAS 70. Kindly label appropriately.

2. Provide the following data and explain its implication.

Capital Base
November 30, 2020

Capital Requirements	Actual	Current Requirements
Tier 1 Capital Ratio		
Total Capital Ratio		
Leverage Ratio		
Tangible Common Equity		

3. Provide your organization's current short-term and long-term credit rating.
4. Please provide summary detail on the Stress Test that you recently conducted under the guidance of federal regulators. In addition, please provide guidance on how you intend to meet Basel III in terms of capital adequacy and liquidity.
5. What is the nature and size of any "off balance sheet items" in your annual report? Identify the three critical areas that pose the most at risk exposure to the bank.
6. Please 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. (A copy of your insurance policy may be required at a later date). Each description should include:
 - Risk Coverage
 - Carriers
 - Levels
 - Limits
 - Deductibles
 - Expiration
7. Is there any pending or threatened litigation against your firm (other than custody related items presented elsewhere within this response), or has your firm been involved in any litigation or administrative action in the last five (5) years? Has your firm had a judgment rendered against it, or has your firm settled any litigation or disciplinary action for which the firm continues to make payments? If yes, provide a detailed explanation.
8. Is there any current investigation, administrative action and/or inquiry by regulatory agencies (*i.e.*, SEC, DoJ, DoL, Federal Reserve, etc.) in which your firm is involved? If yes, provide a detailed explanation.
9. Does your organization subcontract any of the services required by OTT? Kindly state each contract vendor name and for which service functions or deliverables such vendor is used. The Treasurer reserves the right to approve subcontractors providing services to her office.
10. Please describe your business continuity and disaster recovery plans. When was the most recent test done? Indicate the date and results of the last testing of such emergency plan(s) and immediately report to OTT the results of any subsequent test during the pendency of this RFP.
11. What will be the recovery time(s) and service level for critical custodial services in the case of a major disaster?

C. Client Servicing and Personnel

1. What is your approach to client servicing and what would be the most distinct element of your client servicing approach that OTT would benefit from and consider exceptional relative to the custody industry?
2. How do you propose to staff for OTT both from a client servicing perspective and actual daily service deliverables point of view? Would you be able to provide biweekly conference calls if so desired?
3. How will you oversee quality control and client satisfaction for OTT?
4. What is the turnover rate for the past three years of the client servicing staff to be assigned to OTT?
5. Please complete the following table by providing the names, bios and experience of the client servicing team members as follows and as specified in the table below:

- Management Sponsor
- Client Servicing (including Conversion Team)
- Custody Accountants and Valuation
- Cash Management for Sweeps
- Technology and Systems
- Transfer Agency
- Performance Measurement & Analytics

Name	Responsibility	Location	Number of Client Relationships	Years with Bank	Years' Experience and Credentials

- How is contact handled generally? Single point of contact?
- Does the team handle other public fund clients, with a similar configuration as that of OTT? Please list other clients handled by the team.
- Discuss the working relationship and coordination between client servicing team and various operational staff.
- Do you have a dedicated unit for Public Funds? Please describe your structure.
- Does the client servicing staff (i.e., relationship manager and accountants) maintain a “procedures manual” for each client? What is the typical content of such a manual?
- How are requests for special reports processed?
- Please discuss opportunities that your financial institution offers to clients for training and continuing education, and whether those educational opportunities would be available to OTT.
- Are you able to provide different levels of training and education including on-site at a minimum of 40 hours per year in Hartford?
- Please provide tangible examples of “working partnership w/ clients” to develop best in class service and best practice initiatives for clients?
- Indicate how customer satisfaction is monitored, and whether clients are provided with the ability to participate in the annual evaluations of their support group as well as overall service performances. If available, the custodian must provide the results of its most recent customer evaluation (name of customer may be deleted).
- Full describe your support structure and the services offered to client managed investment portfolios and operations using:
 - Internal portfolio managers
 - External portfolio managers
- What is your procedure for handling complaints about the accuracy of your reports and analysis?
- Is your institution willing to establish a service-level agreement with performance standards in addition to the custody contract/agreement? Do you have other clients with which a service agreement has been instituted? If yes, please provide a recent service-level agreement with an actual client (name of customer may be deleted).

D. Systems, R&D and Technology

- Please provide the Technology, R&D and Systems expenditures (in actual US\$ terms) specific to trust and custody services for the past three and the budget for the next three years?
- Are custody systems shared by other areas of the bank? Are there any time or resource constraints applicable to any shared system usage?
- Provide a brief description of the information delivery system or workstation for client interface. Describe the levels of service, if any.

4. Is the above information delivery system subcontracted or in-house? If subcontracted, please specify the vendor name and release number, including the description of the relationship and how access to the source code is defined.
5. Describe data available through your organization's on-line delivery system (i.e., assets, transactions, corporate actions, pending trades, receivables, accruals, compliance checking, cash positions & management and forecasting, performance, analytics, etc.)?
6. What information, current and historical, is provided and available on-line in raw data elements? Indicate when and how this information is available and accessible.
7. What technical support and client service resources will be dedicated to the OTT account for the purposes of installing, upgrading, supporting, troubleshooting, and maintaining your on-line client information delivery products?
8. Is the main on-line delivery in Windows 2000, NT, XP, VISTA, Windows 7, Windows 8, Linux, MAC OS (Snow Leopard/Lion), and/or Internet delivery? Since when? What browsers are supported?
9. Identify all hardware and/or software required of users to access your reporting systems.
10. What is your vision over the next five years in terms of your technology and processing capabilities that will ensure your competitiveness and existence?

E. Custody, Settlement & Trade Processing

1. Are you able to meet the following requirements?
 - Accept daily instructions from investment managers and OTT.
 - Advise investment managers of daily changes in cash equivalent balances.
 - Immediately advise investment managers of additions or withdrawals from account.
 - Notify investment managers of tenders, rights, fractional shares of other dispositions of holdings.
 - Resolve any problems that investment managers may have relating to the custodial account, including security pricing differences.
 - Safekeeping of securities.
 - Interest and dividend collection.
 - Process all investment manager transactions.
 - Collect proceeds from maturing securities.
 - Disburse all income or principal cash balances as directed.
 - Daily feed of beginning of day holdings and cash balances.
 - Provide monthly statements by investment manager account and consolidated statement of all assets on domestic/international, asset class, plan and total trust levels.
2. What is distinct about your custodial capabilities that we should know about for both domestic and international (equities and fixed income) securities?
3. What is distinct about your safekeeping capability in the areas of derivatives, structured instruments and non-traditional asset classes?
4. Please describe your ability to safe keep physicals, including vaulting capabilities.
5. Briefly describe the method and frequency of reconciling the custodian's positions with its depositories and sub-custodians and managers.
6. What securities have been misplaced or lost during the last three years? If any have been misplaced, describe the circumstance(s) and what was done to correct the problem.
7. Briefly describe the procedures used to ensure that physical securities are properly registered, transferred and in general, held, delivered and/or received in good deliverable form. Include any second party banks in the clearing of such securities.
8. State the value of assets held (as of June 30, 2020) at the Depository Trust Company and the Federal Reserve and the length of the direct participant relationship with the custodians.
9. State the value of assets for basic international depositories, such as Euroclear, EuroNext and/or Clearstream, as of June 30, 2020.
10. What was the trade volume (number and market value size) that you processed for the year ending

June 30, 2020 and failed trades for US securities, and of that trade volume what was the level of failed trades in both numbers and percentages?

Trades	Volume (Number)	Total Market Value in US\$ millions	Fail Rate (%)
Purchases			
Sales			

11. What was the trade volume (number and market value size) that you processed for the year ending June 30, 2020 and failed trades for non-US securities?

Trades	Volume (Number)	Total Market Value in US\$ millions	Fail Rate (%)
EAFE			
Emerging			

12. Briefly describe your policy and procedures on failed trades for both domestic and foreign securities and the steps that will be taken to minimize trade failures.
13. Is your system capable of producing a report which shows all failed trades across all of a client's investment manager accounts at any given point in time?
14. Describe your "DK" procedures. How much time elapses until client notification? Describe the Custodian's policy regarding restitution of lost interest for CIFs on a failed trade.
15. Does your organization employ actual or contractual settlement date? It is the requirement of OTT to have a contractual settlement. Is this requirement acceptable?
16. Specify the countries or jurisdictions for which you employ contractual settlement of trades.
17. Do you subcontract global custody to another provider? Please describe. To how many countries do you provide a subcustody network?
18. List all depositories, agents, and sub-custodian banks used in each country, including the U.S., on behalf of clients in the format described in the following chart. Identify those, which are affiliated with your company. For each country, indicate whether you use a central depository or physical delivery. Also, please indicate whether assets are held in the beneficial owner's name or are commingled.

Country	Sub-custodian Bank	Hired or Established	Ownership Structure (Direct or Sub-Contract)	Depository /Clearing Agent	FX Execution Restricted to Sub-Custodian (Yes or No)	Average Annual Fail Rate Sales + Purchases
ex. Japan	Bank of Tokyo	1987	subcontract	N/A	No	<5%

19. Do you employ SEC 17f-5 and 17f-7 in the review and contracting arrangements with your sub-custody network? Please explain your role as Custody Manager and tracking of sub-custodians and the inherent risks associated with such arrangements. Please specify any limitations you make regarding your contracts with your sub-custodians.
20. Are you electronically linked with your sub-custody network and depositories? Please describe the core platform.

F. Income Collection

1. Describe the custodian's standard policies on cash crediting and debiting, including cut-off deadlines

- for all securities both domestic and international.
2. Describe your procedures for ensuring that interest and dividends (domestic and international) are paid.
 3. Will payments be credited in same day funds or clearinghouse funds for domestic and international securities?
 4. When and in what instances do you rescind contractual income collections? What is/are your policy(s) for both domestic and international markets?
 5. Do you track late collections of income? Can you produce a tracking report detailing outstanding claims? Do you notify clients of failures to collect or late collections of income?
 6. Please describe your tax reclaim procedures for ADRs and international securities. Are you able to guarantee 100% relief?
 7. What is tax relief at source and specify countries with which you have such an arrangement?
 8. What percentage of tax reclaims for each of the three years ending December 31, 2019 was your organization able to reclaim?
 9. What dollar amount of tax reclaims during each of the three years ending December 31, 2019 has been permanently written off?
 10. The State, as trustee of the CIF, is qualified as a government entity exempt from U.S. federal income taxes under section 115 of the Internal Revenue Code (the "Code"), as a pension plan qualified under section 401(a) of the Code. In order to maximize tax benefits under U.S. tax treaties with various foreign jurisdictions or, where tax treaties offer no special relief for CIFs, under the domestic laws of some jurisdictions, the State may be classified as a government entity in some jurisdictions, a pension scheme in other jurisdictions, and a tax-exempt charity in still other jurisdictions. Can you assist the SURSs to determine which classifications would be best to use in each foreign jurisdiction where the State has investments in order to maximize tax benefits for the CIFs, through either relief at source or tax reclaims? If so, describe how you would accommodate and handle such multiple classifications for the CIFs?
 11. There is growing concern regarding the requirement for an Independent Tax Agent in certain countries in which the CIFs are invested. Please describe how you support the Registration Process, designation of an Independent Tax Agent and preparation of the Global Power of Attorney for OTT. How do you ensure that this is not a burden to OTT?
 12. Related to the previous question, identify the countries with whom you have formulated a solution for Independent Tax Agent requirements, including distinct policies and who is the normal contracted Independent Tax Agent assisting clients like OTT?
 13. Discuss how your firm calculates interest and dividend receivables (U.S. and non-U.S.) and then reconciles its independent calculations against actual receipts, at both an aggregate "all clients" level and at an individual portfolio level. Describe relevant timing, controls and reconciliation reporting made available to clients. Differentiate between your internal functions and those of your subcustodian banks.
 14. Does your system create an aging schedule for outstanding investment income and tax reclaims?

G. Corporate Actions, Proxy, Class Action & Litigation Support

1. Describe the structure of your dedicated unit for corporate actions, proxy voting support, and class action claims filing.
2. Specific to proxy actions, can you support proxy voting by the investment managers, third party vendor, or client? Please answer the following:
 - a. Briefly describe the custodian's corporate action procedures for domestic and foreign securities, including providing proxy notification, monitoring, etc. Include a list of the various sources the custodian uses for corporate action announcements.
 - b. How would OTT access all proxy notification or voting matters?
 - c. Do you have the capability to transfer holding information on a daily, weekly or monthly basis to a third party?
 - d. Do you have the capability to monitor upcoming international votes?
 - e. How do you address the share blocking issues with global securities?

- f. How do you address potential premiums paid for voting securities in certain markets?
 - g. How do you account for all possible shares being voted?
 - h. Do you reconcile the number of shares reflected on the proxy ballot to the number of shares owned as of the record date?
 - i. Are you able to recall shares on loan prior to record date to participate in the proxy process?
- 3. If the custodian, or its sub-custodian or its depository makes a mistake on a corporate action for which it received information and proper instructions that results in a loss to a client, describe the custodian's procedures for reimbursing OTT.
- 4. What is distinct about your proxy notification and proxy voting support service, whether in-house or subcontracted to a third-party?
- 5. For foreign securities, describe the custodian's procedures for notification and processing of "blocked" shares during proxy voting periods. Do you offer segregated accounts to facilitate proxy voting in any market?
- 6. How does the custodian handle both domestic class action suits and international group actions? How quickly is security class action or foreign group action information updated in your system?
- 7. Is class action (or group action) monitoring and filing of claims performed in-house or subcontracted? What are the limitations, if any, of your service that your clients should be aware of? Be very specific; especially with respect to foreign group actions.
- 8. Listed below are OTT's intended monitoring requirements specific to legal actions. Please provide a complete description of your capabilities to support these requirements. Include procedures manuals in a separate document if necessary. If you are not able to support all of these requirements, describe how you can support a third party vendor.
 - a. A copy of the complaint and detail as to the venue, attorneys, claims administrators assigned, etc.
 - b. A loss simulation engine providing various damage estimates, including those valued in accordance with National Association of Public Pension Attorneys (NAPPA) criteria.
 - c. Public Access to Court Electronic Records (PACER) access.
 - d. Automatic loading of CIF trade data and calculating loss estimates, providing alerts when designated thresholds have been exceeded.
 - e. Handling the filing of claim notices and other documents in connection with such proceedings.
 - f. Periodically reconciling the data on securities class actions filed with CIF exposure to identify where a proof of claim must be filed and then verify that it has been timely filed.
 - g. Tracking rejection of claims, determining whether additional action is required and then taking that action.
 - h. Reconciliation of funds received with claims made and allocating them to applicable investment funds and portfolios.
 - i. A client accessible system for monitoring class action or group action litigation and bankruptcy proceedings affecting the portfolio of securities of CIF. It must be available through a secure internet application.
 - j. A client accessible system to handle and track history of securities held during the periods that are subject to proceedings.
 - k. A client accessible system to advise CIF the State of significant dates and deadlines with respect to such proceedings including but not limited to opt-out elections in class actions litigation, deadlines for filing claims and deadlines for filing bankruptcy notices or claims.
- 9. Do you have the ability to load 10 years of transaction and holdings history to support class action or foreign group action suits?
- 10. Are you able to file all claims with class periods that predate the conversion using data supplied by a third party service provider?

H. Accounting and Reporting

1. What is your investment manager reconciliation policy and procedure before audited statements are sent to clients? Is this proactive, reactive, or is the onus on the investment manager to reconcile to your information?
2. Are you prepared to execute OTT's standardized reconciliation process
3. Describe your organization's trust and plan accounting capability as well as your capability for combined investment funds (which are essentially mutual funds); include system name and year developed.
4. Is the system maintained in house, subcontracted or a service bureau arrangement with a third party?
5. If subcontracted, please specify the vendor name and release number, including the description of the relationship and how access to the source code is defined.
6. Does your organization have a general ledger accounting system on a full accrual trade date multi-currency basis?
7. Enumerate a complete description of the general ledger system and the accounting fields (asset and transaction buckets, debit and credit tables, etc.) available.
8. The OTT considers the fund accounting provider as the "book of record" for assets and transactions. Do you accept this responsibility? Please describe.
9. What are the future or planned enhancements to your current accounting and reporting system? If planned changes or enhancements are envisioned, what are the advantages to clients?
10. Enumerate all data vendors utilized by your institution for pricing, fixed-income (*i.e.*, swaps) and mortgage factors, corporate actions, etc. Specify primary, secondary and tertiary sources.

Pricing Sources	For what type of Securities, Instruments or Asset Class	Specify if Primary or Secondary	Daily Feeds (Yes or No)

11. What types of reports are available to clients? List both standard and non-standard reports. Please provide samples.
12. Does your organization provide training in the interpretation and generation of accounting reports during the initial stages of conversion and on an on-going basis?
13. How many business days following the end of a reporting period are fully audited reports delivered via electronic delivery (*i.e.*, on-line, download)?

Report Type	# of Days Audited	# of Days Unaudited
<i>Sample Only</i>		
Asset Statement		
Transactions		
Corp. Actions		
Pending Trades		
Income		
etc.		

14. Can the OTT be assured that audited statements will be available on the 10th business day after month end? Please explain.

15. Describe the basis for monthly audited reports. Are the asset holdings and transactions based on settlement date accounting, settlement date accounting with pending trade adjustments, or trade date accounting?
16. Do you have the capability to generate trade cost analysis reports? Is this a standard service? Are additional fees required to gain access to trade cost analysis?
17. Is the processing of derivative instruments such as futures, swaps, and options performed within the main accounting system? Is there a separate module or system dedicated to handling such securities?
18. How does your organization handle collateralized mortgage obligations, options/futures, derivatives, short sales and hedge fund accounting? Include the method used to calculate realized and unrealized gains and losses for each and the corresponding GASB (and or appropriate FASB equivalent) utilized to guide methodologies.
19. How do you handle security/cash transfers between accounts, specifically between custodied accounts and non-custodied accounts such as commingled funds? How does the client know that the cash balances and positions are in sync?
20. Describe special procedures for the processing, valuing and reporting of held-elsewhere assets such as real estate, alternative investments, private equity, venture capital, and non-traditional assets.
21. The valuation of real estate and alternative investments is a key issue with OTT, some of which are valued in foreign currencies. Kindly describe in full detail all valuation methodologies that your clients utilize.
22. How does your organization handle GASB 72 requirements?
23. Given that CRPTF requires the calculation of a monthly NAV for the different combined investment funds, what valuation methodology do you recommend for real estate and private equity?
24. Do you have the capability to handle real estate beyond line item reporting? If a client has actual property investments, in addition to commingled funds, are you set-up to provide trust and custody services for such investments? Please describe the extent and limits of your custody capabilities specific to real estate investments.
25. Specific to commingled funds and limited partnerships, do you have the ability to capture the CIF's pro-rata share of holdings for use in terms of monitoring, performance reporting, analytics and performance attribution?
26. Are outside vendors or software employed to handle real estate and alternative investments? If not, how did your organization achieve the in-house expertise?
27. Specific to alternative investments, do you have the capability to drill down to company (security) or partnership level in terms of monitoring? Kindly enumerate and delineate by types of alternative investments such as hedge funds, distressed debt, private equity, venture capital, real estate, absolute strategies, convertibles, senior secured debt, etc.
28. How is expense monitoring and reporting provided to clients? Is this module integrated into the accounting system? Please describe.
29. Does OTT have direct access to the accountant(s) for inquiries and problem resolution? Does the client servicing officer or relationship manager need to be involved before OTT can have direct access to the accountant(s)? What are your policies?

I. Unitization

18. Does your accounting system possess the ability to handle dollar allocation, unitization and/or mutual fund accounting requirements?
19. Describe your investment accounting capability (include system name and year developed) for unitized monthly or daily valued plans.
20. Please describe your dollar allocation, unitization and mutual fund accounting methodologies.
21. Do you have experience in unitizing retirement and trust funds for public plans? Please describe.
22. How did you develop this unitization capability? Please describe three (3) client relationships that support your unitization capabilities.
23. Provide the number of your organization's tax-exempt Defined Benefit clients (both corporate and public, excluding mutual fund companies) that utilize a unitized pooling of assets from multiple

participating plans or funds as categorized in the following matrix. Report aggregate values of their total assets in US \$ millions for periods specified as of June 30.

Unitized Plan Custody Clients Only

	Total Number of Clients	Asset Value (US\$ millions)
2016		
2017		
2018		
2019		
2020		

24. List the information requested in the following matrix, in descending order by Total Asset Value, for the 10 largest **defined benefit clients with a unitized structure** relationships (actual assets that you provide fund accounting) of your organization as of June 30, 2020.

Ten Largest DB Unitized Plan Accounting

Name	Total Asset Value (US\$ million)	Total # of Plans	Start Date	Client Servicing Officer and Relationship Manager Names

25. Please specify the formula or calculation methodology of your monthly NAV. Is this generated through equitable share (dollar) accounting or unitized accounting? What system is used (*i.e.*, InvestOne, internal, etc.)?
26. Provide us with the information that you believe should give us confidence in your monthly NAV and your ability to deliver the NAV as of the 10th business day after month end.
27. What is your current policy on materiality or threshold limits on NAV errors on a daily basis?
28. What is your error resolution policy given a break in the materiality threshold at both the participant and fund level?
29. Variances in prices and fund NAV's are independently verified and reviewed by the client, custodian/fund accountant, and managers. Variances greater than the acceptable tolerance level will be researched. Please explain how errors beyond the acceptable tolerances are corrected. Will you indemnify or make the plan whole for such errors?

30. Calculation of NAV Process:
Can you perform the following (yes or no and explain or describe)?
- Custodian/Fund Accountant should be willing to calculate net asset value (NAV) for each investment fund of the plan. The Custodian/Fund Accountant calculated NAV is referred to as “participant-traded unit value” or “unit value.”
 - The NAV will incorporate investment fund performance as well as accruing plan expenses, if applicable.
 - The Custodian Bank/Fund Accountant receive prices for separate accounts and commingled funds directly from the investment manager” fund accountant.
 - The Custodian/Fund Accountant will accrue a daily expense factor when calculating the NAV’s, if this is a plan provision. The amount to be accrued will be discussed with the OTT.
 - Custodian/Fund Accountant performs several levels of review on the change in a fund’s NAV for reasonability.
 - Parameters are set in consultation with the OTT for an acceptable variance level for the change in both the price of securities in the account and the fund’s NAV.
 - The daily change in a fund’s NAV is compared to the day’s condition in that fund’s particular market. Custodian/Fund Accountant should consult with the OTT on the applicable daily priced indices to be used for this comparison.
 - Variances in prices and fund NAV’s are independently verified and reviewed by the Custodian/Fund Accountant, Staff and Investment Managers. Variances greater than the acceptable tolerance level will be researched and the error resolution policy will be applied accordingly.

J. Cash Sweep/Short Term

1. To the extent that CIFs would use short-term investment funds managed and offered by the Custodian, please describe:
 - a) What short-term investment funds are available?
 - b) What are the investment philosophies of each?
 - c) Who is the investment advisor?
 - d) Are short-term investment vehicles in compliance with and registered as OCC Reg. 9 or SEC rule 2a7?
 - e) AM Best rating
 - f) Exposure limits
 - g) Credit Quality guidelines
 - h) Average maturity
 - i) Derivatives policy
 - j) Floating rate note policy
2. Have any of your short term investment vehicles ever “broken the buck” or experienced losses.
3. For each of these available vehicles provide the net return for the past five years.
4. For each of these available vehicles provide the market value as of June 30, 2020.
5. For each of these available vehicles provide the relevant cut-off times for both purchases and redemptions.
6. For each of the available vehicles is there any difficulty with same day transactions?
7. What is your daily compensation and overdraft policy?
8. Overdrafts can occur because of the failure of the custodian to deliver the requisite foreign currency to settle a trade, differing settlement standards (asset class and countries), sub-custodian error, inability to recall securities that are out on loan, errors in trade processing and cash position monitoring, failure to communicate and reconcile with the manager daily, and/or a trade fail that emanates from the custodian. Does your firm automatically apply overdraft charges regardless of the party in error? Please describe your policy.
9. Related to the question above, if custody related overdrafts occur, does CRPTF have the right to receive reimbursement equal to what your overdraft charges would be on a daily basis for each day

- that the overdraft position is open or unresolved?
10. Does your organization have the capability to provide a cash availability projection report? How many days is the cash projection (i.e., 5 days, 10 days, 30 days, 60 days or 90 days)?
 11. Does your firm have a secure on-line, on-demand cash management module for wiring monies? Please describe the level of automation, internet security, tracking, and authorization process.

K. Foreign Exchange Capabilities

1. Describe your foreign currency (FX) management capabilities.
2. Is your foreign currency unit subject to threatened or on-going litigation, including regulatory supervision or penalties? Please describe.
3. How does your organization demonstrate the competitiveness of your foreign exchange and how does your firm ensure that custodial clients achieve best execution? What documentation or analysis would your organization provide to OTT that demonstrates such?
4. Is your organization willing to disclose both explicit and implicit costs of FX Trades?
5. Is your organization willing and able to provide a “time-stamped” FX trade and disclose at what price your firm valued the FX trade?
6. Does your organization flag off-market transactions (considered to be 10% or greater variance) automatically?
7. Are off-market transactions reviewed independently and the reasons for the price indicated in the review process?
8. Fully describe your ability to support an agent or principal third-party foreign exchange program where all eligible foreign exchange transactions would be directed away from the custodian.
9. Has your firm been investigated for any issues related to FX trading? If so, please explain
10. OTT reserves the right to allow managers to execute any and all FX trades with third party brokers. What different FX execution options can you provide to both the CIFs and their investment managers beyond custody FX execution venues (i.e., Street FX, Pre-Negotiated FX, Electronic FX Execution Platforms, etc.)?
11. Does your organization charge a penalty or administrative cost for currencies executed by a third-party other than the custodian bank?
12. Will your firm use a robust competitive bidding structure to execute FX transactions? Will your organization be able to provide performance reporting or best execution reports for FX transactions?
13. Is interest paid on uninvested balances in foreign country accounts? What types of short term vehicles or accounts are available?
14. For global markets, the interest penalty for cash overdrafts is substantial. Discuss the policies and procedures for assessing overdraft fees, including but not limited to, documents provided, frequency of charges, overdraft rates determination, and overdraft claims and collection process from brokers/managers. Describe your ability to set up procedures to allow for client review and approval of charges for foreign cash overdrafts? (Reminder: confine your response to methodology only, not specific numbers.)
15. Kindly complete Appendix III – Foreign Currency Execution Questionnaire so that the OTT can further evaluate your firm’s FX capabilities.

L. Risk Management, Performance Measurement, Compliance Monitoring and Advanced Analytics

1. What are the types of analytics and performance measurement currently available to clients for the asset classes listed below? (For example, BARRA Analytics, global attribution, style analysis, portfolio characteristics, universe comparisons, TUCS, optimizations, Yield Book, Venture Economics, Private I, trading cost analysis, etc.) Include a description of how the external provider’s system can be integrated with your records and the controls you institute to ensure and validate the completeness, accuracy and integrity of the data and information generated by the system.
 - Domestic Equity
 - Fixed-Income and Global Bond

- International Equity
 - Overlay (Currency, Equity and Fixed)
 - Derivatives
 - Commodities
 - Real Estate
 - Private Equity
 - Absolute Return Strategies
 - Commingled Funds and Mutual Funds
2. Are there different levels of performance measurement and analytics services? If there are different service levels, describe whether they reside in one performance measurement module/system or multiple modules/systems.
 3. Are you able to calculate both gross and net of fees performance? Can you perform lag and non-lag performance measurement calculations? Please describe the methodology employed.
 4. Are you able to provide any levels of risk management software or application for scenario testing, full bore risk analysis and Value at Risk (VAR)? Please describe the actual software or application that would meet this requirement.
 5. List all indices, benchmarks and universe returns available to OTT. Are returns available on-line? How far back do you carry historical returns and name the frequency (daily, monthly)? Do you have the ability to load prior months and/or years returns? Do you have the ability to accommodate custom benchmarks? Is there a limit on how many custom benchmarks a client can have?
 6. Describe in detail your attribution analysis and peer group comparison capabilities.
 7. For private equity and all partnership investments, can you provide continuously updated access to valuation, fees and historic performance data, permitting it to be easily aggregated and disaggregated according to portfolio, fund, company, investment strategy, industry, geography, manager and vintage year, and do you provide desktop access to this data via a nationally recognized software product designed specifically for the tracking of private equity investments? Please describe.
 8. Please provide a complete description of your capabilities for monitoring required compliance with the Patriot Act, Anti-Money Laundering, and OFAC SDN List. Are you able to identify companies that have been invested in that are subsequently fined by OFAC?
 9. Please describe your organization's offering specific to Corporate Governance Tools and Support to clients. What services are available?
 10. If you are subscribing to private equity tracking software, will you provide administrative and technical support for the use of the software? Will you be responsible for loading historic cash flows and performance data into the software product? Describe the plan for accomplishing this conversion.
 11. How do you handle hedge funds within your accounting, reporting and performance platform?
 12. Are there separate risk and control systems, as well as a dedicated group, for derivatives and risk management?
 13. Does the system integrate guideline compliance into the automated trading process and actively monitor transactions and portfolio composition?
 14. What are the different levels of compliance monitoring (i.e., basic, intermediate or advanced) that you provide?
 15. Is this compliance monitoring performed for all asset classes? Is it performed daily? Is it on a Post-Trade, Pre-Settlement basis? Is it available on-line?
 16. How are clients and investment managers notified of a violation or breach in the investment policy and guidelines?
 17. Relative to the above on-line system, can it continuously monitor the following:
 - ☐ Duration bands or maturity limits
 - ☐ Restricted security types
 - ☐ Percentage sector limits
 - ☐ Credit quality and diversification limits
 - ☐ Non-dollar allocation limits
 - ☐ Naked currency exposure and basket hedge
 - ☐ Realized gains/loss limits for taxable clients
 - ☐ Subsector diversification limits (e. g., percent limits per SIC code)

- ☐ Cash flow variability standards for selected products (e. g., CMOs)
 - ☐ Monitor leveraged transactions
 - ☐ Stress testing and potential effects in market prices and interest rates
 - ☐ Gap analysis and duration reviews
 - ☐ Collateralization (relative to naked exposures)
 - ☐ Monitor unhedged positions
 - ☐ Calculate value at risk
 - ☐ Underlying positions for covered calls
 - ☐ Naked call exposures
18. Describe the type of risk measurement model that you utilize (Parametric – factor/risk bucket vs. individual security; Full Valuation – historical vs. Monte Carlo, etc.)
19. Differentiate the specific components of the risk factors that you measure as listed below:
- Risk factors set at the individual equity level
 - Risk factors set at the individual bond level
 - Risk factors set at the equity factor level
 - Risk factors set at the bond factor level
20. Various levels of consolidation. Describe the risk measurement methodology for all asset classes as listed below:
- Equity (domestic and international)
 - Fixed income (domestic and international)
 - Venture Capital, limited partnerships and real estate
 - Mortgage backed securities (especially CMOs)
 - Derivatives (such as options, index futures, options on index futures, currency forwards, swaps, etc.)
 - Warrants and convertibles
 - Emerging market equities
 - Non-Dollar denominated securities
21. Specific to fixed-income portfolios, please describe your ability to handle:
- Key rate durations
 - Yield curve principal components (i.e., shift, twist, butterfly movements)
 - Credit spread risk
 - Volatility risk

M. Transfer Agency/Income Paying Agent and STIF Support

1. Provide a general description of your transfer agency services, history, milestones and overall capability.
2. Describe in detail how you are able to meet the scope of services for transfer agency enumerated in Section II of this RFP. Kindly delineate by Participant Account Services, Customer Services, Client Administration, Interest/Dividend Processing, Shareholder Mailings, Reconciliation/Control Services, Record Retention, and Conversion Issues.
3. Provide the number of clients that you provide transfer agency services as categorized in the following matrix. Report aggregate values of their total assets under custody in US\$ millions for periods specified as of June 30.

Total Transfer Agency Clients (Corporate, Public, Insurance Mutual Funds, Investment Cos. and Tax-exempt Plans)		
	Total Number of Clients	Asset Value (US\$ millions)

2016		
2017		
2018		
2019		
2020		

Public Fund Clients that you provide Transfer Agency Services

	Total Number of Clients	Asset Value (US\$ millions)
2016		
2017		
2018		
2019		
2020		

4. Describe the typical client interface model and on-line/and electronic interfaces that support transfer agency client requirements.
5. Describe the processing workflows and controls associated with new account set-up and maintenance and financial transactions. Please describe the account number assignment process.
6. Explain the dividend/interest and capital gain (if required) distribution processing and control functions. Please describe the checks, balances and controls used for the pre-runs of dividends/interests.
7. Explain the process for dividend/interest payment on a closeout. For same day dividend /interest transactions, describe how the system handles closeouts.
8. Describe the processes for correcting pricing/dividend errors, including audit trail.
9. Describe the system's reconciliation audit trail and procedures for monitoring and following up on failed financial transactions.
10. Describe your aged reconciliation process and reporting schedule.
11. Describe the process for interacting with custody, fund accounting, fund administration and other third parties.
12. Describe your statement production capabilities.
13. Describe the system capabilities to support electronic transmission of account statements via fax, Internet, etc.
14. Describe all aspects and capabilities of your shareholder reporting.
15. Summarize your voice response system capabilities.
16. Describe the monthly client report packages and accessibility (paper, on-line, etc.).
17. Describe in detail how you are able to meet the scope of services for STIF Support enumerated in Section II of this RFP.

TRUST/CUSTODY FEE QUESTIONNAIRE

Based upon the information provided in this request for proposal, state your annual fee for the proposed relationship with OTT.

- A. Please provide an annual flat fee for trust/custody services required by OTT. The flat fee should be quoted on a flat dollar (in US dollars) basis.**
- B. What are the short term investment vehicles you propose as applicable to OTT? What is the total expense ratio, including management fees? (Specify: Sweep Options, Late Day Cash, Overnight, FDIC approved, 2a-7 funds, and US Government Only.)**
- C. What are the overdraft charges for domestic and international transactions?**
- D. Identify the services included in the flat fee stated in Item A and based on the current investment structure of the CIFs. For any service not included, the additional charge or fee should be stated as a flat dollar annual fee, unless some other basis or percentage are considered, such as per transaction costs.**

FOREIGN CURRENCY EXECUTION QUESTIONNAIRE

The OTT anticipates evaluating foreign currency execution on a bundled or unbundled basis, in order to obtain services in the best interest OTT.

A. Organization

1. Please complete the table below as specified.

Name of Firm:	
Contact:	
Title:	
Street Address:	
City, State, Postal Code	
Country (if other than U.S.)	
Telephone:	
Facsimile:	
E-Mail:	

2. Provide a brief history of the firm, including the date of SEC 1940 Act registration, the date the firm began offering foreign currency execution investment management services to institutional clients.
3. Describe the ownership of the firm, including but not limited to: Ownership structure, parent organizations, affiliated companies or joint ventures. If the firm is an affiliate, indicate the percentage of parent organization's total revenue generated by your firm. If the firm is a joint venture partner, identify the percentage of ownership and revenues recognized by each partner to the combined entity.
4. Provide an organizational chart diagramming the relationships between the professional staff as well as the parent-subsidary, affiliate, or joint venture entities.
5. Describe in detail any actual or potential conflicts of interest your firm may have in providing services to OTT pursuant to this RFP. Include any activities of affiliated or parent organizations, brokerage activities, investment banking activities, or any past or current relationships with the OTT or staff. Include any other pertinent activities, actions, or relationships not specifically outlined in this question.
6. Does the proposer agree to be a fiduciary to OTT and that the proposer shall, in investing a OTT's assets, exercise at all times the diligence and standard of care of a fiduciary under Section 404 of the Employee Retirement Income Security Act of 1974 ("ERISA") or, if such law is enacted, any other law affecting OTT which may impose a higher or comparable standard? Elaborate on your response as to your capabilities and limitations as a fiduciary.
7. Over the past five years, has your firm or any of its affiliates or parent, or any officer or principal been involved in any business litigation, regulatory or legal proceedings? If so, provide a detailed explanation and indicate the current status. In addition, provide both Parts I and II of a completed Form ADV.
8. Describe your firm's commitment to diversity in staffing and in business relationships.
9. How is the firm's foreign currency execution team (henceforth *FX team*) organized? Does the firm have dedicated FX managers and traders? If no, what other functions do team members perform? Specify locations, and number of accounts managed by each professional staff including the dollar value of assets under management. Specifically indicate those associated with institutional accounts.
10. Describe the various types of insurance coverage and indemnification provided to protect clients of service(s) proposed. Description should include, but not limited to:
 - Risk Coverage

- Carriers
- Levels
- Limits
- Deductibles
- Expiration

B. Execution Capabilities

Product

1. Is your firm willing and capable to trade the CIF's FX on an agency basis? Is your firm willing and capable to trade CIF's FX on a principal basis? Support your answers by providing details and track records of your firm's execution capabilities.
2. Discuss and disclose whether the fiduciary status extends to and covers its choice of venue, broker, and/or actual executions, and if the firm utilizes unaffiliated broker/dealers to execute the transactions, discuss and disclose whether the firm's fiduciary status extends to and covers the unaffiliated broker/dealers choice of venue, broker, and/or actual executions.
3. Describe your firm's philosophy concerning FX services for institutional clients. What distinct competitive advantages does your firm have over other service providers marketing similar strategic and operational capabilities?
4. How would you justify your FX services as a custom-tailored product for OTT? How do you benchmark your FX execution?
5. Describe the process your firm follows in soliciting quotes from market participants. How many quotes would you seek for an FX trade? What factors can influence that decision?
6. Does your firm execute any FX transactions on a multi-bank electronic platform? If yes, how much and what platforms?
7. With respect to a "Direct/Active Negotiation" method of executing transactions, how much of your firm's FX transaction volume was executed pursuant to direct/active negotiation?
8. What are your standing policies and procedures for trading FX on behalf of your custody clientele pursuant to actively negotiated trades? What times of the day are direct/active negotiated transactions executed?
9. With respect to a "Standing Instruction" method of executing transactions, how much of the firm's FX transaction volume was executed pursuant to Standing Instructions?
10. What are your standing policies and procedures for trading FX on behalf of your clientele pursuant to Standing Instructions? What time of the day are Standing Instruction transactions executed? What percentage of your firm's Standing Instruction transaction activity was for:
 - a. Dividend/Income Reinvestment: _____%
 - b. Tax reclaims: _____%
 - c. Restricted Currencies: _____%
 - d. Smaller transactions: _____%
11. Provide your firm's five-year track record, listing all institutional clients and asset amounts (as of June 30, 2020), specifying profits and losses for your proposed product(s).

FX Staffing, Activity, and Experience

12. Utilizing the template provided below, list key professionals who would be responsible for providing FX services to CRPTF, as well as the client service/relationship manager(s).

NAME	TITLE/ RESPONSIBILITY	YEARS EXPERIENCE	YEARS AT FIRM	DEGREES/ DESIGNATIONS	SPONSORING BODY/ SCHOOL

13. Indicate the turnover rate of professional personnel in the firm's FX trading group in each of the past three years (as of June 30, 2017, 2018, 2019). Discuss the reasons and impact of personnel turnover. How long has the current team been together in managing institutional accounts?
14. Provide a list of at least three institutional clients that have utilized your firm for FX services within the past three years that can attest to your capabilities. Provide the name of contact person, firm,

email address, phone number, title, account type, currencies traded and total volume managed. In addition, list five largest institutional accounts currently managed, including public and ERISA fund clients that utilize your FX investment management services.

15. What is the minimum volume you will accept and what is the highest, average, and lowest foreign currency execution volume you currently manage?

Process

16. How does your firm define successful FX trading? How should the firm's performance be evaluated to determine if your trading execution was successful for the client? How does your firm's investment philosophy align with performing the duty of best execution?
17. Describe your foreign currency execution process, including, but not limited to the following: routine trades, possible alternative execution style and process for trades of larger volume and illiquid currencies.
18. Indicate the types of trades for which you offer FX services currently (foreign asset funding trades, restricted emerging market, dividend & income repatriation, etc.).
19. Describe how your execution process and currency strategies changed over the course of the past ten years. How do some of these changes reflect on your short term and long term objectives pursuant to your firm's currency strategies? Specify how your response to this question is reflected on your track record with past institutional clients.
20. Does your firm offer Fractional Pip-Pricing? If no, please explain and provide alternative methods used to enhance accuracy in providing trade costs and in achieving tighter spreads.
21. Describe the firm's trading capabilities and strategies with particular regard to Emerging Market Currencies. Can you trade restricted currencies? If so, how do you achieve improved foreign currency execution (minimizing trading costs) in these restricted currencies?
22. Describe savings realized (in percentage and dollars saved) by clients through the use of your services. Describe how you reduced foreign currency trading costs for clients similar to OTT.
23. The following questions are in regards to netting of FX transactions. With respect to Standing Instruction transactions, do you net client transactions in the same currency? Bilateral settlements? Multilateral settlements? Novational netting? Do you utilize online settlement netting systems?
24. Describe the market liquidity providers utilized. Denote the number of market making banks and Electronic Crossing Networks (ECN), and provide specific bank and platform references.
25. Do you utilize a prime brokerage? If so, which prime broker do you use? Describe the credit limits you have in place, with average tenor and NOP limits. If a prime broker is not utilized, would CRPTF need to face your liquidity providers directly with separate International Swaps and Derivatives Association (ISDA) Agreements?
26. Describe your capabilities in foreign currency spot, forward, and futures market. Provide relevant track record.
27. Do you have a risk and compliance team that oversees the FX trading process? Describe your risk management and compliance process that displays an increased internal oversight functions in providing transparent services.

Operational Capability

28. Describe your firm's FX trading capabilities (operational). Provide a description of your trading platform, including systems (proprietary and off-the-shelf) for execution and processing. How do you maintain continued efforts to enhance your firm's operational capabilities?
29. Describe your operation process to confirm and settle FX trades. In addition, provide specific examples of vendors used in this process, and confirm whether your firm is a Continuous Linked Settlement (CLS) clearing bank.
30. What systems do you use to receive orders from clients? Differentiate order receipt avenues from custodians, investment managers, pensions, banks, etc.
31. How many back office operations professionals would support your firm's proposed FX and related services? Specify staff locations, capabilities and qualifications.
32. How would you interact with OTT's investment managers and custodian?

33. Specify how you manage operational risks associated with currency trading and settlement. Describe your counterparty and settlement risk management programs.
34. How do you ensure there are no failed trades due to insufficient foreign currency?
35. What is your error rate (number of errors and dollar amount) for 2014 to 2020 YTD?
36. How do you ensure operational and technical compatibilities with your clients' Service providers (i.e. consultants, investment managers, master custodian, etc.)? Do you have a support team in place to reconcile any potential operational and technical issues? Please describe.
37. Detail your firm's disaster recovery procedure. Does your firm have a plan and arrangements in place for an alternative worksite should your facilities become inoperative due to force majeure?

C. Transaction Analyses

1. Provide a detailed summary of your firm's compliance regime. Identify senior or key personnel in the firm's compliance process. Does your firm maintain a Code of Ethics? If so, please attach.
2. Does your firm have a periodic review of its compliance program – including the Manual and the firm's compliance controls? If so what is the frequency of the review?
3. Does your firm have a written personal trading policy and established methods for monitoring same? Have there been any violations of the personal trading policy within the past 12 months and what was the response?
4. Describe the compensation and incentive program for professionals directly involved in providing FX services. How are they evaluated and rewarded? Are traders compensated on volume of trades, commissions earned for the firm, or on the quality of execution?
5. Will you provide OTT with timestamp and related execution data required to improve transparency?
6. How frequently are you able to provide reports to OTT on transaction costs and execution quality achieved on the FX trade? Identify the data/metrics your firm can make available to OTT regarding the nature and characteristics of their FX transactions (e.g. type of trade, tenor, side, executed volume, time of order received, time of transaction executed, executed rate, currency pair, counterparty, asset manager, etc.)
7. During the past five years, has the firm been party to any litigation alleging fraud, breach of fiduciary duty, or other willful misconduct? If so, please describe.
8. Provide a detailed summary of your firm's internal control structure. Does the firm conduct periodic risk assessment? Provide a copy of the firm's SSAE-16 (SAS 70) Report, if available, or other audit/internal control review documentation, preferably prepared by an independent third party.
9. Which of your firm's geographic offices would service OTT's account? What services would specifically be provided by which office?
10. Does your firm receive any "soft dollar" credits from the trading in client accounts? If yes, describe how those credits are used and how they would benefit OTT.
11. Describe your methodologies for measuring costs and performance and how often traders review this information.
12. Does your firm carry an insurance policy(ies) covering errors and omissions or any other fiduciary or professional liability insurance? If yes, describe
 - Risk Coverage
 - Carriers
 - Levels
 - Limits
 - Deductibles
 - Expiration

**RISK MANAGEMENT - PERFORMANCE MEASUREMENT, COMPLIANCE MONITORING,
AND ADVANCED ANALYTICS QUESTIONNAIRE**

The OTT anticipates evaluating performance measurement, analytics, risk tools on a bundled or unbundled basis, in order to obtain services in the best interest OTT.

1. What are the types of analytics and performance measurement currently available to clients for the asset classes listed below? (For example, BARRA Analytics, global attribution, style analysis, portfolio characteristics, universe comparisons, TUCS, optimizations, Yield Book, Venture Economics, Private I, trading cost analysis, etc.) Include a description of how the external provider's system can be integrated with your records and the controls you institute to ensure and validate the completeness, accuracy and integrity of the data and information generated by the system.
 - Domestic Equity
 - Fixed-Income and Global Bond
 - International Equity
 - Overlay (Currency, Equity and Fixed)
 - Derivatives
 - Commodities
 - Real Estate
 - Private Equity
 - Absolute Return Strategies
 - Commingled Funds and Mutual Funds
2. Are there different levels of performance measurement and analytics services? If there are different service levels, describe whether they reside in one performance measurement module/system or multiple modules/systems.
3. Are you able to calculate both gross and net of fees performance? Can you perform lag and non-lag performance measurement calculations? Please describe the methodology employed.
4. Are you able to provide any level of risk management software or application for scenario testing, full bore risk analysis and Value at Risk (VAR)? Please describe the actual software or application that would meet this requirement.
5. List all indices, benchmarks and universe returns available to OTT. Are returns available on-line? How far back do you carry historical returns and name the frequency (daily, monthly)? Do you have the ability to load prior months and/or years returns? Do you have the ability to accommodate custom benchmarks? Is there a limit on how many custom benchmarks a client can have?
6. Describe in detail your attribution analysis and peer group comparison capabilities.
7. For private equity and all partnership investments, can you provide continuously updated access to valuation, fees and historic performance data, permitting it to be easily aggregated and disaggregated according to portfolio, fund, company, investment strategy, industry, geography, manager and vintage year, and do you provide desktop access to this data via a nationally recognized software product designed specifically for the tracking of private equity investments? Please describe.
8. Please provide a complete description of your capabilities for monitoring required compliance with the Patriot Act, Anti-Money Laundering, and OFAC SDN List. Are you able to identify companies that have been invested in that are subsequently fined by OFAC?
9. Please describe your organization's offering specific to Corporate Governance Tools and Support to clients. What services are available?
10. If you are subscribing to private equity tracking software, will you provide administrative and technical support for the use of the software? Will you be responsible for loading historic cash flows and performance data into the software product? Describe the plan for accomplishing this conversion.
11. How do you handle hedge funds within your accounting, reporting and performance platform?

12. Are there separate risk and control systems, as well as a dedicated group, for derivatives and risk management?
13. Does the system integrate guideline compliance into the automated trading process and actively monitor transactions and portfolio composition?
14. What are the different levels of compliance monitoring (i.e., basic, intermediate or advanced) that you provide?
15. Is this compliance monitoring performed for all asset classes? Is it performed daily? Is it on a Post-Trade, Pre-Settlement basis? Is it available on-line?
16. How and within what period of time are clients and investment managers notified of a violation or breach in the investment policy and guidelines?
17. Relative to the above on-line system, can it continuously monitor the following:
 - ☐ Duration bands or maturity limits
 - ☐ Restricted security types
 - ☐ Percentage sector limits
 - ☐ Credit quality and diversification limits
 - ☐ Non-dollar allocation limits
 - ☐ Naked currency exposure and basket hedge
 - ☐ Realized gains/loss limits for taxable clients
 - ☐ Subsector diversification limits (e. g., percent limits per SIC code)
 - ☐ Cash flow variability standards for selected products (e. g., CMOs)
 - ☐ Monitor leveraged transactions
 - ☐ Stress testing and potential effects in market prices and interest rates
 - ☐ Gap analysis and duration reviews
 - ☐ Collateralization (relative to naked exposures)
 - ☐ Monitor unhedged positions
 - ☐ Calculate value at risk
 - ☐ Underlying positions for covered calls
 - ☐ Naked call exposures
18. Describe the type of risk measurement model that you utilize (Parametric – factor/risk bucket vs. individual security; Full Valuation – historical vs. Monte Carlo)
19. Differentiate the specific components of the risk factors that you measure as listed below:
 - Risk factors set at the individual equity level
 - Risk factors set at the individual bond level
 - Risk factors set at the equity factor level
 - Risk factors set at the bond factor level
 - various levels of consolidation
20. Describe the risk measurement methodology for all asset classes as listed below:
 - Equity
 - Fixed income
 - Venture Capital, limited partnerships and real estate
 - Mortgage backed securities (especially CMOs)
 - Derivatives (such as options, index futures, options on index futures, currency forwards, swaps, etc.)
 - Warrants and convertibles
 - Emerging market equities
 - Non-Dollar denominated securities
21. Specific to fixed-income portfolios, please describe your ability to handle:
 - Key rate durations
 - Yield curve principal components (i.e., shift, twist, butterfly movements)
 - Credit spread risk
 - Volatility risk
22. Please provide the level of analytics offered for Absolute Return Strategies or Hedge Funds, including transparency, price and benchmark modeling, and other supporting capabilities.
23. Kindly provide the costs associated with your services given the following assumptions.

CIF Investment Manager Structure and Investment Policy Statement

The Investment Policy Statement (IPS) sets forth the general standards that govern the investments of the State of Connecticut Retirement Plans and Trust Funds (CRPTF) as established by the Treasurer of the State of Connecticut and as approved by the Investment Advisory Council (IAC), in accordance with the provisions of [Section 3-13b\(c\) of the Connecticut General Statutes](#).

Detailed description of the State of Connecticut Retirement Plans and Trust Funds (CRPTF) structure and operations can be found on Treasurer's website by accessing following links:

<https://portal.ct.gov/OTT/Pension-Funds/Overview>

<https://portal.ct.gov/OTT/Pension-Funds/Combined-Investment-Funds>

<https://portal.ct.gov/OTT/Pension-Funds/Investment-Policy/Investment-Policy-Statement>

EXHIBIT 2

STIF Investment Policy and Guideline

The Treasurer's Short-Term Investment Fund (STIF) is a Standard & Poor's AAAM rated investment pool of high-quality, short term money market instruments managed by the Cash Management Division of the Office of the State Treasurer.

Created in 1972, STIF serves as an investment vehicle for the operating cash of the State Treasury, state agencies and authorities, municipalities, and other political subdivisions of the State.

Detailed description of the Treasurer's Short-Term Investment Fund (STIF) can be found on Treasurer's website by accessing following links:

<https://portal.ct.gov/OTT/Pension-Funds/STIF/About-the-STIF>

<https://portal.ct.gov/OTT/Pension-Funds/STIF/Investment-policy>