



**REQUEST FOR PROPOSALS FOR**

**HEDGE FUND CONSULTING**

**FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
(FCERA)**

| DATE: OCTOBER 10, 2015 [\(OCTOBER 20, 2015 UPDATE\)](#)

DEADLINE FOR SUBMISSION: NOVEMBER 20, 2015 AT 4:00 PM PACIFIC TIME

# **FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (FCERA)**

## **Request for Proposals for**

## **Hedge Fund Consulting Services**

### **Table of Contents**

- I. Introduction
- II. Scope of Work
- III. Submission Requirements
- IV. Evaluation and Selection Criteria
- V. Schedule
- VI. Terms and Conditions for Receipt of Proposals
- VII. Contract Requirements

### **Appendices:**

- A. RFP Questions
- B. Form of Consulting Agreement
- C. FCERA's Investment Policy Statement – June 3, 2015
- D. FCERA's Asset Liability Study – April 2013
- E. FCERA's Asset Allocation Implementation – April 2, 2014

## **I. Introduction**

The Fresno County Employees' Retirement Association ("FCERA") is a public defined benefit plan for employees of Fresno County, California and certain districts within the County. The ten (nine voting and one alternate) member FCERA Board ("Board") has plenary authority and fiduciary responsibility for the investment of monies and administration of the Retirement System. FCERA stewards approximately \$4 billion in assets, invested through a diversified portfolio of public and private equity, commodities, real estate, hedge funds, and public and private debt holdings. Generally, the Board meets twice a month, on the first and third Wednesday, in noticed public meetings to, among other things, set policy, review investment performance, and consider new investment opportunities. Investment related matters are generally heard during the first meeting in the month. The Board and Retirement System conduct all investment activities in accordance with applicable laws and investment policies and procedures adopted by the Board, and in the sole interest of members and their beneficiaries. For more information about FCERA, go to <https://www.fcera.org>.

FCERA currently has approximately 4% of its investment portfolio (approx. \$150 million) invested in a commingled hedge fund-of-funds strategy. By action of FCERA's governing Board of Retirement, FCERA intends to invest an additional 4% of its portfolio in additional hedge fund strategies.

As described further in this Request for Proposals ("RFP"), FCERA is soliciting proposals to provide comprehensive full-retainer hedge fund investment consulting advice and services to the Board and FCERA. Through this Request for proposal ("RFP"), FCERA seeks to obtain information from, evaluate and eventually select one or more specialty consultants in which to advise on 8% of its portfolio. Respondents to this RFP may be fund-of-funds managers proposing a discretionary or non-discretionary specialty hedge fund consulting relationship, or may be discretionary or non-discretionary specialty hedge fund consultants. The firm must have deep experience with fund of hedge fund or direct hedge fund investing strategies. The firm will serve in a fiduciary capacity and must acknowledge in writing the firm's fiduciary status, without qualification. In all cases, the firm and its consultants must offer advice to the Board and FCERA solely in the interest of Retirement Association members and their beneficiaries.

The content of responses to this RFP shall be considered a public. Responders may not impose any confidentiality requirements on FCERA.

The contract anticipated under this RFP will have an initial term of three (3) years. In addition, FCERA shall have two (2) options to extend the term of the agreement for a period of one (1) year each option, which FCERA may exercise in its sole and absolute discretion.

Thank you for providing a timely response to this RFP.

## **II. Scope of Work**

The general scope of work for this RFP is to provide non-discretionary professional consulting services related to all aspects of investing in hedge funds; however, discretionary professional consulting will be considered during the proposal and respondent review process. Specifically, the successful firm will demonstrate extensive experience and superior capability for providing hedge fund investment consulting services to institutional investor clients, preferably public pension systems, of comparable size to or larger than FCERA, including but not limited to investment policy development and compliance, portfolio construction, initial manager research

and selection, on-going manager research and due diligence, risk management, performance reporting, and Trustee education for investing in hedge funds. The following are examples of the duties FCERA expects the hedge fund consultant or fund of hedge fund manager to perform:

**A. Policy Duties:**

- Provide recommendations concerning investment goals, policies, guidelines and procedures.
- Provide recommendations regarding fund of hedge fund and direct investment strategies and structures.
- Provide recommendations concerning the process for manager research, selection, and subsequent due diligence.
- Provide recommendations concerning proxy voting policies and guidelines.
- Provide recommendations concerning risk management strategies.
- Provide recommendations concerning compliance monitoring.

**B. Investment Manager Selection and Oversight Duties:**

- Provide recommendations on how the Board and staff may enhance their manager research, selection, and subsequent due diligence of external managers.
- Provide due diligence on prospective investment managers.
- Provide investment recommendations on manager selection and portfolio construction.
- Provide compliance monitoring of investment managers.
- Provide access to analytical software and tools.
- Provide recommendations on cost containment.
- Provide recommendations concerning manager guidelines and benchmark selection.
- Provide recommendations on risk management strategies.

**C. Performance Measurement Duties:**

- Provide benchmark evaluation, implementation, and analysis.
- Compare hedge fund investment performance to custom policy benchmarks.
- Compare hedge fund investment performance to the hedge fund performance of other public plans.

**D. Training, Education and Client Relations Duties:**

- Attend approximately 12 regular monthly Board meetings, generally the first Wednesday of the month, except for the Board offsite generally held the third Wednesday or Thursday of October, as well as Committee and special Board meetings as needed.
- Provide quarterly reporting.
- Coordinate effectively with the Retirement System's general investment consultant and specialty consulting firms, as may be retained from time to time.
- Provide investment education and training on a periodic basis.
- Provide assistance on special projects as needed.
- Participate in workshops or meetings on specific issues designated by the Board.
- Provide support for operational issues between meetings.
- Respond to inquiries between meetings in an appropriate and timely manner.

- Share all firm research, including white papers, and provide access to the firm's research staff.
- Report any significant changes in the firm's organizational structure and staffing in a timely manner.
- Make no changes in the assigned consultant team without FCERA's express approval.
- Ensure that consultant personnel identified by FCERA submit assuming office, annual and leaving office (as applicable) Statements of Economic Interests (Form 700s) with FCERA.

**E. Accounting and Recordkeeping Duties:**

- Given that the Retirement Association has limited accounting resources and the establishment of a direct hedge fund investment program would entail an exponential increase in accounting duties, provide an outsourced, consolidated accounting service for the hedge fund investment allocations.

The hedge fund consultant may also be asked to provide other services as required by the Board and staff.

**III. Submission Requirements**

**A. Blackout Period**

For the duration of the RFP process, the Retirement System and Board will enter into a "blackout period" during which communications and meetings between parties interested in or actually responding to the RFP ("Proposers") and Retirement System staff and Board members is prohibited. This blackout period is effective upon approval of the development and issuance of this RFP by the Board, which occurred September 2, 2015, and continues until either the RFP review and evaluation process is completed and a contract is executed with the selected Proposer or the search process is otherwise ended by the Board.

This blackout period will enable FCERA and the Board to treat all Proposers fairly during the RFP selection process and permit the review and evaluation of the responses to be fair and unbiased.

Blackout conditions are outlined below:

1. Proposers are to refrain from communications with Retirement System staff and Board members. Communications include meetings, telephone conversations, letters, and email.
2. The following communications are permitted during the blackout period: written requests submitted as provided in Section V(B)(2) of this RFP; interviews scheduled by FCERA as part of the RFP evaluation process; and presentations scheduled before the Board for interviewing one or more Proposer as part of the RFP evaluation and selection process.
3. Proposers may meet with Retirement System staff or a Board member only if (a) the meeting is limited to discussions that are unrelated to this RFP, the Proposer's services that are covered by this RFP, or the Proposer's response to the RFP and (b) both the employee/Board member and the Proposer provide advance written notice of the meeting and the subject of the meeting to the FCERA Executive Director. The Executive Director will retain the written notices regarding any such meetings, and may request written confirmation after the meeting regarding the subjects discussed.

4. Nothing in this blackout period shall limit a Proposer who is currently engaged by FCERA as a service provider from participating in meetings and communications with FCERA employees and Board members required to effectively conduct the business and services under the existing engagement, as long as the topics in Section III(A)(3) above are not discussed.

If a Proposer has any questions regarding the blackout period, the Proposer should submit the question in writing as provided by Section V(B)(2) of this RFP.

## **B. Time and Place for Submission of Proposals**

The deadline for electronic and printed submission of proposals is November 20, 2015 at 4:00 p.m. Pacific Time. One (1) complete proposal, along with an electronic copy on CD or USB or via email, must be sent to:

Donald C. Kendig, CPA  
Retirement Administrator  
Attn: Hedge Fund Consultant RFP  
Fresno County Employees' Retirement Association  
1111 H Street  
Fresno, CA 93721  
Email: [dkendig@co.fresno.ca.us](mailto:dkendig@co.fresno.ca.us)

Late or incomplete submissions will not be considered. Both hard and electronic version must be received before the deadline. Postmarks will not be considered in judging the timeliness of submissions. Proposals that are submitted by fax will not be considered. Timely submission of only an electronic version or only the hard copy versions of the proposal is insufficient to timely submit the proposal.

## **C. Transmittal Letter**

An individual who is authorized to bind the Proposer contractually must sign a transmittal letter, which is an integral part of the proposal. The transmittal letter must indicate the signer is authorized to bind the Proposer. **A response with an unsigned transmittal letter will be rejected.** This transmittal letter must include the following:

1. The Proposer's name, address, telephone, facsimile number and website address.
2. The Proposer's Federal Employer Identification Number and Corporate Identification Number, if applicable.
3. The name, title or position, and telephone number of the individual signing the transmittal letter.
4. The name, title or position, and telephone number of Proposer's primary contact for the RFP, if different from the individual signing the transmittal letter.
5. A statement expressing the Proposer's willingness to perform the services as described in this RFP, and an acknowledgement that Proposer agrees to be a fiduciary to the Board, FCERA and FCERA's members and their beneficiaries.
6. A statement expressing the Proposer's availability of staff and other required resources for performing all services and providing all deliverables under the RFP.
7. A certification that all fees and conditions stated in the proposal are firm for a period of 180 days from the deadline for submission of proposals and that the quoted prices are genuine and not the result of collusion or any other anti-competitive activity.

8. A statement that Proposer has reviewed the schedule in Section V(A) of this RFP, and will ensure that all of Proposer's key personnel are available for interviews, site visits, and Board meetings.
9. A certification that no officer, employee or agent of FCERA and no Retirement Board member has any known personal or pecuniary interest, direct or indirect, in the contract contemplated by this RFP or the proceeds thereof.
10. A statement that identifies any personal, professional or financial relationships between Proposer and its officers and employees and any Retirement Board member or FCERA officer or employee.
11. A statement that Proposer acknowledges that materials submitted pursuant to this RFP are public records. See Section V(B)(9) of this RFP.
12. A description of Proposer's professional relationships involving FCERA, the State of California and any of its political subdivisions for the past five (5) years from the date of Proposer's proposal, together with a statement explaining why such relationships do not constitute a conflict of interest.

#### **D. Format and Content of Proposals**

Completeness, brevity, and clarity are important. Proposers should submit all information requested in this RFP and do so in the specified format. Responses not meeting format requirements or that are incomplete may be rejected. Providing incomplete or misleading data may lead to disqualification of the Proposer.

Proposer's response to this RFP must be organized in the format listed below.

1. Transmittal Letter;
2. Statement demonstrating that the Proposer satisfies the minimum qualifications under Section IV(A) of this RFP and a brief description regarding whether Proposer possesses the desired qualifications under Section IV(B);
3. Response to RFP questions in Appendix A; and
4. Additional information or attachments required in Appendix A.

In addition, Proposers must submit the required vendor form. See RFP Section VII(B).

#### **IV. Evaluation and Selection Criteria**

##### **A. Minimum Qualifications – Unless otherwise specified, the Proposer must meet the minimum qualifications as of November 20, 2015.**

A Proposer must meet all of the following minimum qualifications, to FCERA's satisfaction:

1. The firm must have at least \$10 billion in hedge fund consulting or fund of hedge fund assets.
2. The firm must have provided hedge fund consulting or fund of hedge fund services for at least the past five years.
3. The firm must have at least ten employees responsible for conducting investment due diligence, operational due diligence, and portfolio construction on hedge funds.
4. The firm's investment professionals must possess at least 100 years of aggregate investment experience.

5. At least one key professional member of the firm proposed for the FCERA account must have a minimum of ten years of experience in reviewing advisor/manager agreements and other documents associated with investment for institutional clients.
6. The firm must carry Errors and Omissions (“E&O”) Insurance coverage or must have applied for such coverage by the submission date of the proposal. E&O insurance will be required throughout the duration of the contract.

The determinations of whether a Proposer satisfies the minimum qualifications is solely and exclusively within the judgment of FCERA. Any proposal that does not demonstrate that the Proposer meets these minimum requirements by the deadline for submittal of proposals will be considered non-responsive and will not be eligible for consideration or award of the contract.

## **B. Desired Qualifications**

Below is a list of desired qualifications for the hedge fund consultant:

1. Several clients with total plan assets of \$10 billion or greater for the past five years or more.
2. Deep global research capabilities. Demonstrated ability to research hedge fund managers in a wide array of strategies, including but not limited to: U.S., Non-U.S. Developed, Emerging Markets, and Global strategies; equity long-short; event driven; relative value; global macro; CTA; activist; and multi-strategies.
3. Sophisticated asset allocation and risk management practices.
4. At least ten investment professionals devoted to hedge fund research, portfolio construction, reporting, and monitoring.
5. The firm’s investment professionals have an average of at least ten years of experience.
6. The firm has systems and technology needed to manage and advise clients with a plan of FCERA size and complexity.
7. The firm has the depth and breadth across multiple asset classes to assist in managing and advising a client of FCERA’s size and complexity with respect to hedge funds in a portfolio context.
8. E&O coverage of \$10,000,000.

## **C. Selection Criteria**

Staff will evaluate the proposals generally in accordance with the criteria itemized below.

- |    |  |     |
|----|--|-----|
| 1. | Business and Organization:   | 10% |
|    | -Business structure  |     |
|    | -Ownership structure   |     |
|    | -Conflict of interest issues                                       |     |
|    | -References  |     |
| 2. | Personnel:   | 25% |
|    | -Depth of personnel devoted to hedge fund investing                |     |
|    | -Experience of personnel devoted to hedge fund investing           |     |
|    | -References  |     |
| 3. | Manager Research and Portfolio Construction                        | 25% |
|    | -Depth of manager investment research                              |     |
|    | -Depth of operational due diligence                                |     |
|    | -Breadth of manager research across sub-strategies and geographies |     |



- Approach to portfolio construction of a multi-manager program
  - References
4. Risk Management 20%
    - Approach to investment policy, guidelines, and procedures
    - Ongoing monitoring and due diligence of hedge fund managers
    - Approach to manager transparency
    - Insightful performance reporting, attribution analysis, and risk analytics
    - Comprehensive risk management systems, practices and reports
    - References
  5. Fees 10%
    - Cost on absolute basis (with and without outsourced accounting)
    - Experience in negotiating lower fees with hedge fund managers
  6. Other 10%
    - Experience and skill in Board presentations and working with Staff
    - Education materials of value to the Board and Staff
    - Proven innovation; creative solutions that are subsequently adopted by others
    - Warranties
    - Insurance, legal and contracting issues
    - Client service

Following the evaluation of the written proposals by Staff, and approval of up to three (3) finalist Proposers by the Board, Staff and up to three members of the Board (“Site Visit Team”) may conduct site visits to the finalist Proposers’ offices. Proposers should review the schedule in Section V(A) below, and ensure that all of Proposer’s key personnel will be available for any scheduled interviews, site visits, and Board meetings. (Proposers do not need to attend the meeting when the Board approves the RFP finalists.) During the site visits, interviews will consist of standard questions asked of each Proposer as well as specific questions regarding each individual proposal. Following the site visits, FCERA may invite the most highly qualified Proposer(s) to an oral interview with the Board, and the Board must ultimately approve retention of a winning firm.

Fees and any other charges or costs are an important factor in the evaluation of the proposals. However, FCERA is not required to choose the lowest cost Proposer. FCERA will select the Proposer that, in FCERA’s sole discretion, best meets the requirements of this RFP and serves the total needs of the Board, the Retirement System and Retirement System members and their beneficiaries.

-- Continued on the following page. --

## V. Schedule

### A. Schedule of Events (all dates subject to change)

Action	Responsibility	Date (subject to change)
RFP issued	FCERA	October 10, 2015
Deadlines for Proposers to submit all requests per RFP Section V(B)(2)	Proposers	October 20, 2015
FCERA posts responses to Proposer requests on website	FCERA	October 30, 2015
Deadline to submit proposals	Proposers	November 20, 2015
Staff recommendation and Board approval of up to three (3) finalist Proposers	Staff and Board	December 16, 2015
Interviews and possible site visits of finalist Proposers	FCERA Site Visit Team and Proposers	December 2015 and January 2016
Oral Board interviews and Board approval of successful Proposer	FCERA	February 3, 2016
Contract negotiations completed	Staff and Proposer	March 2, 2016
Hedge fund consultant begins services to FCERA	Hedge Fund Consultant	March 2, 2016

### B. Explanation of Events

1. The RFP will be posted on the FCERA website at [www.fcera.org](http://www.fcera.org). In addition, the RFP will be released to a list of potentially qualified firms as determined by FCERA. All firms meeting the minimum qualifications, as stated in Section IV(A) of this RFP, are welcome to participate.
2. Any requests for interpretation or clarification of RFP procedures, requirements or the questions in Appendix A must be emailed to Donald C. Kendig, CPA ([dkendig@co.fresno.ca.us](mailto:dkendig@co.fresno.ca.us)) not later than 5:00 p.m. Pacific Time on October 20, 2015. FCERA will only respond to requests for interpretation or clarification of RFP procedures, requirements or the questions in Appendix A. This opportunity to seek interpretation or clarification of the RFP is not an opportunity to ask general questions, for example, questions seeking organizational or operational information or investment opinion. FCERA has included with this RFP the information it believes Proposers should consider in preparing a proposal and the information FCERA is interested in receiving from Proposers.

3. FCERA will respond to all timely requests for interpretation or clarification of the RFP by October 20, 2015. Responses will be posted on FCERA's website by October 30, 2015.
4. FCERA may modify the RFP, prior to the submission deadline, by issuing addenda prior to November 16, 2015, which will be posted on FCERA's website. Each Proposer is responsible for ensuring that its proposal reflects any and all addenda issued by FCERA prior to the submission deadline regardless of when the proposal is submitted. Therefore, FCERA recommends that each Proposer consult the website frequently, through November 16, 2015, to determine if the Proposer has downloaded all addenda.
5. In preparing their responses, Proposers should rely only on written material concerning this RFP issued by FCERA.
6. See RFP Section III(B) for the time and place requirements for Proposers to submit their proposals. **FCERA will not grant any exceptions to the submission requirements.**
7. Oral interviews of the finalist Proposers, if determined appropriate by FCERA, will be scheduled at FCERA's office at 1111 H Street, Fresno, California 93721. Onsite interviewers of the finalist Proposers may also be requested by FCERA. FCERA expects that Proposer's personnel who would be assigned to the FCERA account will attend both oral interviews and onsite interviews. FCERA reserves the right to change the dates for these interviews at any time for any reason.
8. Staff anticipates conducting finalist interviews and successful firm selection by the Board at its February 3, 2016 meeting. FCERA expects that the recommended Proposer's team will attend the Board meeting and make a presentation to the Board regarding its proposal.
9. Submissions will be public documents. Any material that the Proposer considers "Business-Confidential" should be so marked, but confidentiality is not guaranteed.

### **C. Contract Award**

After Board approval, staff will commence contract negotiations with the selected Proposer. The selection of any proposal shall not imply acceptance by FCERA of all terms of the proposal, which may be subject to further negotiations and approvals before FCERA may be legally bound thereby. If a satisfactory contract cannot be negotiated in a reasonable time, FCERA, in its sole discretion, may terminate negotiations with the initially selected Proposer and begin contract negotiations with the next runner up Proposer.

## **VI. Terms and Conditions for Receipt of Proposals**

### **A. Errors and Omissions in RFP**

Proposers are responsible for reviewing all portions of this RFP. Proposers are to notify FCERA promptly, by email to Donald C. Kendig, CPA ([dkendig@co.fresno.ca.us](mailto:dkendig@co.fresno.ca.us)), if the Proposer discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification should be directed to FCERA promptly after discovery, but in no event later than October 20, 2015 at 5:00 p.m. Pacific Time. Modifications and clarifications will be made by addenda as provided in RFP Section VI(D) below.,

## **B. Inquiries Regarding RFP**

Inquiries regarding the RFP and all requests for written modification or clarification of the RFP must be submitted by email to:

Donald C. Kendig, CPA  
Retirement Administrator  
Fresno County Employees' Retirement Association  
Email: [dkendig@co.fresno.ca.us](mailto:dkendig@co.fresno.ca.us)

## **C. Objections to RFP Terms**

Should a Proposer object on any ground to any provision or legal requirement set forth in this RFP, the Proposer must, not more than ten calendar days after the RFP is issued, provide written notice by email to Donald C. Kendig, CPA ([dkendig@co.fresno.ca.us](mailto:dkendig@co.fresno.ca.us)) setting forth with specificity the grounds for the objection. The failure of a Proposer to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.

## **D. Addenda to RFP**

FCERA may modify the RFP, prior to the submission deadline, by issuing addenda prior to November 16, 2015, which will be posted on FCERA's website. Each Proposer is responsible for ensuring that its proposal reflects any and all addenda issued by FCERA prior to the submission deadline regardless of when the proposal is submitted. Therefore, FCERA recommends that each Proposer consult the website frequently, through November 16, 2015, to determine if the Proposer has downloaded all addenda.

## **E. Term of Proposal**

Submission of a proposal signifies that the proposed services and prices are valid for 180 calendar days from the proposal due date and that the quoted prices are genuine and not the result of collusion or any other anti-competitive activity.

## **F. Revision of Proposal**

A Proposer may revise a proposal on the Proposer's own initiative at any time before the deadline for submission of proposals. The Proposer must submit the revised proposal in the same manner as the original. A revised proposal must be received on or before the proposal submission deadline.

In no case will a statement of intent to submit a revised proposal, or commencement of a revision process, extend the submission deadline for any Proposer.

At any time during the proposal evaluation process, FCERA may require a Proposer to provide oral or written clarification of its proposal. FCERA reserves the right to make an award without further clarifications of proposals received.

## **G. Errors and Omissions in Proposal**

Failure by FCERA to object to an error, omission, or deviation in the proposal will in no way modify the RFP or excuse the Proposer from full compliance with the specifications of the RFP or any contract awarded pursuant to the RFP.

## **H. Financial Responsibility**

FCERA accepts no financial responsibility for any costs incurred by a Proposer in responding to this RFP. Submissions of the RFP and associated materials will become the property of FCERA and may be used by FCERA in any way deemed appropriate.

## **I. Reservations of Rights by FCERA**

The issuance of this RFP does not constitute an agreement by FCERA or the Board that any contract will actually be entered into by FCERA. FCERA expressly reserves the right at any time to:

1. Waive or correct any defect or informality in any response, proposal, or proposal procedure;
2. Reject any or all proposals;
3. Cancel the pending RFP at any point in the process;
4. Reissue a Request for Proposals;
5. Prior to submission deadline for proposals, modify all or any portion of the selection procedures, including deadlines for accepting responses, the specifications or requirements for any materials, equipment or services to be provided under this RFP, or the requirements for contents or format of the proposals;
6. Procure any materials, equipment or services specified in this RFP by any other means; or
7. Determine that no project or consultant retention will be pursued.

## **J. No Waiver**

No waiver by FCERA of any provision of this RFP shall be implied from any failure by FCERA to recognize or take action on account of any failure by a Proposer to observe any provision of this RFP.

## **VII. Contract Requirements**

### **A. Standard Contract Provisions**

The successful Proposer will be required to enter into a contract substantially in the form of the form of Consulting Agreement attached hereto as Appendix B. Failure to timely execute the contract, or to furnish any and all certificates, bonds or other materials required in the contract, shall be deemed an abandonment of a contract offer. FCERA, in its sole discretion, may select another Proposer or take other action regarding the RFP and contract, and may proceed against the original selectee for damages.

## **B. Required Vendor Form**

Before FCERA can award any contract to Proposer, the Proposer must submit an IRS Form W-9 (Request for Taxpayer Identification Number and Certification).

The Proposer must submit this form at the time the Proposer submits its proposal. If it is not submitted when the Proposer submits its proposal, the proposal may be determined to be non-responsive and rejected.

Even if a Proposer has previously completed and submitted the required forms to the Retirement System, the Proposer must do so again to ensure a complete file regarding this RFP.

## APPENDIX A – RFP QUESTIONS

### A. Warranties

1. Does your firm warrant that it maintains, or has applied for by the due date of the RFP, an Errors and Omissions Insurance policy providing prudent coverage for negligent acts or omissions and that such coverage is applicable to Manager's actions under the Contract? E&O insurance is required throughout the duration of the assignment.
2. Does your firm warrant that all the information and statements in this RFP are complete and true? Any statement or claim found to be incomplete, misleading or false will be grounds for immediate disqualification or dismissal and may be subject to legal action.
3. Does your firm warrant that it is compliant with the CFA Institute Performance Presentation Standards? If not, please explain.
4. Does your firm warrant that it is an SEC registered investment advisor or exempt from registration? If exempt, please explain the nature of the exemption.
5. Does your firm warrant that it will be directly responsible for the management of the account, and all personnel responsible for the account will be employees of the firm?
6. Does your firm warrant that the proposal for services and prices are valid for 180 calendar days from the proposal due date and that the quoted prices are genuine and not the result of collusion or any other anti-competitive activity?
7. Does your firm state affirmatively that it will comply with the provisions contained in the sample contract, attached as Appendix B?
- ~~7.8.~~ Does your firm warrant that it has not engaged the services of a placement agent (as defined in California law) to assist it in responding to this RFP or otherwise communicating on the firm's behalf with FCERA?

### B. Contact Information

9. Please provide the following contact information:

Firm Name:  
Contact's Name:  
Contact's Title:  
Contact's Address:  
Contact's E-mail Address:  
Contact's Phone Number:  
Contact's Facsimile Number:  
Firm's Internet (www) Address:

### **C. Legal and Regulatory**

10. Has your firm or any employee at your firm (or ex-employee while employed at your firm) ever been involved in litigation where an allegation of a breach of fiduciary responsibility was made. If yes, please explain.
11. Has your firm been involved in an investigation or enforcement action by a regulatory agency? If yes, please explain.
12. Have any employees of your firm, or ex-employees while employed at your firm, been involved in litigation, investigation, or enforcement action by a regulatory agency or other legal proceedings related to investment activities. If yes, please explain.
13. Have any employees of your firm, or your firm itself, been involved in any other litigation? Please explain.

### **D. Business**

14. Does your firm provide benefits to domestic partners of employees? If yes, describe. If no, indicate whether your firm would adopt such benefits if it were selected for this assignment.
15. Have there been any material developments – such as changes in ownership, personnel, business – over the past five years? Describe such developments and emphasize the impact the changes on the services requested.
16. Discuss any prospective changes in ownership, personnel, or the business over the next 12 months.
17. Describe the business objectives of your firm with respect to future growth, including the services requested. Comment on any present or planned area of emphasis expected in the future.
18. Does your firm or any affiliated entities offer any investment products (such as fund of funds)? If so, respond to the following questions:
  - a) Describe such strategies that are offered by your firm and the current assets under management in each fund.
  - b) Which investment professionals are involved in the management of such funds?
  - c) What procedures and policies are in place to ensure any conflicts of interest between the funds and needs of consulting clients are avoided? What conflicts cannot be avoided and how are these managed?



**E. Organization and Personnel**

19. Please provide the following information:

- a) An overview of the firm, including its history and any special expertise or experience that would be relevant to the FCERA.
- b) A description of the ownership structure of the firm, including the parent company and any affiliated companies, joint ventures, and strategic alliances. If any near-term changes to the firm’s corporate or organizational structure are anticipated, please note them.
- c) A list of firm owners (from largest to smallest with respect to ownership) and their ownership percentages. Please include individuals and all other entities.

20. Please list all office locations and the number of investment professionals and support staff working in each office. Please specify which office will primarily serve the FCERA relationship.

21. Please provide a table showing the total number of clients and their total, average, and median account as noted below by total plan assets and hedge fund assets.

- a) Public plans;
- b) Endowments and Foundations;
- c) Corporate clients;
- d) Individuals;
- e) Other clients (please describe what constitutes other clients);
- f) Total clients.

22. List the 20 largest clients as of June 30, 2015, the type of account, size of the hedge fund portfolio, and inception date of your relationship to the client. Please also provide each client’s total assets. If you are unable to provide detailed information, please provide the type of account and the approximate size of the hedge fund portfolio.

23. Please list the total number of professionals in the firm in each of the following categories for the past five years. For 2015, please list the names of all individuals currently employed by the firm, by category. *Please also indicate the percentage of time spent on each function.* Please explain any material changes in staffing over the past five years.

June 30,	2011	2012	2013	2014	2015
Total Consultants or FoF					
Hedge Fund Consultants or HFoF					
Capital Market Research					
Investment Manager Research					
Economists					
Analytics/Reporting					
Total Investment Staff					

Firm Management					
Legal					
Compliance					
Other Professional Staff					
Total Professional Staff (sum)					
Marketing					
Accounting					
Administration					
Other					
Total Staff					

June 30,	2011	2012	2013	2014	2015
Asset Allocation					
Capital Markets Research					
Public Equity					
Fixed Income					
Private Equity					
Real Estate					
Real Assets					
Hedge Funds					
Other Investment Research					
Total Investment Research					

24. Please list the names of employees acting in the role of Lead Consultant, Consultant, Fund of Hedge Fund Manager, or Analyst that left the firm in 2010-11 through 2014-15.
25. If the firm anticipates any type of near-term changes in its professional staffing, please indicate the nature of such changes.
26. When hiring consultants and analysts, what are the qualifications, skills, and experiences that the firm generally requires? Please also describe your recruitment practices.
27. What key strengths or competitive advantages does the firm possess?
28. Discuss the tradeoffs of your firm's attributes and how you minimize the downside and maximize the positives of an attribute. For example, if your firm is very large, what disadvantages does that create, what are its strengths, and how are you able to minimize the potential downside of a very large organization. If your firm is smaller, what disadvantages does that create, what are its strengths, and how do you minimize the potential downside of having a more resource-constrained team.

29. Discuss your organization's compensation and incentive program. How are professionals evaluated and rewarded and by whom? What incentives are provided to attract and retain superior individuals? If equity ownership is possible, on what basis is it determined and distributed?
30. List any hedge fund mandates that have been lost from July 1, 2010 to the date of submission of the RFP. State the name or type of account, the size of the account at termination, and the reasons for the loss.

#### **F. Resources Dedicated to FCERA**

31. Please identify the individual(s) who would perform the requested services for the FCERA. Please state the number of clients each individual is responsible for. What percentage of time do you expect each individual will provide to FCERA? For each person, please also provide a biography as well as the following information (*in the specified format*):

Name:

Title:

Expected role:

Total years of institutional investment experience:

Total years of institutional investment consulting experience:

Total years with the firm:

Total current number of assigned accounts:

Name, plan type, length of relationship, and size of each assigned client account:

Role for each assigned account (ex. Lead Consultant, Support Consultant):

32. Please explain how the team dedicated to the FCERA account would function, including lead hedge fund consultant or fund of funds manager, back-up, and support services.
33. Please describe the firm's procedures in the event that key personnel assigned to this account leave the firm, are unable to serve, or are able to serve in a reduced capacity.
34. Please describe the firm's experience and capabilities for providing education to public pension plan Trustees and staff. Provide examples of materials used in recent educational forums.

#### **G. Conflicts of Interests**

35. Does the firm or an affiliate of the firm serve as an investment manager for clients? If yes, please explain the rationale for the relationship. Please also discuss how you avoid the potential appearance of a conflict of interest.

36. Does the firm or an affiliate of the firm provide a fund of funds to clients or to non-clients? If yes, please explain the rationale for the fund. Please also discuss how you avoid the potential appearance of a conflict of interest.
37. Does the firm or an affiliate of the firm act as a securities broker-dealer? If yes, please provide the most recent "focus report" (X-17A5) the firm or the affiliate filed with the Securities and Exchange Commission.
38. Does the firm and/or any affiliates accept soft dollars as a method of payment for services provided?
39. Please list the percentage of revenues the firm's ultimate parent company received for the 12-months ended June 30, 2015, from the following sources: (Total must equal 100%.)
  - a) Revenues from investment managers:
  - b) Revenues from brokerage activity:
  - c) Revenues from plan sponsor clients:
  - d) Revenues from other sources: (Please specify)
40. Please list the total revenue the firm and that of each of its affiliates received directly or indirectly from investment managers for auditing, actuarial, benefits, or any other work for the 12-months ended December 31, 2014.
41. Please list the dollar value of revenues, commissions or any other benefits the ultimate parent company received (or a brokerage affiliate received – please specify) as a result of any type of brokerage activity for the 12-months ended December 31, 2014.
42. For the 12-months ended December 31, 2014, please list the names of all investment management firms from which the firm, each of its affiliates, and the ultimate parent company of the firm has received any compensation. Please state the dollar amounts received from each entity.
43. Would the firm be willing to disclose, annually or upon client request, the dollar amount and nature of all material beneficial relationships, that the firm or any affiliate of the firm, engages in with investment manager clients? If not, please explain.
44. Please describe the firm's conflict of interest policy. If the firm, its affiliates, or the ultimate parent company provides investment management services, brokerage services, or services to investment managers, please include an explanation of how this policy, and any other measures taken by the firm, limit the likelihood that the client could receive investment advice that is not completely objective.
45. Please explain in detail any potential conflicts of interest that would be created by the firm's representation of the FCERA. Please include any activities of affiliated or

parent organizations as well as other client relationships that may affect services to the FCERA.

## **H. Technology and Communication Resources**

46. Please describe the firm's technology capabilities and relate them to the firm's consulting services or fund of hedge fund products. Do you provide any custom computer-based analytical or research tools to the firm's clients? If so, please elaborate.
47. Please describe the firm's communication technology capabilities. How does the firm use technology to share and leverage information resources across the organization?

## **I. Investment Consulting**

### **Investment Philosophy:**

48. Describe the overall investment philosophy of the firm toward manager research, manager selection, portfolio construction, risk management, and ongoing due diligence related to a hedge fund/absolute return strategy.
49. Do you prefer hedge fund managers: A- With large, sophisticated organizations, or smaller, more focused businesses?; B – Manage many strategies or just a few?; C – Managers with large research staffs or more focused staffs?; D – Managers who are generalists or specialists?; E – Managers who run concentrated portfolios or who own many dozens or hundreds of securities?; F – Constrained strategies or giving managers extra flexibility?
50. Do you have a preference for or away from equity-long short, event driven, relative value, multi-strategy, global macro, U.S., Non-U.S. Developed, Emerging Markets, or any strategy or sub-strategy? Please explain.
51. Do you have a preference for or away from fundamental, technical, or quantitative managers?
52. What is roughly the number of managers you would envision for a hedge fund portfolio? How do you guard against concentration at the portfolio level? How do you guard against over-diversification at the portfolio level?
53. Are there common beliefs that underpin the firm's view on hedge funds? Please explain.
54. What is your expected return and volatility for a hedge fund portfolio over a 10-year period?

**Investment Research:**

55. Please describe the firm's capabilities for monitoring and reporting on market trends, both as they relate to hedge funds as well as other aspects of the capital markets.
56. Please describe the firm's process for monitoring and reporting on market trends, for both hedge funds as well as other segments of the capital markets.
57. Please provide several examples of White Papers or other works of your own original analysis of hedge funds as well as the capital markets.
58. Discuss your thoughts on the capital markets over the past 20 years, including events such as the evolution of the emerging markets, the technology bubble, the credit bubble and the Great Recession, and the subsequent recovery.
59. What are your current views on the capital markets? In addition to any other comments you wish to convey, please state your thoughts on the risks and opportunities on the following subjects: 1 – Valuations; 2 – Inflation and deflation risks; 3 – The United States, Europe, Japan, China, and the Emerging Markets; 4 – Expected economic growth; 5 – Risks, including how you expect them to play out and how you are recommending that portfolios be positioned from both a strategic and tactical perspective; 6 – Projected asset class returns, including a brief explanation as to why your projected returns vary from long-term averages.
60. Please list and describe the specific analytical tools and/or software used by the firm with regard to the items noted below. Briefly discuss your experience in each, with a more detailed reply devoted toward hedge funds tools and software.
  - a) Capital Market & Economic Research
  - b) Asset/Liability Modeling
  - c) Asset Allocation
  - d) Public Equity
  - e) Fixed Income
  - f) Private Equity
  - g) Real Estate
  - h) Real Assets
  - i) Hedge Funds
  - j) Other Specialty Strategies
  - k) Performance Measurement/Attribution
  - l) Risk management/measurement
  - m) Other (please specify)

**Idea Generation:**

61. Provide examples of when your firm advocated a strategy or course of action that was proactive, not commonly practiced by others at the time of your recommendation, and the result of your proposal.
62. Provide three examples of an idea that you recommended which proved to be a disappointment. Why was the idea not successful? What did you learn from the experience?
63. What is the firm's philosophy toward idea generation and a willingness to take a differentiated risk? Does the firm promote a willingness to take differentiated risks that are not widely practiced by others, or does the firm prefer to a more mainstream approach and wait until an idea is accepted by many others?

**Investment Due Diligence:**

64. Please describe your firm's:
  - a) Process for conducting investment due diligence on hedge fund managers?
  - b) What quantitative and qualitative factors are examined?
  - c) How important are onsite meetings? On average how many meetings, including onsite meetings, does your firm conduct prior to recommending a manager?
  - d) What factors in the investment due diligence evaluation are particularly important in recommending a hedge fund manager?
  - e) Describe your firm's process for monitoring managers after they have been hired? On average how often are subsequent onsite meetings conducted?
65. For the calendar years ended 2010 thru 2014:
  - a) Approximately how many phone meetings did the firm hold with hedge fund managers?
  - b) Approximately how many in-person meetings did the firm hold with hedge fund managers (do not include those meetings held at client conferences or educational forums)?
  - c) Approximately how many onsite meetings did the firm hold with hedge fund managers? Please also summarize by various types of hedge fund strategies.
  - d) In what countries did such onsite meetings take place? Please list the approximate number of onsite meetings by country.
  - e) Approximately how many meetings does the firm hold with a prospective manager before you recommend them? Approximately how long does such due diligence take?
66. Please describe the firm's experience and capability for assessing a hedge fund manager's investment performance. What key criteria does the firm consider in evaluating a hedge fund manager?

67. Please describe the manner in which external resources are used in the research process. Describe how the firm utilizes internal and external research? Please describe internal and external systems/databases used.
68. Regarding manager performance:
- a) How important is past performance?
  - b) How often have you recommended managers that have underperformed in the years before you recommended them?
  - c) What factors cause your firm to recommend terminating a hedge fund manager?
  - d) How often have you recommended retaining a manager who has underperformed over the past three years? Five years? Why did you do so?
  - e) How often have you recommended terminating a manager that has outperformed recently? Why did you do so?
  - f) Have you recommended terminating a manager shortly after recommended them? Under what circumstances would you do so?
  - g) Do you track the performance of managers after you have recommended terminating them? What have been the results?
69. Describe how benchmarks are chosen or developed and how performance is compared to similar portfolios. Describe your thoughts on the relevance of benchmarks in measuring a manager's performance and its relevance in achieving a plan's risk and return objectives.
70. What benchmarks do you commonly recommend or use?
71. What are your expected excess returns over the benchmark that you expect to achieve?
72. What is the expected tracking error of the actual hedge fund portfolio versus the benchmark that you expect?
73. What is the expected beta versus the MSCI ACWI of a hedge fund portfolio that you expect to recommend?
74. What is the expected volatility (standard deviation) of a hedge fund portfolio that you expect to recommend?
75. Describe how performance measurement data is presented at a Board meeting. Do you prefer to provide performance data at a composite level, at the manager level, or in some other manner?
76. Please describe the firm's methods for identifying and evaluating emerging or minority hedge fund firms. How many emerging or minority owned hedge fund managers have you recommended over the past five years?



77. Please furnish three complete manager research evaluations including any summary ratings or scoring.

**Operational Due Diligence:**

78. What factors do you evaluate in the following areas of an operational due diligence? Please provide as much detail as you think would be helpful.

79. What factors in an operational due diligence are you most concerned about?

80. When faced with a hedge fund manager you believe is exceptional, what factors in an operational due diligence would cause you to not invest with the manager?

**Risk Management:**

81. How do you manage and monitor market, factor, manager, and other risks in a hedge fund portfolio? Do you utilize holdings, returns-based, or manager furnished factor-based risk management process? Discuss in detail your risk management practices.

82. How do you approach the issue of transparency of a hedge fund manager? What level of transparency do you require?

83. What are your thoughts on requiring managers to furnish holdings-based security level data on a lagged basis of, for example, 90 days after month-end?

84. How do you manage headline risk related to hedge fund managers?

85. Discuss your practices in detail regarding how you guard against fraudulent managers.

86. Have you ever recommended a hedge fund manager who was subsequently accused of fraudulent activity? Discuss such experiences in detail, including who was the manager, the name of the clients, what was the amount of investment and how much money did your clients lose.

87. Have you ever recommended termination of a manager or specifically recommended a client not invest in a hedge fund manager who was subsequently accused of fraudulent activity? Discuss such experiences in detail, including the name of the manager and how much money you saved your client.

88. Please provide a risk report for a hedge fund manager and for a multi-manager hedge fund portfolio.

89. Does your firm warrant that it has not engaged the services of a placement agent (as defined in California law) to assist it in responding to this RFP or otherwise communicating on the firm's behalf with FCERA?

### **Other Consulting Services:**

~~89-90.~~ Please describe how the firm would advise a client regarding minimizing trading costs, both on an ongoing basis and during a manager transition.

~~90-91.~~ Please discuss the firm's views on performance-based fees, asset-based fees, flat fees (with or without performance bonuses) or any other fee structures you recommend for use with hedge fund managers.

~~91-92.~~ Please discuss the firm's experience in reducing fees charged by hedge funds. Please provide us with realistic expectations regarding manager fees.

~~92-93.~~ Please describe the firm's experience and capability for providing policy guidelines for an absolute return program for a defined benefit plan.

~~93-94.~~ Please describe the firm's experience and capability for monitoring a hedge fund manager's compliance to client guidelines and policies.

### **Additional Information:**

~~94-95.~~ What common mistakes do consultants, plan sponsor staffs, and Boards of plan sponsors make when investing in hedge funds?

~~95-96.~~ How do you insure that your firm guards against mistakes consultants may frequently make? What suggestions do you have for the staff of plan sponsors so that they avoid or minimize their mistakes? What recommendations do you have for Boards of plan sponsors so they minimize or avoid their own mistakes?

~~96-97.~~ Please provide a fee quote for the services requested in Section II – Scope of Work in the RFP. Please provide **one** fee for all services including and outsourced accounting function assumed by your firm. Please also provide a fee schedule broken down by each specific service.

~~97-98.~~ Please state how the firm, as a consultant, expects to add value to the FCERA over the next three to five years. For example, will it be through manager selection, portfolio construction, cost containment, education, etc.

~~98-99.~~ Please suggest a methodology for measuring your firm's performance as a hedge fund consultant.

### **J. Requested Materials and Additional Information**

~~99-100.~~ In addition to any materials requested in the questions listed above, please include the following documents in your proposal.

- a) A corporate organization chart (showing the consulting firm, parent and all affiliates and subsidiaries).
- b) The biographies of the firm's professional staff, including education, investment and consulting experience, and the year they joined the firm.
- c) A current company Annual Report.
- d) A copy of the firm's mission statement, statement of values, and code of ethics.
- e) Current firm policies related to conflicts-of-interest.
- f) Most recently filed SEC Form ADV, Parts I and II.
- g) A copy of the firm's standard marketing brochure that describes the firm's processes and services.
- h) Any other information you feel would be necessary to gain a complete understanding of the firm or the services it provides.

## K. References

~~400-101.~~ Provide the organization name, address, telephone number, contact name and title for at least five existing clients (preferably at least two of whom should be U.S. public funds). Indicate the length of your relationship and asset size for each reference. Not including references will be considered non-responsive.

~~401-102.~~ Provide the organization name, address, telephone number, contact name and title for at least five hedge fund investment managers who can discuss your manager research. Indicate the length of your relationship and asset size for each reference. Not including references will be considered non-responsive.

~~402-103.~~ Provide the organization name, address, telephone number, contact name and title for three *former* clients (preferably at least one of whom should be U.S. public funds). If three accounts are not available, please explain why. Indicate the length of your relationship and asset size for each former client listed. Not including references, or an explanation in lieu, will be considered non-responsive.

APPENDIX B

**CONSULTING AGREEMENT  
BETWEEN  
FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
AND**

[ \_\_\_\_\_ ]

THIS Consulting Agreement (this "Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 2015 in the ~~City and~~ County of Fresno (the "CityCounty"), State of California, by and between: [ \_\_\_\_\_ ] ("Consultant") and the Fresno County Employees' Retirement Association (the "Retirement Association").

**RECITALS**

WHEREAS, the Retirement Association is a duly established and existing public retirement system created under the County Employees Retirement Law of 1937;

WHEREAS, the ~~San Francisco~~ Fresno County Retirement Board (the "Retirement Board") has plenary authority and fiduciary responsibility for investment of monies and administration of the Retirement System;

WHEREAS, the Retirement Board, through the Retirement Association, seeks to retain non-discretionary investment consulting services for the Retirement Association's hedge fund investment portfolio (the "Proposed Services");

WHEREAS, the Retirement Association issued a request for proposal with respect to the Proposed Services ("RFP"), and as a result of the competitive selection process in connection with that RFP (the "RFP Process"), the Retirement Association recommended, and the Retirement Board approved, selection of Consultant to provide the Proposed Services based on Consultant's representations during the RFP Process; and

WHEREAS, Consultant represents and warrants that it is qualified to perform the services required by the Retirement Association under this Agreement;

Now, THEREFORE, in consideration of the promises and mutual covenants herein contained, Consultant and the Retirement Association do hereby agree as follows:

- 1. Term of the Agreement.** ~~Subject to Section 8 of this Agreement, t~~The term of this Agreement shall be from [ \_\_\_\_\_, 2016 to \_\_\_\_\_, 2019]; *provided, however*, that the Retirement Association shall have two (2) options to extend the term of the Agreement for a period of one (1) year each option, which the Retirement Association may exercise in its sole, absolute discretion.

2. **Engagement.** The Retirement Association hereby engages Consultant, and Consultant hereby accepts such engagement, to provide non-discretionary investment consulting services to the Retirement Association for its alternative investments portfolio in accordance with the terms and conditions of this Agreement, the Investment Policy, Objectives and Guidelines for the Retirement Association attached hereto as Exhibit A (the “Investment Policy Statement”), and applicable federal, state and local laws.
3. **Services.** Consultant agrees to perform the non-discretionary investment consulting services for the Retirement Association’s investment portfolio described in the Schedule of Services attached hereto as Exhibit B and incorporated by reference as though fully set forth herein (the “Described Services”). Additional services will be provided only upon and in accordance with a written request by the Executive Director of the Retirement Association (the “Executive Director”) or designee acting on behalf of the Retirement Association (the “Additional Services,” together with the Described Services, the “Services”).
4. **Compensation.**
  - (a) **Fees.** For the full performance and the completion of the Services, Consultant shall be compensated as set forth in the Fee Schedule attached hereto as Exhibit C and incorporated by reference as though fully set forth herein (the “Fees”). The Fees include the compensation for professional services as well as travel and other out-of-pocket expenses, printing, delivery, secretarial and clerical support services and any other costs incurred as may be necessary to perform the Services in a professional manner. No charges shall be incurred under this Agreement nor shall any payments become due to Consultant until reports, services, or both, required under this Agreement are received from Consultant and approved by the Retirement Association as being in accordance with this Agreement. The Retirement Association may withhold payment to Consultant in any instance in which Consultant has failed or refused to satisfy any material obligation provided for under this Agreement. In no event shall the Retirement Association be liable for interest or late charges for any late payments.
  - (b) **Fee Ceiling.** In no event shall the annual compensation amount under this Agreement exceed \_\_\_\_\_ Dollars [\$\_\_\_\_\_\_].
  - (c) **Payment Does Not Imply Acceptance of Services.** The granting of any payment by the Retirement Association, or the receipt thereof by Consultant, shall in no way lessen the liability of Consultant to replace unsatisfactory Services, although the unsatisfactory character of such Services may not have been apparent or detected at the time such payment was made. Services that do not conform to the requirements of this Agreement may be rejected by the Retirement Association and in such case must be replaced by Consultant without delay.
5. **Fiduciary Responsibility.** Consultant represents and warrants that it is duly registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the

“Advisers Act”), and will be registered as an investment adviser under the Advisers Act at all times while the Retirement Association receives the Services. Consultant represents and warrants that it has delivered to the Retirement Association, at least five (5) business days prior to the date of this Agreement, Parts 1A and 2 of Consultant’s Form ADV (the “Disclosure Statement”). Consultant further represents and warrants that it will deliver to the Retirement Association: (a) a copy of the Disclosure Statement it files with the Securities and Exchange Commission annually, within thirty (30) days of filing and (b) copies of any amendments to the Disclosure Statement it files with the Securities and Exchange Commission, within thirty (30) days of filing. Consultant acknowledges that this Agreement places it in a fiduciary relationship with the Retirement Association. As a fiduciary, Contractor shall discharge each of its duties and exercise each of its powers (as those duties and powers are defined herein) with the competence, 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 course of any enterprise of like character and with like aims, in conformance with the California Constitution, Article XVI, Section 17, California Government Code Sections 31594 and 31595 and with the customary standard of care of a professional investment consultant providing services to a United States employee pension trust (the “Prudent Expert Standard of Care”). Consultant shall cause any and all of its employees, agents and representatives providing services in connection with this Agreement to exercise the same Prudent Expert Standard of Care.

Consultant acknowledges that, to comply with the above-described ~~fiduciary duties~~Prudent Expert Standard of Care, it must maintain independence from all interests other than the interests of the Retirement Association members and beneficiaries, as those interests are expressed by the Retirement Board. Consultant further acknowledges that the Retirement Association staff acts as the agent for the Retirement Board in its relationship with Consultant, but is subordinate to the Retirement Board and cannot direct Consultant to consider interests contrary to those expressed by the Retirement Board. Consultant warrants that it will not delegate its fiduciary responsibilities under this Agreement.

Within the context of providing the Services, Consultant’s analysis may address tax, legal or other considerations related to various investment strategies or investments. However, Consultant shall not provide or otherwise be responsible for the provision of tax advice or legal counsel. Consultant shall act in an investment advisor capacity only.

## 6. Disclosures.

- (a) **RFP.** Consultant represents and warrants that its statements, dated [\_\_\_\_\_], in its response to the RFP, are true and correct.
- (b) **Disclosure of Interest.** Consultant shall fully and promptly disclose to the Retirement Association: (i) its direct or indirect financial interests in any investment opportunity that it may recommend to the Retirement Association in providing the Services; (ii) with respect to any potentially oversubscribed

investment opportunity that Consultant recommends to the Retirement Association, whether Consultant is also recommending such investment opportunity to other clients of Consultant (and the amounts thereof) or otherwise assisting other clients of Consultant in such investment opportunity, regardless of whether such other clients proceed with the investment opportunity; and (iii) any other fact or relationship which would compromise or materially affect its ability to faithfully perform its duties under this Agreement.

- (c) **Intellectual Property.** The Services and deliverables that Consultant provides under this Agreement shall not infringe upon any patent rights, copyright, trade secret or any other proprietary right or trademark, or any other intellectual property rights of any other third party.

## 7. Personnel.

- (a) **Qualified Personnel.** Work under this Agreement shall be performed only by competent personnel under the supervision of and in the employment of Consultant. Consultant will comply with the Retirement Association's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at the Retirement Association's request, must be supervised by Consultant. Consultant shall commit adequate resources to complete the services within the schedule specified in this Agreement.
- (b) **Key Personnel.** The Retirement Association may designate in writing, from time to time, that certain personnel of Consultant are "key personnel." Consultant shall immediately notify the Retirement Association in writing of any changes in key personnel within its organization.

~~8. **Budget Authorization.** This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the City Controller, and any amount of the Retirement Association's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to the Retirement Association at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. The Retirement Association has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the City Mayor and the City Board of Supervisors. Consultant's assumption of risk of possible non appropriation is part of the consideration for this Agreement.~~

~~This Section 8 controls against any and all other provisions of this Agreement.~~

| **9.8. Invoices.** Consultant shall submit invoices for the Services in a form acceptable to the Retirement Association, along with an itemized statement of Services, at the end of each quarter. Consultant shall send invoices to:

Investment Fee Processing  
Fresno County Employees' Retirement Association  
1111 H Street  
Fresno, CA 93721

Consultant shall also send electronic copies of such invoices to:  
FCERAinvestments@co.fresno.ca.us.

| The Retirement Association from time to time may specify another recipient or address for invoices by written notice to Consultant in accordance with Section ~~2019~~ of this Agreement.

| **10.9. Taxes.** Consultant shall have the sole obligation to pay any taxes, including without limitation payroll taxes and California sales and use taxes, levied upon or as a result of this Agreement, or the services delivered pursuant under this Agreement.



**11.10. Independent Contractor.**

- (a) **Independent Contractor Status.** In performing the Services, Consultant or any agent or employee of Consultant shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work under this Agreement. Consultant or any agent or employee of Consultant shall not have employee status with the Retirement Association, nor be entitled to participate in any plans, arrangements, or distributions by the Retirement Association pertaining to or in connection with any retirement, health or other benefits that the Retirement Association may offer its employees. Consultant or any agent or employee of Consultant is liable for the acts and omissions of itself, its employees and its agents. Consultant shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Consultant's performing services and work, or any agent or employee of Consultant providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between the Retirement Association and Consultant or any agent or employee of Consultant.
- (b) **Payment of Taxes.** If any governmental authority should, nevertheless, determine that Consultant is an employee for purposes of collection of any employment taxes, then the Retirement Association's payment obligations hereunder shall be reduced so that the aggregate amount of payments directly to the Consultant and to the applicable governmental authority does not exceed the maximum amount specified in Section 4 of this Agreement. Consultant shall refund any amounts necessary to effect that reduction.

**12.11. Insurance.** Without in any way limiting Consultant's liability pursuant to Section ~~13-12~~ of this Agreement, Consultant must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

- (a) worker's compensation, in statutory amounts, with employers' liability limits not less than \$1,000,000 each accident;
- (b) commercial general liability insurance with limits not less than \$1,000,000 each occurrence, including without limitation combined single limit for bodily injury and property damage, including contractual liability, personal injury, products, completed operations and hired and non-owned automobiles; and
- (c) professional or fiduciary indemnity (errors and omissions) insurance in the aggregate minimum of \$10,000,000.

Regarding workers' compensation, Consultant hereby agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The workers' compensation policy shall be endorsed with a

waiver of subrogation in favor of the Retirement Association for all work performed by the Consultant, its employees, agents and subcontractors.

All evidence of insurance shall specify this Agreement and shall be accompanied by a written statement from the insurer that the Retirement Association shall be given at least thirty (30) days advance written notice of any material modification or termination of any policy of insurance.

Should any of the required insurance be provided under a claims-made form, Consultant shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three (3) years beyond the termination of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after termination of this Agreement, those claims shall be covered by the claims-made policies.

Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in a general annual aggregate limit, the general annual aggregate limit shall be double the occurrence or claims limits specified above in this Section ~~13.12~~.

Should any required insurance lapse during the term of this Agreement, the Retirement Association will not process requests for payment originating after the lapse until the Retirement Association receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the Retirement Association may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

Before commencing any operations under this Agreement, Consultant shall furnish to the Retirement Association certificates of insurance, in form and with insurers satisfactory to the Retirement Association, evidencing all coverages set forth above, and shall furnish complete copies of policies promptly upon the Retirement Association's request. Failure by Consultant to procure or maintain the insurance described in this Section ~~13.12~~ shall constitute a material breach of this Agreement upon which the Retirement Association may immediately terminate this Agreement for default effective on the date of such breach.

Approval of the insurance by the Retirement Association shall not relieve or decrease the liability of Consultant under this Agreement.

**13.12. Indemnification.** Consultant shall indemnify and save harmless the Retirement Association and the Retirement Board, and their officers, agents and employees from, and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Consultant or loss of or damage to property, arising directly or indirectly from Consultant's (a) breach of any representation or warranty made by Consultant in this Agreement, (b) breach of any covenant, agreement or obligation of the Consultant contained in this Agreement, including without limitation breach of fiduciary duty, breach of the Standard of Care, breach of trust or breach of confidentiality or (c) performance of

this Agreement, including, but not limited to, Consultant's use of facilities or equipment provided by the Retirement Association or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on the Retirement Association, except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Agreement, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of the Retirement Association and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Consultant, its subcontractors or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and the Retirement Association's costs of investigating any claims against the Retirement Association. In addition to Consultant's obligation to indemnify the Retirement Association, Consultant specifically acknowledges and agrees that it has an immediate and independent obligation to defend the Retirement Association from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Consultant by the Retirement Association and continues at all times thereafter. Consultant shall indemnify and hold the Retirement Association harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by the Retirement Association, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

**14.13. Limitation on Liability of the Retirement Association.** The Retirement Association's payment obligations under this Agreement shall be limited to the payment of the compensation provided for in Section 4 of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall the Retirement Association be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including but not limited to, lost profits, arising out of or in connection with this Agreement or the services performed in connection with this Agreement.

**15.14. Default; Remedies.**

- (a) Each of the following shall constitute an event of default ("Event of Default") under this Agreement:
- (1) Consultant fails or refuses to perform or observe any term, covenant or condition contained in any of the following sections of this Agreement:
    - (A) Section 10 (Taxes);
    - (B) Section ~~12-11~~ (Insurance);
    - (C) Section ~~19-18~~ (Proprietary or Confidential Information);
    - (D) Section ~~24-23~~ (No Assignment or Subcontracting);

- (E) Section ~~26-25~~ (Drug-Free Workplace); and
  - (F) Section ~~33-32~~ (Compliance with Laws).
- (2) Consultant fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, and such default continues for a period of ten (10) days after written notice thereof from the Retirement Association to the Consultant;
- (3) Consultant (A) is generally not paying its debts as they become due, (B) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (C) makes an assignment for the benefit of its creditors, (D) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Consultant or of any substantial part of Consultant's property or (E) takes action for the purpose of any of the foregoing; or
- (4) a court or government authority enters an order (A) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Consultant or with respect to any substantial part of Consultant's property, (B) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (C) ordering the dissolution, winding-up or liquidation of Consultant.
- (b) On and after any Event of Default, the Retirement Association shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, the Retirement Association shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Consultant any Event of Default; Consultant shall pay to the Retirement Association on demand all costs and expenses incurred by the Retirement Association in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. The Retirement Association shall have the right to offset from any amounts due to Consultant under this Agreement or any other agreement between the Retirement Association and Consultant all damages, losses, costs or expenses incurred by the Retirement Association as a result of such Event of Default and any liquidated damages due from Consultant pursuant to the terms of this Agreement or any other agreement.
- (c) All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

**16.15. Termination for Convenience.** The Retirement Association shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. The Retirement Association shall exercise this option by giving Consultant written notice of termination (the “Termination Notice”). The Termination Notice shall specify the date on which termination shall become effective.

Upon receipt of the Termination Notice, Consultant shall commence and perform, with diligence, all actions necessary on the part of Consultant to effect the termination of this Agreement on the date specified by the Retirement Association and to minimize the liability of Consultant and the Retirement Association to third parties as a result of termination. All such actions shall be subject to the prior approval of the Retirement Association. Such actions shall include, without limitation, the cessation of performance of all services under this Agreement on the date(s) and in the manner specified by the Retirement Association, the completion of performance of any service that the Retirement Association designates to be completed prior to the date of termination specified by the Retirement Association or such other actions as directed by the Retirement Association. Consultant agrees to cooperate with the Retirement Association to ensure an orderly termination process.

Within thirty (30) days following the termination date specified by the Retirement Association, Consultant shall submit to the Retirement Association an invoice, which shall provide details of all activities and services rendered through the date of termination.

**17.16. Rights and Duties upon Termination.** This Section ~~17~~16 and the following sections of this Agreement shall survive termination of this Agreement:

- (a) Section 4(c) (Payment Does Not Imply Acceptance of Services);
- (b) Section ~~10~~9 (Taxes);
- (c) Section ~~11~~10 (Independent Contractor);
- (d) Section ~~12~~11 (Insurance);
- (e) Section ~~13~~12 (Indemnification);
- (f) Section ~~14~~13 (Limitation on Liability of the Retirement Association);
- (g) Section ~~19~~18 (Proprietary or Confidential Information);
- (h) Section ~~21~~20 (Ownership of Results);
- (i) Section ~~22~~21 (Works for Hire);
- (j) Section ~~23~~22 (Audit and Inspection of Records);
- (k) Section ~~28~~27 (Modifications);
- (l) Section ~~29~~28 (Administrative Remedy);
- (m) Section ~~30~~29 (California Law; Venue);
- (n) Section ~~31~~30 (Construction);
- (o) Section ~~32~~31 (Entire Agreement); and
- (p) Section ~~35~~34 (Severability).

Subject to the immediately preceding sentence, upon termination of this Agreement, this Agreement shall terminate and be of no further force or effect. Consultant shall transfer

title to the Retirement Association, and deliver in the manner, at the times, and to the extent, if any, directed by the Retirement Association, any work in progress, completed work and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to the Retirement Association.

**18.17. Conflict of Interest.** Through its execution of this Agreement, Consultant acknowledges that it is familiar with the provisions of Section 87100 et seq. and Section 1090 et. seq. of the Government Code of the State of California, and certifies that it does not know of any facts that constitute a violation of those provisions and agrees that it will immediately notify the Retirement Association if it becomes aware of any such fact during the term of this Agreement.

**19.18. Proprietary or Confidential Information.** Consultant understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, Consultant may have access to private or confidential information which may be owned or controlled by the Retirement Association and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to the Retirement Association. Consultant agrees that all information disclosed by the Retirement Association to Consultant shall be held in confidence and used only in performance of the Agreement. Consultant shall exercise the same standard of care to protect such information as a reasonably prudent consultant would use to protect its own proprietary data.

**20.19. Notices.** Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail (with confirmation of receipt) or by fax (with confirmation of receipt), and shall be addressed as follows (or to such other recipient or address as either party from time to time may specify in writing to the other party in accordance with this notice provision):

To the Retirement Association:

Retirement Administrator  
Fresno County Employees' Retirement Association  
1111 H Street  
Fresno, CA 93721  
Fax: (559) 457-0318  
E-mail: FCERAINVESTMENTS@CO.FRESNO.CA.US

To Consultant: [\_\_\_\_\_]

**21. Ownership of Results.** Any interest of Consultant or its subcontractors, in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Consultant or its subcontractors in connection with services to be performed under this Agreement, shall become the

property of and will be transmitted to the Retirement Association in a useable format (including electronic format) upon demand by the Retirement Association; *provided, however,* Consultant may retain and use copies for reference and as documentation of its experience and capabilities. The Retirement Association shall have the unrestricted authority to publish, disclose, distribute or otherwise use in whole or in part any reports, data or other materials prepared under this Agreement, crediting Consultant as the source.

22. **Works for Hire.** If, in connection with services performed under this Agreement, Consultant or its subcontractors create artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes or any other original works of authorship, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of the Retirement Association. If it is ever determined that any works created by Consultant or its subcontractors under this Agreement are not works for hire under U.S. law, Consultant hereby assigns all copyrights to such works to the Retirement Association, and agrees to provide any material and execute any documents necessary to effectuate such assignment. With the prior written approval of the Retirement Association, Consultant may retain and use copies of such works for reference and as documentation of its experience and capabilities.
23. **Audit and Inspection of Records.** Consultant agrees to maintain and make available to the Retirement Association, during regular business hours, accurate books and accounting records relating to its work under this Agreement, including copies of all invoices. Consultant will permit the Retirement Association to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Consultant shall maintain such data and records in an accessible location and condition for a period of not less than five (5) years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon the Retirement Association by this Section ~~2221~~.
24. **No Assignment or Subcontracting.** The services to be performed by Consultant under this Agreement are personal in character and Consultant shall perform the work contemplated with resources available within its own organization. Neither this Agreement nor any duties or obligations hereunder may be assigned, subcontracted or delegated by Consultant without prior written consent of the Retirement Association.
25. **Non-Waiver of Rights.** The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

26. **Drug-Free Workplace.** Consultant acknowledges that pursuant to the federal Drug-Free Workplace Act of 1988 (the “Drug-Free Workplace Act”), the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on Retirement Association premises. Consultant agrees to comply with the Drug-Free Workplace Act. Any violation of this Section ~~27~~26 shall be deemed a material breach of this Agreement.
27. **Compliance with Americans with Disabilities Act.** Consultant acknowledges that, pursuant to the Americans with Disabilities Act of 1990, as amended (the “ADA”), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Consultant shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Consultant agrees not to discriminate against persons with disabilities in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Consultant, its employees, agents or assigns will constitute a material breach of this Agreement.
28. **Modifications.** This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement.
29. **Administrative Remedy.** All disputes, controversies or claims arising under or relating to this Agreement shall be settled by the Executive Director. The Executive Director’s decision shall be deemed an exhaustion of all administrative remedies. However, the Executive Director’s decision shall not preclude resorting to judicial remedy.
30. **California Law; Venue.** The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in ~~San Francisco~~Fresno, California.
31. **Construction.** All section headings in this Agreement are for reference only and shall not be considered in construing this Agreement. Terms such as “hereunder” or “herein” refer to this Agreement as a whole. Terms such as “include” or “including” shall be deemed followed by the words “without limitation.” References to consents, approvals, determinations or other decisions of the Retirement Association shall refer to the sole judgment of the Retirement Association.
32. **Entire Agreement.** This Agreement contains the entire agreement between the parties, and supersedes all other oral or written provisions. The attached Exhibits A, B and C are a part of this Agreement.
33. **Compliance with Laws.** Contractor shall keep itself fully informed of the County’s Charter, codes, ordinances and regulations of the County and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply



with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

- 34. **Services Provided by Attorneys.** Any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the Retirement Association. No invoices for services provided by law firms or attorneys, including without limitation, as subcontractors of Consultant, will be paid unless the provider received advance written approval from the Retirement Association.
- 35. **Severability.** Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.
- 36. **Cooperative Drafting.** This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.
- 37. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first referenced above.

**FRESNO COUNTY  
EMPLOYEES' RETIREMENT  
ASSOCIATION**

[\_\_\_\_\_]

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

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

Name: \_\_\_\_\_  
Chair of the Board

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

**EXHIBIT A**

**INVESTMENT POLICY STATEMENT**

**EXHIBIT B**

**SCHEDULE OF SERVICES**

**TO TRACK RFP REQUIREMENTS**

**EXHIBIT C**

**FEE SCHEDULE**

**TO TRACK PROPOSER'S FEE PROPOSAL, AS NEGOTIATED WITH THE  
RETIREMENT ASSOCIATION**