

**THOMAS P. DINAPOLI**

**COMPTROLLER OF THE STATE OF NEW YORK**



**REQUEST FOR PROPOSALS**

**RFP 24-05**

**CREDIT, OPPORTUNISTIC, AND ABSOLUTE RETURN STRATEGIES INVESTMENT CONSULTANT**

**FOR THE NEW YORK STATE COMMON RETIREMENT FUND**

**ISSUED: MAY 20, 2024**

**DIRECTOR OF FINANCE**

**OFFICE OF THE STATE COMPTROLLER**

**110 STATE STREET, STOP 13-2**

**ALBANY, NY 12236-0001**

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**1.0 CALENDAR OF EVENTS**

<b><u>EVENT</u></b>	<b><u>DATE</u></b>
<b>Issuance of Request for Proposals (RFP)</b>	<b>May 20, 2024</b>
<b>Deadline for Submission of Written Questions</b>	<b>June 14, 2024 4:00 p.m. ET</b>
<b>Responses to Written Questions Posted (on or about)</b>	<b>July 1, 2024</b>
<b>Deadline for Submission of Proposals</b>	<b>July 30, 2024 4:00 p.m. ET</b>
<b>Anticipated Start of Interviews (if determined to be necessary)</b>	<b>September 26, 2024</b>
<b>Anticipated Notification of Award</b>	<b>October 18, 2024</b>
<b>Anticipated Approval of Contract</b>	<b>November 19, 2024</b>
<b>Anticipated Commencement of Contract</b>	<b>November 19, 2024</b>

**2.0 GENERAL INFORMATION**

Through this Request for Proposals (“RFP”), Thomas P. DiNapoli, Comptroller of the State of New York (the “Comptroller”), as the Trustee of the New York State Common Retirement Fund (the “CRF” or the “Fund”), seeks proposals from qualified credit, opportunistic, and absolute return strategies investment consultants (“Proposers”) to provide expertise and to perform the Services as defined and described in Section 5.0 (Required Services/Allocation of Work).

The Proposer to whom the Fund awards a contract pursuant to this RFP (“Selected Proposer”) will act as a fiduciary to the Fund and the Comptroller (see Section 2.5, Fiduciary Obligations).

**2.1. The Common Retirement Fund**

The Fund, as established by Article 9 of the New York Retirement and Social Security Law (“RSSL”), was created in 1967 and holds and invests the assets of the New York State and Local Employees’ Retirement System and the New York State and Local Police and Fire Retirement System (collectively, the “System”)¹. As of September 30, 2023, the total assets of the Fund were estimated at \$246.3 billion. The Fund’s fiscal year end is March 31. The Comptroller, as Trustee of the Common Retirement Fund, is responsible for the investment of all of the funds of the System, which is accomplished through the Division of Pension Investment and Cash Management (“PICM”) of the Office of the State Comptroller (“OSC”).

PICM manages the assets of the Fund on a day-to-day basis under the direction of PICM’s Chief Investment Officer and Deputy Comptroller, with the support of professional staff, consultants, and external advisory committees. The Fund’s mission is to provide System beneficiaries with a secure pension through prudent asset management.

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¹ The Fund was created to hold the assets of the System pursuant to §422 of the RSSL and is subject to the supervision of the New York State Department of Financial Services (“DFS”).

## **A. Fund's Asset Allocation for the Credit Portfolio**

The Fund's asset allocation for the credit portfolio as of March 31, 2023 is 3.74%, with a target allocation of 4.0%. The credit portfolio's mandate is to significantly outperform the Fund's actuarial return target while maintaining a relatively low correlation to other asset classes outside the traditional fixed income markets. Investments focus on credit opportunities arising from a lack of availability of credit due to inefficient markets or market dislocations; structural market changes (e.g., those driven by a shifting regulatory landscape); market or industry-specific mispricing; and availability of illiquidity premium relative to liquid market investments. The strategies deployed to accomplish the credit portfolio's mandate fall into the following categories: direct lending, distressed and special situations, mezzanine finance, specialty finance, structured credit, real assets credit, and real estate credit. Additional information specific to the Fund's credit portfolio can be found on Page 94 of the New York State and Local Retirement System's 2023 Annual Comprehensive Financial Report available at:

<https://www.osc.ny.gov/files/retirement/resources/pdf/annual-comprehensive-financial-report-2023.pdf>

## **B. Fund's Asset Allocation for the Opportunistic and Absolute Return Strategies Portfolio**

The Fund's asset allocation for the Opportunistic and Absolute Return Strategies ("OARS") portfolio as of March 31, 2023 is 2.59%, with a target allocation of 3.0%. The OARS portfolio's mandate is to add alpha to the Fund's overall portfolio while maintaining a relatively low correlation to other asset classes and enhancing the Fund's overall portfolio diversification. The portfolio invests across the capital structures of public and private companies and other strategies that may be distinguished from the mandates of other asset classes by their history, investment structures, terms, duration, risk/return profiles, portfolio construction requirements, or other relevant characteristics. OARS investments may not fit other asset classes' mandates or portfolio construction needs. OARS consists of two sub-portfolios, the Opportunistic portfolio and a legacy Hedge Fund portfolio titled Absolute Return Strategies ("ARS"). All investments since 2015 have been in the Opportunistic sub-portfolio, with no new ARS investments since 2015. Additional information specific to the Fund's OARS portfolio can be found on Page 95 of the New York State and Local Retirement System's 2023 Annual Comprehensive Financial Report available at:

<https://www.osc.ny.gov/files/retirement/resources/pdf/annual-comprehensive-financial-report-2023.pdf>

Additional information on the Fund can be found at [www.osc.state.ny.us/common-retirement-fund](http://www.osc.state.ny.us/common-retirement-fund).

## **2.2. RFP Requirements**

This RFP outlines the terms and conditions and all applicable information required for submission of a proposal. Proposers should pay strict attention to the Deadline for Submission of Proposals in Section 1.0 (Calendar of Events) to prevent disqualification. To ensure compliance with these requirements and to prevent possible disqualification, Proposers should follow the format and instructions contained in this document.

Appendix C (OSC Executive Order on Procurement Integrity and the OSC Procurement Integrity Procedures) impacts the procurement and Proposers are encouraged to read and understand these procedures before drafting their proposals.

Proposers are encouraged to review Attachment I (Draft Contract), including all appendices, as each Proposer must be willing to enter into a contract in accordance with the terms of the Draft Contract should the Proposer be selected for contract award. Bracketed language in the Draft Contract may, at the sole discretion of the Fund, be revised in accordance with the Proposer's proposal or as otherwise mutually

agreed between the Fund and Proposer. The Fund may consider limited and reasonable modifications to the non-bracketed language in the Draft Contract in alignment with industry standards, and so long as such proposed modifications do not reduce any of the Fund's rights and protections or increase the Fund's obligations. However, the Fund has no obligation to accept any such proposed modifications and reserves all rights to reject any proposed changes. **The Fund will not consider modifications that are not in the best interest of the Fund.**

The Fund prefers that Proposers submit such proposed modifications to the Draft Contract as an attachment to the Administrative Proposal (see Section 7.1, Administrative Proposal).

### **2.3. Interchangeable Designations**

The terms Proposer, Selected Proposer, Consultant, and Contractor may be referenced throughout this RFP. Generally, references to the "Proposer" are used in conjunction with the proposing organization and procurement process leading up to the final RFP selection and award (at which point the Proposer becomes the "Selected Proposer"). The term "Consultant" or "Contractor" denotes the role assumed, post-contract execution, by the Selected Proposer.

### **2.4. Term**

The term of the agreement resulting from this RFP ("Agreement" or "Contract") will commence upon the date of execution by the Fund and will continue for a period of six years ("Initial Term"). The Fund, at its sole discretion, shall have the option to extend the Agreement under the same terms and conditions for one additional two-year period ("Extended Term") (collectively, the Initial and Extended Term are the "Term").

### **2.5. Fiduciary Obligation**

The Selected Proposer shall act as a fiduciary to the Comptroller and the Fund. In that regard, the Selected Proposer is required, in the discharge of its duties and the exercise of its powers pursuant to the terms of the Agreement, to:

- A.** act with the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and
- B.** be governed by the highest standard imposed by:
  - 1.** the standards in effect under federal and state law that apply to persons and entities serving in a similar capacity with respect to the Comptroller or the Fund including, without limitation, the standards set forth in 11 NYCRR Subpart 136-2 (attached as Appendix D), to the extent any such standard is applicable to the Selected Proposer in the discharge of its duties under the Agreement, as they may be amended from time to time or any successor provisions;
  - 2.** Sections 404 and 406 of Employee Retirement Income Security Act of 1974, as it may be amended ("ERISA") (as if the Fund were an employee benefit plan subject to ERISA, including Title I thereof, and not a governmental plan within the meaning of Section 3(32) of ERISA); and
  - 3.** any other federal or state law affecting the Comptroller or the Fund that may impose a higher or comparable standard to the extent any such law is applicable to the Selected Proposer.
- C.** disclose conflicts that may affect the Selected Proposer's ability to render unbiased and objective advice to the Fund.

- D. annually, complete a compliance questionnaire, which may change from year to year, upon receiving notification and instructions from the Fund's Director of Compliance.

## **2.6. Independence of Consultants**

Consultants may provide investment management services in addition to investment consulting services. This can present a potential for, or the appearance of, a conflict of interest where an entity providing investment consulting services to the Fund also seeks to manage money for the Fund.

To balance the potentially competing goals of consultant independence and obtaining the best investment consulting services as well as the most attractive investment opportunities, it is Fund policy that an entity providing investment consulting services to the Fund cannot seek to manage assets for the Fund, either directly or through an affiliate, during the term of the consulting services contract, unless specifically requested to do so in writing by the Chief Investment Officer of the Fund in accordance with the Fund's Policy Regarding the Independence of Consultants Providing Investment Advisory Services (see Appendix H).

## **2.7. Staff**

For the purposes of this RFP, Proposer's staff means Proposer's employees providing Services. The term "Staff" includes staff, and also owners, officers, directors, employees, subsidiaries, affiliates, partners, and agents of the Proposer; and Proposer's contractors (including third-party services providers) and their employees providing Services hereunder or who have access to the Fund's confidential information.

## **3.0 MINIMUM QUALIFICATIONS TO PROPOSE**

**Proposers must meet the following Minimum Qualifications to submit a proposal. Failure to meet these Minimum Qualifications will result in a proposal being found non-responsive and eliminated from consideration.**

Proposers must:

1. At the time of proposal submission, have a minimum of five years' experience providing private market consulting, advisory, monitoring, and reporting services to clients with aggregate private credit and other private market investments of at least \$5 billion (including at least one U.S. public pension fund client with total assets valued at \$25 billion or more).
2. Propose a relationship manager ("Relationship Manager") with a minimum of five years' total institutional investor experience and who has served as a relationship manager for at least two institutional investor clients.
3. Be registered as an investment adviser under the Investment Advisers Act of 1940.

## **4.0 POST-AWARD SECURITY AND CONFIDENTIALITY VERIFICATION**

The Selected Proposer must ensure the confidentiality of Fund information provided to or collected by the Selected Proposer in providing all Services contemplated by this RFP. Systems and applications that input, store, process, output, and/or transmit confidential information must protect the confidentiality, integrity, and availability of such information, and Selected Proposer's facilities and infrastructure must be physically and logically secure in accordance with industry-appropriate security standards and compliant with applicable laws and regulations.

Upon notification of conditional award (see Section 10.0), the conditionally-awarded Proposer must demonstrate to the Fund that its security measures, processes, standards, and policies sufficiently align with security standards as set forth below and as required by applicable law or regulation.



- A.** The conditionally-awarded Proposer must identify the industry- or government-accepted security framework (e.g., ISO 27000 series, FedRamp) that Proposer employs to ensure that its systems and applications used in providing the services are secure from vulnerabilities and defects.

Upon notice of conditional award, the conditionally-awarded Proposer should provide the Fund with a third-party assessment and/or certification that its systems and applications are in compliance with the above-identified framework. If the conditionally-awarded Proposer cannot or declines to provide such assessment and/or certification, it must identify how it will verify, to the Fund's satisfaction, its compliance with such standards and protections.

- B.** The conditionally-awarded Proposer must identify its capabilities and tools for secure data transmission, including whether it is able to provide access to a secure virtual data room for document sharing. The conditionally-awarded Proposer must explain the encryption standards to be applied to Fund confidential information and what limits will be placed on access to and ability to download such information.

- C.** The conditionally-awarded Proposer must describe its incident response procedures for security incidents, including unauthorized access, disclosure, modification, or use of Fund confidential information.

**1.** The conditionally-awarded Proposer must identify the period in which it will provide the Fund with notice of an exploited vulnerability or breach that has impacted or is reasonably expected to impact Fund confidential information (e.g., 48 hours, 72 hours).

**2.** The conditionally-awarded Proposer must identify what assistance it will provide to the Fund in responding to an exploited vulnerability or breach, including any required notifications.

- D.** The conditionally-awarded Proposer must describe its practices, policies, and procedures regarding the destruction or return of Fund confidential information, including the sanitization method the conditionally-awarded Proposer will apply to Fund confidential information.

**1.** The conditionally-awarded Proposer must confirm whether an officer or principal of the conditionally-awarded Proposer will certify to the Fund in writing that such destruction has been completed in accordance with the New York State Office of Information Technology Services Policy for Sanitization/Secure Disposal in NYS-S13-003 (see link below) or other comparable standard:

[nys-s13-003\\_sanitization\\_secure\\_disposal\\_standard.pdf](#)

If the conditionally-awarded Proposer will not provide such certification, it must specify the scope of any such certification of destruction that it will provide.

**2.** The conditionally-awarded Proposer must identify whether it is subject to any legal or regulatory requirements or professional standards that might require it to retain any Fund confidential information, and how the conditionally-awarded Proposer intends to ensure the confidentiality of such information, and for how long such information must be retained.

**The Fund expressly reserves its right to decline to make a final award to any conditionally-awarded Proposer that the Fund concludes is unable to demonstrate that its security measures, processes, standards, and policies sufficiently align with security standards set forth above and as required by applicable law or regulation. Upon such determination, the Fund may elect to grant the award to the next-highest scoring Proposer. The Fund may simultaneously engage in discussions with multiple Proposers regarding their security practices.**

## **5.0 REQUIRED SERVICES/ALLOCATION OF WORK**

None of the Services to be provided shall be subcontracted by the Consultant.

The Selected Proposer must assign a Relationship Manager to serve as the primary point of contact. The Relationship Manager will be responsible for managing the contractual relationship with the Fund and overseeing the delivery of all Services. The Selected Proposer must also assign a secondary contact who will serve as a backup to the Relationship Manager.

The Selected Proposer will perform the following services ("Services"):

### **A. Due Diligence and Investment Recommendation**

1. Source opportunities for the Credit and OARS portfolios.
2. Provide views on general issues and market conditions across the broad range of markets and investment themes that may impact or be a fit for the Credit and OARS portfolios.
3. Prior to undertaking any due diligence on an investment, provide written disclosure to CRF staff regarding the material terms of any existing or proposed relationship or arrangement with the manager or any of the manager's affiliates (e.g., discretionary investment in manager's or affiliates' funds, investment allocation arrangement, fee discounts, volume discounts).
4. Review and make recommendations on investments that fall within the Credit and OARS universes, including appropriate asset allocation objectives, performance goals, and selection criteria. Such recommendation(s) must be in writing and include a detailed analysis of the investment(s) set forth in a final recommendation memo that incorporates robust investment and operational due diligence for appropriate investments, recommends a specific allocation amount, and certification that fees and expenses are reasonable and consistent with relevant market practices.
5. Conduct portfolio-level strategic due diligence on sector strategies and potential investment managers. Identify and monitor potential investment managers.
6. Work with Fund staff to ensure that portfolio construction is in line with the Credit and OARS portfolios' strategic goals.
7. Screen investment opportunities deemed appropriate, including those forwarded by the Fund staff, and recommend those that merit thorough due diligence.
8. Assist Fund staff in preparing any information needed for presenting proposed investments to Fund committees.
9. Attend research, due diligence, and other investment-related meetings in Albany, New York City and other locations at the request of Fund staff.
10. Work with Fund staff to determine and develop the optimal investment structure for each potential investment including separately-managed accounts, funds of one, co-investments, direct investments, anchor and seed investments, and joint ventures.
11. Provide advice and assistance to Fund staff in the negotiation of the terms of investments.

12. Assist Fund staff with RFPs and Requests for Information (“RFIs”) including, drafting minimum qualifications and other mandatory and desirable requirements, the scope of work, and developing review and selection criteria.

**B. Portfolio Reporting and Monitoring**

1. Monitor portfolio risks and exposures and provide Fund staff with advice on observed issues.
2. Provide Fund staff with risk metrics and access to software to monitor, analyze, and manage the portfolios.
3. Report on and monitor investments.
4. Provide risk and exposure data to be incorporated into the Fund’s internal systems to aid in maintaining up-to-date and robust data for analysis, including incorporating risk analysis into the Fund’s total portfolio assessment.
5. Perform fee benchmarking and ongoing fee review to ensure manager fees are in line with or better than market.
6. Confirm and process all capital calls and distributions for the funds in the Credit and OARS portfolios in conformance with limited partnership agreements (“LPAs”), which includes assisting with the certification and validation of capital calls and providing wiring instructions to the Fund’s custodian bank for each capital call.
7. Provide fee confirmation, reconciliation to funds, and fee reporting for all of the funds in the Credit and OARS portfolios, including incentive fees and management fees.
8. Work with Fund staff to reduce both management and performance fees for current or new managers.
9. Provide regular updates to Fund staff on performance, risk and allocations to ensure that the selected managers fulfill the underwritten objectives and recommend redemptions, additions, and general portfolio management aid.
10. Provide Fund staff with ongoing analysis of portfolio structure and rebalancing, as well as investment pacing qualitatively and quantitatively.
11. Provide periodic updates and review of recommended underlying investment managers and report results to Fund staff on a regular basis.
12. Cooperate with representatives of the Fund, its advisors, consultants, and investment counsel, in preparation of documents and review of potential/existing investments related to the Fund.
13. Attend General Partners’ annual meetings associated with any recommended investments.

## **6.0 ADMINISTRATIVE INFORMATION**

**NOTE:** Procurement documents may, from time to time, be amended or addenda issued by the Fund. All amendments and/or addenda to procurement documents will be posted to the OSC website at <http://www.osc.state.ny.us/procurement/index.htm>. Proposers should review the OSC website prior to submission of a proposal to ensure that they have all information required to submit a complete and responsive proposal.

The following administrative information applies to this RFP. Failure to comply fully with this information may result in disqualification of a proposal.

### **6.1. Restrictions on Communication**

All inquiries concerning this procurement must be addressed to the Director of Finance as the Contracting Officer, or designee(s) at OSC, via email (preferred) to [RFP@osc.ny.gov](mailto:RFP@osc.ny.gov) or via hard copy mail to:

Director of Finance  
Questions for RFP 24-05  
Office of the State Comptroller  
110 State Street, Stop 13-2  
Albany, NY 12236-0001

During the “restricted period,” as defined below, no Proposer-initiated contact with any OSC or Fund official will be permitted regarding this procurement, except as provided herein. This prohibition applies to any oral, written, or electronic communication under circumstances where a reasonable person would infer that the communication was intended to influence this procurement. Violation of any of the requirements described in this section may be grounds for a determination that the Proposer is non-responsible and therefore ineligible for this contract award. “Restricted period” means the period of time commencing with the earliest written notice, advertisement, or solicitation of an RFP, Invitation for Bid, or solicitation of proposals, or any other method for soliciting a response from Proposers intending to result in a procurement contract with the Fund, and ending with the final contract award by the Fund or termination of the procurement.

### **6.2. Questions**

There will be an opportunity for submission of written questions and requests for clarification regarding this RFP. All questions and requests for clarification should cite the particular RFP section and paragraph number where applicable and must be submitted via email (preferred) or by hard copy mail to the Contracting Officer as indicated in Section 6.1 (Restrictions on Communication), no later than the Deadline for Submission of Written Questions as specified in Section 1.0 (Calendar of Events). Questions received after the deadline may not be answered.

**Proposers are encouraged to review the requirements in the RFP and Attachment I (Draft Contract) and notify the Fund of requirements that would prohibit the Proposer from submitting a proposal.**

**NOTE:** It is the Proposer's responsibility to ensure that hard copy mail or email containing written questions and/or requests for clarification is received at the above address no later than the Deadline for Submission of Written Questions specified in Section 1.0.

The comprehensive list of questions and responses will be posted to the OSC website and notice of such posting will be distributed by email to all vendors known to the Fund who have received electronic access to this RFP on the date specified in Section 1.0. This listing will not include the identities of the vendors submitting the questions; those vendors will remain anonymous to the extent allowed by law.

**Note:** The Question and Answer period is not the appropriate forum for proposing amendments to the Draft Contract. Proposed revisions to the Draft Contract, if any, should be submitted by Proposers with

their administrative proposals in track change, redlined format in an editable Word document, and should set forth the Proposer's rationale for the requested revision. No revisions will be entertained that are not in the best interest of the Fund.

### **6.3. Pre-deadline Fund Right to Modify RFP**

The Fund reserves the right to modify any part of this RFP, including but not limited to, the date and time by which proposals must be submitted and received by the Fund listed in Section 1.0. Modifications to this RFP will be made by issuance of amendments or addenda. Any amendments or addenda issued by the Fund will be posted to the OSC website and subsequent email notification will be provided to all potential Proposers known to the Fund to have received access to this RFP. The Fund also reserves the right to cancel this RFP, in whole or in part, and to reject any or all proposals.

If the Proposer discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, the Proposer must immediately notify the Contracting Officer (see Section 6.1) of such error in writing and request clarification or modification of the document. If, prior to the Deadline for Submission of Proposals, a Proposer fails to notify the Contracting Officer of a known error or an error that reasonably should have been known, the Proposer shall assume the risk of proposing. If awarded a contract, the Proposer will not be entitled to additional compensation by reason of the error or its correction.

### **6.4. Equal Employment Opportunity ("EEO"), Minority- and Women-Owned Business Enterprise ("M/WBE"), and Other Requirements**

#### **A. EEO**

The Comptroller, as Trustee of the Fund, recognizes the value to the Fund of affording minority group members and women the opportunity to participate in the performance of contracts of the Fund. Toward this end, the Comptroller encourages Proposers to undertake or continue existing programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Upon request of the Comptroller, Proposers must report the result of such programs to the Fund.

#### **B. M/WBE Asset Management and Financial Institution Strategy**

The Comptroller, as Trustee of the Fund, has chosen to establish an M/WBE Asset Management and Financial Institution Strategy ("Strategy") aimed at reporting on and increasing the use of M/WBE Asset Managers, M/WBE Financial Institutions, and M/WBE Financial and Professional Service Firms. The implementation of the Strategy is subject to the Comptroller's fiduciary duties and obligations as Trustee of the Fund to the members, retirees, and beneficiaries of the System and such other investment limitations as may be prescribed by Retirement and Social Security Law.

In accord with the Strategy, the Comptroller has established a certification process for the purpose of identifying and reporting the use of those M/WBE firms performing investment-related services (e.g., asset management, brokerage, other financial services or related professional services such as accounting, valuation, or legal services) by contract with the Fund. For the purposes of the Strategy, an M/WBE is defined as a business enterprise that is:

1. A traditional M/WBE that is majority owned (at least 51%) by one or more minority group members, or one or more women; or
2. A non-traditional M/WBE that is "substantially owned and/or operated" by women and/or minority group members (i.e., at least 33% ownership and/or senior management; of which 25% must reflect ownership).

The Selected Proposer, upon request of the Comptroller, shall provide information relating to any

such identification, certification, and reporting. Any individual who submits false information on behalf of a business enterprise, and/or any business enterprise that submits false information, may be barred from doing business with the Fund for a period of time to be determined by the Comptroller based on the nature and extent of the false information.

### **C. Other Reporting Requirements**

The Selected Proposer may be required to provide information on participation by other groups that the Fund may determine to certify or report on, such as firms that are owned (or substantially owned and/or operated) by service-disabled veterans (Service-Disabled Veteran-Owned Businesses or SDVOBs).

### **6.5. State Ethics Law Provision**

Officers and employees of OSC, the System, and the Fund are subject to the ethics requirements and restrictions of the Public Officers Law and other laws that apply to State employees, including the requirements of Public Officers Law §§ 73<sup>2</sup> and 74<sup>3</sup>, and other State codes, rules, and regulations establishing ethical standards for the conduct of State officers and employees.

By submitting a proposal, the Proposer certifies that:

- A.** The Proposer, its officers, directors, employees, subsidiaries, affiliates, partners, and agents have read and understand the above Public Officers Law provisions, including without limitation: (i) restrictions on acceptance or solicitation of gifts and hospitality by a State employee, (ii) the two-year bar on a State employee from appearing before the employee's former agency after leaving State service, and (iii) the life-time bar on a State employee from rendering services on any matters with respect to which the State employee was directly concerned during State service and in which the State employee personally participated, or which was under the State employee's active consideration during State service.
  
- B.** If the proposal is selected for award, the Selected Proposer, its officers, directors, employees, subsidiaries, affiliates, partners, and agents who will be assigned to perform services must not: (i) offer or make any gift or hospitality to a State employee, (ii) hire any former State employee to appear before OSC, the System, or the Fund to perform services on this engagement in violation of the two-year bar or the lifetime bar, or (iii) assign any current Proposer employee, officer, director, subsidiary, affiliate, partner, or agent to appear before OSC, the System, or the Fund to perform services on this engagement in violation of the two-year bar or the lifetime bar.

This certification is material to the proposal and the Fund intends to rely on it. The Proposer must promptly report to the Fund any non-compliance with the above requirements to:

Office of the State Comptroller  
110 State Street – 14th Floor  
Albany, New York 12236  
Attn: Special Counsel for Ethics

and

Office of the State Comptroller

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<sup>2</sup> <https://www.nysenate.gov/legislation/laws/PBO/73>

<sup>3</sup> <https://www.nysenate.gov/legislation/laws/PBO/74>

110 State Street – 14th Floor  
Albany, New York 12236  
Attn: CRF Compliance Officer

Proposers may address any questions concerning these provisions to:

Special Counsel for Ethics  
New York State Office of the State Comptroller  
110 State Street – 14th Floor  
Albany, New York 12236  
(518) 408-3855

## **6.6. Background Investigations**

### **A. Background Investigation by Consultant**

OSC policy requires that background investigations be conducted by the Selected Proposer on its staff who will have access to OSC's IT systems, access to Fund confidential information, or routine access to any OSC facility (any such staff are "Covered Staff"). For purposes of this policy, "routine access" is defined as access to an OSC facility for five consecutive business days or 10 business days over the annual term of the engagement.

Accordingly, each Proposer, by submitting a proposal, certifies that it has conducted or will conduct a background investigation on any Covered Staff prior to the Covered Staff commencing Services. The Selected Proposer must obtain, upon the Fund's request, unless prohibited by applicable law, the consent of such Covered Staff to allow the Fund: (i) to review unredacted background investigation records, including all supporting documentation, and (ii) to conduct its own background investigation. The Selected Proposer must undertake a background investigation of any new/replacement Covered Staff during the term of the engagement. During the term of the engagement, the Selected Proposer must maintain records related to the background investigations performed and in accordance with Appendix A (Section 5, Records).

Only Covered Staff who have passed the background investigation, and provided such consent shall be assigned to provide Services to the Fund.

At a minimum the background investigations must include a review/evaluation of the following:

- identity verification, including Social Security Number or relevant national identity number search, as applicable;
- employment eligibility, including verification of applicable citizenship or legal immigration status, where appropriate;
- watchlists and a National Sex Offender Registry search;
- sanctions and OFAC search (including SEC information sheet);
- criminal history/court records (Federal, state and local for the past five years), as permitted under applicable law;
- work experience/history for the past five years;
- bankruptcy matters;
- financial Professional Registrations (IAPD, FINRA, NFA) pertinent skills, qualifications, and education/professional credential verification; and
- references.



## **B. Background Investigations by the Fund**

A background investigation will be conducted by the Fund on the Selected Proposer, and on its key principals, its key staff who will provide the Services, its Chief Compliance Officer (or person serving in similar capacity), and persons with substantial ownership interests in the Selected Proposer ("Covered Persons" as identified in Attachment H (CRF Vendor Responsibility and Conflict of Interest Disclosure Form)). The Fund may conduct subsequent background investigations on the Selected Proposer and Covered Persons where the Fund deems there has been a material change in circumstances or where an additional background investigation may be prudent.

Upon receipt of the Fund's notice of its intent to conduct such background investigation, the Selected Proposer and Covered Persons must provide to the Fund, or its third-party vendor, written consent of all individuals subject to the Fund's background investigation. Failure to obtain such consent may be grounds for rescinding preliminary award, or termination of the Services and the Agreement resulting from this RFP.

### **6.7. Compliance with Laws and Regulations Applicable to the Fund**

The Selected Proposer will be required to comply with legal restrictions, and statutory and regulatory requirements, including but not limited to 11 NYCRR § 136-2, included as Appendix D; and policy guidelines of the Fund; and render advice within these laws, regulations, and guidelines. ensuring that no Services are provided in conflict with applicable laws or Fund policies.

### **6.8. Prohibited Benefits Relating to the Procurement**

The Proposer represents and warrants that neither the Proposer nor its Staff has received or paid, or entered into an agreement to receive or pay, any compensation, fees, or any other benefit from or to any third party, to influence the outcome of this procurement.

### **6.9. Debrief**

Any Proposer not selected for award may, within 15 calendar days of release of OSC's written or electronic notice that the Proposer has not been selected for award, request a debriefing to discuss the reasons(s) the proposal submitted was not selected for an award. A debriefing request must be in writing and be submitted to the Contracting Officer (see Section 6.1) or the Contracting Officer's designee(s), via email (preferred) to RFP@osc.ny.gov or via hard copy mail to:

Director of Finance  
Debriefing Request: RFP 24-05  
Office of the State Comptroller  
110 State Street, Stop 13-2  
Albany, NY 12236-0001

A Proposer will be accorded fair and equal treatment with respect to its opportunity for debriefing. The debriefing will be scheduled within a reasonable time after receipt of the Proposer's written request by the Bureau of Finance.

### **6.10. The Fund's Reserved Rights**

The Fund reserves all rights including, but not limited to, the right to:

- A.** Cancel the procurement, reject any or all proposals received in response to this RFP, award more than one contract, or award no contract.
- B.** Prior to the deadline for submission of proposals, amend the RFP to correct errors or



oversights, or to change any of the scheduled dates, or to supply additional information, as it becomes available. Modifications to the RFP will be made by issuance of amendments and/or addenda.

- C.** Prior to the deadline for submission of proposals, direct Proposers to submit proposal modifications addressing RFP amendments or addenda.
- D.** Waive any non-material deviation or defect in a proposal. A waiver of a non-material deviation or defect will in no way modify the RFP documents or excuse the Proposer from full compliance with the RFP requirements.
- E.** Waive any requirements that are not material, or eliminate any mandatory, non-material requirements that cannot be complied with by all prospective Proposers.
- F.** Reject any proposal that contains false or misleading statements, or that provides references that do not support an attribute, condition, or qualification claimed by the Proposer.
- G.** Correct any arithmetical errors in any proposal and, in the event that the fees or costs in two or more proposals are not comparable, make appropriate adjustments to render the fees and costs comparable.
- H.** Require a Proposer to clarify its proposal to assure a full understanding of the proposal or to request revisions to all proposals from Proposers susceptible of award of the contract. Any request for clarification or revision is solely at the discretion of the Fund. No Proposer will be allowed to alter its proposal or add information after the deadline for submission of proposals.
- I.** Rescind a preliminary contract award and proceed to the next highest-scoring Proposer if a signed contract does not result from good faith negotiations within a reasonable period of time as determined by the Fund.
- J.** Proceed to the next highest-scoring Proposer in the event that the Proposer who had achieved best value prior to contract award cannot satisfy the requirements as stated in this RFP.

#### **6.11. Freedom of Information Law**

Proposals, or portions thereof, may be subject to disclosure in accordance with the requirements of the Freedom of Information Law, Public Officers Law § 84 et. seq ("FOIL"). Accordingly, upon submission of its proposal, Proposer is encouraged to clearly and specifically indicate any portion of its proposal for which it may request an exemption from disclosure, including any portion that constitutes, among other things, a trade secret, or the disclosure of which would cause substantial injury to the Proposer's competitive position. Blanket assertions are insufficient. Prior to releasing any documents so marked, the Fund will notify Proposer to afford Proposer an opportunity to protect such documents from disclosure.

#### **7.0 PROPOSAL CONTENT**

The following includes the format and information to be provided by each Proposer. Proposers responding to this RFP should satisfy all requirements stated in this RFP. Proposers should submit complete Administrative, Technical, and Cost proposals. A proposal that is incomplete in any material respect may be rejected.

To expedite review, Proposers are requested to submit proposals in separate Administrative, Technical, and Cost packages formatted with tabs as shown in Attachment B (Proposal Documents Submitted). This

separation of information will facilitate the review of the material requested. No information beyond that specifically requested is required, and Proposers are requested to keep their submissions to the shortest length consistent with making a complete presentation of qualifications. Additional information, if submitted, should be in a separate package. Proposals must contain sufficient information to assure the Fund of their accuracy.

Evaluations of the Administrative, Technical, and Cost proposals received in response to this RFP will be conducted separately. **Proposers are therefore cautioned not to include any Cost information in the Technical or Administrative proposal documents.**

### **7.1. Administrative Proposal**

The Administrative proposal should contain all requirements listed below. Information and forms should be provided in the prescribed format and in the same order in which they are requested. Responses that are incomplete or that do not follow the prescribed format may be eliminated from consideration. All responses to the RFP will be subject to verification for accuracy. Provide the forms in the same order in which they are requested.

**Do not include cost information in the Administrative proposal.**

#### **A. CRF Vendor Responsibility and Conflict of Interest Disclosure Form**

Submit a completed and signed Attachment H (CRF Vendor Responsibility and Conflict of Interest Disclosure Form).

#### **B. CRF Proposer's Certifications/Acknowledgements**

Submit a completed and signed Appendix E (CRF Proposer's Certifications/Acknowledgements), which includes the Proposer's acknowledgement of (i) receipt of the OSC Policy Statement on Discrimination and Harassment, Including Sexual Harassment (Appendix B), and (ii) the Non-Collusive Bidding Certification.

#### **C. Material Conflicts of Interest Statement**

Submit a completed, signed, and notarized Appendix G (Material Conflicts of Interest Statement).

#### **D. CRF Proposer's Disclosure of Prior Non-Responsibility Determinations**

Submit a completed and signed Appendix F (CRF Proposer's Disclosure of Prior Non-Responsibility Determinations).

#### **E. Freedom of Information Law – Proposal Redactions**

Where applicable, Proposers are encouraged to clearly and specifically identify any portion of their proposal that a Proposer believes is entitled to an exception from disclosure pursuant to FOIL. See Section 6.11 (Freedom of Information Law).

#### **F. Proposed Modifications to the Draft Contract (if any)**

The Proposer should submit its proposed modifications to the Draft Contract, if any, in MS Word format with redlined (tracked) changes. Identify the section of the Draft Contract that Proposer proposes to modify, and explain why the change is in the best interest of the Fund. As noted above in Section 2.2, the Fund has no obligation to accept any such proposed modifications and reserves all rights to reject any proposed changes. The Fund will not consider modifications that are not in the best interest of the Fund.

## **7.2. Technical Proposal**

The purpose of the Technical proposal is to demonstrate the qualifications, competence, and capacity of the Proposer and its Staff to undertake the relevant responsibilities set forth herein while complying with applicable laws, regulations, fiduciary standards, and the requirements of the RFP.

The following outlines the information to be provided by Proposers. Information should be provided in the order listed below, and in the prescribed format. Responses that do not conform to these instructions may be eliminated from consideration. In addition, a Technical proposal that is incomplete, inaccurate, or otherwise nonresponsive in any material respect may be eliminated from consideration.

All responses to the RFP will be subject to verification for accuracy.

**Do not include cost information in the Technical proposal.**

### **A. Title Page**

Submit a Title Page providing the RFP subject and number, the Proposer's name, the date of the proposal.

### **B. Table of Contents**

The Table of Contents should clearly identify all material (by section and page number) included in the proposal.

Each proposal should contain an index that cites each tab number in the proposal where the requested information can be found using the tab numbers found in Attachment B (Proposal Documents Submitted) for the corresponding RFP section.

### **C. Proposer's Certified Statements**

Submit Attachment A (Proposer's Certified Statements), which includes information regarding the Proposer. Attachment A should be signed by an individual authorized to bind the Proposer contractually and should indicate the title or position that the signer holds with the Proposer. The Fund reserves the right to reject a proposal that contains an incomplete or unsigned Attachment A or no Attachment A.

### **D. Proof of Compliance with Minimum Qualifications**

Complete Attachment D (Minimum Qualifications) demonstrating that the Proposer satisfies each of the Minimum Qualifications stated in Section 3.0.

### **E. Technical Submissions**

#### **1. Organization/General**

- a.** Describe the Proposer, including its size, history, ownership structure, and range of activities. Describe the Proposer's Credit and OARS consulting specialties, strengths, and limitations.
- b.** Describe the Proposer's competitive advantages. Particular emphasis should be placed on how the Proposer's firm-wide experience and expertise will be brought to bear on the proposed work.
- c.** List all changes in ownership and principals within the last three years.
- d.** Describe the firm's future business plans with regard to Credit and OARS

consulting services. Include:

1. Maximum number of accounts and assets that will be accepted; and
  2. Plans for staff additions.
- e.** Describe the Proposer's insurance program, including levels of coverage for general liability, umbrella liability, financial institution bond (including computer crime and employee dishonesty), cyber liability, workers compensation, errors and omissions, and any other insurance the Proposer carries. State whether Proposer is self-insured/retained for any exposures or coverages. Name the carriers providing any such insurance and the limits for all coverages.
- f.** Identify whether or not the Proposer is currently required to or is willing to comply with the regulations of the New York State Department of Financial Services ("DFS") Regulations (including 23 NYCRR Part 500).

## **2. Staffing**

- a.** Provide a resume for the proposed Relationship Manager and the proposed backup to the Relationship Manager that includes the following (resume will be used to validate Minimum Qualification #3. See Section 3.0):
1. Name, title, and role
  2. Office location
  3. Educational qualifications
  4. Tenure at firm
  5. Years of investment consulting experience
  6. Names of previous clients in which individual served as a Relationship Manager
  7. Years and current percentage of time spent on Private Credit investments, and types of Private Credit investments
  8. Years and current percentage of time spent on Opportunistic investments, and types of Opportunistic investments
  9. Years and current percentage of time spent on ARS investments
  10. Years and current percentage of time spent on other private investments
- b.** Provide a narrative statement that discusses the Relationship Manager's and the backup to the Relationship Manager's key strengths and areas of expertise on Credit and OARS investments.
- c.** Provide an organizational chart identifying the proposed Relationship Manager, backup to the Relationship Manager, and other key personnel who will be assigned to this account. List names and locations, and include titles, functions, academic credentials, and relevant experience.
- d.** Provide the percentage of each staff member's time that will be devoted to the Fund, including when such personnel will be available to the Fund and how they can be accessed.
- e.** Provide a brief description of the Proposer's compensation arrangements for senior management including incentives, profit sharing, and other bonuses.
- f.** Describe policies in effect to control workload and whether there are limits on the number of accounts that an employee may handle.

- g.** Describe the Proposer's procedures in the event key personnel assigned to the Fund's account should leave the firm. Identify and explain the role of back-up personnel.

### **3. Credit and OARS Consulting Services and Expertise**

- a.** On Attachment E (Investment Consulting Experience), indicate the Proposer's consulting experience and expertise across the following alternative investment strategies:
- alternative credit
  - strategic investments
  - multi-asset investments
  - innovation/niche investments
  - risk mitigation/risk premia strategies
  - absolute return strategies
  - other opportunistic investment strategies
- b.** Provide a summary of the Proposer's consulting experience with structuring terms in a variety of investment vehicles, including funds of one, managed account platforms, separately managed accounts, and co-investments, in addition to traditional open and closed vehicles.
- c.** Provide an executive summary of the Proposer's view of the current Credit and OARS opportunity sets.
- d.** State whether the Proposer performs client-accessible industry or asset class analysis. If yes, submit a sample analysis.
- e.** Describe any significant innovations the Proposer has made in consulting for institutional investors in the Credit and OARS space.
- f.** Describe the Proposer's technological capabilities and relate them to the Proposer's consulting services and products.
- g.** Describe the Proposer's capabilities for performing ESG assessments of managers. State whether the Proposer can perform an ESG Diligence based on criteria outlined in the Fund's ESG requirements ([CRF ESG Strategy Report 2020](#)).
- h.** Complete Attachment F (Client List). Client names may be omitted if client confidentiality obligations preclude disclosure.

### **4. Conflicts and Ethical Compliance**

- a.** Attach the Proposer's ethics policy.
- b.** Describe any other lines of business in which the Proposer engages that might conflict with its role in providing consulting services to the Fund. Explain how any such conflicts will be mitigated.
- c.** State whether the Proposer manages money for clients or itself. If yes, provide an explanation as to how the Proposer would resolve conflicts where it provides both consulting and money management services, and where it invests money for itself.

## **F. References**

Submit a minimum of three references for the Proposer from public pension or other institutional investor entities using Attachment D (References). At least one reference must be from a U.S. public pension fund with total assets valued at \$25 billion or more. One reference must be specific to the proposed Relationship Manager. References may be checked at any point during the evaluation process.

### **7.3. Cost Proposal**

Cost proposals must be submitted on Attachment C (Cost Proposal). Cost proposals must be submitted in a separate sealed envelope, not included with the Administrative or Technical proposals.

Failure to comply with the mandatory format and content requirements may result in disqualification.

## **8.0 PROPOSAL SUBMISSION**

Proposals must be received by the date and time indicated for the Deadline for Submission of Proposals as specified in Section 1.0 (Calendar of Events). Proposals received after the Deadline for Submission of Proposals may be rejected.

Administrative, technical, and cost proposals must be clearly labeled and submitted by U.S. Mail or by courier/delivery service (e.g., FedEx, UPS) in separately sealed packages to:

Attn: Director of Finance  
Office of the State Comptroller (RFP 24-05)  
110 State Street, Mail Stop 13-2  
Albany, NY 12236-0001

**IMPORTANT:** OSC **strongly encourages** the use of package tracking so as to provide evidence of timely bid submittal in the event of mail delivery issues.

**Submission of proposals in a manner other than as described in these instructions (e.g., fax, electronic transmission) will not be accepted.** OSC will not accept hand delivery of proposals at 110 State Street.

A Proposer may withdraw a proposal at any time before the Deadline for Submission of Proposals by written notification to OSC (see Section 6.1). An authorized agent of the Proposer must sign the notice of withdrawal. The proposal may thereafter be resubmitted, but not after the Deadline for Submission of Proposals specified in Section 1.0. Modification offered in any other manner, oral or written, will not be considered.

### **8.1. Submission of Proposal Components**

Proposer must submit SEPARATE Administrative, Technical, and Cost proposals, via one of the submittal options identified below.

**Note: Documents requiring signature should be signed with an ink pen (i.e., wet signature). Proposals submitted with e-signatures or scanned signatures may be accepted by OSC, at OSC's discretion, subject to the requirements set forth herein.<sup>4</sup>**

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<sup>4</sup> If wet ink signatures cannot be provided, OSC will accept proposals submitted with e-signatures or scanned signatures, but OSC retains the right to require submission of documentation verifying the identity of the signer and the signer's intent to sign on behalf of the Proposer, and may require submission of wet ink signatures upon notice of

**A. Option #1: USB Flash Drive (Preferred)**

The Proposer may submit each of the complete Administrative, Technical, and Cost proposals **as separate files** on a **single** USB flash drive. An acceptable format for the files is unlocked Adobe PDF. OSC prefers that such files be searchable. The files must be representative copies of the original documents, **including signatures**.

Clearly mark the envelope and the USB flash drive as “RFP 24-05 [Proposer’s name].”

The Proposer must retain the original proposal documents in its records. If the Proposer is selected for award, the Proposer must submit wet ink signed documents to OSC prior to contract execution, if so requested.

It is the Proposer’s responsibility to ensure that the USB drive is free from malicious software and that the files are accessible and uncorrupted. The Proposer should scan the USB flash drive before submission to ensure there is no malicious software (i.e., malware) on the drive and that all files are accessible and uncorrupted. OSC will perform a security scan on the USB flash drive before accessing the stored files. If the security scan identifies malicious software, or the files are inaccessible or corrupted, OSC will reject the submission and disqualify the Proposer from further consideration.

Proposers may mitigate the risk associated with submitting via USB flash drive by providing one paper copy of each of the Administrative, Technical, and Cost proposals along with its USB flash drive submission.

- If a Proposer submits a paper copy with its USB submission and OSC is unable to access the proposal files on the USB flash drive, OSC will request a replacement USB drive from the Proposer and use the paper copies to verify the Proposer did not make any revisions to its proposal past the proposal due date.
- In the absence of a paper copy, if OSC is unable to access the proposal files on the USB flash drive, OSC will reject the submission and disqualify the Proposer as stated above.

**NOTE: SUBMISSION OF OTHER TYPES OF DATA STORAGE DEVICES WILL NOT BE ACCEPTED.**

**B. Option #2: Paper**

The Proposer may submit paper documents of each of the complete Administrative, Technical, and Cost proposals as follows:

<b>Administrative Proposal</b>	Submit <b>THREE</b> paper copies.
<b>Technical Proposal</b>	Submit <b>FIVE</b> paper copies.

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award.

<b>Cost Proposal</b>	Submit <b>THREE</b> paper copies.
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Submit each of the complete Administrative, Technical, and Cost proposals in a separate sealed package, all of which may be submitted within one complete proposal package.

**If the Proposer elects to submit paper proposals, OSC requests that the Proposer also submit a USB flash drive with electronic copies of the proposals.**

Clearly mark the outside envelope of the sealed proposals and USB flash drive (if applicable) as "RFP 24-05 [Proposer's name]."

## **9.0 EVALUATION PROCESS/CRITERIA**

### **9.1. Submission Review**

The Fund will examine all proposals that are received in a proper and timely manner to determine if they meet the proposal submission requirements, as described in Section 7.0 (Proposal Content) and Section 8.0 (Proposal Submission), and include the proper documentation, as stated in this RFP. Proposals that are materially deficient in meeting the submission requirements or have omitted material documents, in the sole opinion of the Fund, may be rejected.

Qualified OSC staff (the "Evaluation Committee") will evaluate and score all responsive proposals. The evaluation process will include separate technical and cost evaluations, and the result of each evaluation will remain confidential until both evaluations have been completed and a selection of the winning proposals is made. The Technical proposal will be weighted 80% of a proposal's total score and the Cost proposal will be weighted 20% of a proposal's total score.

Following the evaluation of proposals as provided herein, the Evaluation Committee will determine if interviews will be conducted.

### **9.2. Technical Evaluation**

All responsive proposals will be reviewed to ensure the Minimum Qualifications as stated in Section 3.0 (Minimum Qualifications) have been met. Proposals failing to meet the Minimum Qualifications will not be evaluated any further. All proposals meeting the Minimum Qualifications will be evaluated and scored for Technical qualifications.

### **9.3. Cost Evaluation**

The maximum cost score will be allocated to the responsive proposal with the lowest total all-inclusive six-year fee. All other responsive proposals will receive a proportionate score based on the relation of their Cost proposal to the proposal offered at the lowest cost, using this formula:

Cost points awarded *equals* number of potential points *times* (lowest Cost proposal *divided by* cost of proposal being evaluated).

### **9.4. Finalists**

The cost score will be added to the technical score to arrive at a preliminary composite score. The proposals with the three highest preliminary composite scores will be deemed finalists. Any proposal scoring within 10 percent of the third highest preliminary composite scoring proposal will also be deemed a finalist.



### **9.5. Interviews**

The Fund may, in its discretion, interview finalists at 110 State Street, Albany, NY or in New York City, or, at the discretion of the Technical Evaluation Committee, by telephone or videoconference. The purpose of the interview is to allow evaluators to obtain clarification, if needed, and to substantiate the responses contained in the Technical proposal. No new material will be permitted to be introduced during the interview. The technical scores of interviewees may be re-scored and adjusted up or down based on the interview.

Each interviewee will be notified of the date, place, and time of their interview, which are anticipated to start on the date specified in Section 1.0. The Proposer's interviewees should not exceed six people.

### **9.6. Reference Checks**

The Proposer should submit references using Attachment G (References). At the discretion of the Evaluation Committee, references may be checked at any point during the process.

### **9.7. Final Composite Score**

Following the interviews and reference checks (if conducted), and review of any requested clarifications to a proposal, the Technical Evaluation Committee may re-score each finalist. Any re-scoring will reflect the results of the interview process, based upon the likelihood of success of the Proposers in performing the services required.

A final score for each responsive proposal will be calculated by adding the final Technical proposal points and the Cost proposal points.

## **10.0 AWARD AND CONTRACT**

Following the evaluation process, the Evaluation Committee may make a recommendation to the Fund that a contract be awarded. If the Fund accepts the recommendation of the Evaluation Committee, the Director of Finance will notify the awarded Proposer and Proposers not awarded. Award is conditioned upon successful completion of a responsibility review conducted by OSC Finance and a conflict of interest review and background investigation on the Selected Proposer, its principals, its key personnel to be assigned to provide Services to the Fund, its Chief Compliance Officer (or serving in a similar capacity), and persons with substantial ownership interests in the Selected Proposer (See Section 6.6 Background Investigations), conducted by the Fund's Director of Compliance.

**REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.**

**ATTACHMENT A**

**PROPOSER’S CERTIFIED STATEMENTS**

**(MANDATORY SUBMISSION: to be completed and included in the Technical proposal documents)**

<b>RFP24-05 – CREDIT, OPPORTUNISTIC, AND ABSOLUTE RETURN STRATEGIES INVESTMENT CONSULTANTS</b>	
<b>1. Proposer Information:</b>	
<b>A. Proposer’s name, address, telephone number.</b>	
Name:	
Address:	
City, State, ZIP Code:	
Telephone Number (including area code):	
<b>B. Name, address, telephone number, and email address of the Proposer’s primary contact for this proposal.</b>	
Name:	
Address:	
City, State, ZIP Code:	
Telephone Number (including area code):	
Email Address:	
<b>2. Minimum Qualifications to Propose (Section 3.0):</b>	
<b>A. At the time of proposal submission, the Proposer has a minimum of five years’ experience providing private market consulting, advisory, monitoring, and reporting services to clients with aggregate private credit and other private market investments of at least \$5 billion (including at least one U.S. public pension fund client with total assets valued at \$25 billion or more).</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>B. The Proposed relationship manager (“Relationship Manager”) has a minimum of five years’ total institutional investor experience and has served as a relationship manager for at least two institutional investor clients.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>C. The Proposer is registered as an investment adviser under the Investment Advisers Act of 1940.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>3. Proposer’s Acknowledgement of Proposal Requirements:</b>	
<b>A. The proposal, including the Administrative, Technical, and Cost proposals, constitutes a firm and irrevocable offer for a period of 180 days from the date of submission to the Fund.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>B. By submission of a proposal, the Proposer agrees not to make any claims for, and waives any right to, any damages based on misrepresentations or misunderstanding of the RFP specifications or because of any lack of information.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>C. The Proposer can and will provide the Services as described in this RFP and its proposal if selected for award.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>D. The Proposer certifies that all information provided in connection with its proposal is true and accurate.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No*

<b>E. The Proposer warrants that, if selected for award, it will not delegate or subcontract its responsibilities for the Services.</b>		<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>F. The Proposer has read Appendix A (Standard Clauses for Contracts Entered into by the Comptroller of the State of New York as Trustee of the New York State Common Retirement Fund) and understands that Appendix A will be incorporated into the contract entered into between the Fund and the Selected Proposer.</b>		<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>G. The Proposer has reviewed the Draft Contracts (Attachment I), and the Proposer is willing to enter into an agreement in accord with the terms of the Draft Contract, should the Proposer be selected for contract award.</b>		<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>H. The Proposer shall act as a fiduciary to the Fund for the term of the Agreement.</b>		<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>I. The Proposer certifies that it has conducted or will conduct a background investigation on any Covered Staff prior to the Covered Staff commencing Services.</b>		<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>4. For Article XV. Representations, Warranties, and Covenants:</b>		
<b>The Proposer is an entity duly organized, validly existing, and in good standing under the laws of the State of:</b>	<b>The Proposer has authority to conduct business in the State of New York.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No*
<b>State:</b>		
<b>*A "No" Response in Sections 2, 3, and 4 may result in disqualification.</b>		
<b>5. Name, title, address, telephone number, and email address of the person authorized to receive notices with regard to the contract entered into as a result of this procurement. See Section XVIII of the Draft Contract (Attachment I), Notices.</b>		
<b>Name:</b>		
<b>Title:</b>		
<b>Address:</b>		
<b>City, State, ZIP Code:</b>		
<b>Telephone Number (including area code):</b>		
<b>Email Address:</b>		
<b>6. Taxpayer Identification Number:</b>		
<b>The Taxpayer Identification Number of the Proposer is _____.</b>		
<b>By my signature I affirm under penalty of perjury that I am duly authorized to legally bind the Proposer referenced above and I sign this Attachment A (Proposer's Certified Statements) as the legally binding act of the Proposer.</b>		
_____		
<b>Typed or Printed Name of Authorized Representative of the Proposer</b>		
_____		
<b>Title/Position of Authorized Representative of the Proposer</b>		

\_\_\_\_\_  
**Signature of Authorized Representative of the Proposer**

\_\_\_\_\_  
**Date**

**ATTACHMENT B**  
**PROPOSAL DOCUMENTS SUBMITTED**

<b>FOR THE ADMINISTRATIVE PROPOSAL</b>			
<b>TAB #</b>	<b>RFP §:</b>	<b>REQUIREMENT</b>	<b>INCLUDED</b>
1.	§7.1.A	<b>Attachment H</b> – CRF Vendor Responsibility and Conflict of Interest Disclosure Form, completed and signed	<input type="checkbox"/>
2.	§7.1.B	<b>Appendix E</b> – CRF Proposer’s Certifications/Acknowledgements, completed and signed	<input type="checkbox"/>
3.	§7.1.C	<b>Appendix G</b> – Material Conflicts of Interest Statement, completed, notarized, and signed	<input type="checkbox"/>
4.	§7.1.D	<b>Appendix F</b> – CRF Proposer’s Disclosure of Prior Non-Responsibility, completed and signed	<input type="checkbox"/>
5.	§7.1.E	Written statement regarding claimed Freedom of Information Law exceptions, if any <b>(recommended)</b>	<input type="checkbox"/>
<b>FOR THE TECHNICAL PROPOSAL</b>			
<b>TAB</b>	<b>RFP §:</b>	<b>REQUIREMENT</b>	<b>INCLUDED</b>
1.	§7.2.A-B	<b>Title Page &amp; Table of Contents</b>	<input type="checkbox"/>
2.	§7.2.C	<b>Attachment A</b> – Proposer’s Certified Statements, completed and signed	<input type="checkbox"/>
3.	§7.2.D	<b>Attachment D</b> – Minimum Qualifications	<input type="checkbox"/>
4.	§7.2.E	<b>Technical Submission</b> – Proposal contents as described in the RFP	<input type="checkbox"/>
5.	§7.2.F	<b>Attachment E</b> – References (minimum of THREE)	<input type="checkbox"/>
<b>FOR THE COST PROPOSAL</b>			
<b>TAB #</b>	<b>RFP §:</b>	<b>REQUIREMENT</b>	<b>INCLUDED</b>
1.	§7.3	<b>Attachment C</b> – Cost Proposal, completed and signed	<input type="checkbox"/>
<b>FOR ALL PROPOSALS</b>			
<b>RFP §:</b>		<b>REQUIREMENT</b>	<b>INCLUDED</b>
N/A	<b>§8.1.A OPTION 1</b>	Submit a single USB flash drive that has been scanned for malware and contains each of the complete Administrative, Technical, and Cost proposals <b>as separate files</b> as stated in Section 8.1.A. <b>(preferred)</b>	<input type="checkbox"/>
		Optional: Submit one paper copy of each complete Administrative, Technical, and Cost proposals <b>(recommended)</b>	<input type="checkbox"/>
N/A	<b>§8.1.B OPTION 2</b>	THREE paper Copies of the Administrative proposal	<input type="checkbox"/>
		FIVE paper Copies of the Technical proposal	<input type="checkbox"/>
		THREE paper Copies of the Cost proposal	<input type="checkbox"/>
		Submit a single USB flash drive that has been scanned for malware and contains each of the complete Administrative, Technical, and Cost proposals as separate files as stated in Section 8.1.B. <b>(requested)</b>	<input type="checkbox"/>

**ATTACHMENT C**  
**COST PROPOSAL**

<b>RFP24-05 – CREDIT, OPPORTUNISTIC, AND ABSOLUTE RETURN STRATEGIES INVESTMENT CONSULTANT</b> <b>(To be submitted separately from the Technical and Administrative proposals)</b>	
Proposer:	
<b>All-Inclusive Fee for all Services as described in Section 5.0 of the RFP:</b>	
All-Inclusive Annual Fee, Year 1:	\$
All-Inclusive Annual Fee, Year 2:	\$
All-Inclusive Annual Fee, Year 3:	\$
All-Inclusive Annual Fee, Year 4:	\$
All-Inclusive Annual Fee, Year 5:	\$
All-Inclusive Annual Fee, Year 6:	\$
Total All-Inclusive Fee:	\$

**ATTACHMENT D**

**MINIMUM QUALIFICATIONS**

**Include this document with your Technical Response.**

**Note: Fields will expand as you type.**

Complete the tables below, demonstrating how your firm meets the following minimum qualifications (“MQ”):

<p><b>MQ #1:</b> At the time of proposal submission, the Proposer has a minimum of five years’ experience providing private market consulting, advisory, monitoring, and reporting services to clients with aggregate private credit and other private market investments of at least \$5 billion (including at least one U.S. public pension fund client with total assets valued at \$25 billion or more).</p> <p>(Add rows as necessary)</p>		
Client	Private Credit/Other Private Market Investments Portfolio Value (\$)	Dates of Service
U.S. Pension Fund Client		
Name	AUM	Dates of Service

<p><b>MQ #2:</b> The proposed Relationship Manager has a minimum of five years’ total institutional investor experience and has served as a primary consultant for at least two institutional investor clients.</p>	
<p><b>Name of proposed Relationship Manager:</b></p>	
<p><b>Years of institutional investor experience:</b></p>	

<b>Served as the relationship manager for the following institutional investor clients:</b>	1.
	2.

<b>MQ #3:</b> The Proposer is registered as an investment adviser under the Investment Advisers Act of 1940.	
<b>Registered as an investment adviser under the Investment Advisers Act of 1940:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No



**ATTACHMENT E**

**INVESTMENT CONSULTING EXPERIENCE**

Include this document with your Technical Response.

If completing tables, note that fields will expand as you type.

<b>Proposer Name:</b>			
<b>INVESTMENT CONSULTING EXPERIENCE</b> List up to three individual engagements per strategy (additional strategies can be added):			
<b>Investment Strategy</b>	<b>Years of Experience</b>	<b>Type of Client</b>	<b>Type of Engagement</b>
Alternative Credit			
Alternative Credit			
Alternative Credit			
Strategic Investments			
Strategic Investments			
Strategic Investments			
Multi-Asset Investments			
Multi-Asset Investments			
Multi-Asset Investments			
Innovation/Niche Investments			
Innovation/Niche Investments			
Innovation/Niche Investments			

<b>Risk Mitigation/Risk Premia Strategies</b>			
<b>Risk Mitigation/Risk Premia Strategies</b>			
<b>Risk Mitigation/Risk Premia Strategies</b>			
<b>Absolute Return Strategies</b>			
<b>Absolute Return Strategies</b>			
<b>Absolute Return Strategies</b>			
<b>Other</b>			
<b>Other</b>			
<b>Other</b>			

**ATTACHMENT F**

**CLIENT LIST**

**Institutional Client List**

(Add rows as necessary.)

<b>Client Name</b>	<b>Entity Type (e.g., Public, Taft Hartley)</b>	<b>Client Inception Date</b>	<b>Services Provided</b>	<b>AUM</b>
				\$
				\$
				\$
				\$
				\$

**ATTACHMENT G  
REFERENCES**

Submit a minimum of THREE references for the Proposer from public pension or other institutional investor entities. At least one reference must be from a U.S. public pension fund with total assets valued at \$25 billion or more. One reference must be specific to the proposed Relationship Manager.

<b>PROPOSER:</b>	
Provide the following information for each reference submitted. Fields will expand as you type. Make additional copies of this form as needed.	
Reference Company #1:	
AUM (\$):	
Address:	
City, State, Zip:	
Contact Person:	
Telephone No.:	
Email Address:	
Has this reference terminated its relationship with the Proposer? If yes, why?	
Specify whether this reference is for the proposed Relationship Manager	<input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
Reference Company #2:	
AUM (\$):	
Address:	
City, State, Zip:	
Contact Person:	
Telephone No.:	
Email Address:	
Has this reference terminated its relationship with the Proposer? If yes, why?	
Specify whether this reference is for the proposed Relationship Manager	<input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
Reference Company #3:	
AUM (\$):	
Address:	
City, State, Zip:	

Contact Person:	
Telephone No.:	
Email Address:	
Has this reference terminated its relationship with the Proposer? If yes, why?	
Specify whether this reference is for the proposed Relationship Manager	<input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>

**ATTACHMENT H**  
**CRF VENDOR RESPONSIBILITY AND CONFLICT OF INTEREST DISCLOSURE FORM**

**Answer all questions completely. Failure to respond to any question could lead to disqualification. As to Conflicts of Interest questions, responses should address current conflicts, if any, as asked for below and potential conflicts generated by various business activities that may arise in connection with the provision of the Services. In each case, how those conflicts are mitigated must be described with specificity.**

*The person completing this form must be knowledgeable about the Vendor's business and operations. The person signing this form on Vendor's behalf must certify, under oath, all responses given are true to the best of the person's knowledge.*

**For each Yes response, Vendor must:**

- Attach a separate sheet and describe the issue/provide the information requested. Identify the relevant date for each issue.
- Identify actions taken or currently being implemented to ensure that the issue will not occur again.
- State whether the staff and/or organizational component involved in the identified issue(s) will be assigned to provide services to the CRF.
- State whether the issue will affect Vendor's financial or organizational ability to provide services to the CRF.
- Provide copies of relevant documents or any other information that would assist the CRF in its vendor responsibility evaluation.

Vendor Information	
Vendor Name	Federal Vendor ID/EIN #/NYS ID
Vendor Address	
Vendor Email	Vendor Phone

**I hereby certify that all of the attached responses to the CRF Vendor Responsibility and Conflict of Interest Disclosure Form are complete, true and accurate to the best of my knowledge after diligent inquiry.**

\_\_\_\_\_ Date

Authorized Signature

\_\_\_\_\_

Name and Title of Authorized Signatory

<b>Vendor includes any affiliate, any predecessor company or entity, owner, director, officer or key person</b>		
<b>Questions</b>		
1. Is Vendor, or does Vendor employ any officers, directors or key persons, affiliated* with New York State, the New York State and Local Retirement System, or the Common Retirement Fund? <i>If yes, on a separate sheet list all affiliations <u>and</u> identify whether any of the officers, directors, or key persons directly own interest of 10% or more of Vendor's business.</i>	<input type="checkbox"/> YES	<input type="checkbox"/> NO
2. Have there been any major corporate changes at Vendor in the past year (e.g., legal status, equity ownership, business model, management)?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
3. Is Vendor currently in violation of any federal or state securities law or regulation?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
4. Does Vendor use, or has it used in the past 5 years, any other business name, FEIN, or d/b/a other than that provided to the Fund?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
5. Does Vendor have data breach/cyber liability insurance? <i>If yes, attach a certificate of coverage.</i>	<input type="checkbox"/> YES	<input type="checkbox"/> NO
6. Has Vendor been a victim of a cyber breach within the past 5 years?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

\* As used herein, affiliated means:

- (1) the Comptroller or a family member of the Comptroller;
- (2) an officer or employee of New York State Office of the State Comptroller (OSC);
- (3) an individual or entity doing business with OSC or the Common Retirement Fund (CRF); or
- (4) an individual or entity that has a substantial financial interest in an entity doing business with OSC, the CRF or the New York State Retirement System.

<b>Question</b>		
7. Does Vendor have a process for determining compliance with gift and entertainment policies applicable to government contracts?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
8. Has Vendor, its affiliates, officers, directors, key persons or employees offered, made, or provided any gift or hospitality to a New York State employee in violation of the New York State gift restrictions**	<input type="checkbox"/> YES	<input type="checkbox"/> NO
9. Does Vendor agree to notify the CRF in the event Vendor becomes aware of any violation of the gift restrictions?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

\*\* New York State Public Officers Law provides that:

- (1) No Statewide elected official, state officer or employee, individual whose name has been submitted by the Governor to the Senate for confirmation to become a State officer or employee, member of the Legislature or Legislative employee shall, directly or indirectly solicit, accept or receive any gift having more than a nominal value, whether in the form of money, service, loan, travel, lodging, meals, refreshments, entertainment, discount, forbearance or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him/her, or could reasonably be expected to influence him/her, in the performance of his/her official duties or was intended as a reward for any official action on his/her part; and
- (2) No person shall, directly or indirectly, offer or make any such gift to a Statewide elected official, or any State officer or employee, member of the Legislature or Legislative employee under such circumstances.

Is Vendor or at any time within the past 5 years has Vendor been:		
10. the subject of or participated in litigation involving the New York State and Local Retirement System, the CRF, or the Comptroller?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
11. the subject of a criminal indictment, judgment, conviction or a grant of immunity, including pending actions?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
12. named in, been the subject of, or agreed to a settlement or judgment in a civil matter that (i) could substantially impact the financial integrity of the firm or its capacity to provide services to the CRF, or (ii) involves any of the same personnel the firm will assign to provide services to the CRF?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
13. the subject of an enforcement action, sanction, fine, citation, or other disciplinary action or proceeding by the SEC, FINRA, NASD, or bar association, stock exchange, regulatory or professional oversight entity where such was not dismissed with prejudice or did not result in a finding of no responsibility?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
14. the subject of a material finding; had fines or penalties assessed; been censured; had an unsatisfied judgment, injunction, or lien (including judgments for taxes owed) obtained by; or agreed to a settlement with any federal, state or local governmental or regulatory entity?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
15. the subject of or party to any charge, claim, investigation, suit, or proceeding pending, threatened or ongoing, before or by any court or regulatory agency (or represented a party to such) that would have a material adverse effect upon Vendor's services to the CRF or on Vendor's firm?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
16. the subject of a civil suit related to the type of services to be provided to the CRF?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
17. required to pay penalties or compensate any of its clients upon termination of services?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
18. the subject of a government suspension, debarment or rejection of any bid or disapproval of any contract, including pending actions, for (i) lack of responsibility, (ii) impermissible contacts or other violations of New York State law, (iii) denial or revocation of prequalification, (iv) a voluntary exclusion agreement, or (v) intentional provision of false or incomplete information to a governmental entity?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
19. the subject of a federal, state, or local government contract suspension or termination for cause prior to the completion of the term of a contract or been the subject of an administrative proceeding or civil action seeking specific performance or restitution in connection with any federal, state, or local government contract?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

20. List the regulatory bodies having oversight of Vendor.

NA

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Questions		
21. Is Vendor an SEC-registered investment adviser? <i>If yes, on a separate sheet describe how Vendor allocates investment opportunities among its clients.</i>	<input type="checkbox"/> YES	<input type="checkbox"/> NO



<p>22. Does Vendor provide consulting services <i>and</i> investment management or advice (regardless of whether such services are provided to the CRF)?</p> <p><i>If yes...</i></p> <ul style="list-style-type: none"> <li>• Fill out the Lines of Business chart below. Add rows as necessary.</li> <li>• Either describe below or attach Vendor's process to identify potential conflicts of interest.</li> </ul>	<input type="checkbox"/> YES	<input type="checkbox"/> NO
--	------------------------------	-----------------------------

**LINES OF BUSINESS:**

List all business lines from which Vendor has derived revenue during the past 5 years and the approximate percentage of total revenue represented by each line (e.g., consulting, asset management, broker dealer).

Business Line	Percentage of Total Revenue

Vendor's process to identify potential conflicts of interest.

Conflicts of Interest		
<p>23. Has Vendor identified any potential conflicts of interest with the New York State and Local Retirement System, the CRF or the Comptroller?</p> <p>Potential conflicts may relate to: economic or financial interests; fee or other compensation arrangements with sponsors (or affiliates) of private investment funds, other investment advisors, investment companies, broker dealers, municipal securities dealers, and any other person or entity that could, or could be reasonably perceived to, conflict with the Vendor's ability to provide unbiased and objective advice to the CRF.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• Vendor currently represents or provides services to a client whose interests have been, are, or may be adverse to the interests of the CRF;</li> <li>• Vendor has interests that conflict with or may be perceived to conflict with Vendor's ability to provide unbiased and objective advice to the CRF;</li> <li>• Vendor has within the previous 5 years, represented or provided services to a client whose interests were, or may have been, adverse to CRF interests.</li> </ul>	<input type="checkbox"/> YES	<input type="checkbox"/> NO

24. List and describe Vendor's business relationships involving New York State including its agencies, the New York State and Local Retirement System, the CRF, and the Comptroller during the past 5 years.

NA

New York State Entity	Relationship

25. Identify persons with substantial ownership interests in the Vendor; its key principals; its key staff who will be assigned to provide the Services; its Chief Compliance Officer (or serving in a similar capacity); and persons with substantial ownership interests in the Selected Proposer ("Covered Persons").

Name	Email address	Title and Capacity

**ATTACHMENT I  
DRAFT CONTRACT**



**AGREEMENT**

**BY AND BETWEEN**

**THE COMPTROLLER OF THE STATE OF NEW YORK, AS TRUSTEE**

**OF THE COMMON RETIREMENT FUND**

**AND**

**[CONSULTANT]**

**CONTRACT NUMBER: #ICM XXX**

**This Agreement** (“Agreement”) is by and between the Comptroller of the State of New York (the “Comptroller”), as Trustee of the Common Retirement Fund (the “CRF” or the “Fund”) whose principal office is located at 110 State Street, Albany, New York 12236, and [CONSULTANT], a [entity type], organized and existing under the laws of [STATE] (the “Consultant”) located at [ADDRESS].

## W I T N E S S E T H

**WHEREAS**, the Fund holds the assets of the New York State and Local Employees’ Retirement System and the New York State and Local Police and Fire Retirement System (collectively, the “New York State and Local Retirement System” or simply, the “System”);

**WHEREAS**, the Comptroller is charged with investing, managing, and holding the assets of the Fund, as the Trustee thereof;

**WHEREAS**, the Comptroller deems it to be in the best interest of the Fund to retain the Consultant to perform credit (“Credit”) and opportunistic and absolute return strategies (“OARS”) consulting services, in accordance with the Request for Proposals 24-05 (“RFP 24-05”) and the Consultant’s response thereto (“Proposal”);

**WHEREAS**, the Consultant represents that it is capable and willing to provide all of the services outlined in RFP 24-05 and the Consultant’s Proposal (collectively, the “Services”) upon the terms and subject to the conditions set forth herein; and

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements contained herein, the Comptroller and the Consultant agree as follows:

### **I. ENGAGEMENT OF THE CONSULTANT**

In reliance on the Consultant’s representations, warranties, and covenants set forth in the Proposal and as set forth herein, the Fund hereby engages the Consultant to perform, and Consultant agrees to provide, the Services at the request of authorized staff of the Fund. The Consultant shall not change or otherwise modify such Services without the prior written consent of the Comptroller (which consent may be granted or withheld by the Fund in its sole discretion). The Consultant accepts such engagement and agrees to perform its duties and fulfill its obligations with respect thereto upon the terms, and subject to the conditions, set forth herein.

### **II. TERM**

The term of this Agreement will be for a period of six years (“Initial Term”), effective as of final execution of this Agreement by the Fund. The Initial Term may, at the Comptroller’s sole discretion, may be extended under the same terms and conditions of this Agreement for one additional two-year period (“Extended Term”) (collectively, the Initial and Extended Terms are the “Term”).

### **III. ENTIRE AGREEMENT AND ORDER OF PRECEDENCE**

This Agreement includes the following documents; only documents expressly mentioned below are deemed a part of this Agreement. Conflicts between these documents will be resolved in the following order of precedence:

- A.** Appendix A – Standard Clauses for Contracts Entered Into by the Comptroller of the State of New York as Trustee of the New York State Common Retirement Fund;
- B.** The Agreement – this document, including:
  - Appendix B – OSC Policy Statement on Discrimination and Harassment, Including Sexual Harassment;

- Appendix C – OSC Executive Order on Procurement Integrity and OSC Procurement Integrity Procedures;
  - Appendix D – Insurance Regulations;
  - Appendix H – Policy Regarding Independence of Consultants Providing Investment Advisory Services;
- C.** Exhibit A – the RFP 24-05, including the Official Responses to Questions, and any and all amendments and addenda to RFP 24-05; and
- D.** Exhibit B – the Proposal (Exhibits B1 – Technical Proposal, B2 – Cost Proposal, and B3 – Administrative Proposal), as modified by any clarifications thereto, and including all Attachments, including completed:
- Appendix E – Proposer’s Certifications/Acknowledgements;
  - Appendix F – CRF Proposer’s Disclosure of Prior Non-Responsibility Determinations; and
  - Appendix G – Material Conflicts of Interest Statement.

#### **IV. SERVICES**

The Consultant shall perform the following services as described in RFP 24-05 and the Proposal (“Services”) at the request of Fund staff.

##### **A. Due Diligence and Investment Recommendation**

1. Source opportunities for the Credit and OARS portfolios.
2. Provide views on general issues and market conditions across the broad range of markets and investment themes that may impact or be a fit for the Credit and OARS portfolios.
3. Prior to undertaking any due diligence on an investment, provide written disclosure to CRF staff regarding the material terms of any existing or proposed relationship or arrangement with the manager or any of the manager’s affiliates (e.g., discretionary investment in manager’s or affiliates’ funds, investment allocation arrangement, fee discounts, volume discounts, etc.).
4. Review and make recommendations on investments that fall within the Credit and OARS universes, including appropriate asset allocation objectives, performance goals, and selection criteria. Such recommendation(s) must be in writing and include a detailed analysis of the investment(s) set forth in a final recommendation memo that incorporates robust investment and operational due diligence for appropriate investments, recommends a specific allocation amount, and certification that fees and expenses are reasonable and consistent with relevant market practices.
5. Conduct portfolio-level strategic due diligence on sector strategies and potential investment managers. Identify and monitor potential investment managers.
6. Work with Fund staff to ensure that portfolio construction is in line with the Credit and OARS portfolios’ strategic goals.
7. Screen investment opportunities deemed appropriate, including those forwarded by the Fund staff, and recommend those that merit thorough due diligence.

8. Assist Fund staff in preparing any information needed for presenting proposed investments to Fund committees.
9. Attend research, due diligence, and other investment-related meetings in Albany, New York City and other locations at the request of Fund staff.
10. Work with Fund staff to determine and develop the optimal investment structure for each potential investment including separately-managed accounts, funds of one, co-investments, direct investments, anchor and seed investments, and joint ventures.
11. Provide advice and assistance to Fund staff in the negotiation of the terms of investments.
12. Assist Fund staff with RFPs and Requests for Information (“RFIs”) including, drafting minimum qualifications and other mandatory and desirable requirements, the scope of work, and developing review and selection criteria.

**B. Portfolio Reporting and Monitoring**

1. Monitor portfolio risks and exposures and provide Fund staff with advice on observed issues.
2. Provide Fund staff with risk metrics and access to software to monitor, analyze, and manage the portfolios.
3. Report on and monitor investments.
4. Provide risk and exposure data to be incorporated into the Fund’s internal systems to aid in maintaining up-to-date and robust data for analysis, including incorporating risk analysis into the Fund’s total portfolio assessment.
5. Perform fee benchmarking and ongoing fee review to ensure manager fees are in line with or better than market.
6. Confirm and process all capital calls and distributions for the funds in the Credit and OARS portfolios in conformance with limited partnership agreements (“LPAs”), which includes assisting with the certification and validation of capital calls and providing wiring instructions to the Fund’s custodian bank for each capital call.
7. Provide fee confirmation, reconciliation to funds, and fee reporting for all of the funds in the Credit and OARS portfolios, including incentive fees and management fees.
8. Work with Fund staff to reduce both management and performance fees for current or new managers.
9. Provide regular updates to Fund staff on performance, risk and allocations to ensure that the selected managers fulfill the underwritten objectives and recommend redemptions, additions, and general portfolio management aid.
10. Provide Fund staff with ongoing analysis of portfolio structure and rebalancing, as well as investment pacing qualitatively and quantitatively.
11. Provide periodic updates and review of recommended underlying investment managers and report results to Fund staff on a regular basis.

12. Cooperate with representatives of the Fund, its advisors, consultants, and investment counsel, in preparation of documents and review of potential/existing investments related to the Fund.
13. Attend General Partners' annual meetings associated with any recommended investments.

## V. REPRESENTATIONS, WARRANTIES, AND COVENANTS

The Consultant hereby represents, warrants, covenants, and acknowledges that:

- A. **Organization.** The Consultant is an entity duly organized, validly existing, and in good standing under the laws of the State of [STATE] and has authority to conduct business in the State of New York.
- B. **Authority.** The Consultant has full power and authority to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized by all requisite action on the part of the Consultant and constitutes the valid, legal, and binding obligation of the Consultant, enforceable against it in accordance with its terms.
- C. **Not Affiliated.** The Consultant and its Staff (as defined herein) are not affiliated (as defined in Appendix D (Insurance Regulations)) with the Comptroller, the New York State Office of the State Comptroller ("OSC"), the System, or the Fund.
- D. **Skill and Expertise.** The Consultant and its Staff possess a high degree of skill and expertise with respect to the Services, and the Consultant maintains, and will maintain throughout the term of this Agreement, a professional Staff and facilities to perform the Services in a timely and professional manner.
- E. **Compliance with Applicable Law.** The Consultant and its Staff shall comply with the standards in effect under federal and state law as they may be amended from time to time or any successor provisions that apply to persons and entities serving in a similar capacity with respect to the Comptroller or the Fund (including, without limitation, the standards set forth in 11 NYCRR Subpart 136-2, attached as Appendix D (Insurance Regulations)), to the extent any such standard is applicable to the Consultant in the discharge of its duties under this Agreement.
- F. **No Material Adverse Effect.** Neither the Consultant nor its Staff is in violation of any federal or state laws or regulations and no charge, claim, investigation, suit, or proceeding before or by any court or regulatory agency is pending against any such person or, to the best knowledge of the Consultant, threatened, that could have a material adverse effect upon the performance of the Services.
- G. **No Compensation.** The Consultant represents and warrants that neither the Consultant nor its Staff has received or paid, or entered into an agreement to receive or pay, any compensation, fees, or any other benefit from or to any third party, to influence the outcome of this procurement.
- H. **Information Continues to be True.** All of the information contained in Consultant's Proposal was true in all material respects at the time of submission and continues to be true as of the date hereof.
- I. **Retention of Authority by the Comptroller.** The Comptroller retains all decision-making authority with respect to the management and administration of the Fund (including, but not limited to, the power to appoint and terminate the investment managers thereof and final decision-making authority with respect to the investment policies thereof). The

Consultant shall not have any (i) discretionary control over the Fund or the assets thereof; (ii) discretionary authority to negotiate the terms of any investment by the Fund or enter into any contract or other agreement with respect to an investment on behalf of the Fund; or (iii) responsibility for the actions of (including any advice given by) any Fund investment advisor or other service provider to the Comptroller or the Fund.

**J. Maintain Policies and Procedures.** The Consultant must maintain policies and procedures designed to ensure compliance with:

1. the confidentiality provisions set forth in Section XIV of this Agreement; and
2. applicable laws and regulations.

**K. Reporting.** The Consultant must promptly report in writing to the Comptroller whenever the Consultant becomes aware of (i) the occurrence of any activity that constitutes a breach of this Agreement, or (ii) a violation by the Consultant of any applicable law or regulation in connection with this Agreement. Such report must specify the activity(ies), the measures taken to resolve or rectify the effect of such activity(ies), and the expected timeframe for undertaking such resolution.

The Consultant must promptly notify the Fund of the commencement of any governmental investigation, enforcement action (or settlement action in lieu thereof), prosecution, proceeding, or governmental (criminal or civil) litigation against the Consultant or any Staff assigned to provide the Services to the Fund (excluding, in the case of a staff member, any family court matters or non-felony traffic offenses). In addition, the Consultant must notify the Fund of the commencement of any civil action reasonably likely to have a material adverse effect on the Consultant or the Services.

## **VI. STANDARDS OF CONDUCT**

The following sets forth the Consultant's Standards of Conduct. The Consultant acknowledges that it is a fiduciary where the Consultant exercises investment discretion or provides investment advice.

The Consultant must:

- A.** act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and
- B.** be governed by the highest standard imposed by:
  1. the standards in effect under federal and state law that apply to persons and entities serving in a similar capacity with respect to the Comptroller or the Fund (including, without limitation, the standards set forth in 11 NYCRR Subpart 136-2, attached as Appendix D, to the extent any such standard is applicable to the Consultant in the discharge of its duties under this Agreement), as they may be amended from time to time or any successor provisions;
  2. Sections 404 and 406 of Employee Retirement Income Security Act of 1974, as it may be amended ("ERISA") (as if the Fund were an employee benefit plan subject to ERISA, including Title I thereof, and not a governmental plan within the meaning of Section 3(32) of ERISA); and
  3. any other federal or state law affecting the Comptroller or the Fund that may impose a higher or comparable standard to the extent any such law is applicable to the Consultant in the discharge of its duties under this Agreement.
- C.** disclose conflicts that may affect the Consultant's ability to render unbiased and objective



advice to the Fund.

Except as may have been expressly provided herein, nothing in this Section VI Standards of Conduct shall limit or waive any rights the Fund may have pursuant to this Agreement. Nothing herein limits the Fund's rights to pursue any remedy under applicable law.

## **VII. CONFLICTS OF INTEREST, COMPLIANCE, AND ANNUAL COMPLIANCE QUESTIONNAIRE**

- A. Conflicts of Interest.** Consultant covenants and represents that the Consultant and its Staff currently have no material conflicts of interest, and shall make reasonable efforts to ensure that there shall be no material conflict, with respect to the Services and Consultant's obligations and duties: (i) under any other agreement to which it is a party or by which it is otherwise bound; or (ii) with respect to any other engagement of the Consultant or activity in which Consultant is involved.

During the Term of this Agreement, Consultant shall immediately notify the Fund, in writing, whenever it becomes aware of any situation that involves or appears to involve such a conflict of interest, or potential conflict, including any conflict that may affect Consultant's ability to render unbiased and objective advice.

Consultant must immediately recuse itself from its duties hereunder that give rise to such conflict of interest unless the Fund specifically waives such conflict in writing. The Fund may, in its sole discretion, dismiss the Consultant from any or all of its duties hereunder upon the occurrence of an actual or perceived conflict of interest and may also terminate the Agreement.

- B. Conflicts of Interest Annual Statement.** Consultant agrees to file annually with the Fund a statement acknowledging that it is aware of and in compliance with the above duty to disclose which statement will contain the following language:

"ALL INVESTMENT MANAGERS, AND CONSULTANTS OR ADVISORS OWE THE COMPTROLLER AND THE COMMON RETIREMENT FUND A FIDUCIARY DUTY. THIS MEANS THAT INVESTMENT MANAGERS, OR CONSULTANTS OR ADVISORS MUST DISCLOSE TO THE COMPTROLLER INFORMATION ABOUT MATERIAL CONFLICTS OF INTEREST. FAILURE TO TRUTHFULLY COMPLETE THIS STATEMENT MAY RESULT IN CRIMINAL OR CIVIL LIABILITIES."

- C. Compliance Questionnaire.** The Consultant agrees to complete an annual compliance questionnaire, which may change from year to year, and must be submitted electronically after receiving notification and instructions from the Director of Compliance. If the Consultant fails to complete the compliance questionnaire in a timely manner, the Fund has the option, in its sole discretion and without liability to the Consultant, or any third party, to terminate this Agreement. Such termination shall be deemed, for purposes of this Agreement, a termination for cause.
- D. Compliance With Policy Regarding the Independence of Consultants Providing Investment Advisory Services.** At all times during the Term of this Agreement, the Consultant shall comply with Fund's Policy Regarding the Independence of Consultants Providing Investment Advisory Services (attached as Appendix H) and shall not seek any investment by or from the Fund with respect to any transaction sponsored by the Consultant or any affiliate thereof unless specifically requested by the Fund's Chief Investment Officer. The Consultant shall maintain policies and procedures designed to ensure compliance with the foregoing policy.

## VIII. ETHICS OBLIGATIONS

The Consultant certifies that:

- A. Gifts Restriction.** The Consultant and its Staff have read and understand the provisions of Public Officers Law § 73 and § 74 including without limitation:
1. the provisions of § 73 (subd 5) which provides that (i) no Statewide elected official, State officer or employee, individual whose name has been submitted by the Governor to the Senate for confirmation to become a State officer or employee, member of the Legislature, or legislative employee (for the purposes of this Section VIII, "State official") shall, directly or indirectly solicit, accept or receive any gift having more than a nominal value, whether in the form of money, service, loan, travel, lodging, meals, refreshments, entertainment, discount, forbearance, or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence the State official, or could reasonably be expected to influence the State official, in the performance of the State official's duties or was intended as a reward for any official action on the State official's part; and (ii) no person shall, directly or indirectly, offer or make any such gift to a Statewide elected official, or any State officer or employee, member of the Legislature, or legislative employee under such circumstances (clauses (i) and (ii) collectively, the "Gift Restrictions").
  2. the provisions of § 73 (subd 8), which sets out (i) a two-year bar on a State employee from appearing before the State employee's former agency after leaving State service, and (ii) a life-time bar on a State employee from rendering services on any matters with respect to which the State employee was directly concerned during State service and in which the State employee personally participated, or which was under the State employee's active consideration during State service.
- B. Gift Restriction Certification.** The Consultant and its Staff shall not: (i) offer or provide any gift or hospitality to a State official or employee in violation of said Gift Restrictions, (ii) assign any former State employee to appear before OSC, the System or the Fund to perform services in violation of the two-year bar, or (iii) assign any former State employee to render services in violation of the lifetime bar. This certification is material to the Agreement and the Fund intends to rely on it.
- C. Gift Restriction Notification.** The Consultant must promptly report to the Fund any non-compliance with the above requirements to:
- Office of the State Comptroller  
110 State Street – 14<sup>th</sup> Floor  
Albany, New York 12236  
Attn: Special Counsel for Ethics
- and
- Office of the State Comptroller  
110 State Street – 14<sup>th</sup> Floor  
Albany, New York 12236  
Attn: Fund Director of Compliance
- D. Additional Ethical Requirement.** The Consultant shall not make or receive any gift, emolument, or benefit by reason of any business that it may direct to any person or broker arising out of or related to the Services rendered hereunder.

## **IX. RELATIONSHIP BETWEEN THE PARTIES**

The relationship of the Consultant to the Comptroller and the Fund pursuant to this Agreement is that of an independent contractor. In accordance with the Consultant's status as an independent contractor, the Consultant covenants and agrees that it shall ensure that its Staff will: (i) act in a manner consistent therewith; (ii) neither hold themselves out as, nor claim to be, officers or employees of the Fund, System, or the State, and (iii) not make any claim, demand, or application to or for any right or privilege applicable to an officer or employee of the State including, but not limited to, worker's compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership credit.

## **X. SUBCONTRACTING PROHIBITED**

The Agreement is intended to secure the personal services of the Consultant because of the ability and reputation of the Consultant and its staff. Therefore, none of the Services to be provided hereunder shall be subcontracted by the Consultant.

## **XI. STAFF**

- A. Staff Definition.** For the purposes of this Agreement, Consultant's staff means Consultant's employees providing Services. "Staff" includes, staff, and also owners, officers, directors, employees, subsidiaries, affiliates, partners, and agents of the Consultant; and Consultant's contractors (including third party services providers) and their employees who have access to the Fund's confidential information.
- B. Assignment of Relationship Manager.** The Consultant shall assign [NAME] as a Relationship Manager to oversee the Services provided to the Fund. The Fund expects the Relationship Manager to perform Services for the entire term of the Agreement. Substitutions of the Relationship Manager shall not be made without prior Fund approval. The Consultant must provide notice to the Fund as soon as practicable, but in any case, with no less than 14 days' notice prior to any such substitution. Consultant must, within seven days of such notice, provide resumes of the potential replacements for the Relationship Manager. Such replacements' skill level and experience must match or exceed the qualifications of the Relationship Manager. The Consultant must ensure that there is no gap in the Relationship Manager services and that any replacement Relationship Manager receives appropriate transition information.
- C. Fund Approval.** The Fund has final approval of any Staff assigned to provide Services and may refuse to approve any Staff based on its review of the Staff's responsibility to perform the required Services. The Fund reserves the right to disallow Consultant's Staff from providing Services to the Fund or require Consultant to remove a staff person from performing Services if such Staff is not performing in accordance with this Agreement, or for any reasonable work-related cause.
- D. Staff Integrity and Professional Capacity.** The Consultant certifies that Staff assigned to perform Services possess the necessary integrity and professional capacity to meet the Fund's reasonable expectations. Subsequent to the commencement of Services, or whenever the Consultant becomes aware, or reasonably should have become aware, that any Staff providing Services to the Fund no longer possesses the necessary integrity or professional capacity, the Consultant shall immediately discontinue the use of such Staff and notify the Fund.
- E. FIRCA.** The Federal Immigration Reform and Control Act, as amended (8 USC §1324a et al.), obligates employers, such as the Consultant, to verify that their United States-based employees are legally entitled to work in the United States. To confirm that such employees are legally entitled to work in the United States, the Fund reserves the right to request documentation attesting to such for any Consultant employee assigned to provide

Services in the United States. The Consultant warrants to the Fund that Consultant's employees assigned to provide Services in the United States are eligible for employment in the United States. The Consultant is responsible for ensuring that such employees retain the authorization to legally work in the United States throughout the period for which they provide Services in the United States. The Fund does not discriminate against individuals on the basis of national origin or citizenship. The Fund does not provide sponsorship.

- F. Responsibility.** Consultant is fully responsible to the Fund for the acts and omissions of Consultant and its Staff in connection with their performance hereunder and their adherence to all contract terms and conditions.

## **XII. COMPENSATION AND PAYMENT**

- A. Fees.** The Consultant will be compensated in accordance with the Consultant's Proposal, Exhibit B, attached hereto. Total compensation for the Services provided under this Agreement must not exceed the sum of \$[XXX].

**B. Invoices**

1. Compensation for Services provided pursuant to this Agreement will be payable by the Fund in the ordinary course of business following the Fund's receipt of the Consultant's approved invoice. Such invoices must be submitted quarterly in arrears.
2. All invoices must include the following information:
  - a. The Fund's Agreement #ICM [XXX], and Consultant's taxpayer identification number;
  - b. A description of Services provided;
  - c. The beginning and ending dates of the time period covered by the invoice; and
  - d. The expiration date of this Agreement.
3. All invoices are subject to the Fund's acceptance of the Services for which billing is being made and are to be submitted via email (preferred) to [PICMOperationsMailbox@osc.ny.gov](mailto:PICMOperationsMailbox@osc.ny.gov) or via hard copy mail to:

Office of the State Comptroller  
Division of Pension Investment and Cash Management  
110 State Street, 14<sup>th</sup> Floor  
Albany, NY 12236  
Attention: PICM Operations

- C. Billing Records.** Consultant must maintain adequate records to substantiate all claims for payment and, if requested, must make those records available in New York State for examination and copying.
- D. Withholding Payment and Final Payment.** The Fund reserves the right to withhold payment for the Consultant's failure to perform Services. The Consultant will not be entitled to final payment of its fees under this Agreement until it has satisfied all of its obligations hereunder.

## **XIII. INSURANCE**

- A. Consultant Insurance Requirements.** Throughout the Term of this Agreement, the Consultant shall maintain insurance coverage consistent with industry best practices for the nature and scope of Services to be provided, including the following insurance:

- Errors & Omissions;
- Commercial General Liability;
- [Fidelity/Blanket Bond Coverage plus Computer Crime (covering Employee Dishonesty);
- Data Breach and Privacy/Cyber Liability, including coverage for failure to protect confidential information and failure of the security of the Consultant's computer systems, which coverage must be without geographic or territorial limitation;
- Umbrella; and]
- Any other insurance required by law.

The Consultant must provide the Fund with certificates of insurance showing its respective coverages and applicable limits (including applicable deductibles and self-insured retention amounts) prior to the commencement of the Services. If Consultant is self-insured for any portion of its insurance program, a letter indicating the coverage and limits of such self-insurance, signed by Consultant's authorized representative with direct knowledge of and responsibility for Consultant's insurance/risk management program, must be submitted.

- B. Additional Insureds/Loss Payee.** The Comptroller and the Fund must be additional insureds as to Commercial General Liability, [Privacy/Cyber Liability, and Umbrella insurance and loss payee with respect to the Blanket Bond] Coverage. By requiring insurance, the Fund does not represent that Consultant's coverage and limits will be adequate to respond to any loss or claim arising from or relating to the Services or to satisfy Consultant's liability in relation thereto. Consultant's availability of insurance coverage limits (whether through a third-party insurer or self-insured) or lack thereof will not be deemed a limitation on the Consultant's liability to the Comptroller and the Fund under this Agreement.

#### **XIV. CONFIDENTIALITY AND SECURITY**

- A. Fund Confidential Information.** The Consultant shall treat as confidential all information concerning the Fund and its investments disclosed to the Consultant in the course of providing Services, either verbally, electronically, visually, or in written or other tangible form, which is either identified or should be reasonably understood to be confidential. Fund confidential information includes, but is not limited to, Fund trade data, bank account information, investments, investment strategies, investment guidelines, investment performance, proposed transactions, forecasts, financial information, documentation in respect of any of the foregoing, including legal agreements and terms of such agreements, and any investment manager information or data as may be collected by the Consultant in connection with the Services or received from the Fund provided to the Consultant on behalf of the Fund. "Fund Data" means any electronic data or other information pertaining to or related to the Fund that is maintained, processed, or transmitted by the Consultant, and includes Fund confidential information.
- B. Use and Retention of Fund Data.** The Consultant shall not reveal or use Fund Data without the prior written consent of the Fund and agrees that:
1. The Consultant shall use Fund Data solely for the purpose of carrying out its obligations to, or on behalf of, the Fund as set forth in this Agreement, and for no other purpose.
  2. Promptly after the termination or conclusion of the Agreement, the Consultant must sanitize Fund Data so as to protect Fund Data, except where Consultant is required to retain Fund Data pursuant to applicable law. After the destruction of the Fund Data, an officer or principal of the Consultant must certify to the Fund, in

writing and under penalty of perjury, that such destruction has been completed in accordance with the Office of Information Technology Services Policy for Sanitization/Secure Disposal in NYS-S13-003 or successor policy.

**C. Disclosure of Fund Data**

1. In the event of a receipt by Consultant of a valid order or mandatory request for disclosure of Fund Data from a judicial, administrative, or governmental agency having jurisdiction over it, the Consultant must, unless prohibited by applicable law, promptly notify the Fund thereof. The Consultant must, to the extent practicable, meet with the Fund for purposes of discussing such order or request prior to the submission of a response thereto, and shall, except to the extent prohibited as a matter of law, cooperate and assist the Fund in responding to any such order or request.
2. Consultant acknowledges that any unauthorized use or disclosure of Fund Data may cause irreparable damage to the Fund. If an unauthorized use or disclosure occurs, the Consultant must, at its expense, take such steps that are necessary to recover Fund Data and to prevent its subsequent unauthorized use or dissemination, including availing itself of actions for seizure and injunctive relief. If the Consultant fails to take such steps in a timely and adequate manner, the Fund may take them at the expense of the Consultant.

**D. Compliance with Laws.** In performing the Services, the Consultant must comply with: (i) all applicable international, federal, state, and local laws, rules, regulations, and governmental requirements now or hereafter in effect relating to the confidentiality or security of confidential information; (ii) applicable industry standards concerning data protection, confidentiality, and information security; (iii) security policies, procedures, statutes, regulations, and directives set forth in RFP 24-05; and (iv) applicable OSC facility security policies and procedures provided to Consultant.

**E. Data Security.** The Consultant represents and warrants that it has developed, implemented, and shall maintain comprehensive data security, disaster recovery, and business continuity programs (together, the "Security Programs") reasonably designed to protect information and conduct its business in accordance with current industry standards and applicable law. The Consultant further represents and warrants that it will monitor its Security Programs and audit such Security Programs at least annually. The Consultant agrees to adjust its Security Programs as necessary in accordance with the results of such audits [and to make its audit reports available to the Fund upon request].

**F. Security Incident Notifications**

1. To the extent not prohibited by applicable law, the Consultant shall notify the Fund promptly in writing upon the occurrence of any Security Incident in the most expedient time possible and without unreasonable delay, but in any event no later than within [48 hours] of such occurrence.
2. Any notice to the Fund under this Section F. Security Incident Notification will be made by:
  - a. Contacting OSC's Information Security Office by telephone at 518-474-9487 and by email to: [iso@osc.ny.gov](mailto:iso@osc.ny.gov); and
  - b. Contacting the Fund's Director of Operations, Michael Kelly, by telephone at 518-375-8151 and by email at [mkelly@osc.ny.gov](mailto:mkelly@osc.ny.gov) (or such other contact which the Fund may provide in writing).

Such notice must include a description of:

- i. the scope of the Security Incident; identification of the vulnerability in the affected system and the amount of time that such vulnerability existed; identification of potentially compromised Fund Data; the last time that the attacker (if applicable) had access to the affected systems or Fund Data; the identity of any third parties or otherwise unauthorized entity that may have accessed or obtained Fund Data as a result of the Security Incident; and identification of any misuse of any Fund Data involved in the Security Incident; and
  - ii. the efforts taken to contain and mitigate the impact of the Security Incident, including any retention of an outside law firm or cyber firm to assist in the effort, the involvement of law enforcement, and a reasonably detailed summary of the results of the investigation of the Security Incident. The Consultant shall provide prompt updates to the Fund of additional information discovered in the course of its investigation.
3. It is expressly agreed that the Consultant shall receive authorization from the Fund prior to making notifications of a Security Incident hereunder to the New York State Attorney General's Office or any regulating or reporting agencies, or making any determination to delay notifications due to law enforcement investigations, except as required to comply with the Consultant's legal obligations. The Consultant agrees that the Fund will have final approval over the form, content, mode of transmission, and timing of any notice to be provided concerning a Security Incident. Approval of notices and/or public disclosures required by law or other regulations will not be unreasonably withheld or delayed. This prior approval applies to any determination to delay notifications due to law enforcement investigations.

Nothing contained herein reduces or alters the Consultant's obligations under applicable law.

- G. "Security Incident"** means any exploited vulnerability or unauthorized or unlawful access to Fund Data, including any destruction, damage, loss, unauthorized use, unauthorized or unlawful disclosure of Fund information, any breach or compromise of the Consultant's computer data, applications, networks or devices (including the applications, networks, or devices of Consultant's contractors or service providers that access, store, process, or otherwise interact with Fund Data), including, in the absence of direct evidence of a Security Incident, any occurrence where it can be reasonably assumed under the circumstances that Fund Data was exposed, accessed, or disclosed without the Fund's prior written authorization.
- H. Connection Restrictions.** The Consultant is prohibited from connecting any non-State computer, electronic storage device, or telecommunications equipment to the OSC network; e.g., personal and corporate laptop computers, personal and corporate USB devices, smartphones, and tablets are included in this prohibition.
- I. Remedies.** The Consultant acknowledges and agrees that the Fund would not have an adequate remedy at law and would be irreparably harmed in the event that the provisions of this Section XIII Confidentiality and Security were not performed by the Consultant in accordance with the specific terms or were otherwise breached. Accordingly, the Fund shall be entitled to injunctive relief to prevent a breach of this Agreement and to specifically enforce the terms and provisions hereof, in addition to any other remedy that the Fund may be entitled at law or in equity. It is further understood and agreed that no failure to exercise or delay in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, and no single or partial exercise of any right, power, or privilege hereunder shall

preclude any other or further exercise of any right, power, or privilege. If any action is initiated by the Fund to enforce this Section XIII Confidentiality and Security, the Fund shall be entitled to reimbursement of all fees, costs, and expenses, including reasonable attorney's fees, incurred by it in connection therewith.

## **XV. BACKGROUND INVESTIGATIONS**

**A. Consultant Investigation of Staff.** Background investigations must be conducted by Consultant on its employees who will have (i) access to OSC's IT systems, (ii) access to Fund confidential information, or (iii) routine access to any OSC facility. For purposes of this requirement, "routine access" is defined as access to an OSC facility for five consecutive business days or 10 business days over the annual term of the engagement (any such staff in (i) – (iii) "Covered Staff").

**1. Background Investigation Certification.** The Consultant certifies that it has or will conduct a background investigation on Covered Staff prior to the Covered Staff commencing Services. The Consultant must obtain, unless prohibited by applicable law, the consent of such Covered Staff to allow the Office of the State Comptroller Inspector General to audit the results of these background investigations, and (i) to review unredacted background investigation records, including supporting documentation, and (ii) to conduct its own background investigation. The Fund reserves the right to prohibit any Covered Staff from providing Services if they do not provide such consent when requested by the Fund. The Consultant agrees to undertake a background investigation of any new/replacement Covered Staff during the Term of the Agreement.

Only Covered Staff who have passed the background investigation shall be assigned to provide Services.

**2. Records.** The Consultant must maintain records related to the background investigations performed during the Term of the Agreement and in accordance with Appendix A (Section 5, Records)

**3. Background Investigation Requirements.** At a minimum, background investigations shall include a review/evaluation of the following:

- identity verification, including Social Security Number or national identity number search, as applicable;
- employment eligibility, including verification of U.S. citizenship or legal immigration status, where appropriate;
- watchlists and a National Sex Offender Registry search;
- sanctions and OFAC search (including SEC information sheet);
- criminal history/court records (Federal, state and local for the past five years), as permitted under applicable law;
- work experience/history for the past five years;
- bankruptcy matters;
- financial Professional Registrations (IAPD, FINRA, NFA) pertinent skills, qualifications, and education/professional credential verification; and
- references.

**B. Fund Background Investigation.** A background investigation will be conducted by the Fund on the Consultant, its key principals, its key personnel assigned to provide the Services, its Chief Compliance Officer (or serving in a similar capacity), and persons with substantial ownership interests in the Consultant ("Covered Persons" as identified in



Attachment F (CRF Vendor Responsibility and Conflict of Interest Disclosure Form). The Fund may conduct subsequent background investigations on the Consultant where the Fund deems there has been a material change in circumstances or where an additional background investigation may be prudent.

Upon receipt of the Fund's notice of its intent to conduct such background investigation, the Consultant must provide to the Fund or its third-party vendor written consent of all individuals subject to the Fund's background investigation policy. Failure to obtain such consent is grounds for termination for cause of this Agreement.

## **XVI. INDEMNIFICATION AND LIABILITY**

- A. Consultant Liability and Indemnification.** The Consultant shall be fully liable to and shall indemnify, defend, and hold harmless the Comptroller and the Fund, their officials, agents, and employees, from charges, claims, investigations, suits, or proceedings, damages, and costs (including reasonable attorneys' fees and expenses) without limitation, as a result of: (i) the negligence, willful misconduct, fraud, bad faith, breach of the Standards of Conduct set forth herein, or violation of applicable law or regulation by the Consultant or any of its Staff; or (ii) the breach by the Consultant of any of the representations, warranties, or obligations set forth in this Agreement; provided however that the Consultant shall not be liable or obligated to indemnify for that portion of any claim, loss, or damage arising hereunder due to the negligence or willful misconduct of the Comptroller or the Fund.
- B. Indemnification is in Addition to Rights.** The indemnification obligation contained in this Section XVI Indemnification and Liability: (i) is in addition to, and not in lieu of, any other right, power, or remedy that the Comptroller and the Fund, or the officers, agents, representatives, and staff of the Comptroller or the Fund may have against the Consultant; and (ii) will not be construed to limit in any way the duties, responsibilities, and obligations of the Consultant set forth in this Agreement.
- C. Consultant Assistance.** If any claim is made, or any action brought, against the Comptroller or the Fund relating to the activities of the Consultant (including its Staff) or relating to the Services provided by the Consultant, the Consultant shall diligently render to the Comptroller and the Fund (without additional compensation) any and all assistance that may be reasonably requested by the Comptroller with respect thereto.
- D. Third Party Claims.** For third party claims for which the Fund is entitled to indemnification under this Agreement, the Fund will give the Consultant:
1. prompt written notice of any charge, claim, investigation, suit, or proceeding, or threat of such action relating to this Agreement;
  2. the opportunity to assume, settle, or defend any such action, claim, suit, or proceeding at Consultant's sole expense provided, however, that Fund may at any time retain its own counsel to monitor same and, moreover, may assume and defend its own legal interests to the extent that such are not aligned with the Consultant's legal interests or if Fund determines that there is an issue involving a significant public interest or such representation is in the Fund's best interest; and
  3. reasonable assistance in the defense of any such charge, claim, investigation, suit, or proceeding at the expense of Consultant.
- E. Limitations of Liability**
1. **No Consequential, Indirect, or Special Damages.** Notwithstanding the above, neither the Fund nor the Consultant will be liable for any consequential, indirect, or special damages of any kind.

2. **Force Majeure Events.** None of the Consultant, the Comptroller, nor the Fund will be liable for any delay or failure in performance beyond their control resulting from acts of war, hostility or sabotage; act of nature; electrical, internet, or telecommunications outage that is not caused by the obligated party; or government restrictions, or other force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such force majeure events upon performance of their respective duties under this Agreement.
3. **No Personal Liability.** Neither the Comptroller nor the Fund, nor any officer, employee, or agent thereof, will have any personal liability, directly or indirectly, under or in connection with this Agreement or any agreement made or entered into pursuant to the terms hereof.

F. **Fund Right of Set-off.** In the event that any claim is made, or any action is brought, against the Comptroller or the Fund arising out of any acts or omissions of the Consultant or any of its Staff for which Comptroller or the Fund would be entitled to indemnification, or by the Comptroller or the Fund against the Consultant or any of its Staff, the Comptroller and the Fund shall have the right to withhold further payments hereunder in sufficient sums for the purpose of set off (i.e., in order to cover said claim or action) or to seek reimbursement from the Consultant to the extent that said claim or action is determined by the Fund to arise from or relate to Consultant's negligence, gross negligence, willful misconduct, fraud, bad faith, breach of the Standards of Conduct, or violation of applicable laws or regulations; provided that the claim is a credible and realistic claim that the Comptroller or the Fund reasonably believes was caused by Consultant. The rights and remedies of the Comptroller and the Fund provided for in this clause are not exclusive and are in addition to, rather than in lieu of, any other rights and remedies provided by law or this Agreement.

## **XVII. INTELLECTUAL PROPERTY**

- A. **Work for Hire.** All work performed by Consultant and its Staff under this Agreement that is prepared solely for the Fund is intended as work for hire ("CRF Material"). Such work is specially ordered and commissioned for use as contributions to a collective work, or is other such work as specified by § 101(2) of the U.S. Copyright Act [17 U.S.C. 101(2)], and is intended to be a work for hire that is made for the use and ownership of the Fund. Furthermore, the Fund and the Consultant agree that the Fund is the owner of all copyrights regarding such work. The Consultant agrees to assign and hereby does assign to the Fund on behalf of the Consultant and its Staff, all rights, title, and interest in and to any intellectual property rights in the CRF Material and to the extent the CRF Material includes any Consultant intellectual property embedded in such works, the Consultant hereby grants the Fund a worldwide, royalty-free, fully paid-up right, and license to use the embedded Consultant intellectual property solely to the extent necessary to use and disclose the CRF Material in the manner contemplated under this Agreement. The Consultant warrants to the Fund that it, and all of its Staff, who have been, or may be used in regard to the Agreement, forfeit all past or future claims of title or ownership to the aforementioned work produced under the Agreement, all past or future claims of title or ownership to the work produced under the Agreement.
- B. **Consultant Intellectual Property.** Notwithstanding the above, in the course of performing Services, Consultant may make available to the Fund Consultant's research and advisory reports prepared generally for Consultant's clients ("Consultant Materials"). Consultant retains all intellectual property rights in the Consultant Materials and grants the Fund a perpetual license to such Consultant Materials for the Fund's internal business purposes, subject to the terms and conditions of this Agreement. Nothing herein shall be deemed to preclude the Consultant from otherwise using the Consultant Materials and the related or underlying general knowledge, skills, ideas, concepts, techniques, and experience developed in the course of Consultant's business.

- C. **Software/Intellectual Property and Other Licenses.** Consultant warrants and represents it has full ownership or has obtained all necessary rights to use or sublicense to the Fund, all proprietary or third-party software and other intellectual property and related documentation required by Consultant to provide the Services.

**XVIII. NOTICES**

Except as otherwise expressly set forth herein, or as otherwise required by applicable law with respect to any legal notices, demands, requests, or other communications in connection with any legal, judicial or quasi-judicial, action, claim, matter, or proceeding, any notice required or which may be given hereunder must be in writing and delivered personally or sent by certified, registered, or express mail, postage prepaid, but in all cases will be deemed given when actually received at the following addresses:

**TO THE FUND:**

Attention: Director of Operations  
Address: Office of the State Comptroller  
Division of Pension Investment and Cash Management  
110 State Street, 14th Floor  
Albany, NY 12236

**TO THE COUNSEL TO THE COMPTROLLER:**

Attention: Counsel to the Comptroller  
Address: Office of the State Comptroller  
Division of Legal Services  
110 State Street, 14th Floor  
Albany, NY 12236

**TO THE CONSULTANT:**

Attention:   
Title:   
Address:

The parties must notify each other, as soon as possible of any change to the above contact information. Either party may from time to time, by notice in writing served upon the other as aforesaid, designate a different mailing address or a different or additional person to whom all such notices to that party hereafter are to be addressed.

**XIX. TERMINATION AND SUSPENSION**

- A. **Fund Termination.** The Fund reserves the right to terminate or suspend this Agreement, or terminate or suspend the Services or a portion thereof, with or without cause, upon 30 days' prior written notice, except that the Fund may immediately terminate or suspend the Agreement or the Services if the Fund deems the Consultant's performance unsatisfactory at any time during the Term of this Agreement, in its sole discretion.
- B. **Immediate Termination.** The Fund reserves the right to terminate or suspend this Agreement or to terminate or suspend the Services or a portion thereof immediately upon written notice to the Consultant if the Fund deems the Consultant's performance unsatisfactory at any time during the term of this Agreement, in its sole discretion.

- C. Event of Default.** The occurrence of an actual or perceived conflict of interest involving Consultant shall constitute an “event of default,” and upon such occurrence, the Fund may, in its sole discretion and for cause, immediately terminate this Agreement and every other contract the Fund has with the Consultant, if any. The occurrence of an event of default hereunder shall be deemed to be a default on every other contract Consultant and its affiliates have with the Fund, and the Fund may immediately terminate those contracts for cause.
- D. Effect of Termination.** If this Agreement is terminated or suspended for any reason prior to its stated Term, including other such contracts terminated pursuant to XIX.C (Event of Default), the compensation to be paid to the Consultant will be prorated to the effective date of such termination or suspension based on the Services satisfactorily delivered to such termination or suspension date.
- E. Transition.** In the event of termination or conclusion of this Agreement, the Consultant agrees to perform such transition services as the Fund may reasonably request in connection with the transfer of any pending Services and Fund information to a successor consultant. The Consultant agrees to reasonably cooperate with any successor consultant.

**XX. MISCELLANEOUS PROVISIONS**

- A. Amendments, Modifications.** The Agreement cannot be changed, modified, or altered in any manner except by an instrument in writing executed by the parties.
- B. Waiver.** The waiver by either party of any default or breach of this Agreement does not constitute a waiver of any other subsequent default or breach, and no such waiver will be valid or effective unless such waiver is in writing, expressly refers to this Agreement, and is signed by the party to be bound thereby.
- C. Severability.** If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will not be affected thereby and every other term and provision of this Agreement will be valid and enforced to the fullest extent permitted by law to effectuate the intent of the parties.
- D. Survival.** All representations, warranties, and covenants contained herein or made pursuant hereto including, but not limited to, the provisions of Appendix A; Section V Representations, Warranties, Covenants; Section IX Relationship between the Parties; Section XIV Confidentiality and Security; Section XVI Indemnification and Liability; Section XVII Intellectual Property; and Section XX Miscellaneous Provisions, will survive the suspension, termination, or conclusion of this Agreement.
- E. Public Communication.** Neither the Consultant nor any of its Staff will, at any time, either during the Term of or after expiration or termination of this Agreement, make any statement to the press or issue any material for publication through any media of communication bearing on the Services performed or data collected under this Agreement, without prior written approval of the Fund, unless otherwise required by applicable law. Neither the Consultant nor any of its Staff will use the name or seal of the Comptroller, the Fund, the State of New York, or their officials or employees, in any manner, including but not limited to: (i) in any advertisement, publication, press release, or promotion; or (ii) as an express or implied endorsement of any products or services, except as necessary to perform the Services.
- F. Counterparts.** This Agreement may be executed in counterparts, each of which when executed shall be deemed an original, and all of which taken together shall constitute one and the same agreement with the same effect as if such signatures were upon the same instrument. This Agreement and corresponding attachments may be executed by

electronic signature process in accordance with State law.

- G. Incorporation of Amendments to Applicable Laws.** Any references to sections of federal or state statutes or regulations shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.
- H. Titles/Section Headings.** The title and headings of the sections of this Agreement are for convenience of reference only and do not affect the meaning or operation of this Agreement.

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement. This Agreement may be executed in counterparts, each of which constitute an original and all of which, when taken together, constitute one instrument. The use of electronic signatures made in accordance with applicable law shall be of the same legal effect, validity, and enforceability as a manually-executed signature.

**CONTRACT NUMBER: ICM XXX**

**[CONSULTANT]**

**COMPTROLLER OF THE STATE OF NEW YORK  
AS TRUSTEE OF THE COMMON RETIREMENT FUND**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**PRINTED NAME**

**ANASTASIA TITARCHUK**

**PRINTED NAME**

\_\_\_\_\_  
**TITLE**

**CIO AND DEPUTY COMPTROLLER, PENSION  
INVESTMENT AND CASH MANAGEMENT**

**TITLE**

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**DATE**

## APPENDIX A

### STANDARD CLAUSES FOR CONTRACTS ENTERED INTO BY THE COMPTROLLER OF THE STATE OF NEW YORK AS TRUSTEE OF THE NEW YORK STATE COMMON RETIREMENT FUND

The parties to the attached contract, license, lease, amendment or other agreement of any kind (the "Contract") agree to be bound by the following clauses, which are hereby made a part of the Contract. As used in this Appendix A the term "Contracting Party" refers to any party to the Contract other than the Comptroller of the State of New York (the "Comptroller") as Trustee of the New York State Common Retirement Fund (the "Fund"), or the Fund itself.

1. **NON-ASSIGNMENT CLAUSE.** Neither the Contract nor any of the Contracting Party's right, title or interest herein may be assigned, transferred, subcontracted, conveyed, sublet or otherwise disposed of without the prior written consent of the Fund, and any attempts to assign the Contract without the Fund's written consent shall be null and void.
2. **NON-DISCRIMINATION REQUIREMENTS.** The Contracting Party will comply with all applicable State and Federal statutory and constitutional anti-discrimination provisions relating to employment.
3. **WAGE AND HOURS PROVISIONS.** If this is a public work contract covered by Article 8 of the New York State Labor Law, or a building service contract covered by Article 9 thereof, neither the Contracting Party's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, the Contracting Party and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rate for overtime pay, as determined by the State Labor Department in accordance with the Labor Law.
4. **INTERNATIONAL BOYCOTT PROVISIONS.** The Contracting Party agrees, if the Contract exceeds \$5,000, as a material condition of the Contract, that neither the Contracting Party nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the Federal Export Administration Act of 1979 (50 USC App. Sections 2401, et seq.) or regulations thereunder. If such Contracting Party, or any of the aforesaid affiliates of the Contracting Party, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the Contract's execution, the Contract shall be rendered forfeit and void. The Contracting Party shall so notify the Comptroller within five (5) business days of such conviction, determination or disposition of appeal.
5. **RECORDS.** The Contracting Party shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under the Contract (collectively, the "Records"). The Records must be kept for the balance of the calendar year in which they are created and for six (6) additional calendar years thereafter. The Fund, or, at the sole discretion of the Comptroller, the Attorney General or any other person or entity authorized by the Comptroller to conduct an examination, shall have access to the Records during normal business hours at an office of the Contracting Party within the State of New York, or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The Fund shall take reasonable steps to protect from public disclosure any of the Records that are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute"), provided that: (i) the Contracting Party timely informs an appropriate official, in writing, that the Records should not be disclosed; (ii) the Records are sufficiently identified; and (iii) designation of the Records as exempt under the Statute is appropriate as determined by the Comptroller. The Contracting Party hereby consents to: (i) submit to a review by the Superintendent of the New York State Department of Financial Services of fees paid by the Fund to the Contracting Party and services rendered by the Contracting Party to the Fund; and (ii) respond in writing to any inquiry or request for information by the Superintendent of the New York State Department of Financial Services concerning fees paid by the Fund to the Contracting Party and services

rendered by the Contracting Party to the Fund, in each case, pursuant to the terms of the Contract. Nothing contained herein shall diminish, or in any way adversely affect, the Fund's right to discovery in any pending or future litigation.

**6. NON-DISCRIMINATION IN EMPLOYMENT IN NORTHERN IRELAND.** If the Contracting Party has business operations in Northern Ireland, it shall take lawful steps in good faith to conduct those business operations in accordance with the MacBride Fair Employment Principles relating to non-discrimination in employment and freedom of workplace opportunity regarding such operations in Northern Ireland and, upon the request of the Comptroller, shall permit independent monitoring of the Contracting Party's compliance with such principles.

**7. CONFLICTING TERMS.** In the event of a conflict between the terms of the Contract (including any and all attachments thereof) and the terms of this Appendix A, the terms of Appendix A shall control.

**8. GOVERNING LAW.** Unless otherwise expressly agreed to by the Parties, the Contract shall be administered, construed and enforced according to the laws of the State of New York (without regard to any conflict of laws provisions) to the extent such laws have not been preempted by applicable federal law. Any action at law, suit in equity, or other judicial proceeding for the enforcement of the Contract or any provisions thereof shall be instituted only in the courts of the State of New York. Any suit for money damages against the Fund must comply with the New York State Court of Claims Act.

**9. NO ARBITRATION.** Disputes involving the Contract, including the breach or alleged breach thereof, shall not be submitted to binding arbitration.

**10. SERVICE OF PROCESS.** In addition to the methods of service allowed by the State Civil Practice Law & Rules, the Contracting Party hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon the Contracting Party's actual receipt of process or upon the Fund's receipt of the return thereof by the United States Postal Service as refused or undeliverable. The Contracting Party must promptly notify the Fund, in writing, of each and every change of address to which service of process can be made. Service by the Fund to the last known address shall be sufficient. The Contracting Party will have thirty (30) calendar days after service hereunder is completed in which to respond.

**11. CONFLICTS DISCLOSURE.** If this is a Contract for investment management services, investment advisory services, or any related service or product, the Contracting Party represents and covenants that it (i) does not have any conflict of interest not previously disclosed to the Fund in writing that could reasonably be expected to impair its ability to provide unbiased and objective investment advice or decisions, (ii) will promptly disclose in writing to the Fund any such conflict that it may have hereafter, and (iii) will annually file a statement with the Fund that it is in compliance with these requirements, which statement shall include the following language:

"[THE CONTRACTING PARTY] ACKNOWLEDGES THAT IT OWES THE COMPTROLLER A FIDUCIARY DUTY. THIS MEANS THAT, AMONG OTHER THINGS, [THE CONTRACTING PARTY] MUST DISCLOSE TO THE COMPTROLLER INFORMATION ABOUT MATERIAL CONFLICTS OF INTEREST. [THE CONTRACTING PARTY] ACKNOWLEDGES THAT FAILURE TO TRUTHFULLY COMPLETE THIS STATEMENT MAY RESULT IN CRIMINAL OR CIVIL LIABILITY."

**12. POLITICAL CONTRIBUTIONS.** If this is a Contract for investment management or investment advisory services, the Contracting Party represents that neither it nor any of its Covered Associates (as defined in the Investment Advisers Act of 1940, as amended (the "Advisers Act")) has made any political contributions that would be in violation of Rule 206(4)-5 or Rule 204-2 under the Advisers Act with respect to the Contract.

**13. CERTAIN REQUIREMENTS.** The Contracting Party will take no action (or fail to take a required action) (a) in violation of any relevant anti-money laundering legislation, rule, regulation or order administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, including



Subtitle B, Chapter V of Title 31 of the U.S. Code of Federal Regulations, in each case as amended from time to time, or (b) enter into any transaction or activity with (i) any Person appearing on the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control in the United States Department of the Treasury, (ii) any other Person with whom a transaction is prohibited by Executive Order 13224, the USA PATRIOT Act, the Trading with the Enemy Act or the foreign asset control regulations of the United States Treasury Department, in each case as amended from time to time, (iii) any Person known by the Contracting Party (after reasonable inquiry) to be controlled by any Person described in the foregoing items (i) or (ii), or (iv) any Person having its principal place of business, or the majority of its business operations (measured by revenues), located in any country described in the foregoing item (ii). The Contracting Party also agrees that it will not make any payment to any Person in violation of the U.S. Foreign Corrupt Practices Act (as amended from time to time), or any other applicable anti-money laundering or anti-terrorism statute or regulation. For the purposes of this provision, the term "Person" includes any individual, partnership, firm, corporation, limited-liability company, joint venture, association, trust, unincorporated organization, nation, government, territory or other political or governmental agency, authority or unit.

**14. MWBE STRATEGY.** Pursuant to Retirement and Social Security Law Section 423-C, the Comptroller has established a Minority- and Women-Owned Business Enterprise ("MWBE") asset management and financial institution strategy ("strategy") which includes tracking and reporting on the identity and participation of MWBE entities that do business with the Fund. In accordance with the strategy, the Contracting Party will cooperate with the Comptroller or his representatives who seek information needed to determine the minority and women composition of the Contracting Party's owners and managers.

**15. NO INDEMNIFICATION.** The Fund will not indemnify nor hold harmless the Contracting Party from suits, damages, costs or attorney fees in actions brought by third parties against the Contracting Party.

**16. PRIOR NON-RESPONSIBILITY DETERMINATIONS.** By signing the Contract, the Contracting Party certifies that within the past four years it has not been found to be non-responsible based on [i] impermissible Contacts or other violations of New York State law, or [ii] the intentional provision of false or incomplete information to a governmental entity. If this certification is intentionally false or intentionally incomplete, the Comptroller may exercise his right to terminate the Contract; in that event the Contract shall be deemed terminated and of no further force and effect within five (5) days from the date the Comptroller provides written notification to the Contracting Party of such termination. If the Contracting Party cannot certify as to the above, prior to signing the Contract it must disclose such finding(s) of non-responsibility and explain the circumstances that led to such findings. If such disclosure and/or explanation is/are intentionally false or intentionally incomplete, the Comptroller may exercise his right to terminate the Contract as stated above.

**17. INFORMATION SECURITY BREACH AND NOTIFICATION ACT.** To the extent applicable to the Contract, the Contracting Party shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208, as each such provision may hereafter be amended).

April 8, 2013

## APPENDIX B

### OSC POLICY STATEMENT ON DISCRIMINATION AND HARASSMENT, INCLUDING SEXUAL HARASSMENT

#### DISCRIMINATION AND HARASSMENT

It is the policy of the Office of the State Comptroller (“OSC”) to provide a workplace that is free of discrimination and harassment based on race, color, sex (including sexual orientation, self-identified or perceived sex, gender expression, gender identity and the status of being transgender), creed or religion, age, national origin, disability, marital status, military or veteran status, predisposing genetic characteristics, domestic violence victim status or any other classification protected by state or federal law, rule or regulation or executive order.

Discrimination is defined as the failure or refusal to hire, promote, or train an individual or treat that individual equally with respect to compensation, terms, conditions or privileges of employment because of that individual’s membership in any one of the above classes. Harassment based upon a person’s membership in any of the above classes is included within the definition of discrimination.

In keeping with its policies, OSC reaffirms that it will not tolerate such discrimination or harassment in its workplace and that it will take appropriate action to prevent and stop the occurrence of such conduct in its workplace. OSC employees and any third parties who interact with OSC employees in the workplace are expected to avoid any behavior or conduct that could be interpreted as discrimination/harassment based on membership in any of the above classes.

Examples of conduct that may constitute harassment based upon membership in one of the above classes include, but are not limited to:

- kidding or teasing related to membership in, or characteristic of one of the above classes, such as laughing at or mimicking someone’s physical or mental impairment, foreign accent, etc.;
- using ethnic or racial slurs;
- conduct that denigrates or shows hostility toward an individual because of protected class status, and that has the purpose or effect of creating an intimidating, hostile or offensive environment; and
- telling jokes that belittle a member or members of one of the above classes.

#### SEXUAL HARASSMENT

Sexual harassment, a form of discrimination, is defined as unwelcome conduct which is either of a sexual nature, or which is directed at an individual because of that individual’s sex when:

- such conduct is made either explicitly or implicitly a term or condition of employment;
- submission to or rejection of such conduct is used as the basis for employment decisions affecting an individual’s employment; or
- such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile, or offensive work environment, even if the complaining individual is not the intended target of the sexual harassment.

Examples of sexual harassment include, but are not limited to, sexual innuendo; suggestive comments; sexually-oriented kidding, teasing or practical jokes; jokes about gender-specific traits; jokes about sexual orientation, or perceived masculinity or femininity of individuals; foul or obscene language or gestures; display of foul, obscene or sexually suggestive printed or visual material; physical conduct such as touching or patting; sexually-oriented email or phone mail messages; suggestive or obscene letters, notes, or invitations; inappropriate discussions of a person’s physical appearance; or unwelcome gifts and attention.

A perpetrator of harassment can be a superior, subordinate, co-worker or anyone in the workplace, including an independent contractor, contract worker, vendor, client, customer or visitor.

Questions about what behavior constitutes discrimination or harassment, including sexual harassment, or requests for OSC Executive Orders and policies on such matters may be directed to the OSC Division of Diversity Management at (518) 473-1368.

August 31, 2021

## APPENDIX C

### OSC EXECUTIVE ORDER ON PROCUREMENT INTEGRITY

Whereas, it is the policy of the Office of the State Comptroller (OSC) and the New York State Common Retirement Fund (CRF) to procure goods and services in a fair, equitable and open manner and to protect the procurement process from improper influences; and

Whereas, procurement lobbying activities must be monitored and documented to assure the integrity of the procurement process;

Now, therefore, I, Thomas P. DiNapoli, Comptroller of the State of New York, in consideration of the foregoing, do hereby order as follows;

1. **Applicability.** This executive order applies to determinations by OSC or CRF to award a contract for the acquisition of any goods, services, or information technology. Decisions to invest or disinvest CRF assets in securities, properties, or other investment vehicles, and selections of investment advisors or managers whose services are integral to the administration of CRF investments, remain subject to the Comptroller's fiduciary responsibility to administer the CRF prudently to increase and preserve CRF assets on behalf of its beneficiaries. In addition, selection of counsel to represent the CRF in transactional, investment or litigation matters remain subject to the Comptroller's fiduciary responsibilities. Although such CRF investment decisions and selections are not subject to this executive order, they shall be made in a fair and equitable manner, in accordance with the Comptroller's fiduciary responsibilities.
2. **General Counsel.** The General Counsel shall have general responsibility for the prevention of improper influence relative to all procurement contracts awarded by OSC or CRF. The General Counsel shall form such committees or draw upon OSC staff as needed to fulfill this responsibility.
3. **Procedural Controls.** The General Counsel shall develop, in consultation with the executive staff of OSC, procedural controls in the form of written Procurement Integrity Procedures. Such procedures shall:
  - a. require that decisions made on the award of procurement contracts shall be made in accordance with Article 11 of the State Finance Law, free from any improper influence;
  - b. require that any OSC employee who has direct knowledge of any improper influence or attempted improper influence shall immediately make a record of the improper influence or attempted improper influence relating to a bid, proposal or a procurement contract and notify the General Counsel or appropriate Division of Legal Services staff designated by the General Counsel;
  - c. prohibit contact relating to a bid or proposal, during the procurement process, between all OSC personnel involved in the determination of the procurement contract award and any employee, agent, or consultant of a bidder or proposer competing for the contract, except for contacts authorized by the procedures established pursuant to this executive order;
  - d. establish procedures for appropriate contacts between OSC personnel involved in the determination of a procurement contract award and the employees, agents or consultants of a bidder or proposer for the purpose of clarifying a bid or proposal. Such authorized contacts shall only be for the purpose of providing information to OSC personnel to assist them in understanding and assessing the qualities, characteristics and anticipated performance of a product or service offered by a bidder or proposer, and shall occur only at such times and in such manner as have been authorized by the procedures established pursuant to this executive order;
  - e. provide for appropriate contacts between OSC personnel and the employees, agents or consultants of a proposer for the purpose of negotiating contract terms after the evaluation of bids or proposals and selection of a contractor have been completed;
  - f. establish a process for the review by the General Counsel of any allegations of improper influence or attempted improper influence, and for the imposition of sanctions if such improper activity has been found to exist.

4. Incorporation of Procedural Controls in Contract Documents. The Procurement Integrity Procedures required by this executive order shall be incorporated into all OSC and CRF procurement solicitations and contracts.
5. Periodic Review. The General Counsel shall periodically review the Procurement Integrity Procedures with OSC personnel in order to ascertain potential areas of exposure to improper influence and to adopt desirable revisions for more effective avoidance of improper influences.
6. Sanctions. Any OSC employee who violates the Procurement Integrity Procedures may be subject to disciplinary action. Any vendor who violates the Procurement Integrity Procedures may be found to be a non-responsible vendor, and on the basis of such finding, may be ineligible to receive a contract award.

\_\_\_\_\_/s/\_\_\_\_\_  
\_\_\_\_\_

Thomas P. DiNapoli  
Comptroller, State of New York

Last Revised Date: March 14, 2007  
Original Date: February 14, 2002

## OSC PROCUREMENT INTEGRITY PROCEDURES

In order to ensure that procurements of goods or services<sup>1</sup> by the Office of the State Comptroller (OSC) or the Common Retirement Fund (CRF) are conducted in a fair, equitable and open manner, the procedures set forth below shall apply to the procurement process.

The General Counsel to the Comptroller shall have general responsibility for the prevention of improper influence relative to all procurement contracts awarded by OSC or CRF.

A copy of these Procurement Integrity Procedures will be given to every OSC employee, consultant, or other person assigned to any task related to an OSC or CRF procurement. A copy of these procedures will be incorporated into every Request for Information (RFI), Request for Proposals (RFP) or Invitation for Bids (IFB) issued by OSC or CRF.

Any OSC employee who violates these procedures may be subject to disciplinary action, such as a reprimand, suspension, demotion, or dismissal. Any vendor who violates these procedures may, after notice and an opportunity to be heard, be determined to be a non-responsible vendor, and on the basis of such a determination may be ineligible to receive a contract award.

Every reasonable effort will be made to assure compliance with these procedures, but a minor deviation from these procedures that does not impair the fairness and integrity of the procurement process will not require the invalidation of a contract award.

1. OSC employees must provide every interested vendor<sup>2</sup> with an equal opportunity to compete. No information may be given to one vendor without being made available to all other interested vendors. Vendors should be asked to submit every substantive question<sup>3</sup> concerning the procurement in writing not later than the date specified by OSC for such questions; and a copy of each question, together with OSC's written answer, should be supplied to all interested vendors and included in the procurement record.
2. Unless otherwise directed by the General Counsel to the Comptroller, OSC's Assistant Comptroller for Administration or a designee will serve as the coordinator for all procurement-related contacts between OSC personnel and vendor personnel. All telephone calls, correspondence, and meeting requests must be routed to: Assistant Comptroller for Administration, Office of the State Comptroller, 110 State Street – 13<sup>th</sup> Floor, Albany, NY 12236, telephone: (518) 474-7574, Fax: (518) 473-9377, Email: [RFP@osc.state.ny.us](mailto:RFP@osc.state.ny.us). OSC's Assistant Comptroller for Administration, or a designee, will maintain a record of all such contacts.
3. A vendor may not exert or attempt to exert any improper influence<sup>4</sup> relating to the vendor's bid or proposal. Any OSC employee who has direct knowledge of any improper influence or attempt to exert an improper influence concerning a procurement contract shall immediately make a record of the improper influence or attempted improper influence and notify the General Counsel to the Comptroller. The General Counsel to the Comptroller shall thereupon cause an investigation to be

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<sup>1</sup> These procedures apply to determinations by OSC or CRF to award a contract for the acquisition of any goods, services, or information technology, except that they do not apply to (i) decisions to invest or disinvest CRF assets in securities, properties, or other investment vehicles, (ii) selections of investment advisors or managers whose services are integral to the administration of CRF investments, and (iii) selection of counsel to represent the CRF in transactional, investment or litigation matters. Such CRF investment decisions and selections remain subject to the Comptroller's fiduciary responsibilities, and are to be made in a fair and equitable manner in accordance with those responsibilities.

<sup>2</sup> For the purposes of these procedures, the term "interested vendor" means a person or firm that has received or requested a Request for Information (RFI), an RFP, or an IFB issued by OSC or CRF.

<sup>3</sup> For the purposes of these procedures, the term "substantive question" means an inquiry concerning a material requirement of the procurement process, such as a technical specification or a financial prerequisite. The term does not apply to ministerial matters, such as the time and place or manner of submitting a bid or proposal.

<sup>4</sup> For the purposes of these procedures, the term "improper influence" means any attempt to achieve preferential, unequal, or favored consideration of a bid or proposal based on considerations other than the merits of the proposal, including but not limited to, any conduct prohibited by the Ethics in Government Act, as set forth in Public Officers Law sections 73 and 74.

made and shall recommend such action, if any, as may be necessary.

4. Unless otherwise directed by the General Counsel to the Comptroller, OSC's Assistant Comptroller for Administration or a designee will be responsible for approving and scheduling all contacts between OSC employees and vendor personnel concerning procurements.
5. Vendors are expected to obtain information relating to an OSC or CRF procurement only from an OSC employee or other person designated by OSC. Vendors who seek information from other sources are cautioned that they rely on such information at their own risk.
6. Every IFB and RFP shall require vendors to identify in their bids or proposals the persons authorized to represent the vendor by name, address, telephone number, place of principal employment and occupation. This requirement applies not only to vendor employees involved in the submission of the vendor's bid or proposal but also to every individual or organization employed or designated by the vendor to attempt to influence the procurement process<sup>5</sup>. If, after submission of a bid or proposal, a vendor retains an individual or organization to attempt to influence the procurement process, then the name, address, telephone number, place of principal employment and occupation of such individual or organization shall be disclosed in writing to OSC or CRF prior to any contact with OSC or CRF and such disclosure shall be included in the procurement record. IFBs and RFPs shall require that vendors indicate in their bids or proposals or subsequent disclosures whether each contact individual or organization has a financial interest in the procurement.
7. All contacts between OSC personnel and vendor personnel during which a procurement-related matter is discussed in any way must be by telephone, in writing, or in person at the place of business of OSC or the vendor or at a place designated by OSC. Written documentation of all such discussions must be filed by the Assistant Comptroller for Administration or designee in the procurement record.
8. During the procurement process no lunch, dinner, or other meal shall be accepted by a member of the OSC staff from an interested vendor, except that a presentation, interview or similar session occurring at the place of business of OSC or a vendor or at a place designated by OSC may include a refreshment break.
9. The evaluations of competing bids or proposals and the recommendations and deliberations of OSC evaluation or selection committees shall be based solely on the merits of the bids or proposals, free from any improper influence.
10. Prior to the public release by OSC or CRF of an Invitation for Bids (IFB) or Request for Proposals (RFP), no OSC employee may disclose the contents of any portion of an IFB or RFP to any person not employed by OSC or any other person not authorized by the Assistant Comptroller for Administration or designee unless such disclosure is specifically authorized by the Assistant Comptroller for Administration, who shall only authorize such disclosure if he or she determines that such disclosure will not impair the fairness and integrity of the procurement process.
11. The evaluation of competing bids or proposals shall be conducted strictly in accordance with the detailed evaluation and selection procedures documented in the procurement record prior to the initial receipt and opening of the bids or proposals. The Assistant Comptroller for Administration or a designee shall issue the detailed evaluation and selection procedures to the members of the evaluation and selection committees prior to the distribution of the bids or proposals to the committee members for evaluation.
12. During the evaluation and selection phases of the procurement process, no OSC employee may disclose any part of a bid or proposal to any other person, except that (i) a member of an evaluation or selection committee may discuss a proposal with another member of the same committee, and (ii)

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<sup>5</sup> For the purposes of these procedures, the term "attempt to influence the procurement process" means any attempt to influence any determination by OSC or CRF by a person other than an OSC employee with respect to (i) the solicitation, evaluation or award of a procurement contract; or (ii) the preparation of specifications or request for submissions of bids or proposals for a procurement contract.

a member of an evaluation or selection committee may disclose a proposal or a portion of a proposal to a person assigned to assist in the evaluation or selection process, as described below.

13. With the approval of the Assistant Comptroller for Administration or designee, evaluation or selection committees may appoint OSC employees or other experts to provide supporting services or information to assist in the evaluation of proposals and the selection of a contractor.
14. At the discretion of the Assistant Comptroller for Administration or a designee, any person to whom a bid or a proposal or a portion of a bid or a proposal is disclosed may be required to comply with a written non-disclosure or confidentiality agreement setting forth the terms and conditions under which such person is entrusted with the bid or proposal or portion thereof.

October 11, 2011

**APPENDIX D**

**INSURANCE REGULATIONS**

**OFFICIAL COMPILATION OF CODES, RULES AND REGULATIONS OF THE STATE OF NEW YORK**

**TITLE 11. INSURANCE**

**CHAPTER IV. FINANCIAL CONDITION OF INSURER AND REPORTS TO SUPERINTENDENT**

**SUBCHAPTER F. PUBLIC RETIREMENT SYSTEMS**

**PART 136. PUBLIC RETIREMENT SYSTEMS**

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**§136-2.1 Purpose**

(a) Section 314(b) of the Insurance Law authorizes the Superintendent of Financial Services to promulgate certain standards with respect to the public retirement and pension systems of the State of New York or of a municipality thereof. Specifically, subsection (b) states as follows:

“(b) Notwithstanding any other provision of law to the contrary, the superintendent shall have, in addition to any other powers conferred upon him by law, the following authority with respect to any system: \*\*\*

(2) to promulgate and amend from time to time, after consultation with the administrative heads of systems and after a public hearing, standards with respect to actuarial assumptions, accounting practices, administrative efficiency, discharge of fiduciary responsibilities, investment policies and financial soundness...”

(b) This Subpart establishes standards for the management of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System (hereinafter, collectively, “the Retirement System”), and the New York State Common Retirement Fund (hereinafter “the Fund”). These standards are intended to assure that the conduct of the business of the Retirement System and the Fund, and of the State Comptroller (as administrative head of the Retirement System and as sole trustee of the Fund) are consistent with the following principles:

(1) the retirement system and the fund shall operate under a strong governance framework with a rigorous system of internal controls;

(2) the retirement system and the fund shall maintain a high level of operational transparency;

(3) the Comptroller shall adhere to and manage the retirement system and the fund with the highest ethical, professional and conflict of interest standards;

(4) the Comptroller shall have a fiduciary responsibility to act for the sole benefit of the retirement system's members and beneficiaries; and

(5) the retirement system and the fund shall be managed in the most efficient and effective manner possible.



## **§136-2.2 Definitions**

The following words and phrases, as used in this Subpart, unless a different meaning is plainly required by the context, shall have the following meanings:

(a) Retirement system shall mean the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System.

(b) Fund shall mean the New York State Common Retirement Fund, a fund in the custody of the Comptroller as trustee, established pursuant to Section 422 of the Retirement and Social Security Law, which holds the assets of the retirement system.

(c) Comptroller shall mean the Comptroller of the State of New York in his capacity as administrative head of the Retirement System and the sole trustee of the fund.

(d) OSC shall mean the Office of the State Comptroller.

(e) Consultant or advisor shall mean any person (other than an OSC employee) or entity retained by the fund to provide technical or professional services to the fund relating to investments by the fund, including outside investment counsel and litigation counsel, custodians, administrators, broker dealers, and persons or entities that identify investment objectives and risks; assist in the selection of investment managers, securities, or other investments; or monitor investment performance.

(f) Investment manager shall have the meaning set forth in Retirement and Social Security Law section 424-a(2)(a).

(g) Placement agent or intermediary shall have the meaning set forth in Retirement and Social Security Law section 424-a(2)(b).

(h) Investment policy statement shall mean a written document that, consistent with law, sets forth a framework for the investment program of the fund.

(i) Third party administrator shall mean any person or entity that contractually provides administrative services to the retirement system, including receiving and recording employer and employee contributions, maintaining eligibility rosters, verifying eligibility for benefits or paying benefits and maintaining any other retirement system records. Administrative services do not include services provided to the fund relating to fund investments.

(j) Unaffiliated Person shall mean any person other than: (1) the Comptroller or a family member of the Comptroller, (2) an officer or employee of OSC, (3) an individual or entity doing business with OSC or the fund, or (4) an individual or entity that has a substantial financial interest in an entity doing business with OSC or the fund. For the purpose of this paragraph, the term "substantial financial interest" shall mean the control of the entity, whereby control means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of the entity, whether through the ownership of voting securities, by contract (except a commercial contract for goods or non-management services) or otherwise; but no individual shall be deemed to control an entity solely by reason of his being an officer or director of such entity. Control shall be presumed to exist if any individual directly or indirectly owns, controls or holds with the power to vote ten percent or more of the voting securities of such entity.

(k) Family member shall mean any person living in the same household as the Comptroller, and any person related to the Comptroller within the third degree of consanguinity or affinity.

### **§136-2.3 Fiduciary Responsibilities**

(a) The Comptroller is a fiduciary and as such shall act solely in the interests of the members and beneficiaries of the retirement system. At all times the Comptroller shall perform his or her responsibilities with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

(b) The fund shall at all times be under the control of the Comptroller, who shall adopt an investment policy statement and any amendments to such as needed. Key elements of an investment policy statement shall include, without limitation:

- (1) investment purpose;
- (2) investment objectives;
- (3) roles and responsibilities of the Comptroller, and the Comptroller's staff and committees, with respect to investments of the assets of the fund;
- (4) investment guidelines and limits encompassing all types of investments;
- (5) asset allocation targets, including procedures for rebalancing;
- (6) standards for measuring investment performance and evaluating investment risk; and
- (7) any other guidelines adopted by the Comptroller with respect to specific investment related issues, including, but not limited to, securities lending, proxy voting, brokerage, and securities litigation.

(c) No investment or loan transaction shall be made by the fund unless the same has been approved in writing by the Comptroller. The Comptroller may delegate his or her powers of investment to a committee or agent of the Comptroller in accordance with the fund's investment policy statement. Such committee or agent shall render timely written reports of its activities to the Comptroller under a schedule to be established by the Comptroller, and shall render special reports whenever requested by the Comptroller. The Comptroller shall furnish any such reports promptly upon the request of the superintendent.

(d) In respect to the delegation of investment powers, the Comptroller shall regularly review:

- (1) the present holdings in the investment account;
- (2) any material changes in the account during the preceding period;
- (3) the reasons for such changes and the results achieved thereby;
- (4) the investment activity in the account including the rate of turnover; and
- (5) any other factors that the Comptroller considers pertinent to an analysis of financial performance and planning, consistent with his or her obligation as a fiduciary.

(e) The Comptroller shall adopt, as shall be deemed necessary, such mortality, service and other tables recommended by the retirement system's actuary and certify the rates of deduction from compensation and ascertain contributions by the employers computed to be necessary to pay the benefits authorized under the provisions of law. The Comptroller shall also submit to the superintendent, in writing, the reasons for the decision not to adopt such recommendations presented by the retirement system's actuary.

(f) The Comptroller shall not reverse, reject, or unduly delay the adoption of the recommendations of the retirement system's medical board in the performance of its statutory duty, unless such rejection, reversal or delay is supported by objective reasons stated, in writing, by the Comptroller.

(g) The Comptroller shall ascertain when contributions to the retirement system are due and institute appropriate procedures to enforce prompt payment thereof. Contributions for a fiscal year that are more than three months overdue shall be reported to the superintendent by a schedule appended to the annual statement filed with the Department of Financial Services.

(h) Neither the Comptroller, nor any consultant or advisor, investment manager, agent or employee, shall:

(1) deal in the assets of the retirement system or the fund for his or her own account;

(2) act in any capacity in any transaction involving the retirement system or the fund on behalf of a party whose interests are adverse to the retirement system or the fund;

(3) receive any consideration from any party other than OSC, the retirement system or the fund in connection with a transaction involving the retirement system or the fund; or

(4) own or maintain any indicia of ownership or personal interest in any assets of the retirement system or the fund other than an interest in the retirement system as a member or beneficiary.

(i) The Comptroller shall require proper minutes of meetings of any committee established by law, regulation or the Comptroller. The Comptroller shall furnish such minutes promptly upon the request of the superintendent.

(j) The Comptroller shall be responsible for ensuring that all members of any committees established by law or regulation or by the Comptroller to assist in the management of the retirement system or in the investment of the assets of the fund have been, (1) provided with appropriate information pertaining to their duties and their fiduciary and ethical responsibilities and (2) provided training with respect to discharge of their fiduciary duties and responsibilities to the fund.

#### **§136-2.4 Governance Responsibilities and Ethics Provisions**

(a) Committees.

(1) The Comptroller shall appoint committees required by statute, regulation, or executive order of the Comptroller, including but not limited to, the Investment Advisory Committee and the Real Estate Advisory Committee (also known as the Mortgage Advisory Committee) required by Section 423 of the Retirement and Social Security Law. The Comptroller shall establish and administer written ethical standards applicable to the members of such committees. The ethical standards shall establish a financial disclosure and conflicts of interest process designed to ensure that decisions are made for the benefit of the retirement system members and beneficiaries. Such ethical standards shall be published on the OSC public website.

(2) The Comptroller shall authorize the investment advisory committee to review the investment policy statement and offer advice regarding amendments to the investment policy statement as needed.

(3) The Comptroller shall develop a process to receive and investigate complaints from any source, or upon his or her own initiative, concerning allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by a committee member. The process shall be set forth in written guidelines and such guidelines shall be published on the OSC public website.

(b) Employees.

(1) All employees of OSC who have responsibility for matters related to the fund are subject to the applicable provisions of the Public Officers Law.

(2) All employees of OSC who have responsibility for matters related to the fund shall be provided training with respect to discharge of their duties and responsibilities to the fund.

(3) The Comptroller shall develop a process to receive and investigate complaints from any source, or upon his or her own initiative, concerning allegations of corruption, fraud, criminal activity, conflicts of interest or abuse in OSC by a State officer or employee relating to his or her office or employment. The process shall be set forth in written guidelines and such guidelines shall be published on the OSC public website.

(c) Investment managers, and consultants or advisors.

(1) The Comptroller shall require that investment managers, and consultants or advisors:

(i) promptly disclose to the fund in writing any conflict of interest the investment manager or consultant or advisor may have which could reasonably be expected to impair the investment manager's, or consultant or advisor's ability to render unbiased and objective advice; and

(ii) file annually with the fund a statement acknowledging that they are aware of and that they are in compliance with the above standard. Such statement shall contain the following language:

"ALL INVESTMENT MANAGERS, AND CONSULTANTS OR ADVISORS OWE THE COMPTROLLER A FIDUCIARY DUTY. THIS MEANS THAT INVESTMENT MANAGERS, OR CONSULTANTS OR ADVISORS MUST DISCLOSE TO THE COMPTROLLER INFORMATION ABOUT MATERIAL CONFLICTS OF INTEREST. FAILURE TO TRUTHFULLY COMPLETE THIS STATEMENT MAY RESULT IN CRIMINAL OR CIVIL LIABILITIES".

(2) The Comptroller shall establish transparent procurement guidelines and procedures with respect to procurement of all investment managers, and consultants or advisors. Such guidelines and procedures shall be published on the OSC public website. The method of selection of investment managers, and consultants or advisors shall be documented in writing, in a procurement record.

(3) The Comptroller shall develop a process to receive and investigate complaints from any source, or upon his or her own initiative, concerning allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by a person or entity having business dealings with the fund relating to such dealings. The process shall be set forth in written guidelines and such guidelines shall be published on the OSC public website.

(d) Placement agents or intermediaries. In order to preserve the independence and integrity of the fund, to prevent potential conflicts of interest, and to assist the Comptroller in fulfilling his or her duties as a fiduciary to the fund, the fund shall not engage, hire, invest with, or commit to an investment manager that is using the services of a placement agent or intermediary to assist such investment manager in obtaining investments by the fund, nor shall the fund engage, hire, invest with, or commit to an investment manager without obtaining from such investment manager a certification in the form and manner prescribed by the fund stating that such investment manager has not used the services of a placement agent or other intermediary to assist such investment manager in obtaining investments by the fund.

(e) Audit committee. Consistent with his or her obligations as a fiduciary, the Comptroller shall establish an audit committee for the retirement system and the fund comprised exclusively of unaffiliated persons, one of whom shall reflect the interests of public employees and one of whom shall reflect the interests of public employers. The Comptroller shall:

- (1) develop and audit committee charter for the committee;
- (2) establish written standards for the selection of audit committee members;
- (3) authorize the audit committee to review and report to the Comptroller on the internal audit plans and the internal audit and regulatory examination reports related to the retirement system and the fund;
- (4) authorize the audit committee to review and report to the Comptroller on the procurement of external auditor services by the retirement system and the fund;
- (5) authorize the audit committee to review and report to the Comptroller on the annual audit process related to the retirement system and the fund and the Comprehensive Annual Financial Report, which shall include meeting with external auditors to review the adequacy of internal controls and significant findings and recommendations; and
- (6) authorize the audit committee to develop quarterly progress reports to the Comptroller that, at a minimum, discuss:
  - (i) the audits of the retirement system and the fund scheduled to be conducted, along with the scope of the audits;
  - (ii) the audits of the retirement system and the fund completed; and
  - (iii) significant audit findings and recommendations related to the retirement system and the fund.

#### **§136-2.5 Transparency and Financial Reporting**

(a) All records, including work papers for the preparation of the annual statement filed with the superintendent, shall be available to the Department's examiners and be maintained in accordance with the requirements of 11 NYCRR Part 243 (Regulation No. 152).

(b) The comptroller shall require that all agreements with consultants or advisors, investment managers, or third party administrators include provisions that require the person or entity to:

- (1) submit to a review by the superintendent concerning fees paid by the fund and services rendered to the fund; and
- (2) respond in writing to any inquiry or request for information by the superintendent concerning fees paid by the fund and services rendered to the fund.

(c) Books of account and records of the retirement system and of the fund shall be maintained by fiscal year for which the retirement system files reports.

(d) The comptroller shall maintain a classification of its accounts, numbered and titled, together with an accurate description of the content of each account by debit and credit. The classification of accounts shall be consistent with the requirements of the accounting and financial reporting standards of the Governmental Accounting Standards Board and of any other reporting requirement judged to be necessary by the superintendent.

(e) The comptroller shall maintain records that set forth the expenses incurred by the retirement system and the fund on their behalf in the course of operations.

(f) The comptroller shall have on his or her staff an internal auditor who shall report to the comptroller and shall submit regular reports of the audits of the retirement system's and fund's records, accounting procedures, and investment operations, including recommendations for improvement and correction. The comptroller shall require the internal auditor to conduct audits on an annual basis based on risk assessment criteria of the operations of the retirement system and the fund, including audits of business relationships with the retirement system and the fund. The comptroller shall share all internal and external audit reports related to the retirement system and the fund with the audit committee. The comptroller shall furnish any such reports promptly upon the request of the superintendent.

(g) The comptroller shall:

(1) file with the superintendent an annual statement in the format prescribed by section 307 of the Insurance Law, including the retirement system's financial statement, together with an opinion of an independent certified public accountant on the financial statement;

(2) file with the superintendent the Comprehensive Annual Financial Report within the time prescribed by law, but no later than the time it is published on the OSC public website;

(3) disclose on the OSC public website, on at least an annual basis, all fees paid by the fund to investment managers, consultants or advisors, and third party administrators;

(4) disclose on the OSC public website the fund's investment policies and procedures; and

(5) require fiduciary and conflict of interest reviews of the fund every three years by a qualified unaffiliated person.

### **§136-2.6 Financial Soundness and Actuarial Principles**

(a) Consistent with his or her obligations as a fiduciary, the Comptroller shall establish an actuarial committee comprised exclusively of unaffiliated persons that have expertise and experience in actuarial science.

(b) The Comptroller shall:

(1) develop an actuarial committee charter for the committee;

(2) establish written standards for the selection of actuarial committee members;

(3) authorize the actuarial committee to make recommendations to the retirement system actuary regarding actuarial assumptions and methodologies; and

(4) authorize the actuarial committee to review and report to the Comptroller on the financial soundness of the retirement system.

### **§136-2.7 Implementation**

(a) Failure to implement provisions of applicable law or regulation shall be regarded as a breach of fiduciary responsibility.

(b) The Comptroller, any officer or employee of OSC, or any other person or entity having a fiduciary responsibility to the fund, who willfully violates or knowingly participates in a violation of any fiduciary

standard promulgated pursuant to Section 314 of the Insurance Law or other applicable law or regulation, shall be guilty of a breach of fiduciary responsibility.

(c) In the event the superintendent determines that there is reasonable cause to believe that the breach has occurred, the superintendent shall, after providing notice to the Comptroller or his or her designee, and to the subject officer or employee of OSC or such other person or entity having a fiduciary responsibility to the fund, transmit a notice of reasonable cause to: the Temporary President of the Senate and the Speaker of the Assembly, if the notice relates to the Comptroller; or to the Comptroller, if the notice relates to an officer or employee of OSC or to any other person or entity having a fiduciary responsibility to the fund.

(d) In any case where the superintendent determines that there is reasonable cause to believe that a breach by the Comptroller, an officer or employee of OSC, or any other person or entity having a fiduciary responsibility to the fund, has resulted in a depletion of the fund, the superintendent, after providing notice to the Comptroller or the Comptroller's designee, may transmit a copy of his or her determination to the Attorney General or any other appropriate civil or criminal law enforcement authorities for any appropriate further action.

(e) In any case where the superintendent's transmittal results in an adjudication that the fund has been depleted by reason of any breach, the adjudication will be published on the OSC public website.

(f) This Subpart shall take effect upon publication in the State Register, and will apply to all contracts related to the management of the Fund entered into or renewed by the Comptroller subsequent to that date.

*Amended 6/09/21*

**APPENDIX E**

**CONTRACTOR'S CERTIFICATIONS/ACKNOWLEDGEMENTS**

**CONTRACTOR'S ACKNOWLEDGEMENT OF RECEIPT OF  
OSC POLICY STATEMENT ON DISCRIMINATION AND HARASSMENT, INCLUDING SEXUAL HARASSMENT**

The Contractor and each person signing on behalf of the Contractor acknowledges that the person signing this document has the authority to sign on behalf of the Contractor, has received a copy of the OSC Policy Statement on Discrimination and Harassment, Including Sexual Harassment (Appendix C), and agrees to abide by the terms of that Policy Statement.

**CERTIFICATION OF COMPLIANCE WITH STATE FINANCE LAW § 139(L)  
REGARDING SEXUAL HARASSMENT POLICY AND ANNUAL TRAINING**

"By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that the bidder has and has implemented a written policy addressing sexual harassment prevention in the workplace and provides annual sexual harassment prevention training to all of its employees. Such policy shall, at a minimum, meet the requirements of § 201-g of the NYS Labor Law."

Note: Reference to bid includes proposals and other responses to solicitations. Reference to bidder includes proposers and Contractors.

**NON-COLLUSIVE BIDDING CERTIFICATION**

The Contractor and each person signing on behalf of the Contractor certifies, and in the case of a joint bid each party thereto, certifies as to its own organization, under penalty of perjury, that to the best of the person's knowledge and belief:

1. The prices in this Agreement have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other competitor;
2. Unless otherwise required by law, the prices which have been quoted in this Agreement have not been knowingly disclosed by the Contractor and will not knowingly be disclosed by the Contractor, directly or indirectly, to any other competitor; and
3. No attempt has been made or will be made by the Contractor to induce any other person, partnership, or corporation to submit or not to submit a bid for the purpose of restricting competition.

**CONTRACTOR'S ACKNOWLEDGEMENT OF RECEIPT AND UNDERSTANDING OF OSC EXECUTIVE ORDER ON  
PROCUREMENT INTEGRITY**

The Contractor and each person signing on behalf of the Contractor acknowledges that receipt of a copy of the OSC Executive Order on Procurement Integrity and OSC Procurement Integrity Procedures (Appendix D) and affirms, under penalty of perjury, that the person signing understands such Executive Order and Procedures and will comply with them.

**THE SIGNATURE(S) BELOW INDICATES AGREEMENT WITH EACH OF THE ABOVE**

\_\_\_\_\_  
**CONTRACTOR/PROPOSER NAME**

\_\_\_\_\_  
**JOINT PROPOSER NAME (IF ANY)**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**PRINTED OR TYPED NAME**

\_\_\_\_\_  
**PRINTED OR TYPED NAME**

\_\_\_\_\_  
**TITLE**

\_\_\_\_\_  
**TITLE**

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**DATE**

*Add additional signature lines below for additional Joint Proposers, as necessary*

May 17, 2019



**APPENDIX F**

**CRF PROPOSER'S DISCLOSURE OF PRIOR NON-RESPONSIBILITY DETERMINATIONS**

1. Has the Proposer been found by any governmental entity to be non-responsible within the past four years from the date of this proposal due to either:

a. impermissible contacts or other violations of New York State Law; or

Yes

No

b. intentional provision of false or incomplete information to a governmental entity?

Yes

No

If your answer to either of the above is "Yes," please attach a written explanation, indicating the date of such finding, the entity that found non-responsibility, and the circumstances surrounding such finding (including any written finding of non-responsibility issued by such entity).

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed or Typed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Procurement Number/Name

\_\_\_\_\_  
Date

February 29, 2012

**APPENDIX G**

**MATERIAL CONFLICTS OF INTEREST STATEMENT**

As provided in Part 136-2.4(c) of Chapter IV of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York, investment managers, and consultants or advisors shall promptly disclose to the Common Retirement Fund in writing any conflict of interest the investment manager or consultant or advisor may have which could reasonably be expected to impair the investment manager's, or consultant or advisor's ability to render unbiased and objective advice.

Investment managers, and consultants or advisors hereby acknowledge that they are aware of and in compliance with the above standard, and agree as follows:

**ALL INVESTMENT MANAGERS, AND CONSULTANTS OR ADVISORS OWE THE COMPTROLLER AND THE COMMON RETIREMENT FUND A FIDUCIARY DUTY. THIS MEANS THAT INVESTMENT MANAGERS, OR CONSULTANTS OR ADVISORS MUST DISCLOSE TO THE COMPTROLLER INFORMATION ABOUT MATERIAL CONFLICTS OF INTEREST. FAILURE TO TRUTHFULLY COMPLETE THIS STATEMENT MAY RESULT IN CRIMINAL OR CIVIL LIABILITIES.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

STATE OF \_\_\_\_\_ }

\_\_\_\_\_ }

COUNTY OF \_\_\_\_\_ }

**SS.:**

On the \_\_\_\_\_ day of \_\_\_\_\_ in the year 20\_\_\_\_\_, before me personally appeared \_\_\_\_\_, known to me to be the person who executed the foregoing instrument, who, acknowledged to me that he/she/they maintains an office at \_\_\_\_\_, and further that he/she/they is the \_\_\_\_\_ of \_\_\_\_\_, the corporation described in foregoing instrument; that, by authority of the Board of Directors of the corporation he/she/they is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, he/she/they executed the foregoing instrument in the name of and on behalf of the corporation as the act and deed of the corporation.

\_\_\_\_\_  
**Notary Public**  
**Registration No.**

## APPENDIX H

### POLICY REGARDING INDEPENDENCE OF CONSULTANTS PROVIDING INVESTMENT ADVISORY SERVICES

#### General Policy

To discharge the fiduciary duty of the Comptroller, as Trustee of the Common Retirement Fund (CRF), to the members, retirees and beneficiaries of the New York State and Local Retirement System, the CRF must be able to use best-in-class consultants as advisors and to invest assets with best-in-class investment managers.

The CRF has several contracts with consultants who provide investment advice, both with general consultants and with asset class level consultants. The CRF also has contracts and relationships with other consultants and advisors, including contracts with a "pool" of consultants available to provide such consulting services on a project basis. Persons and entities in all of the above relationships are referred to herein as "consultants". Some of these consultants or their affiliates also offer investment management services.

It is not uncommon in the investment industry for a firm that offers investment consulting services to also offer investment management services, often through an affiliate. However, this can present a potential for or the appearance of a conflict where a firm providing investment consulting services to a client approaches the same client seeking to also manage money for that client.

To balance the potentially competing goals of consultant independence and obtaining the best investment consulting services as well as the most attractive investment opportunities, it is the policy of the CRF that consultants providing investment advisory services to the CRF cannot seek to manage assets for the CRF, either directly or through their affiliates, during the term of the consulting services contract, unless specifically requested to do so by the Chief Investment Officer (CIO) of the CRF and subject to certain procedures set out herein to manage potential conflicts in such situations.

This policy will apply to consultants that currently provide investment advisory services to the CRF. Accordingly, the CRF will not consider any new investment opportunity with such a consultant or its affiliate, except as provided herein.

Language implementing this policy will be included in future contracts with consultants to provide investment advisory services to the CRF.

#### Disclosure of Other Lines of Business RFP, RFPI

Any request for proposals (RFP), request for proposals by invitation (RFPI) or similar solicitation of proposals from consultants to provide investment advice to the CRF shall include, without limitation, the following questions or requests for information:

1. Whether the proposer is an SEC registered investment advisor.
2. Proposer's other lines of business and approximate percentage of total revenue.
3. Proposer's investment allocation process among clients.
4. Potential conflicts, including economic or financial interests, fee or other compensation arrangements the proposer, its employees or affiliates have with sponsors (or affiliates) of private investment funds, other investment advisors, investment companies, broker dealers, municipal securities dealers and any other person or entity that could, or could be reasonably perceived to conflict with the proposer's ability to provide unbiased and objective investment advice to CRF.

## **Fiduciary Duty and Potential Conflicts**

In all contracts for investment consulting services, the contracting party shall represent that it (i) does not have any conflict of interest not previously disclosed to the CRF in writing that could reasonably be expected to impair its ability to provide unbiased and objective investment advice or decisions, (ii) will promptly disclose in writing to the CRF any such conflict that it may have hereafter, and (iii) will annually file a statement with the CRF that it is in compliance with these requirements, which statement shall include the following language:

"[THE CONTRACTING PARTY] ACKNOWLEDGES THAT IT OWES THE COMPTROLLER AND THE FUND A FIDUCIARY DUTY. THIS MEANS THAT, AMONG OTHER THINGS, [THE CONTRACTING PARTY] MUST DISCLOSE TO THE COMPTROLLER INFORMATION ABOUT MATERIAL CONFLICTS OF INTEREST. [THE CONTRACTING PARTY] ACKNOWLEDGES THAT FAILURE TO TRUTHFULLY COMPLETE THIS STATEMENT MAY RESULT IN CRIMINAL OR CIVIL LIABILITY."

## **Obligation to Protect Confidential Information**

All contracts with consultants to provide investment advisory services to the CRF will include language obligating the consultant to protect confidential information pertaining to the CRF and to establish adequate internal control procedures to ensure that such confidentiality obligation is fulfilled.

## **Annual Compliance Questionnaire**

All contracts with consultants to provide investment advisory services to the CRF will include language requiring that they complete the CRF's annual compliance questionnaire. The questionnaire will include questions to elicit information about potential conflicts with the interests of the CRF and how any such potential conflict is being managed.

## **Restrictions on Seeking Investments**

All contracts with consultants to provide investment advisory services to the CRF will include language providing that the consultant shall not (a) directly or indirectly, for so long as the agreement remains in effect, seek any investment by or from the CRF with respect to a transaction with the consultant or any affiliate thereof unless specifically requested to do so by the CIO, or (b) use nonpublic information obtained from the provision of services under the consulting services contract in the execution of a particular private equity transaction. In addition, the consultant shall agree to establish appropriate internal compliance and monitoring procedures to prevent the occurrence of any of the foregoing.

## **Where an Exception Applies; Process**

In the event the CIO requests that a consultant providing investment advisory services to the CRF present for consideration by the CRF an investment opportunity with a person or entity affiliated with the consultant, the following procedures will apply:

- (a) Before asking any consultant or an affiliate thereof to present an investment opportunity to the CRF, staff will make a written request to the CIO for approval to do so, detailing why such a presentation would be in the best interests of the CRF.
- (b) The staff request, CIO approval and the basis of the determination that it is in the best interests of the CRF will be documented in writing, included in the procurement record and provided to the Director of Compliance.
- (c) Personnel involved in the provision of consulting services to the CRF will not make such presentation or provide investment services, and must protect confidential information obtained in the course of providing consulting services.

- (d) A qualified consultant that is independent of the transaction will conduct the requisite due diligence and recommendation to the CRF regarding the potential investment.
- (e) In the context of the review of any transaction requiring REAC approval that may ultimately result from a presentation made under this exception, staff will report to REAC, that, at the request of the CIO, a person or entity affiliated with a CRF consultant presented the investment to the CRF, detailing how the potential conflict is being managed and explaining why this exception to the CRF's general policy precluding that circumstance is in the best interests of the Fund. With respect to other transactions that may result from a presentation made under this exception, staff will report the same information to the Internal Investment Committee (IIC) at the time such a proposed transaction is reviewed by IIC and to the Investment Advisory Committee (IAC) for its information after the transaction is concluded.

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